

CSG HOLDING CO., LTD.

SEMI-ANNUAL REPORT 2024



Chairman of the Board:

CHEN LIN

August 2024

Section I. Important Notice, Content and Paraphrase

Board of Directors and the Supervisory Committee of CSG Holding Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the facticity, accuracy and completeness of the whole contents.

Ms. Chen Lin, person in charge of the Company, Ms. Wang Wenxin, responsible person in charge of accounting and Ms. Wang Wenxin, principal of the financial department (accounting officer) confirm that the Financial Report enclosed in the semi-annual report of the Company is true, accurate and complete.

All directors were present at the meeting of the Board for deliberating the semi-annual report of the Company in person.

The future plans and other forward-looking statements mentioned in this report do not constitute a material commitment of the Company to investors. Investors and relevant parties should pay attention to investment risks, and understand the differences between plans, forecasts and commitments.

The Company has described the risk factors and countermeasures of the Company's future development in detail in this report. Please refer to Section III. Management Discussion and Analysis.

The Company is required to comply with the disclosure requirements of "Non-metallic Building Materials Related Business" in the "Self-regulatory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 3- Industry Information Disclosure (Revised in 2023)".

The Company has no plans of cash dividend distribution, bonus shares being sent or converting capital reserve into share capital.

This report is prepared both in Chinese and English. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

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Documents available for Reference

- I. Text of the financial report carrying the signatures and seals of the person in charge of the Company, the responsible person in charge of accounting and the principal of the financial department (accounting officer).
- II. All texts of the Company's documents and original public notices disclosed in the papers appointed by CSRC in the report period.

Paraphrase

Item	Refers to	Content
Company, the Company, CSG Group, CSG, Group or the Group	Refers to	CSG Holding Co., Ltd.
Foresea Life	Refers to	Foresea Life Insurance Co., Ltd.
Ultra-thin electronic glass	Refers to	The electronic glass with thickness between 0.1~1.1mm
AG glass	Refers to	Anti-glare glass
AF glass	Refers to	Anti-fingerprint glass
AR glass	Refers to	Anti-reflection glass
Ice Kirin	Refers to	CSG's brand for multi-silver high-performance energy-saving glass
BIPV	Refers to	Building Integrated Photovoltaic

Section II. Company Profile & Financial Highlights

I. Company Profile

Short form of the stock	Southern Glass A, Southern Glass B	Stock code	000012, 200012
Listing stock exchange	Shenzhen Stock Exchange		
Legal Chinese name of the Company	中国南玻集团股份有限公司		
Abbr. of legal Chinese name of the Company	南玻集团		
Legal English name of the Company	CSG Holding Co., Ltd.		
Abbr. of legal English name of the Company	CSG		
Legal Representative	Chen Lin		

II. Person/Way to contact

	Secretary of the Board	Representative of securities affairs
Name	Chen Chunyan	Xu Lei
Contact address	CSG Building, No.1 of the 6th Industrial Road, Shekou, Shenzhen, P. R.C.	CSG Building, No.1 of the 6th Industrial Road, Shekou, Shenzhen, P. R.C.
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Fax.	(86)755-26860685	(86)755-26860685
E-mail	securities@csgholding.com	securities@csgholding.com

III. Other information

1. Way of contact

Whether registered address, office address and their postal codes, website address and email address of the Company changed in the report period or not

Applicable Not applicable

The registered address, office address and their postal codes, website address and email address of the Company did not change in the report period. More details can be found in Annual Report 2023.

2. Information disclosure and preparation place

Whether information disclosure and preparation place changed in the report period or not

Applicable Not applicable

The newspapers designated by the Company for information disclosure, the website designated by CSRC for disclosing semi-annual report and preparation place of semi-annual report did not change in the report period. More details can be found in Annual Report 2023.

3. Other relevant information

Whether other relevant information changed in the report period or not

Applicable Not applicable

IV. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

	The report period (Jan. to Jun.2024)	The same period of last year	Increase/decrease year-on-year
Operating income (RMB)	8,078,970,651	8,389,340,245	-3.70%
Net profit attributable to shareholders of the listed company (RMB)	733,111,562	889,478,780	-17.58%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	672,901,192	838,238,768	-19.72%
Net cash flow arising from operating activities (RMB)	993,284,145	518,427,185	91.60%
Basic earnings per share (RMB/Share)	0.24	0.29	-17.24%
Diluted earnings per share (RMB/Share)	0.24	0.29	-17.24%
Weighted average ROE	5.08%	6.69%	-1.61%
	End of this period	End of last year	Increase/decrease in this period-end over that of last year-end
Total assets (RMB)	32,268,955,506	30,362,057,312	6.28%
Net assets attributable to shareholders of the listed company (RMB)	14,019,448,902	14,050,840,217	-0.22%

V. Difference of accounting data under domestic and overseas accounting standards

1. Differences of the net profit and net assets disclosed in financial report prepared under international and Chinese accounting standards

Applicable Not applicable

No such differences in the report period.

2. Difference of the net profit and net assets disclosed in financial report prepared under overseas and Chinese accounting standards

Applicable Not applicable

No such differences in the report period.

VI. Items and amounts of non-recurring gains and losses

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	4,202,074	
Government subsidies included in the profit and loss of the current period (except government subsidies that closely related to the normal operation of the company, in line with national policies and provisions, in accordance with the defined standards, and have a continuous impact on the profit and loss of the company)	58,517,357	
In addition to the effective hedging business related to the normal operation of the company, the profit or loss of fair value changes arising from the holding of financial assets and financial liabilities by non-financial enterprises and the loss or gain arising from the disposal of financial assets and financial liabilities and available for sale financial assets	924,109	
Reversal of provision for impairment of receivables that have been individually tested for impairment	6,819,779	
Profit and loss from debt restructuring	569,142	
Other non-operating income and expenditure except for the aforementioned items	1,748,299	
Less: Impact on income tax	11,058,108	
Impact on minority shareholders' equity (post-tax)	1,512,282	
Total	60,210,370	

Particulars about other gains and losses that meet the definition of non-recurring gains and losses:

Applicable Not applicable

It did not exist that other profit and loss items met the definition of non-recurring gains and losses.

Explanation of the non-recurring gains and losses listed in the *Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public - Non-recurring Gains and Losses* as recurring gains and losses

Applicable Not applicable

It did not exist that non-recurring profit and loss items listed in the "*Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Profit and Loss*" were defined as recurring profit and loss items in the report period.

Section III. Management Discussion and Analysis

I. Main business of the Company during the report period

(I) Main business of the Company

CSG is a leading domestic brand of energy-saving glass and a renowned brand of solar PV products and display devices. Its products and technologies are well-known at home and abroad. Its main business includes R&D, manufacturing and sales of high-quality float glass, architectural glass, photovoltaic glass, new materials and information display products such as ultra-thin electronic glass and display devices, as well as renewable energy products such as silicon materials, photovoltaic cells and modules, and it provides one-stop services for photovoltaic power station project development, construction, operation and maintenance, etc. The Company owns quartz sand raw material processing and production bases in Jiangyou, Sichuan; Qingyuan, Guangdong; Fengyang, Anhui; and Beihai, Guangxi (currently under construction), which ensure a steady supply of raw materials for the Company's glass production.

Photovoltaic glass business

CSG entered the photovoltaic glass manufacturing industry in 2005. As one of the earliest enterprises engaged in manufacturing in this field in China, the Company is based on independent research and development and has formed a full closed-loop production capacity from photovoltaic glass original sheet production to deep processing, covering 1.6-4mm thickness deep processing products. With nearly 20 years of experience in the production of photovoltaic glass, CSG has accumulated a solid foundation in key equipment and technologies such as kiln, calendaring and deep processing, and its product quality enjoys a high status and reputation in the industry, and has become an important and even strategic cooperative supplier of global module leading enterprises. The ultra-thin photovoltaic glass below 2mm developed and promoted by the Company is a high-quality packaging material for lightweight double-glass photovoltaic modules, and the product capacity, quality and comprehensive manufacturing yield continue to maintain the forefront of the industry.

In the context of the era of carbon peak and carbon neutrality, the Company is firmly optimistic about the long-term development of the photovoltaic new energy industry, resolutely responds to the national "dual carbon" strategic goal, and continuously improves and enhances the large-scale layout and business competitiveness of the Group's photovoltaic glass on the basis of relying on the national "14th Five-Year Plan" and the Company's own strategic development plan. As of June 2024, the Company has a total of 9 photovoltaic rolled glass original sheet production kilns and supporting deep processing production lines in Dongguan, Wujiang, Fengyang, Xianning and Beihai, of which the first kiln and supporting processing lines in Beihai, Guangxi are in the trial production stage, and the second kiln and supporting processing lines and the technical upgrading project of Wujiang photovoltaic line are under construction in an orderly manner as planned. After the project under construction and technical transformation project are put into production, the Company's photovoltaic glass production capacity will be greatly increased, and the scale advantage will be further improved and consolidated.

As the most potential clean energy, photovoltaic will have a broader development space in the future, the technological development speed of the industry will be more rapid, and the requirements for photovoltaic glass will be more professional and

personalized. The Company has rich experience and advanced technological R&D advantages in production technology, process concepts, product awareness. In the future, the Company will continue to improve the level of R&D, meet the market demand through technological innovation, optimize the product structure, and strive to become a more professional photovoltaic glass supplier.

Architectural glass business

As one of the largest high-end building energy-saving glass suppliers in China, CSG integrates R&D and design, technical consulting, production and manufacturing, and marketing and service in the architectural glass business. It always aims to “build green energy-saving products and create quality life” and forms a CSG brand image with quality, service and continuous R&D as its core competitiveness, which is strongly competitive in foreign markets as well. The Company has the world's leading glass deep processing equipment and testing instruments, and its products cover all kinds of engineering and architectural glass. Currently, the Company has seven deep processing bases of energy-saving glass in Tianjin, Dongguan, Xianning, Wujiang, Chengdu, Zhaoqing and Xi'an, and the layout of national bases is being perfected.

CSG's architectural glass business adheres to the customized business strategy of trinity of technical service, marketing, R&D and manufacturing, relying on its own manufacturing and R&D strength, as well as the marketing and service network formed by domestic and overseas offices, to meet the personalized needs of domestic and foreign customers and construction projects. The Company's R&D and application level in coating technology keep pace with the world, the high-end product technology is internationally leading, and the high-quality energy-saving and environmentally friendly LOW-E insulating glass continues to lead the domestic high-end market share. In 2017, CSG's low-E coated glass was awarded the title of Single Champion Product by the Ministry of Industry and Information Technology, and it passed the review again in March 2024, which fully proves the leading position of CSG's architectural glass in the industry. Under the background of the "dual carbon" goal and the national green energy-saving building requirements, the Company has taken the lead in independently developing many energy-saving products, such as innovative and world-leading "Ice Kirin" glass series products, thermal insulation products, BIPV products, etc., among which the "Ice Kirin" glass series products have received unanimous praise from the market for their high performance and stability relying on the Company's advanced coating technology, and have become the benchmark in the domestic product market. The innovation and R&D of energy-saving products with higher energy efficiency is important to the energy conservation and emission reduction of newly constructed buildings and vital to the energy-conservation-oriented transformation of existing buildings. In order to meet the market demand for product innovation, the Company will continue to conduct innovation, so as to provide products with higher energy efficiency for the market.

The Company's quality management system for engineering and architectural glass has been respectively approved by organizations of UK AOQC and Australia QAS. The product quality which meets the national standards of the US, the UK and Australia enables CSG has an advantage in the international tendering and bidding. Since 1988, CSG's engineers and technicians have been continuously participating in the formulation and compilation of various national standards and industry standards. All kinds of high-quality engineering architectural glass provided by the Company are widely used in landmark buildings such as major city CBDs and transportation hubs at home and abroad, which are too numerous to mention.

In addition, the Company has always adhered to the intelligent transformation and digital transformation as the key increment of the development of architectural glass business. It has continuously invested and accumulated rich experience in the research of production automation, intellectualization, information technology and equipment, and the efficiency improvement of intelligent upgrading and transformation of traditional equipment. With technological progress and process optimization, the Company has reduced production manpower consumption, material consumption and energy consumption, actively promoting the Company's transformation and upgrading to achieve intensive manufacturing and high-quality development.

Float glass business

In the field of float glass, CSG has 10 advanced float glass production lines in Dongguan, Chengdu, Langfang, Wujiang and Xianning. In the first half of 2024, one production line of Chengdu Float Company was shut down for upgrading and renovation, and as of June 2024, there are a total of 9 production lines in production. The products that cover high-quality float glass and ultra-white float glass with various thicknesses and specifications of 1.6-25 mm are trusted by customers because of their quality. CSG float glass products are high-end products that can be directly used in downstream deep processing, and the proportion of differentiated glass products with special specifications and special application scenarios such as ultra-white, ultra-thin and ultra-thick is large, which are widely used in high-end building curtain walls, decoration and furniture, reflectors, automobile windshields, scanners and photocopiers transmitting plates, home appliance panels, display protection and other application fields with high requirements on glass quality. CSG has established long-term and stable business cooperation with many well-known processing enterprises.

The profit level of the float glass business is generally positively correlated with the level of real estate completion data, and is also affected by multiple factors such as current energy and raw material prices, product structure, and enterprise management level. Differentiated glass products have higher added value due to specific application scenarios, higher production process difficulties, stable demand, and relatively proactive pricing by manufacturers. In response to the downward pressure on the market, the Company focuses on improving management efficiency, improving the level of lean production of conventional products, firmly implementing the differentiated competition strategy, carefully cultivating and developing differentiated product markets, and continuously increasing the proportion of high-value-added product sales, such as ultra-white products, so as to continuously consolidate and enhance the industry competitiveness of the Company's float glass business.

In the first half of 2024, the new construction and completion volume in the real estate industry showed a significant decline compared with the same period last year, the supply and demand relationship in the real estate market changed, the domestic architectural glass market demand continued to slow down, the market was declining, and the float glass industry was undergoing cyclical adjustments. However, with the continuous promotion of the national "dual carbon" policy and the improvement of people's living standards, the market demand for differentiated products such as ultra-white float glass is relatively stable.

Electronic glass and display business

For more than a decade, CSG Electronic Glass has always adhered to technology leadership, attached importance to R&D and innovation, broken through market barriers with independent intellectual property rights and independent innovation, and firmly followed the development route of quality priority. After more than a decade of continuous cultivation and accumulation, CSG Electronic Glass has completed the comprehensive coverage of electronic glass products in various application scenarios of high, medium and low-end applications. It actively explores new markets and developed new applications in intelligent consumer electronics terminals, touch components, automotive window glass, vehicle displays, medical equipment, industrial control commercial displays, smart homes and other application fields, and the market share and brand effect of the Company's medium-alumina and high-alumina electronic glass products remain stable. CSG has long been committed to becoming an industry-leading glass material solution provider, and it will develop new application materials in the fields of smart home, vehicle display, advanced medical, new energy vehicles, and smart home appliances in the future.

In the touch display field, CSG has formed a complete touch industry chain from vacuum magnetron sputtering coating, 3A (AG, AR, and AF) cover plate processing and fine pattern lithography processing, to touch display modules. The main business includes optical coating materials, vehicle-mounted cover plates and vehicle-mounted touch panels. Among them, the optical coating material segment includes the two business types of ITO conductive glass and ITO conductive film, and the products are

positioned at middle and high-end customers at home and abroad and are concentrated in differentiated high-value-added ones. The vehicle-mounted cover plate business segment comprises a variety of products, including vehicle-mounted AG glass, vehicle-mounted 2A (AR and AF) cover plates, vehicle-mounted 3A cover plates, and customized cover plates of special functions. These products are supplied indirectly to renowned domestic and international automotive brands through downstream customers of vehicle-mounted device manufacturers.

Solar energy business

CSG Group is a pioneer in the field of photovoltaic product manufacturing in China, with a complete industrial chain covering high-purity crystalline silicon, silicon wafers, solar cells, modules and the investment and operation of photovoltaic power plants. CSG has three national-level scientific research and technology platforms and seven provincial-level scientific research and technology platforms, including the "National and Local Joint Engineering Laboratory for Semiconductor Silicon Material Preparation Technology" and the "National Enterprise Technology Center".

In recent years, under the trend of "dual carbon", the photovoltaic track has become hot, and the expansion momentum of different links in the industrial chain is strong. After entering 2024, the supply-demand imbalance has led to a significant decline in market prices at various links of the industrial chain, market competition has intensified in the short run, and the elimination of outdated production capacity has accelerated and the photovoltaic industry has entered a deep water zone of reshuffle. In the long run, with the increasing demand for clean energy and continuous technological progress around the world, the photovoltaic industry will continue to maintain a steady and rising development trend and make greater contributions to the transformation and upgrading of the energy structure. The subsidiaries of CSG's photovoltaic sector fully implement the strategic decisions and arrangements made by the Group's management. The low-energy-consuming project of Yichang base is smoothly promoted. The 50,000 tons/year high-purity crystalline silicon project in Qinghai base is under construction as planned, which will further expand the scale of the Group's solar energy business and enhance the overall competitiveness of the Group after it is put into operation. Dongguan base increases efforts to develop differentiated product markets and enhance market share. Shenzhen base continues to increase the development of power station projects.

(II) Overview of operation during the report period

In the first half of 2024, under the impact of multiple factors such as the complicated and volatile international economic situation, increase in trade barriers, deep adjustment of the domestic real estate sector as well as accelerated decline in the prices throughout the photovoltaic industry due to periodical supply-demand imbalance, the overall situation of the industries that the Company engaged in was severe, the pressure on the enterprises' production and operation increased, and the operational quality and efficiency of the industry was under stress. With the ups and downs of the economic environment, the Company maintained its strategic focus and actively responded to the market changes, analyzed the market and industry dynamics in a timely manner, duly adjusted the business strategies, and fully implemented lean management and cost reduction and efficiency increase to achieve maximum control of various costs. Meanwhile, the Company gave full play to its advantages of scale and industrial chain, deepened the differentiated business strategy, and strived to maximize the economic benefits. In the first half of 2024, the Company's operating revenue totalled RMB 8.079 billion, decreasing by 4% year-on-year; its net profit reached RMB 0.721 billion, decreasing by 18% year-on-year; and the net profit attributable to shareholders of the listed company was RMB 0.733 billion, decreasing by 18% year-on-year.

Glass business segment

Photovoltaic glass: In the first half of 2024, the supply-demand mismatch in the photovoltaic market remained prominent, with a significant decline in industry chain prices and factors such as international trade barriers, and the photovoltaic industry was in a cyclical adjustment phase. The Company was fully dedicated to providing high-quality and high-performance photovoltaic glass products while perfecting its industrial layout and enhancing its economies of scale. It unswervingly implemented the differentiated business strategy and continued to promote the lean production management to improve efficiency. In the face of the industry's rapid technological upgrading, the Company quickly adapted to market needs and strengthened technological innovation, achieving significant results in the research and sales of differentiated products.. The Company independently developed high-transmittance double-coated photovoltaic glass, colourless double-coated photovoltaic glass, anti-glare photovoltaic glass, dust-proof photovoltaic glass and so on. These products meet the customers' regular performance requirements while greatly satisfying their specific needs in terms of high transmittance, aesthetics, anti-glare, cleaning, etc., representing a perfect combination of industrialisation and humanisation. Facing the price fluctuations in the photovoltaic glass market, the Company focused on improving quality and efficiency and differentiated layout. On the one hand, it relied on its own resource endowment and gave full play to the advantages of underlying technology to empower the enhancement of production efficiency and cost reduction. On the other hand, precisely combining with the downstream customers' demand for product diversification, it matched the characteristics of different battery technologies to develop and promote differentiated products, giving photovoltaic glass various characteristics such as high efficiency, aesthetics and scenarization. By putting various important management initiatives in place, the Company's photovoltaic glass business achieved steady operation in the volatile market condition, and gradually formed a core competitiveness of sustainable development.

Architectural glass: As the golden brand of CSG, the Company's architectural glass business has been equipped with quality, service and continuous R&D capabilities that match the brand. Focusing on the continuous improvement of the building energy-saving standards and high-rise building safety standards, the Company strengthens brand building and adheres to the customized business strategy integrating technical service, marketing, and R&D and manufacturing, to meet the personalized needs of domestic and foreign customers and construction projects. As the Company's share in the domestic high-end construction market continues to rise, it also maintains a leading position in market scale and profitability in the field of deep processing within the same industry.

In the first half of 2024, faced with a complex external economic situation, the Company's architectural glass business adjusted its business strategies, actively explored the market to seek diversified development, strengthened the operation of product differentiation, and thus the overall operation remained stable. By refining the market layout, the Company continued to increase the signing of high-quality projects, which resulted in the drastic year-on-year increase of the order compounding degree. Furthermore, it strongly advanced the business of customized products to explore new business growing points, continued to increase the proportion of sales of differentiated products to enhance the overall product profitability, and expanded the influence of the brand of CSG by strengthening brand promotion and opening up emerging markets. Moreover, it promoted the digital transformation to improve the automation and informatization level of production line and constantly enhance the production efficiency of equipment, and continuously strengthened the cost reduction and efficiency increase and lean management to improve core competitiveness. With adoption of this series of initiatives, the Company's architectural glass business achieved a

steady operation in current competitive market environment, while the development of product diversification further enhanced the market competitiveness and service capabilities of architectural glass.

Float glass: In the first half of 2024, the industry went through a cyclical adjustment. Facing the severe business environment, the Company firmly implemented the differentiated product strategy. On the one hand, it focused on the domestic high-end ultra-white glass market, created “Blue Diamond”, a high-end brand of ultra-white glass series, and continuously increased the market share to become the leader in the industry segment. On the other hand, it constantly produced and marketed more high value-added products such as large-size and ultra-thick products and high-grade products, to stay among the top in the segment market of high-grade float glass and enhance profitability.

At the same time, the Company continued to reduce costs and increase efficiency, effectively reducing the procurement cost by coordinating and organizing the centralized procurement of bulk raw materials. The production efficiency was steadily improved by strengthening the lean management of full production process.

Electronic glass and display business segment

According to the data released by industry research organizations, after a downturn of more than two years, the global shipment volume of smartphones in the first quarter of 2024 amounted to approximately 290 million units, up 8.9% year-on-year, and this figure is expected to grow by 4.0% for the year to reach 1.21 billion units. However, there is still a wide gap compared with 1,405 million units in 2018, and the global smartphone market is still facing certain challenges. In the first half of 2024, with the domestic electronic glass market being impacted by the continued release of new production capacity, the contradiction between supply and demand became more intense, the industry was more competitive, the price in the electronic glass market continued to decline, and the industry’s operational efficiency was affected to a certain extent.

Facing the severe market environment, the Company’s electronic glass business constantly strengthened the research and development and promoted the cost reduction and efficiency increase in terms of internal management. For marketing, it continued to actively explore new markets and develop new applications in intelligent electronic terminals, touch control modules, vehicle-mounted displays, medical equipment, industrial automatic control displays & commercial displays, smart home and other fields. In the first half of the year, the Company’s overall market share of medium-alumina and high-alumina electronic glass products remained stable.

For display devices, in the first half of 2024, the Company deeply ploughed its traditional dominant segment of optical coating material business. On the other hand, it continued to develop its vehicle-mounted cover plate business, the newly expanded project Phase II achieved mass production and the sale volume increased substantially compared with the same period last year. For vehicle-mounted touch panel segment, the Company’s production and sales volumes declined compared with the same period last year due to the shrinking global demand for consumer electronics and the popularity of in-cell touch technology.

Solar energy business segment

In the first half of 2024, China’s photovoltaic new installation scale and exports of photovoltaic products continued to grow and the overall demand was improving. However, the price of main products in the industrial chain was substantially affected by intensified market competition due to concentrated rapid growth of the supply, and thus declined sharply year-on-year. The solar photovoltaic industry is facing serious challenges of supply-demand mismatch, accelerated elimination of backward production capacity and persistently depressed product-end price. Under the background of industry reshuffle, all processes of the whole

industrial chain are being operated under pressure. In the first half of 2024, the overall profitability of photovoltaic enterprises fell dramatically year-on-year, losses for almost all types of business from silicon materials to silicon wafers and from solar cells to modules. The photovoltaic industry is currently in the course of gradually returning to rational development from explosive growth, and the industrial chain has wholly entered a period of adjusting and reshaping market pattern. As the photovoltaic industry entered a new round of adjustment cycle, with the cost pressures and squeezed profit margins as well as under the double challenges of intensified market competition and slowdown in the growth rate of end demand, the solar photovoltaic business segment of the Company was impacted significantly in the first half of 2024 and the Company took actions promptly to address this impact. Through the analysis of market trends and industry development and dynamics, it responded quickly to market changes, reasonably planned its pace of production and operation. By improving the process, it enhanced the product quality, strengthened lean management, deeply dug the potential of equipment, fully implemented the strategy of cost reduction and efficiency increase, and thus effectively offset some of the market pressures.

II. Core Competitiveness Analysis

CSG Group, one of the most competitive and influential large-scale enterprises in China's glass industry and new energy industry, is committed to the development of energy conservation renewable, and new material industry. After four decades of development and accumulation, the Company has gradually formed a comprehensive competitive advantage in terms of products and brands, technology research and development, industrial chain and layout, talent team, and green development.

1. Product and brand advantages

"CSG" is a famous brand of domestic energy-saving glass, ultra-thin electronic glass, display and solar photovoltaic products. Its products and technology are well-known at home and abroad. The trademarks "南玻" and "SG" held by the Company are both "Famous Trademark of China". The Company has been listed in the "Preferred Brand of Architectural Glass" in Door and Window Curtain Wall Industry for many years and the "Top 20 Building Materials Enterprises in China" in 2023. "CSG" brand was recognized by the United Nations Industrial Development Organization as the fourth batch of "International Reputation Brand" in 2018. CSG's low-E coated glass and ultra-thin electronic glass were awarded the title of "Single Champion Product" by the Ministry of Industry and Information Technology, and it is the only manufacturer in the domestic glass industry that has two single champion products at the same time. The Company was awarded the title of "Outstanding Green Manufacturing Enterprise" in the building materials industry of Guangdong Province for the period of 2018-2022, and the title of "Shenzhen Top 500 Enterprises for 2023" (ranking No. 94).

2. Technology research and development advantages

The Company has always valued technological R&D and adopted independent R&D as its foundation since its establishment. As of 30 June 2024, the Company has had a total of 22 national high-tech enterprises, 2 national-level single champion products in the manufacturing industry, 1 national-level engineering laboratory, 1 national-level enterprise technology centre, 5 national enterprises with intellectual property advantages, 1 national intellectual property demonstration enterprise, 6 national-level specialized, sophisticated, distinctive, and innovative enterprises ("Little Giants"), 2 provincial-level expert workstation, 1 provincial-level doctoral workstation, 13 provincial-level enterprise technology centres, 6 provincial-level engineering technology research centres, 2 provincial-level engineering research centres, 4 provincial-level demonstration enterprises for intellectual property construction, 1 provincial-level intellectual property demonstration enterprise, 7 provincial-level "Little Giants", 1 provincial-level government quality award, 10 provincial-level scientific and technological progress awards, and 4 provincial-level patent awards. As of 30 June 2024, the Company has applied for a total of 3,210 patents, including 1,383 invention patents, 1,814

utility model patents, and 13 design patents. Moreover, the Company has had a total of 2,361 authorized patents, including 540 invention patents, 1,808 utility model patents, and 13 design patents.

3. Industrial chain and layout advantages

The Company has three complete industrial chains of energy-saving glass, electronic glass and display, and solar photovoltaic glass. With the continuous improvement of the technological level of each process of the industrial chains, the Company's industrial advantage becomes obvious; meanwhile, the Company possesses a complete industry layout, with production bases located in South China, North China, East China, Southwest China, Central China, and Northwest China.

4. Talent team advantages

The Company's advantage in talent teams is mainly reflected in two aspects: On the one hand, the Company has established a strong R&D team and a powerful R&D system. Through the construction of the core technical team, continuous R&D investment, and abundant technical reserves, it has constituted an important technology and innovation support for the Company's strategies. Meanwhile, it has established Industry-University-Research cooperation, actively cooperating with domestic colleges and universities which are in advantage in silicate materials industry, to accelerate the transformation of scientific research results, and to strengthen basic research; on the other hand, an excellent and stable management team is one of the most fundamental guarantees for the Company's rapid and stable development. The Company has formed a good echelon training mechanism for professional managers. At present, the Company's senior management team has comparative advantages in multiple aspects, such as academic background, professional quality, knowledge base, management philosophy and experience.

5. Green development advantages

With the continuous impetus of the "dual carbon" goals, the Company has taken active actions in various carbon-related fields. For example, the Company has widely conducted professional training on carbon emission management to improve the ability of relevant personnel to better cope with carbon-related affairs. Meanwhile, the Company has actively promoted through-life carbon footprint certification for relevant products as a preparation for downstream market expansion of green and low-carbon products. Furthermore, Hebei CSG Glass Co., Ltd., a subsidiary of the Company and an outstanding and benchmark enterprise in the flat glass industry, recognized as a pilot enterprise for carbon peaking in the construction material industry, has made efforts to explore and implement the action plans and effective routes of carbon peaking in the industry. The relevant subsidiary of the Company has actively gotten involved in the regional pilot market of carbon transactions to strive for a calculation method of carbon quota matching the real situation of the Company's production. With its total emissions highly consistent with the quotas. As a pioneer of green development in the industry, the Company has 9 subsidiaries being honored as national "Green Factories", winning itself abundant room for development.

III. Main business analysis

Overview

Please refer to the relevant content of "I. Main business of the Company in the report period".

Year-on-year changes of main financial data

Unit: RMB

	The report period	The corresponding period of last year	Increase /decrease year-on-year (%)	Reasons of change
Operating income	8,078,970,651	8,389,340,245	-3.70%	
Operating costs	6,333,338,505	6,495,395,931	-2.49%	
Sales expenses	155,003,701	146,856,141	5.55%	
Administration expenses	394,521,014	340,252,772	15.95%	Mainly due to the increase in amortization of intangible assets - mining rights.

Financial expenses	75,849,425	72,764,645	4.24%	Mainly due to the reduction of the national deposit interest rate and the decline of the Company's interest income.
Income tax expenses	78,227,657	74,094,170	5.58%	
R&D investment	336,673,375	346,264,501	-2.77%	
Net cash flow arising from operating activities	993,284,145	518,427,185	91.60%	Mainly due to the increase in bill discounting for this period.
Net cash flow arising from investment activities	-1,515,159,927	-1,682,063,852	-9.92%	
Net cash flow arising from financing activities	937,592,707	-793,930,485	218.10%	Mainly due to the payment of RMB 2 billion of maturing corporate bonds in the same period of last year, while there was no such item in the current period.
Net increase in cash and cash equivalents	426,377,690	-1,954,758,111	121.81%	Mainly due to the payment of RMB 2 billion of maturing corporate bonds in the same period of last year, while there was no such item in the current period.

Major changes on profit composition or profit resources in the report period

Applicable Not applicable

There was no major change in the Company's profit composition or profit resources during the report period.

Composition of operating income

Unit: RMB

	The report period		The corresponding period of last year		Increase/decrease y-o-y
	Amount	Ratio in operating income	Amount	Ratio in operating income	
Total of operating income	8,078,970,651	100%	8,389,340,245	100%	-3.70%
According to industry					
Glass industry	7,198,705,489	89.10%	6,335,187,971	75.51%	13.63%
Electronic glass & Display industry	709,839,096	8.79%	720,405,893	8.59%	-1.47%
Solar energy and other industries	349,633,564	4.33%	1,585,418,445	18.90%	-77.95%
Undistributed	196,342,139	2.43%	220,156,296	2.62%	-10.82%
Inter-segment offsets	-375,549,637	-4.65%	-471,828,360	-5.62%	-20.41%
According to product					
Glass products	7,198,705,489	89.10%	6,335,187,971	75.51%	13.63%
Electronic glass & Display products	709,839,096	8.79%	720,405,893	8.59%	-1.47%
Solar energy and other products	349,633,564	4.33%	1,585,418,445	18.90%	-77.95%
Undistributed	196,342,139	2.43%	220,156,296	2.62%	-10.82%
Inter-segment offsets	-375,549,637	-4.65%	-471,828,360	-5.62%	-20.41%
According to region					
Mainland China	7,411,866,057	91.74%	7,695,234,258	91.73%	-3.68%
Overseas	667,104,594	8.26%	694,105,987	8.27%	-3.89%

List of the industries, products or regions exceed 10% of the operating income or operating profits of the Company

√ Applicable □ Not applicable

Unit: RMB

	Operating income	Operating cost	Gross profit ratio	Increase/decrease of operating income y-o-y	Increase/decrease of operating cost y-o-y	Increase/decrease of gross profit ratio y-o-y
According to industry						
Glass industry	7,198,705,489	5,559,603,466	22.77%	13.63%	9.75%	2.73%
Solar energy and other industries	349,633,564	359,131,958	-2.72%	-77.95%	-66.55%	-35%
According to product						
Glass products	7,198,705,489	5,559,603,466	22.77%	13.63%	9.75%	2.73%
Solar energy and other products	349,633,564	359,131,958	-2.72%	-77.95%	-66.55%	-35%
According to region						
Mainland China	7,411,866,057	5,808,301,328	21.64%	-3.68%	-2.09%	-1.27%

Under the circumstances that the statistical standards for the Company's main business data adjusted in the report period, the Company's main business data in the recent year is calculated based on adjusted statistical standards at the end of the report period

□ Applicable √ Not applicable

IV. Non-core business analysis

□ Applicable √ Not applicable

V. Assets and liabilities

1. Significant changes in assets composition

Unit: RMB

	End of the report period		End of last year		Increase or decrease in proportion	Explanation of significant changes
	Amount	Percentage to total assets	Amount	Percentage to total assets		
Cash at bank and on hand	3,619,278,955	11.22%	3,076,774,218	10.13%	1.09%	
Accounts receivable	1,845,881,636	5.72%	1,881,796,408	6.20%	-0.48%	
Inventories	1,978,742,256	6.13%	1,590,224,795	5.24%	0.89%	
Investment properties	292,711,858	0.91%	290,368,105	0.96%	-0.05%	
Fixed assets	12,785,878,380	39.62%	13,145,568,631	43.30%	-3.68%	
Construction in progress	5,860,245,516	18.16%	4,325,016,420	14.24%	3.92%	Mainly due to the increase in expenditure on ongoing

						constructions of some subsidiaries
Right-of-use assets	20,668,967	0.06%	21,637,628	0.07%	-0.01%	
Short-term borrowings	288,350,882	0.89%	436,853,583	1.44%	-0.55%	Mainly due to the repayment of short-term borrowings that were due
Contract liabilities	343,813,781	1.07%	362,538,795	1.19%	-0.12%	
Long-term borrowings	6,750,620,208	20.92%	6,221,648,676	20.49%	0.43%	
Lease liabilities	14,679,278	0.05%	15,134,562	0.05%	0%	
Non-current assets due within one year	-	0%	84,191,224	0.28%	-0.28%	Mainly due to the maturity of previously purchased large-amount certificate of deposit
Other non-current assets	232,792,856	0.72%	396,600,354	1.31%	-0.59%	Mainly due to the decrease in prepayment for engineering and equipment
Employee benefits payable	325,264,034	1.01%	483,337,796	1.59%	-0.58%	Mainly due to the year-end bonuses for employees accrued in the previous year that were paid during the report period
Taxes payable	166,777,597	0.52%	123,407,413	0.41%	0.11%	Mainly due to the increase in corporate income tax that was payable
Other payables	1,160,609,297	3.60%	484,741,877	1.60%	2%	Mainly due to the increase in dividends for ordinary shareholders that had been declared but were not yet paid out
Other current liabilities	296,865,126	0.92%	454,332,686	1.50%	-0.58%	Mainly due to the reclassification of supply chain financial notes to notes payable
Long-term payables	510,957,893	1.58%	88,204,163	0.29%	1.29%	Mainly due to the increase in finance leases of some subsidiaries
Special reserve	3,363,900	0.01%	1,411,139	0%	0.01%	Mainly due to a low base in the prior period and the changes in the current period

2. Main overseas assets

Applicable Not applicable

3. Assets and liabilities at fair value√ Applicable Not applicable

Unit: RMB

Item	Opening balance	Profit and loss from changes in fair value in the current period	Cumulative changes in fair value included in equity	Impairment accrued in the current period	Purchase amount for this period	Amount sold in this period	Other changes	Closing balance
Financial assets								
Investment properties ^{Note 1}	290,368,105						2,343,753	292,711,858
Receivables financing ^{Note 2}	529,945,623						92,184,622	622,130,245
Total of the above	820,313,728						94,528,375	914,842,103
Financial liabilities	0							0

Other changes:

Note 1: Other changes in investment properties were due to changes in the rental of the house for debt repayment obtained in the current year.

Note 2: Other changes in receivables financing were due to changes in higher credit rating instruments received or endorsed.

During the report period, whether the company's main asset measurement attributes changed significantly or not

Yes No

4. Limited asset rights as of the end of the report period

Unit: RMB

Item	Restricted Amount	Restricted reason
Monetary funds	141,639,610	Restricted circulation of deposits, freezes, etc
Notes receivable	1,092,137,999	Restriction of pledge
Fixed assets / Construction In Progress	627,742,974	Restricted financial leasing
Total	1,861,520,583	

VI. Investment analysis**1. Overall situation**√ Applicable Not applicable

Investment in the report period (RMB)	Investment in the same period of last year (RMB)	Change range
1,681,557,567	1,735,645,765	-3.12%

2. The major equity investment obtained in the report period

Applicable Not applicable

3. The major ongoing non-equity investment in the report period

√ Applicable □ Not applicable

Unit: RMB

Project name	Way of investment	Fixed asset investment or not	Industry involved	Amount invested during the report period	Accumulative amount actually invested by the end of the report period	Source of funds	Progress of project	Expected revenue	Accumulative revenue achieved by the end of the report period	Reasons for not achieving the planned progress and the expected revenue	Date of disclosure (if applicable)	Index of disclosure (if applicable)
Zhaoqing CSG High-grade Automotive Glass Production Line Project	Self-built	Yes	Manufacturing industry	2,162,751	149,764,077	Own funds and loans from financial institutions	Partially built			Part of the project has been completed, and the revenue thereof has been reflected in profits.	13 December 2019	Announcement number: 2019-077
Wujiang CSG Architectural New Architectural Glass Intelligent Manufacturing Plant Construction Project	Self-built	Yes	Manufacturing industry	480,863	88,017,373	Own funds and loans from financial institutions	Partially built			Part of the project has been completed, and the revenue thereof has been reflected in profits.	24 June 2020	Announcement number: 2020-051
Xi'an CSG Energy-saving Glass Production Line Project	Self-built	Yes	Manufacturing industry	17,899,051	240,483,044	Own funds and loans from financial institutions	Partially built			Part of the project has been completed, and the revenue thereof has been reflected in profits.	7 November 2020	Announcement number: 2020-070
CSG East China Headquarters Building	Self-built	Yes	Manufacturing industry	22,248,299	29,889,288	Own funds and loans from financial institutions	Under construction			No revenue as the project is still in the construction period.	27 August 2021	Announcement number: 2021-039
CSG Guangxi Beihai Photovoltaic Green Energy Industrial Park Project (Phase I)	Self-built	Yes	Manufacturing industry	541,274,995	1,279,635,841	Own funds and loans from financial institutions	Under construction			No revenue as the project is still in the construction period.	10 September 2021	Announcement number: 2021-041

Hefei CSG Energy-saving Glass Intelligent Manufacturing Industry Base Project	Self-built	Yes	Manufacturing industry		3,204,661	Own funds and loans from financial institutions	Preparatory stage			In the preparation stage, there is no income.	15 October 2021	Announcement number: 2021-043
Xianning CSG Energy-saving Glass Co., Ltd. Production Line Reconstruction and Expansion Construction Project	Self-built	Yes	Manufacturing industry	7,680,969	53,705,579	Own funds and loans from financial institutions	Under construction			No revenue as the project is still in the construction period.	3 December 2021	Announcement number: 2021-051
Phase I Upgrading and Technical Transformation Project of Qingyuan CSG Energy-Saving New Materials Co., Ltd.	Self-built	Yes	Manufacturing industry	2,247,649	28,939,219	Own funds and loans from financial institutions	Under construction			No revenue as the project is still in the construction period.	25 December 2021	Announcement number: 2021-053
High-purity crystalline silicon project with an annual output of 50,000 tons in Haixi Prefecture, Qinghai Province	Self-built	Yes	Manufacturing industry	857,680,692	3,504,454,840	Own funds and loans from financial institutions	Under construction			No revenue as the project is still in the construction period.	23 June 2022	Announcement number: 2022-024
Anhui Fengyang 37.6 MW Distributed Photovoltaic Power Generation Project	Self-built	Yes	Manufacturing industry	6,150,317	89,504,749	Own funds and loans from financial institutions	Already put into operation			Production has begun, and the gains have been reflected in the profits.	9 November 2022	Announcement number: 2022-061
Total	--	--	--	1,457,825,586	5,467,598,671	--	--	--	--	--	--	--

4. Financial assets investment**(1) Securities investment**

Applicable Not applicable

There was no securities investment during the report period.

(2) Derivative investment

Applicable Not applicable

There was no derivative investment during the report period.

5. Use of raised fund

Applicable Not applicable

There was no use of raised fund during the report period.

VII. Sale of major assets and equity**1. Sale of major assets**

Applicable Not applicable

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

2. Sale of major equity

Applicable Not applicable

VIII. Analysis of main subsidiaries and joint-stock companies

Applicable Not applicable

Particular about main subsidiaries and joint -stock companies which have influence on the Company's net profit by over 10%

Unit: RMB

Name of company	Type	Main business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Anhui CSG New Energy Material Technology Co., Ltd.	Subsidiary	Production and sales of photovoltaic glass	1,750 million	5,567,735,959	2,417,252,942	2,158,906,212	324,253,607	278,484,247
Chengdu	Subsidiary	Development,	260	1,055,035,769	657,008,830	562,391,011	99,634,574	87,591,625

CSG Glass Co., Ltd.		manufacture and sales of various special glass	million					
Xianning CSG Glass Co., Ltd.	Subsidiary	Manufacture and sales of special glass and photovoltaic glass	235 million	2,524,342,842	973,468,228	977,837,202	124,502,153	104,917,295

Particulars about subsidiaries obtained or disposed in report period

Applicable Not applicable

Description of main holding and shareholding companies

Anhui CSG New Energy Material Technology Co., Ltd. improved the operation of its new production line for photovoltaic glass, and the production and sales volume of photovoltaic glass increased significantly year-on-year; meanwhile, benefiting from the decline in the costs of raw materials and fuels, the performance significantly improved year-on-year. Mainly benefiting from the improved operation and lower costs of raw materials and fuels, the net profit of Chengdu CSG Glass Co., Ltd. increased considerably year-on-year. Due to the resumption of production after the technical reform and upgrade of the second-line of float glass and the improved operation of the new production line of photovoltaic glass, the production and sales volume of the main products of Xianning CSG Glass Co., Ltd. increased substantially year-on-year; meanwhile, benefiting from lower costs of raw materials and fuels, its performance improved significantly year-on-year.

IX. Structured main bodies controlled by the Company

Applicable Not applicable

X. Risks the Company faces and countermeasures

In 2024, in the face of severe international and domestic political and economic development and the task of building a “Century CSG”, the Company will face the following risks and challenges:

① The international political environment still faces many uncertainties.

Affected by the complicated international political environment, domestic economy still faces many challenges and uncertainties. In 2024, the Company will continue to strengthen its attention to the market, timely adjust operation strategy according to market changes, and strive to achieve the annual core work objectives through steady operation.

② The glass industry is facing fierce competition for similar products, fluctuating prices of raw materials and fuels such as heavy alkali and natural gas, and rising labour costs. The photovoltaic glass industry is not only faced with the risk of price game between all links of the photovoltaic industry chain affecting the market demand of photovoltaic glass, but also faces the risk of temporary oversupply in the photovoltaic glass industry due to the rapid increase in production capacity. Due to the intensifying competition in the industry market, the operational pressure faced by the architectural glass industry and the challenges brought about by the future market uncertainty are gradually increasing. The float glass industry is facing downward pressure on the downstream architectural glass market demand and the risk of cyclical adjustment of the industry. The electronic glass industry is facing the risk of intensified competition among similar products due to increasingly fierce contradiction between supply and demand in China. The solar energy industry is facing challenges such as temporary oversupply, significant price drops in various links of the industry chain, and a period of adjustment. In order to deal with the above risks, the Company will take the following measures:

A. In the photovoltaic glass sector, the Company will take "expanding the market, adjusting the structure, reducing costs, and controlling risks" as the sales management policy, deeply meet the market demand, optimize the product structure, and continue to promote lean management and differentiated operation, so as to improve its profitability; With the management policy of "ensuring safety, stabilizing production, improving quality, and controlling costs", it will comprehensively build a solid line of defense for safe production, consolidate the foundation for high-quality development, continue to promote cost reduction, increase efficiency and control costs, so as to enhance its core competitiveness; At the same time, on the basis of quickly responding to market changes in combination with the characteristics of the industry, it will pay close attention to the supply and demand of raw materials for strategic material preparation, so as to reduce the impact of raw material price fluctuations on the Company's operating performance.

B. In the architectural glass sector, the Company will accelerate the pace of digital and intelligent transformation of the manufacturing industry, reduce production consumption, material consumption and energy consumption, and continue to promote cost reduction and efficiency increase. It will increase the development and layout of high-end markets and overseas markets to actively respond to market changes. It will continue to deepen the market and refine the market layout to increase market share. It will further increase R&D investment and increase new product development and application in new fields to expand business track. Also it will improve service capabilities, fully leverage the advantages of quality, technology, and brand, and meanwhile extend the market-oriented industrial chain to maintain the Company's advantageous position in the industry.

C. In the float glass sector, the Company will continue to promote lean management and differentiated operation, optimize product structure, and increase the sales proportion of high value-added products. At the same time, it will improve production efficiency, reduce production costs, improve profitability, and enhance the competitiveness of the industry through technological upgrading.

D. In the field of electronic glass and display devices, in the face of fierce market competition, the Company will adhere to a sustainable and stable business strategy, continue to consolidate the brand influence of CSG electronic glass, enhance customer recognition, stabilize the mid-to-high-end market share, and actively explore new markets and develop new applications, and strive to maintain the leading edge in the industry in the fierce market competition.

E. In the solar energy sector, the Company will pay close attention to market dynamics and supply-demand relation, and reasonably plan the Company's production and operation rhythm according to market changes, and improve production efficiency by optimizing production processes and upgrading equipment in a timely manner. It will increase R&D investment and technological innovation to maintain competitiveness in market segments. It will improve operational efficiency by strengthening resource integration and operation management, and ensure benefits through the implementation of cost reduction and efficiency improvement measures.

③ Risk of fluctuation of foreign exchange rate: At present, nearly 8.26% of the operating revenue of the Company is from overseas, and in the future, the Company will further develop overseas business. Therefore, the fluctuation of exchange rate will bring certain risk to the operation of the Company. To cope with such risk, the Company will settle exchange in a timely manner, and use safe and effective risk evading instrument and product to relatively lock exchange rate, thus reducing the risk caused by fluctuation of exchange rate.

XI. Implementation of the “Quality and Earnings Dual Improvement” Action Plan

Indicate whether the Company has disclosed the “Quality and Earnings Dual Improvement” Action Plan.

Yes No

Section IV. Corporate Governance

I. Particulars about Annual General Shareholders' Meeting and Extraordinary General Shareholders' Meeting held in the report period

1. Particulars about Shareholders' General Meeting in the report period

Meeting session	Type of meeting	Investor participation ratio	Date of the meeting	Disclosure date	Disclosure index
The First Extraordinary General Shareholders' Meeting of 2024	Extraordinary General Shareholders' Meeting	24.29%	February 27, 2024	February 28, 2024	《Announcement on Resolutions of the First Extraordinary General Shareholders' Meeting of 2024》 (Announcement No.: 2024-003)
Annual General Shareholders' Meeting of 2023	Annual General Shareholders' Meeting	25.74%	June 20, 2024	June 21, 2024	《Announcement on Resolutions of Annual General Shareholders' Meeting of 2023》 (Announcement No.: 2024-013)

2. Extraordinary General Shareholders' Meeting which is requested to convene by the preferred shareholders who have resumed the voting right

Applicable Not applicable

II. Changes in directors, supervisors and senior management of the company

Applicable Not applicable

There were no changes in the directors, supervisors and senior management of the Company during the reporting period, as detailed in the 2023 annual report.

III. Profit distribution and conversion of capital reserves into equity capital in the report period

Applicable Not applicable

The Company had no plans of cash dividend distribution, bonus shares being sent or converting capital reserve into share capital for the first half of the year.

IV. Implementation of the Company's stock incentive plan, employee stock ownership plan or other employee incentives

Applicable Not applicable

During the report period, the Company had no equity incentive plan, employee stock ownership plan or other employee incentive measures and their implementation.

Section V. Environment and Social Responsibility

I. Major environmental issues

Whether the listed company and its subsidiaries belong to the key pollutant discharge units announced by the environmental protection department

Yes No

The Company needs to comply with the disclosure requirements of non-metal building materials related industries in "Shenzhen Stock Exchange Listed Companies Self-discipline Supervision Guide No. 3 - Industry Information Disclosure".

Environmental protection related policies and industry standards

The Company implemented the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Air Pollution, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Noise Pollution, the Environmental Protection Tax Law of the People's Republic of China and other relevant environmental protection laws and regulations, and implemented the Emission Standard of Air Pollutants for Flat Glass Industry, Emission Standard of Air Pollutants for Electronic Glass Industry, Emission Standard of Air Pollutants for Glass Industry, the Integrated Emission Standard of Air Pollutants, the Sewage Integrated Emission Standards, the Environmental Noise Emission Standards at the Boundary of Industrial Enterprises and other national, industry and local pollutant discharge standards.

Administrative license for environmental protection

The construction projects of each subsidiary carried out environmental impact assessment work and obtain EIA approval in strict accordance with the requirements of the Environment Impact Assessment Law of the People's Republic of China and the Catalogue of Classified Management of Environmental Impact Assessment of Construction Projects. During the construction of the project, the construction of pollution prevention and control facilities shall be carried out in strict accordance with the requirements of the project "Three Simultaneous" and put into production and use at the same time as the main project. During the trial production period, the inspection and acceptance shall be organized in accordance with the relevant regulations on environmental protection acceptance of the completion of the construction project in order to ensure that the construction project completes the inspection and acceptance work before it is officially put into operation.

All subsidiaries have obtained the pollutant discharge permit within the validity period, and regularly submitted the implementation report of pollutant discharge permit.

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

Name of company or subsidiary	Type of main pollutants and characteristic pollutants	Name of main pollutants and characteristic pollutants	Way of emission	Number of exhaust vent	Exhaust vent distribution	Emission concentration/intensity	Emission standard of pollutants	Total emission	Approved total emission	Excessive emission
Xianning CSG Glass Co., Ltd.	Air pollutants	Dust	Continuous/Intermittent	54	Production plant area	$\leq 30\text{mg}/\text{m}^3$	Emission Standard of Air Pollutants for Flat Glass Industry	Particulates: 9.00t	Particulates: 93.251t/a	N/A
		Soot				$\leq 25\text{mg}/\text{m}^3$		Particulates: 9.00t	Particulates: 93.251t/a	

		SO ₂				≤200mg/m ³	(GB26453-2011)	136.72t	636.51t/a	
		NO _x				≤350mg/m ³		211.49t	1113.89t/a	
Chengdu CSG Glass Co., Ltd.	Air pollutants	Dust	Continuous/ Intermittent	43	Production plant area	≤20mg/m ³	Emission Standard of Air Pollutants for Flat Glass Industry (GB26453-2011)	Particulates: 6.192t	Particulates: 142.114t/a	N/A
		Soot				≤20mg/m ³		Particulates: 6.192t	Particulates: 142.114t/a	
		SO ₂				≤200mg/m ³		23.096t	1136.917t/a	
		NO _x				≤350mg/m ³		35.571t	1989.609t/a	
Hebei CSG Glass Co., Ltd.	Air pollutants	Dust	Continuous/ Intermittent	19	Production plant area	≤10mg/m ³	Ultra Low Emission Standard of Air Pollutants for Flat Glass Industry (DB13/2168-2020)	Particulates: 7.21556t	Particulates: 19.92t/a	N/A
		Soot				≤10mg/m ³		Particulates: 7.21556t	Particulates: 19.92t/a	
		SO ₂				≤50mg/m ³		21.6691t	99.63t/a	
		NO _x				≤200mg/m ³		96.2348t	398.55t/a	
Wujiang CSG Glass Co., Ltd.	Air pollutants	Dust	Intermittent	37	Production plant area	30mg/m ³	Emission Standard of Air Pollutants for Flat Glass Industry (GB26453-2011)	8.86t	76.91t/a	N/A
		Soot	Continuous	2		15mg/m ³	Technical Guidelines for Emergency Emission Reduction in Key Industries in Heavy Pollution Weather (2020 Revision)	8.86t	76.91t/a	
		SO ₂				50mg/m ³	74.01t	238.28 t/a		
		NO _x				200mg/m ³	408.15t	818.04 t/a		
Dongguan CSG Solar Glass Co., Ltd.	Air pollutants	Dust	Continuous/ Intermittent	23	Production plant area	≤20mg/m ³	Emission Standard of Air Pollutants for Flat Glass Industry (DB44-2159-2019)	Particulates: 4.17t	Particulates: 34.85t/a	N/A
		Soot				≤30mg/m ³		Particulates: 4.17t	Particulates: 34.85t/a	
		SO ₂				≤400mg/m ³		92.055t	300.99t/a	
		NO _x				≤550mg/m ³		186.7t	535.67t/a	
Hebei Panel Glass Co., Ltd.	Air pollutants	Dust	Continuous/ Intermittent	9	Production plant area	≤30mg/m ³	Emission Standard of Air Pollutants for Electronic Glass Industry (GB29495-2013)	Particulates: 0.156t	Particulates: 16.4225t/a	N/A
		Soot				≤10mg/m ³		Particulates: 0.156t	Particulates: 16.4225t/a	
		SO ₂				≤50mg/m ³		1.87t	87.7t/a	
		NO _x				≤200mg/m ³		3.2t	105.1t/a	
Xianning CSG Photoelectric Glass Co., Ltd.	Air pollutants	Dust	Continuous/ Intermittent	6	Production plant area	≤20mg/m ³	Emission Standard of Air Pollutants for Electronic Glass Industry (GB29495-2013)	Particulates: 0.815t	Particulates: 17.656t/a	N/A
		Soot				≤15mg/m ³		Particulates: 0.815t	Particulates: 17.656t/a	
		SO ₂				≤10mg/m ³		SO ₂ : 0.077t/a	SO ₂ : 65.6t/a	
		NO _x				≤330mg/m ³		NO _x : 33.367t/a	NO _x : 163.81t/a	
Dongguan CSG Architectural Glass Co., Ltd.	Water pollutants	pH	Intermittent	1	Sewage vent	6~9	Guangdong Province Water Pollutant Emission Limit (DB44/26-2001)	/	/	N/A
		COD				27mg/L		0.3t	5.4t/a	
		Ammonia nitrogen				0.244mg/L		0.00228t	0.6t/a	
Tianjin CSG Energy-	Water pollutants	pH	Intermittent	2	Sewage vent	6~9	Sewage Integrated	/	/	N/A

Saving Glass Co., Ltd.		COD				$\leq 500\text{mg/L}$	Emission Standards (Level 3 Standard DB12/356-2018)	0.0053t	10.806t/a	
		Ammonia nitrogen				$\leq 45\text{mg/L}$		0.00157t	0.0685t/a	
Wujiang CSG East China Architectural Glass Co., Ltd.	Water pollutants	pH	Intermittent	1	Sewage vent	6~9	Sewage Integrated Emission Standards (GB8978-1996)	/	/	N/A
		COD				$\leq 500\text{mg/L}$		4.752t	40.592t/a	
		Ammonia nitrogen				$\leq 45\text{mg/L}$		0.582t	1.00444t/a	
Dongguan CSG PV-tech Co., Ltd.	Water pollutants	COD	Intermittent	20	Sewage vent/ production plant area	$\leq 70\text{mg/L}$	Guangdong Province Water Pollutant Emission Limit (DB44/26-2001)	0t	2.44t/a	N/A
		NO _x				$\leq 30\text{mg/m}^3$		Pollutant Emission Standard for Battery Industry (GB30484-2013)	0t	
	Air pollutants	VOCs				$\leq 30\text{mg/m}^3$	VOC Emission Standard for Furniture Manufacturing Industry (DB44/814-2010)	0t	1.93t/a	
Yichang CSG Polysilicon Co., Ltd.	Water pollutants	COD	Intermittent	9	Sewage vent/ production plant area	$\leq 200\text{mg/L}$	Emission Standards of Pollutants for Inorganic Chemical Industry (GB31573-2015), and Integrated Emission Standard of Air Pollutants (GB16297-1996)	3.826t	89.2584t/a	N/A
		pH				6~9		/	/	
	Air pollutants	NO _x				$\leq 240\text{mg/m}^3$	0t	38.28t/a		
		Particulates				$\leq 120\text{mg/m}^3$	0.358t	32.7423t/a		

Treatment of pollutants

All subsidiaries have built pollution prevention and control facilities in accordance with the environmental impact assessment documents of construction projects and relevant specifications, and adopted air pollution control process such as electrostatic precipitator + SCR denitrification + semi-dry desulfurization + bag dust removal, ceramic filter cartridge desulfurization, denitrification and dust removal integration, bag dust removal and water treatment process such as neutralization + precipitation, fluidized bed, and biological oxidation, for which the technologies used were all in line with the requirements of the “Guidelines for Feasible Technologies for Pollution Prevention and Control in Glass Manufacturing Industry” and other documents. In the first half of 2024, the pollution control facilities were in good operation and the pollutants were discharged stably up to the standard. The air pollutant emission concentrations of most of the subsidiaries were lower than 50% of the emission standard and enjoyed the preferential policy of halving environmental tax. The pollutant emissions of many subsidiaries reached and implemented local ultra-low emission standards.

Emergency response plan system of environment incident

In accordance with the national requirements, all subsidiaries prepared environmental emergency response plans, organized expert evaluation and filed with the local environmental protection department as required, and conducted the emergency drill against environmental emergency as planned. No major environmental emergency occurred in the first half of 2024.

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

All subsidiaries have built pollution control facilities in accordance with the requirements of environmental impact assessment, and maintained the stable operation of these facilities to ensure their simultaneous operation with production equipment. Considerable energy and funds are invested in pollution control every year to ensure the stable discharge of pollutants up to the standard, and reduce pollution emission as much as possible. Many subsidiaries have reached ultra-low emission standards. All subsidiaries have made regular emission declarations and paid environmental taxes to the local tax authorities in full and on time in accordance with the requirements of the Environmental Protection Tax Law.

Environmental self-monitoring scheme

The subsidiaries have built and operated on-line monitoring devices for waste water and exhaust gas in accordance with national laws and regulations, environmental impact assessment documents of construction projects and the requirements of their replies, regularly carried out comparison and review of the effectiveness of on-line monitoring facilities, and entrusted a third-party unit to carry out manual environmental monitoring to comprehensively monitor the pollutant discharge. The monitoring frequency is implemented in accordance with relevant monitoring technical guidelines or pollutant discharge permits.

Administrative penalties caused by environmental protection issues during the report period

Nil

Other environmental information that should be disclosed

Nil

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

Applicable Not applicable

The Company has continuously strengthened the comprehensive utilization and management of resources and energy, actively fulfilled the corporate social responsibility, taken various measures to save energy and reduce carbon emissions, making our own contributions to the national goal of the "dual carbon" goal. The Group Department has specially established an energy management team, which was responsible for supervising the energy consumption management of various subsidiaries, and promoted the energy consumption per unit product and carbon emission per unit product of the Group's various products to reach the advanced level in the industry. At present, the energy consumption level of most glass melting furnaces in the flat glass business of CSG has reached the advanced level stipulated by the national standard. At the same time, CSG has always paid attention to the utilization of waste heat in flat glass factories, and the first waste heat power station was put into operation as early as 2009, and then all production bases have built waste heat boilers and waste heat power stations; CSG has been actively developing photovoltaic power plants since 2012, and most factories currently have photovoltaic power plants on their roofs. In the first half of 2024, CSG Group's waste heat power generation and photovoltaic power generation totaled about 265 million kWh, equivalent to reducing carbon dioxide emissions by about 151,200 tons.

Other relevant environmental protection information

Nil

Environmental incidents in the listed company

In the first half of 2024, no environmental incidents occurred.

II. Social responsibility

In the first half of 2024, the Company focused on the following tasks in fulfilling its social responsibilities:

1. Prevent and eliminate occupational hazards and protect employees' health

CSG always adheres to the concept of "Safety First, Environmental Protection First and Green Development", The Group's Safety and Environmental Protection Department coordinates safety and environmental protection management work, establishes the Group's three-level control system of safety, environment. The Company has a complete safety management structure and safety management system, strictly implements the safety production responsibility system of all employees, and all employees have signed the safety production responsibility statement.

The Company attaches great importance to the safety training of employees, strictly strengthens the three-level safety education and training of new employees and the continuing education of old employees, and organizes various special training according to the characteristics of employees' posts to improve their safety literacy and safety skills. The management of special equipment and special operations shall be strictly carried out, and special operators shall work with certificates. Special operations can only be carried out after approval and confirmation of safety measures. Regularly carry out emergency drills, strengthen the construction of emergency response capabilities, improve emergency response capabilities, eliminate hidden dangers in the bud, and resolutely defend the last line of defense. Each subsidiary has established a system for the extraction and use of production safety expenses, which is strictly in accordance with the requirements of relevant laws and regulations to extract and standardize the use of production safety expenses. The Company has also carried out various hidden dangers investigation of the headquarters and subsidiaries, accepted the supervision and inspection of local emergency management departments, and organized the rectification and improvement of various hidden dangers.

In addition, the Company attaches great importance to the standardization construction and operation of safety management. As of the end of June 2024, CSG has obtained safety standardization certificates for 18 subsidiaries, of which 5 subsidiaries have reached the second level of safety production standardization, 13 subsidiaries have reached the third level of safety production standardization, and a few other subsidiaries are also actively creating and applying.

2. Protect the environment and promote sustainable development

As of the first half of 2024, 9 subsidiaries of CSG have been rated as national-level "Green Factories". The Company continues to strengthen the comprehensive utilization and management of resources and energy, takes various measures to save energy, reduce emissions and reduce carbon, and makes contributions to the Country's goal of "dual carbon". The Group Department has specially established an energy management team, which is responsible for supervising the energy consumption management of various subsidiaries, and promotes the energy consumption per unit product and carbon emission per unit product of the Group's various products to reach the advanced level in the industry. At present, the energy consumption level of most glass melting furnaces in the flat glass business of CSG has reached the advanced level stipulated by the national standard. The subsidiaries Wujiang CSG and Xianning CSG have been successively rated by the Ministry of Industry and Information Technology as "leaders" in energy efficiency in the flat glass industry. Hebei CSG is designated by the Ministry of Industry and Information Technology as the advanced benchmark "Test Field" of Carbon Peak.

At the same time, CSG has always paid attention to the utilization of waste heat in flat glass factories, and each production base has built waste heat boilers and waste heat power plants; CSG is also actively developing photovoltaic power plants, most of which have photovoltaic power plants on the roofs of factories. In the first half of 2024, the Group's waste heat power generation and photovoltaic power generation totaled about 265 million kWh, equivalent to reducing carbon dioxide emissions by about

151,200 tons.

The subsidiary companies of the Group all construct pollution prevention and control facilities in accordance with the environmental impact assessment documents and relevant specifications of construction projects, ensuring synchronous operation with production facilities, and investing a large amount of energy and funds in pollution prevention and control every year. In the first half of 2024, the operation of pollution control facilities was good, and the discharge of pollutants was stable and up to standard. The air pollutant emission concentrations of most of the subsidiaries were lower than 50% of the emission standard and enjoyed the preferential policy of halving environmental tax. The pollutant emissions of many subsidiaries reached and implemented local ultra-low emission standards. Meanwhile, the subsidiaries built and operated on-line monitoring devices for waste water and exhaust gas in accordance with national laws and regulations, environmental impact assessment documents of construction projects and the requirements of their replies, regularly carried out comparison and review of the effectiveness of on-line monitoring facilities, and entrusted a third-party unit to carry out manual environmental monitoring to comprehensively monitor the pollutant discharge. The monitoring frequency was implemented in accordance with relevant monitoring technical guidelines or pollutant discharge permits. In addition, in accordance with the national requirements, all subsidiaries prepared emergency environmental response plan for environment incident, organized and carried out expert evaluation and filed with the local environmental protection department as required, and conducted the emergency drill against environmental incidents as planned. And there were no major environmental incidents occurred in the first half of 2024.

3. Participate in public welfare undertakings and fulfill social responsibilities

The Company actively participates in social welfare activities, makes donations, organizes employees to voluntarily participate in unpaid blood donation, and fulfills corporate social responsibility. The Subsidiary Wujiang Float won the "Outstanding Contribution Unit" of unpaid blood donation in 2023. In the first half of 2024, the Company donated about RMB 200,000 in funds and materials to various sectors of society for charitable and public welfare activities such as the Red Cross and the Social Welfare Institute.

4. Adhere to independent research and development to provide better energy-saving products

The Company has always adhered to the business strategy of independent research and development and innovation leading. In the first half of 2024, the Company publicly announced 235 patents for the first time, including 142 authorized patents and 93 public invention applications. As of June 30, 2024, the Company had applied for a total of 3,210 patents, including 1,383 inventions, 1,814 utility model patents, and 13 designs; a total of 2,361 authorized patents, including 540 inventions, 1,808 utility models, and 13 designs, gathering the wisdom of CSG's R&D team to improve the industrial science and technology.

5. Protect the rights and interests of shareholders and creditors

The Company maintains stable operation. The Company's equity distribution of 2023 had been completed, and the actual cash dividend amount (including tax) was RMB 767,673,027, accounting for 46.37% of the net profit attributable to shareholders of listed company in 2023, with continuing return to shareholders. In terms of creditor protection, the Company implemented a prudent financial policy, and all due loans were repaid on time, which protected the legitimate rights and interests of creditors.

6. Strengthen welfare security and protect the legitimate rights and interests of employees

The Company insists on standardizing the employment behavior, strictly implements the national and local social security mechanism, and purchases five insurances and one fund and other comprehensive welfare insurance for employees. It has a fair and unimpeded post promotion system and broaden the development channels of employees. It establishes and implements a statutory leave system for employees, and employees enjoy various statutory holidays and other paid holidays stipulated by the state. It actively organizes various employee cultural and sports activities, and employees also enjoy benefits such as employee canteens, employee physical examinations, subsidies and other benefits. It strengthens occupational health monitoring and management to ensure the physical and mental health of employees. It cares for employees in need. In the first half of 2024, the Company provided nearly RMB 300,000 in assistance to employees and their families, providing collective warmth when employees encountered personal difficulties.

7. Social honor recognition

While adhering to our original intention and giving back to society, the Company and its products have received recognition from all sectors of society. In 40 years since its establishment, the Company's products have been widely used in many major and important place. Subsidiary Wujiang Float won the title of "2023 Jiangsu Province Intelligent Manufacturing Demonstration Workshop", and subsidiary Dongguan Photovoltaic BIPV won the TÜV North German IEC new standard certification. The Company was selected as "Top 10 Preferred Brands for Strategic Procurement of Top 100 Real Estate Companies in 2023", "China Preferred Brand for Low-Carbon Building Energy-Saving Glass Procurement in 2023", and won the honorary titles of "China Top 50 Building Materials" and "Preferred Brand of Architectural Glass" for many years in a row, winning praise from all walks of life with high-quality products and services.

Section VI. Important Events

I. Commitments completed by the actual controllers, the shareholders, the related parties, the purchasers and the Company during the report period and those that hadn't been completed execution by the end of the report period

Applicable Not applicable

During the report period, there were no commitments made by the Company's actual controller, shareholders, related parties, acquirers, the Company and other relevant parties that had been fulfilled within the report period and had not been fulfilled within the time limit by the end of the report period.

II. Particulars about non-operating fund of listed company occupied by controlling shareholder and other related parties

Applicable Not applicable

During the report period, there was no any non-operating fund of listed company occupied by controlling shareholder and other related parties.

III. Illegal external guarantee

Applicable Not applicable

During the report period, there was no illegal external guarantee.

IV. Engaging and dismissing of accounting firm

Whether the semi-annual report has been audited or not

Yes No

The semi-annual report of the Company has not been audited.

V. Explanation from Board of Directors and Supervisory Committee for "Non-standard audit report" of the period that issued by accounting firm

Applicable Not applicable

VI. Explanation from Board of Directors for "Non-standard audit report" of the previous year

Applicable Not applicable

VII. Issues related to bankruptcy and reorganization

Applicable Not applicable

VIII. Lawsuits

Significant lawsuits and arbitrations

Applicable Not applicable

Basic information	Amount involved (RMB 0,000)	Recognised as estimated liabilities or not	Progress	Result and impact	Judgement execution	Date of disclosure	Index of disclosure
Plaintiff: Zhongshan Runtian Investment Co., Ltd. Defendant: CSG Holding Co., Ltd. Case overview: The plaintiff filed a lawsuit with the court to confirm the resolutions of the General Meeting of Shareholders as invalid.	0	No	The first instance judgment had been passed. The plaintiff appealed.	The first instance judgment rejected the lawsuit request of the plaintiff Zhongshan Runtian Investment Co., Ltd.	Not applicable	1 October 2022	Announcements on Company Involved Lawsuits on http://www.cninfo.com.cn (Announcement No.: 2022-056)
						12 August 2023	Announcement on the Progress of Companies Involving Litigation on http://www.cninfo.com.cn (Announcement No.: 2023-026)
						25 August 2023	Announcement on the Progress of Companies Involving Litigation on http://www.cninfo.com.cn (Announcement No.: 2023-027)

Other lawsuits

Applicable Not applicable

IX. Penalty and rectification

Applicable Not applicable

During the report period, there was no penalty or rectification.

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

Applicable Not applicable

The Company has no controlling shareholder and actual controller. According to the disclosure requirements, the Company's largest shareholder Foresea Life Insurance Co., Ltd., shareholder Zhongshan Runtian Investment Co., Ltd., shareholder Chengtai

Group Co., Ltd. and Shareholder Shenzhen Guanlong Logistics Co., Ltd. shall disclose the corresponding information. The details are as follows:

i. Integrity of the Company

During the report period, it did not exist that the Company failed to perform the effective judgment of the court or owed comparatively large amount of debt which was overdue. The Company's integrity was good.

ii. The integrity of the Company's shareholders

The Company, in accordance with relevant regulations, sent the *Letter on Matters Concerning Assistance in Providing Materials Required for the 2024 Semi-annual Report* to its largest shareholder Foresea Life Insurance Co., Ltd., shareholder Zhongshan Runtian Investment Co., Ltd., shareholder Chengtai Group Co., Ltd. and shareholder Shenzhen Guanlong Logistics Co., Ltd., by email on 2 July 2024. These shareholders were asked to examine their own integrity status during the report period, including but not limited to: whether they failed to perform any effective judgment of the court or owed any comparatively large amount of debt which was overdue, etc. These shareholders were asked to provide as appropriate and the Company later received their respective replies. To be specific, Zhongshan Runtian, Chengtai Group and Guanlong Logistics all replied "no change" to the question "the integrity of your company and the actual controller during the report period". In order to ensure the accuracy of the relevant information disclosure, the Company sent an email to the shareholders Zhongshan Runtian, Chengtai Group and Guanlong Logistics on 12 July 2024 with the title *Confirmation of Receipt of <Reply to the Letter on Matters Concerning Assistance in Providing Materials Required for the 2024 Semi-annual Report>*, asking the said shareholders to further confirm "the integrity of your company and the actual controller during the report period" and "whether they owed any comparatively large amount of debt which was overdue". As of the date of disclosure of this Report, the Company has not received any relevant replies from Zhongshan Runtian, Chengtai Group or Guanlong Logistics.

Details of the replies from the above-mentioned shareholders in relation to the *Letter on Matters Concerning Assistance in Providing Materials Required for the 2024 Semi-annual Report* are set out below:

1. Reply from the Company's largest shareholder Foresea Life Insurance Co., Ltd.: As of 30 June 2024, it did not exist that Foresea Life Insurance Co., Ltd. failed to perform the effective judgment of the court or owed comparatively large amount of debt which was overdue.
2. Reply from shareholder Zhongshan Runtian Investment Co., Ltd. on "the integrity of your company and the actual controller during the report period": no change.
3. Reply from shareholder Chengtai Group Co., Ltd. on "the integrity of your company and the actual controller during the report period": no change.
4. Reply from shareholder Shenzhen Guanlong Logistics Co., Ltd. on "the integrity of your company and the actual controller during the report period": no change.

According to the replies from the shareholders Zhongshan Runtian, Chengtai Group and Guanlong Logistics, the integrity status of these shareholders and their actual controller, Mr. Yao Zhenhua, can be found in "XIII. Integrity of the Company and its controlling shareholders and actual controllers" under "Section VI. Important Events" of the Company's 2023 Annual Report, which is as set out below:

"The Company has no controlling shareholder and actual controller. According to the disclosure requirements, the Company's largest shareholder Foresea Life Insurance Co., Ltd., shareholder Zhongshan Runtian Investment Co., Ltd., shareholder Chengtai Group Co., Ltd. and Shareholder Shenzhen Guanlong Logistics Co., Ltd. shall disclose the corresponding information. The details are as follows:

i. Integrity of the Company

During the report period, it did not exist that the Company failed to perform the effective judgment of the court or owed comparatively large amount of debt which was overdue. The Company's integrity was good.

ii. The integrity of the Company's shareholders

1. According to the reply of the Company's largest shareholder, Foresea Life Insurance Co., Ltd.: As of December 31, 2023, it did not exist that Foresea Life Insurance Co., Ltd. failed to perform the effective judgment of the court or owed comparatively large amount of debt which was overdue.

2. According to the reply of the shareholder Zhongshan Runtian Investment Co., Ltd., the original content is as follows:

As of December 31, 2023, the cases executed by Zhongshan Runtian Investment Co., Ltd. (hereinafter referred to as "Zhongshan Runtian") are as follows:

(1) Due to the case of execution of notarising creditor's rights documents between Great Wall Guoxing Financial Leasing Co., Ltd. and 16 companies including Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Real Estate Co., Ltd. and Zhongshan Runtian Investment Co., Ltd., Great Wall Guoxing Financial Leasing Co., Ltd. applied to the court for compulsory execution. As the guarantor of the debt of RMB 164 million, Zhongshan Runtian was jointly and severally liable for the debt, and its 5.57 million shares of Jonjee High-tech were used as collateral. According to the Announcement on the Results of Judicial Disposal of Certain Shares of Shareholder Holding More Than 5% of the Shares disclosed by the Board of Directors of Jonjee High-tech on December 18, 2023, Great Wall Guoxing Financial Leasing Co., Ltd. applied for compulsory execution. 5.57 million shares in Jonjee High-tech have been disposed of, with a disposal amount of RMB 160,422,600 and a debt joint and several liability fulfilment amount of RMB 160,422,600.

(2) Due to the case of notarising creditor's rights documents between Chongqing Xinyu Financial Leasing Co., Ltd. and the defendants Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Baoneng Automobile Co., Ltd., and Zhongshan Runtian, Chongqing Xinyu Financial Leasing Co., Ltd. applied to the court for compulsory execution. As the guarantor of the debt of RMB260 million, Zhongshan Runtian used its 67.65 million A shares of CSG as collateral. As of June 29, 2022, it has disposed of 55,628,900 A shares of CSG, with a total amount of RMB 319,999,300.00. At present, the court has transferred RMB 301,717,392.44 to the creditor, and Zhongshan Runtian's guarantee liability has been enforced.

(3) Due to the case of notarising creditor's rights documents between Guangdong Finance Trust Co., Ltd. and Zhongshan Runtian, Shenzhen Jushenghua Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Holdings (China) Co., Ltd., and Mr. Yao Zhenhua, Finance Trust applied to the court for compulsory execution. The 26,550,000 shares of Jonjee High-tech held by Zhongshan Runtian Investment Co., Ltd. have been sold on September 13, 2022, and the amount credited into the account was RMB 793,755,369.22, which was approximately RMB 90 million different from the debt amount of RMB 882,199,570.79 submitted to the court by the execution applicant. As a result, the case remained unsettled.

(4) Due to the dispute over the financial loan contract between AVIC Trust Co., Ltd. and Zhongshan Runtian, Zhongshan Runtian, as the borrower of the debt principal of RMB 1.05 billion, and Hefei Baohui Real Estate Co., Ltd., Hefei Baoneng Real Estate Development Co., Ltd., Shenzhen Jushenghua Co., Ltd., Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Chia Tai (Shenzhen) Development Co., Ltd. and Mr. Yao Zhenhua were jointly and severally liable for the debt. As of December 31, 2023, it has disposed a total of 11,156,871 shares of Jonjee High-tech; among them, the first round of freezing of 2,125,605 shares by AVIC Trust Co., Ltd. and the judicial mark of 8,056,410 shares.

(5) Due to the case of execution of notarising creditor's rights documents between Chongqing International Trust Co., Ltd. and Shenzhen Jushenghua Co., Ltd., Zhongshan Runtian, Shenzhen Baoneng Investment Group Co., Ltd. and Mr. Yao Zhenhua, the court ruled to seal up and freeze the property of RMB 541 million of Jushenghua, Baoneng Group and Yao Zhenhua, and to freeze the 22 million shares of Jonjee High-tech pledged by Zhongshan Runtian to Chongqing Trust. At present, Chongqing Trust has applied for compulsory execution. As of February 2, 2023, it has disposed of 21,025,100 shares of Jonjee High-tech, with a total amount of RMB 617,383,579.06.

(6) Due to the case of the loan contract dispute between Zhongshan Runtian and Shanghai Pudong Development Bank Co., Ltd., the People's Court of Futian District, Shenzhen has issued an Execution Ruling, ruling that 12 million shares held by Zhongshan Runtian in "Jonjee High-tech", the entity subject to enforcement, shall be auctioned off and realised for the purpose of settling the debt. As the bidder failed to pay the final payment within the prescribed time, according to the Notification of Sale from the People's Court of Futian District, Shenzhen issued on February 16, 2023, the aforesaid 12 million shares would be re-auctioned. On March 22, 2023, Shanghai Pudong Development Bank Co., Ltd. disposed of the 12 million shares held by Zhongshan Runtian in "Jonjee High-tech" by way of a judicial auction. The 12 million shares have been disposed of for RMB 405,684,000.

Notice of auction was received on December 12, 2023: the Futian Court intended to judicially auction 9 million unrestricted public shares of Jonjee High-tech held by Zhongshan Runtian on the Judicial Auction Online Platform from 10:00 a.m. on January 16, 2024 to 10:00 a.m. on January 17, 2024 (except for the extension of the time), which has been suspended due to the supplemental security.

(7) Due to the case of the loan contract dispute between Zhongshan Runtian and Chongqing Trust Inc., Shenzhen Intermediate People's Court has issued an execution notification demanding the disposal of 22 million shares held by Zhongshan Runtian in "Jonjee High-tech" at a realised price. On January 17, 2023, Chongqing Trust disposed of a total of 5.7 million shares held by Zhongshan Runtian by way of block trading.

(8) Due to the case of the loan contract dispute between Zhongshan Runtian and Bank of Communications Financial Leasing Co., Ltd., the Intermediate People's Court of Zhongshan City, Guangdong Province has issued an execution ruling to auction off 8,329,457 shares held by Zhongshan Runtian in "Jonjee High-tech". On 11 May 2023, Bank of Communications Financial Leasing Co., Ltd. disposed of the 8,329,457 shares held by Zhongshan Runtian in "Jonjee High-tech" by way of a judicial auction. The auction proceeds of RMB 284.27 million, which has been used up to pay off RMB 202,451,688.15 in this case, RMB 269,851.69 in execution fees, and RMB 50,000 in auxiliary auction fees.

(9) Due to the case of the loan contract dispute between Zhongshan Runtian and Bohai Trust, the Intermediate People's Court of Zhongshan City, Guangdong Province has issued an Execution Ruling, ruling the mandatory realisation of 13.7 million shares held by the entity subject to enforcement, Zhongshan Runtian, in "Jonjee High-tech". As of June 6, 2023, all 13.7 million shares had been disposed of. The court has disbursed a total of RMB 458,173,319.95 to Bohai Trust, with approximately RMB 10 million outstanding. Bohai Trust has initiated separate legal proceedings at the Shenzhen Court of International Arbitration to recover the outstanding balance and realise the collateral, and the pledge guarantee amounts to RMB 35,504,500. Currently, the case is awaiting a court hearing.

(10) Due to the case of the transfer and buy-back contract dispute between Zhongshan Runtian and Shenzhen Qianhai Dongfang Venture, the Intermediate People's Court of Shenzhen Municipality has issued an Execution Ruling, ruling that the property of the entities subject to enforcement, including Shenzhen Hualitong, Zhongshan Runtian, Baoneng Investment and Jushenghua, should be seized, frozen, sequestered, withheld, withdrawn or allocated to the extent of a total amount of RMB 623,102,565.76 (including RMB 43,513, 215.76 of Zhongshan Runtian Investment Co., Ltd.), as well as interest on the debt during the period of delayed performance, costs of enforcement applications, and actual expenses incurred during the enforcement.

(11) Due to the case of the financial loan contract dispute between Bank of Tibet and Lhasa Baochuang and Zhongshan Runtian, the total enforcement amount stands at RMB 828,970,067.74, with RMB 821,439,159.19 already enforced. In August 2023, the court issued a Reinstatement of Execution Ruling, which ruled to withhold and freeze the bank deposits of the entities subject to enforcement in the sum of RMB 50,943,534.03, a total enforcement fee of RMB 118,343.53, as well as interest, interest on the debt during the period of delayed performance, and case acceptance fee.

(12) Due to the case of the loan contract dispute between Shenzhen Baotai Honghua and Zhongshan Runtian, Hualitong and Shenzhen Jixiang Service, Shenzhen Baotai Honghua applied for enforcement of RMB 1,205,000,000 and interest. In another case, asset disposal resulted in the distribution of disposal proceeds of RMB 356,272,071.65.

(13) Due to the case of the equity pledge dispute between Essence Securities and Zhongshan Runtian, the amount of the litigation is RMB 352,912,928.76. The Intermediate People's Court of Nanchang City has issued a first-instance judgement, which ruled to

reject the litigation request of Essence Securities. In September 2023, Essence Securities filed another lawsuit with the Futian court in Shenzhen, seeking payment from Zhongshan Runtian for financing funds and interest. The claim in this case amounts to RMB 128 million. The case is currently undergoing first-instance proceedings.

(14) Due to the three cases of claim transaction disputes between Guangdong Huaxing Bank Co., Ltd. and Jushenghua, Shum Yip Logistics, Baoneng Investment, Hualitong, and Zhongshan Runtian, judgements have been rendered in the first instance. In Case No. (2022) Y. 0303 M.C. 19249, Zhongshan Runtian is held jointly and severally liable for settling the principal of RMB 150,000,000 and associated interest. In Case No. (2022) Y. 0303 M.C. 19248, Zhongshan Runtian bears the joint and several liability for settling the principal of RMB 300,000,000 and interest of RMB 22,500,000 on the bonds in question. In Case No. (2022) Y. 0303 M.C. 19250, Zhongshan Runtian is jointly and severally liable for settling the principal of RMB 200,000,000 and associated interest on the bonds in question. All these cases are currently in the second instance.

(15) Due to the case of the finance lease contract dispute between Science City (GZ) Financial Leasing Co., Ltd. and Kunshan JuTron New Energy Technology Co., Ltd., Baoneng Investment, Jushenghua, Baoneng Urban Development, Taiyuan Baoju Real Estate, Qianhai Huabao Supply Chain, Zhongshan Runtian, and Ping An Securities, Zhongshan Runtian acts as a guarantor for the debt of RMB 120 million. The first-instance judgement has yet to be rendered.

(16) Due to the case of the corporate bond trading dispute between Guangdong Huaxing Bank Co., Ltd. and Shum Yip Logistics, Jushenghua, Baoneng New Energy Automobile, Shenzhen Baoneng Automobile, Yao Zhenhua, Baoneng Investment, Hualitong, and Zhongshan Runtian, Zhongshan Runtian acts as a guarantor for the debt of RMB 450 million. The case is still at the stage of the first instance.

(17) Due to the two cases of finance lease contract disputes between Science City (GZ) Financial Leasing Co., Ltd. and Qoros Automotive, Baoneng Investment, Jushenghua, Baoneng Urban Development, Yao Zhenhua, Taiyuan Baoju Real Estate, Chongqing Baoneng Supply Chain, Guangzhou Baoneng Culture Entertainment, Qianhai Huabao Supply Chain, Zhongshan Runtian, and Ping An Securities, the total claim amount is RMB 186 million, and Zhongshan Runtian acts as the guarantor in the cases. The cases are currently in the first-instance stage.

(18) Due to the case of the finance lease contract dispute between Science City (GZ) Financial Leasing Co., Ltd. and Shenzhen Baoneng Automobile, Baoneng Investment, Jushenghua, Baoneng Urban Development, Yao Zhenhua, Taiyuan Baoju Real Estate, Guangzhou Baoneng Culture Entertainment, Qianhai Huabao Supply Chain, Zhongshan Runtian, and Ping An Securities, Zhongshan Runtian acts as a guarantor for the debt of RMB 210 million. The case is currently in the first-instance stage.

(19) Due to the case of the finance lease contract dispute between Science City (GZ) Financial Leasing Co., Ltd. and Shenzhen Hua'ai Industrial Development, Baoneng Investment, Jushenghua, Baoneng Urban Development, Yao Zhenhua, Taiyuan Baoju Real Estate, Guangzhou Baoneng Culture Entertainment, Qianhai Huabao Supply Chain, Zhongshan Runtian, and Ping An Securities, Zhongshan Runtian acts as a guarantor for the debt of RMB 20.33 million. The case is currently in the first-instance stage.

(20) Due to the case of the finance lease contract dispute between Science City (GZ) Financial Leasing Co., Ltd. and Baoneng Automotive Research and Development, Baoneng Investment, Jushenghua, Baoneng Urban Development, Yao Zhenhua, Taiyuan Baoju Real Estate, Guangzhou Baoneng Culture Entertainment, Qianhai Huabao Supply Chain, Zhongshan Runtian, and Ping An Securities, Zhongshan Runtian acts as a guarantor for the debt of RMB 22.38 million. The case is currently in the first-instance stage.

(21) Due to the two cases of finance lease contract disputes between Science City (GZ) Financial Leasing Co., Ltd. and Shenzhen Baoneng Automobile, Qoros Automotive, Baoneng Investment, Jushenghua, Baoneng Urban Development, Zhongshan Runtian, Yao Zhenhua, Tengchong Beihai Wetland, Guangzhou Baoneng Culture Entertainment, Qianhai Huabao Supply Chain, and Chuangbang Group, the total claim amount is RMB 142 million, and Zhongshan Runtian acts as the guarantor. The two cases are currently in the first-instance stage.

(22) Due to the case of the finance lease contract dispute between Shandong Tongda Financial Leasing Co. Ltd. and Shenzhen Baoneng Automobile, Baoneng Investment, Zhongshan Runtian, Wuhu Baoneng Real Estate, Shenzhen Xinchang Enterprise

Management Co., Ltd., and Chuangbang Group, Zhongshan Runtian acts as a guarantor for the debt of RMB 260 million. The case is currently in the first-instance stage.

(23) Due to the case of the finance lease contract dispute between Shandong Tongda Financial Leasing Co. Ltd. and Shum Yip Logistics, Baoneng Investment, Baoneng Real Estate, Zhongshan Runtian, Wuhu Baoneng Real Estate, and Shenzhen Hualitong, Zhongshan Runtian acts as a guarantor for the debt of RMB 160 million. The case is currently in the first-instance stage.

(24) Due to the two cases of finance lease contract disputes between Science City (GZ) Financial Leasing Co., Ltd. and Shenzhen Hua'ai Industrial Development, Yao Zhenhua, Guangzhou Baoneng Culture Entertainment, Qianhai Huabao Supply Chain, Zhongshan Runtian, and Jushenghua, the total claim amount is RMB 122 million, and Zhongshan Runtian acts as the guarantor. The two cases are currently in the first-instance stage.

As of December 31, 2023, the details of Zhongshan Runtian's comparatively large amount of debt which was overdue are as follows:

Serial number	Borrower	Financial institution	Loan amount (RMB 0,000)	Credit enhancement plan	Start date of loan	Maturity date of loan
1	Zhongshan Runtian Investment Co., Ltd.	Essence Securities	4,239.28	Guarantee+Pledge	2018/12/27	2021/12/26
2	Zhongshan Runtian Investment Co., Ltd.	AVIC Trust	105,000.00	Guarantee+Pledge	2019/9/25	2021/10/31
Total			109,239.28			

Note: As of October 31, 2023, related stocks held by Zhongshan Runtian had been liquidated by AVIC Trust through various channels. However, since it is not the first pledgee, the proceeds from liquidation must be retained for withdrawal by the first pledgee, Essence Securities. AVIC Trust has withdrawn only part of the funds so far. Due to the large number of issues and quantities of trust products, the Company is still negotiating with AVIC Trust on the deduction method for principal and interest, and no solution has been finalized. Therefore, the outstanding loan cannot be adjusted for now. Once a solution is finalized, further disclosure will be made.

As of December 31, 2023, Mr. Yao Zhenhua's personal execution cases are as follows:

(1) Due to the case of dispute over notarising creditor's rights documents between Ping An Trust Co., Ltd. and Shaoxing Baorui Real Estate Co., Ltd., Baoneng City Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Real Estate Co., Ltd., Shanghai Kaiyue Investment Co., Ltd. and Mr. Yao Zhenhua, which was applied for compulsory execution by Ping An Trust, Mr. Yao Zhenhua was jointly and severally liable for the principal and interest of the debt of RMB 420 million.

(2) Due to the trust loan dispute between the National Trust and Shenzhen Xinao Trading Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Mr. Yao Zhenhua and others signed relevant guarantee contracts, ordering Shenzhen Xinao Trading Co., Ltd. to repay the loan principal of RMB 290 million and related interest and lawsuit costs. Shenzhen Baoneng Investment Group Co., Ltd., Mr. Yao Zhenhua and others were jointly and severally liable for the debt.

(3) Due to the financial borrowing between Zhongrong International Trust Co., Ltd. and Baoneng Automobile Co., Ltd., it applied to the Beijing Third Intermediate People's Court for compulsory execution for notarisation on the matter. Since Mr. Yao Zhenhua provided a guarantee for this loan business and signed the relevant notarised documents, he was jointly and severally liable for the debt of RMB 1,048 million.

(4) As Kunlun Trust Co., Ltd. applied to the court for compulsory execution of the notarising creditor's rights documents with Shum Yip Logistics Group Co., Ltd., Baoneng Century Co., Ltd., Chia Tai (Shenzhen) Development Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Holdings (China) Co., Ltd., and Mr. Yao Zhenhua, Mr. Yao Zhenhua assumed joint and several guarantee liabilities for the debt of RMB 1.31 billion.

(5) Due to the case of notarising creditor's rights documents between Guangzhou Xinhua City Development Industry Investment Enterprise (Limited Partnership) and the defendants Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co.,

Ltd. and Mr. Yao Zhenhua, Mr. Yao Zhenhua, as the guarantor, signed the relevant notarial documents and assumed joint and several liabilities for the principal and interest of the creditor's rights of RMB 600 million.

(6) Due to the dispute over the loan contract between Fuzhou Branch of Xiamen International Bank Co., Ltd. and Shenzhen Jushenghua Co., Ltd., Fuzhou Branch of Xiamen International Bank Co., Ltd. applied to Shenzhen Intermediate People's Court for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the loan principal of RMB 2.16 billion, signed the corresponding Guarantee Contract and assumed joint and several liabilities for the debt.

(7) Due to the financial loan dispute between Guangdong Finance Trust Co., Ltd. and Zhongshan Runtian, Guangdong Finance Trust Co., Ltd. applied to Shenzhen Intermediate People's Court for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the loan, signed the corresponding Guarantee Contract and was jointly and severally liable for the debt of RMB 720 million. The 26,550,000 shares of Jonjee High-tech held by Zhongshan Runtian Investment Co., Ltd. have been realised on September 13, 2022, with a received amount of RMB 793,755,369.22, which is about RMB 90 million different from the owed amount of RMB 882,199,570.79 submitted to the court by the applicant for execution. Therefore, the case has not been settled for the time being.

(8) Due to the financial debt dispute between China Railway Trust Co., Ltd. and Baoneng Automobile Group Co., Ltd. and Kunming Baojun Real Estate Co., Ltd., it applied to Chengdu Intermediate People's Court of Sichuan Province for compulsory execution. As the guarantor of the debt, Mr. Yao Zhenhua signed the corresponding Guarantee Contract and was jointly and severally liable for the debt of RMB 2,095 million. A settlement agreement has been signed in this case.

(9) Due to the financial debt dispute between China Railway Trust Co., Ltd. and Baoneng Automobile Group Co., Ltd. and Kunming Jianpeng Real Estate Development Co., Ltd., it applied to Chengdu Intermediate People's Court of Sichuan Province for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the debt, signed the corresponding Guarantee Contract and was jointly and severally liable for the debt of RMB 836 million. A settlement agreement has been signed in this case and the execution has been terminated.

(10) Due to the case of notarising creditor's rights documents between Changan International Trust Co., Ltd. and Shenzhen Baoneng Investment Group Co., Ltd., Wuxi Baoneng Real Estate Co., Ltd., Baoneng Holdings (China) Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Mr. Yao Zhenhua, Changan Trust applied for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 925 million.

(11) Due to the case of notarising creditor's rights documents between Changan International Trust Co., Ltd. and Shenzhen Baoneng Investment Group Co., Ltd., Wuxi Baoneng Real Estate Co., Ltd., Baoneng Holdings (China) Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Mr. Yao Zhenhua, Changan Trust applied for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 1,117 million.

(12) Due to the case of notarising creditor's rights documents between China Minsheng Trust Co., Ltd. and the defendants Shenzhen Baoneng Investment Group Co., Ltd., Hefei Baohui Real Estate Co., Ltd., Shenzhen Baoneng Enterprise Management Co., Ltd., Anhui Baoneng Land Co., Ltd., and Mr. Yao Zhenhua, Minsheng Trust applied for compulsory execution. As the guarantor of the debt, Mr. Yao Zhenhua bore unlimited several and joint liability for the debt of RMB 4,207 million.

(13) Due to the case of notarising creditor's rights documents between Shanghai Aijian Trust Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Chia Tai (Shenzhen) Development Co., Ltd., Hefei Baohui Real Estate Co., Ltd., Hefei Baoneng Real Estate Development Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Mr. Yao Zhenhua, Aijian Trust applied to the court for compulsory execution. As the guarantor of the debt, Mr. Yao Zhenhua was jointly and severally liable for the debt of RMB 416 million.

(14) Due to the dispute over the loan contract with Baoneng Automobile Group Co., Ltd., Chongqing International Trust applied to the court for compulsory execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 2,186 million.

(15) Due to the case of notarising creditor's rights documents between China Minsheng Trust Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Mr. Yao Zhenhua,

Minsheng Trust applied to the court for compulsory execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 496 million.

(16) Due to the case of China Minsheng Trust Co., Ltd., Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd. and Mr. Yao Zhenhua, Minsheng Trust applied to the court for compulsory execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 2,238 million.

(17) Due to the financial loan contract dispute between AVIC Trust Co., Ltd. and Shenzhen Lingdao Auto Life Service Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., Shenzhen Shum Yip Logistics Group Co., Ltd., Tengchong Baoneng Real Estate Co., Ltd., Zhejiang Jintian Real Estate Development Co., Ltd., Tengchong Beihai Wetland Ecotourism Investment Co., Ltd., and Mr. Yao Zhenhua, AVIC Trust applied to the court for compulsory execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 984 million.

(18) Due to the financial loan contract dispute between AVIC Trust Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., Baoneng Real Estate Co., Ltd., and Wuhu Baoneng Real Estate Co., Ltd., Baoneng City Co., Ltd., Tengchong Beihai Wetland Eco-Tourism Investment Co., Ltd., and Mr. Yao Zhenhua, AVIC Trust applied to the court for execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 549 million (principal, exclusive of interest, penalty interest, etc.).

(19) Due to the loan contract dispute between Shenzhen Branch of Ping An Bank Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Real Estate Co., Ltd., Shenzhen First Space Operation Management Co., Ltd., Mr. Yao Zhenhua and Baoneng City Co., Ltd., Shenzhen Branch applied to the court for execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 3,433 million. A settlement has been reached in this case and the execution has been terminated.

(20) Due to the execution of lawsuit costs of the loan contract dispute between Shenzhen Branch of Ping An Bank Co., Ltd. and Baoneng City Co., Ltd., Baoneng Real Estate Co., Ltd., Baoneng Holdings (China) Co., Ltd., Mr. Yao Zhenhua and Shenzhen Liujin Investment Co., Ltd., the Higher People's Court of Guangdong Province appointed Shenzhen Intermediate People's Court of Guangdong Province to execute the case. Mr. Yao Zhenhua, as the guarantor of the loan contract dispute, was jointly and severally liable for the lawsuit costs of RMB 13,920,800 arising from the loan contract dispute. The said lawsuit costs have been transferred and executed.

(21) Due to the loan contract dispute between Shenzhen Branch of Ping An Bank Co., Ltd. and Baoneng City Co., Ltd., Baoneng Real Estate Co., Ltd., Baoneng Holdings (China) Co., Ltd., Mr. Yao Zhenhua and Shenzhen Liujin Investment Co., Ltd., Shenzhen Branch of Ping An Bank Co., Ltd. applied to the court for execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 5,562 million. In this case, RMB 3,674 million was obtained from auction of residential unit, and RMB 2,226 million was repaid to Ping An Bank for debt repayment after deducting the appropriate taxes and fees.

(22) Due to the case of execution of notarising creditor's rights documents between Chongqing International Trust Co., Ltd. and Shenzhen Jushenghua Co., Ltd., Zhongshan Runtian, Shenzhen Baoneng Investment Group Co., Ltd., and Mr. Yao Zhenhua, Chongqing International Trust Co., Ltd. applied to the court for execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB 541 million.

(23) Due to the case that Tibet Bank Co., Ltd. sued Lhasa Baochuang Automobile Sales Co., Ltd., Mr. Yao Zhenhua, Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Shenzhen Shum Yip Logistics Group Co., Ltd. were jointly and severally liable for the lawsuit costs of the loan contract dispute, which was executed by the Lhasa Intermediate People's Court of the Tibet Autonomous Region, Mr. Yao Zhenhua, as the guarantor of the loan contract dispute, was jointly and severally liable for the lawsuit costs of RMB 5.11 million arising from the loan contract dispute.

(24) Due to the case that Tibet Bank Co., Ltd. sued Lhasa Baochuang Automobile Sales Co., Ltd., Mr. Yao Zhenhua, Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd. were jointly and severally liable for the debts arising from the loan contract dispute and were executed by Lhasa Intermediate People's

Court of the Tibet Autonomous Region. Mr. Yao Zhenhua, as the guarantor of the loan contract dispute, bore joint and several guarantee liability for the debt of RMB 829 million arising from the loan contract dispute, which has been paid off.

(25) Due to the case that Chongqing International Trust Co., Ltd. sued Baoneng Automobile Group Co., Ltd., Nanjing Baoneng Urban Development Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Holdings (China) Co., Ltd. and Yao Zhenhua, as the guarantor of the debt, Mr. Yao Zhenhua was executed by the Chongqing No. 5 Intermediate People's Court, and he was jointly and severally liable for the debt of RMB 2,186 million.

Mr. Yao Zhenhua had no debt with comparatively large amount that had not been paid when due.

3. According to the reply of the shareholder Chengtai Group Co., Ltd.: As of December 31, 2023, Chengtai Group Co., Ltd. has not received relevant information on share freezing and lawsuit, and it had no debt with comparatively large amount that had not been paid when due.

4. According to the reply of the shareholder Shenzhen Guanlong Logistics Co., Ltd.: As of December 31, 2023, Shenzhen Guanlong Logistics Co., Ltd. has not received relevant information on share freezing and lawsuit, and it had no debt with comparatively large amount that had not been paid when due.”

XI. Major related transaction

1. Related transaction with routine operation concerned

Applicable Not applicable

2. Related transaction with acquisition of assets or equity, sales of assets or equity concerned

Applicable Not applicable

3. Related transaction with jointly external investment concerned

Applicable Not applicable

4. Credits and liabilities with related parties

Applicable Not applicable

5. Transactions with related financial companies

Applicable Not applicable

6. Transactions with financial companies controlled by the company

Applicable Not applicable

7. Other major related transaction

Applicable Not applicable

XII. Significant contracts and their implementation

1. Trusteeship, contract and leasing

(1) Trusteeship

Applicable Not applicable

(2) Contract

Applicable Not applicable

(3) Leasing

Applicable Not applicable

2. Major guarantees

Applicable Not applicable

Unit: RMB 0,000

External guarantees of the Company and its subsidiaries (excluding the guarantees for subsidiaries)											
Name of guarantee object	Date of disclosure of related announcement on guarantee amount	Guarantee amount	Actual date of guarantee	Actual amount of guarantee	Guarantee type	Collateral (if any)	Counter guarantee circumstance (if any)	Guarantee period	Complete implementation or not	Guarantee for related party or not	
Total amount of approved external guarantees during the report period (A1)			0	Total actual amount of external guarantees during the report period (A2)					0		
Total amount of approved external guarantees at the end of the report period (A3)			0	Total balance of actual external guarantees at the end of the report period (A4)					0		
Guarantees of the Company for its subsidiaries											
Name of guarantee object	Date of disclosure of related announcement on guarantee amount	Guarantee amount	Actual date of guarantee	Actual amount of guarantee	Guarantee type	Collateral (if any)	Counter guarantee circumstance (if any)	Guarantee period	Complete implementation or not	Guarantee for related party or not	
Xianning CSG Photoelectric Glass Co., Ltd.	April 25, 2022	6,000	May 26, 2022	2,220	Joint liability guarantee	None	None	1 year	No	No	
Xianning CSG Photoelectric Glass Co., Ltd.	April 25, 2022	5,000	November 25, 2022	95	Joint liability guarantee	None	None	1 year	Yes	No	
Xianning CSG Photoelectric Glass Co., Ltd.	April 26, 2023	3,500	May 10, 2024	1,500	Joint liability guarantee	None	None	1 year	No	No	
Xianning CSG	April 26,	5,000	July 10,	1,971	Joint	None	None	1 year	No	No	

Energy-Saving Glass Co., Ltd.	2023		2023		liability guarantee					
Xianning CSG Energy-Saving Glass Co., Ltd.	April 25, 2022	8,600	March 17, 2023	1,164	Joint liability guarantee	None	None	5 year	No	No
Xianning CSG Energy-Saving Glass Co., Ltd.	April 26, 2023	8,000	December 21, 2023	5,040	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Energy-Saving Glass Co., Ltd.	April 26, 2023	5,000	May 09, 2023	0	Joint liability guarantee	None	None	1 year	Yes	No
Yichang CSG Photoelectric Glass Co., Ltd.	April 26, 2023	1,800	April 03, 2024	525	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Photoelectric Glass Co., Ltd.	April 26, 2023	600	October 17, 2023	600	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Photoelectric Glass Co., Ltd.	April 26, 2023	1,200	August 14, 2023	516	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Photoelectric Glass Co., Ltd.	April 25, 2022	600	April 26, 2024	0	Joint liability guarantee	None	None	2 year	No	No
Hebei Panel Glass Co., Ltd.	April 26, 2023	5,000	June 05, 2023	500	Joint liability guarantee	None	None	1 year	Yes	No
Hebei Panel Glass Co., Ltd.	April 26, 2023	5,000	August 9th, 2023	837	Joint liability guarantee	None	None	1 year	No	No
Hebei Panel Glass Co., Ltd.	April 25, 2022	2,500	May 16, 2022	0	Joint liability guarantee	None	None	3 year	Yes	No
Hebei Panel Glass Co., Ltd.	October 30, 2021	16,500	December 17, 2021	9,684	Joint liability guarantee	None	None	5 year	No	No
Hebei CSG Glass Co., Ltd.	April 26, 2023	3,000	May 8, 2023	2,795	Joint liability guarantee	None	None	1 year	No	No
Hebei CSG Glass Co., Ltd.	2024年04月26日	16,000	June 25, 2024	5,811	Joint liability guarantee	None	None	1 year	No	No
Hebei CSG Glass Co., Ltd.	April 25, 2022	2,500	May 16, 2022	0	Joint liability guarantee	None	None	3 year	No	No
Dongguan CSG Architectural Glass Co., Ltd.	April 26, 2023	5,000	September 18, 2023	2,008	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Architectural Glass Co., Ltd.	April 25, 2022	10,000	January 6, 2024	1,000	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Glass Co., Ltd.	April 26, 2023	7,000	July 14, 2023	6,323	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Glass Co., Ltd.	April 26, 2023	5,000	August 16, 2023	1,422	Joint liability guarantee	None	None	4 year	No	No
Xianning CSG	April 26,	5,000	November	5,000	Joint	None	None	1 year	No	No

Glass Co., Ltd.	2023		28,2023		liability guarantee					
Xianning CSG Glass Co., Ltd.	April 26, 2023	20,000	May 24,2024	4,000	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Glass Co., Ltd.	December 25, 2021	15,000	March 25,2022	10,689	Joint liability guarantee	None	None	7 year	No	No
Xianning CSG Glass Co., Ltd.	April 26, 2023	50,000	June 2,2023	33,841	Joint liability guarantee	None	None	7 year	No	No
Xianning CSG Glass Co., Ltd.	April 26, 2023	20,000	May 30,2024	15,676	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Glass Co., Ltd.	April 26, 2023	12,000	June 9,2023	6,403	Joint liability guarantee	None	None	5 year	No	No
Xianning CSG Glass Co., Ltd.	June 29, 2021	20,000	July 7,2021	6,595	Joint liability guarantee	None	None	5 year	No	No
Chengdu CSG Glass Co., Ltd.	April 26, 2023	5,000	August 9,2023	4,981	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	April 26, 2023	2,000	October 7,2023	1,800	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	April 26, 2023	3,000	September 20,2023	1,000	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	April 25, 2022	10,000	November 16,2022	4,000	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	April 26, 2023	10,000	February 28,2024	6,213	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	April 25, 2022	5,000	November 25,2022	1,910	Joint liability guarantee	None	None	3 year	No	No
Chengdu CSG Glass Co., Ltd.	April 26, 2023	5,000	February 1,2024	1,000	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	April 26,2023	16,437	May 31,2024	750	Joint liability guarantee	None	None	6 year	No	No
Chengdu CSG Glass Co., Ltd.	April 26,2023	3,000	January 29,2024	14	Joint liability guarantee	None	None	1 year	No	No
Sichuan CSG Energy Conservation Glass Co., Ltd.	April 26,2023	3,000	September 20,2023	2,000	Joint liability guarantee	None	None	1 year	No	No
Sichuan CSG Energy Conservation Glass Co., Ltd.	April 26,2023	5,000	October 7,2023	3,000	Joint liability guarantee	None	None	1 year	No	No
Sichuan CSG Energy	April 26,2023	10,000	September 19,2023	0	Joint liability	None	None	1 year	No	No

Conservation Glass Co., Ltd.					guarantee					
Sichuan CSG Energy Conservation Glass Co., Ltd.	April 26,2023	5,000	December 25,2023	0	Joint liability guarantee	None	None	1 year	No	No
Sichuan CSG Energy Conservation Glass Co., Ltd.	April 26,2023	3,000	February 20,2024	185	Joint liability guarantee	None	None	1 year	No	No
Sichuan CSG Energy Conservation Glass Co., Ltd.	April 26,2024	12,000	June 17,2024	9,990	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG Glass Co., Ltd.	February 19,2021	10,000	March 12,2021	4,317	Joint liability guarantee	None	None	4 year	No	No
Wujiang CSG Glass Co., Ltd.	April 26,2023	10,000	January 9,2024	6,862	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG Glass Co., Ltd.	April 26,2023	5,000	May 21,2024	49	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG Glass Co., Ltd.	April 26,2023	6,000	May 16,2024	0	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG Glass Co., Ltd.	April 26,2023	5,000	August 9,2023	0	Joint liability guarantee	None	None	1 year	No	No
CSG (Suzhou) Corporate Headquarters Management Co., Ltd.	April 26,2023	15,700	October 8,2023	1,070	Joint liability guarantee	None	None	5 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	April 25,2022	3,000	March 7,2023	0	Joint liability guarantee	None	None	1 year	Yes	No
Wujiang CSG East China Architectural Glass Co., Ltd.	April 26,2023	10,000	January 9,2024	5,500	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	April 26,2023	5,000	April 1,2024	0	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	April 25,2022	12,400	May 26,2022	2,671	Joint liability guarantee	None	None	5 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	April 26,2023	6,000	May 16,2024	0	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG East China Architectural	April 26,2023	5,000	March 21,2024	1,300	Joint liability guarantee	None	None	1 year	No	No

Glass Co., Ltd.										
Wujiang CSG East China Architectural Glass Co., Ltd.	April 26,2023	5,000	April 29,2024	1,797	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	April 26,2023	5,000	August 9,2023	4,819	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	April 25,2022	4,000	July 21,2022	1,602	Joint liability guarantee	None	None	5 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	April 26,2024	33,000	June 30,2024	0	Joint liability guarantee	None	None	1 year	No	No
Guangxi CSG New Energy Material Technology Co., Ltd.	April 26,2024		June 30,2024	0	Joint liability guarantee	None	None	1 year	No	No
Zhaoqing CSG Energy-Saving Glass Co., Ltd.	April 26,2024		June 30,2024	3,363	Joint liability guarantee	None	None	1 year	No	No
Zhaoqing CSG Energy-Saving Glass Co., Ltd.	April 26,2023		February 27,2024	0	Joint liability guarantee	None	None	5 year	No	No
Dongguan CSG Photovoltaic Technology Co., Ltd.	April 26,2024		June 30,2024	1,092	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Architectural Glass Co., Ltd.	April 26,2024		June 30,2024	0	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	April 26,2024		June 30,2024	3,137	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	April 25,2022	9,000	May 31,2022	4,779	Joint liability guarantee	None	None	4 year	No	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	April 26,2023	6,000	December 27,2023	300	Joint liability guarantee	None	None	1 year	No	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	April 26,2023	10,000	January 5,2024	431	Joint liability guarantee	None	None	1 year	No	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	April 25,2022	37,400	August 4,2022	0	Joint liability guarantee	None	None	5 year	Yes	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	April 26,2023	5,000	June 4,2024	0	Joint liability guarantee	None	None	3 year	No	No
Qingyuan CSG Energy-Saving	April 25,2022	10,000	April 24,2023	6,961	Joint liability	None	None	1 year	No	No

New Materials Co., Ltd.					guarantee					
Yichang CSG Display Co., Ltd.	April 26,2023	1,800	March 6,2024	1,047	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Display Co., Ltd.	April 25,2022	600	February 24,2023	600	Joint liability guarantee	None	None	1 year	Yes	No
Yichang CSG Display Co., Ltd.	April 25,2022	3,000	June 24,2022	2,600	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Polysilicon Co., Ltd.	April 26,2023	1,000	November 28,2023	0	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Polysilicon Co., Ltd.	April 26,2023	13,000	January 16,2024	3,387	Joint liability guarantee	None	None	4 year	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	April 26,2023	3,000	April 16,2024	538	Joint liability guarantee	None	None	1 year	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	April 26,2023	5,000	July 10,2023	1,000	Joint liability guarantee	None	None	1 year	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	April 26,2023	3,000	August 11,2023	500	Joint liability guarantee	None	None	1 year	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	February 19,2021	7,000	March 23,2021	3,103	Joint liability guarantee	None	None	4 year	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	April 26,2023	2,000	August 10,2023	700	Joint liability guarantee	None	None	1 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	August 10,2021	55,000	October 19,2021	42,203	Joint liability guarantee	None	None	6 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	August 10,2021	180,000	August 28,2021	99,828	Joint liability guarantee	None	None	7 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	April 25,2022	35,000	July 5,2022	25,850	Joint liability guarantee	None	None	3 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	April 25,2022	20,000	February 6,2023	7,832	Joint liability guarantee	None	None	3 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	April 26,2023	30,000	May 10,2023	13,146	Joint liability guarantee	None	None	1 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	December 25,2021	50,000	March 30,2022	28,072	Joint liability guarantee	None	None	9 year	No	No
Anhui CSG New	April 26,2024	10,000	June	0	Joint	None	None	1 year	No	No

Energy Material Technology Co., Ltd.			20,2024		liability guarantee					
Anhui CSG New Energy Material Technology Co., Ltd.	April 26,2023	10,000	August 30,2023	2,000	Joint liability guarantee	None	None	1 year	No	No
Anhui CSG Silicon Valley Mingdu Mining Development Co., Ltd.	April 26,2023	43,379	July 6,2023	39,000	Joint liability guarantee	None	None	10 year	No	No
Anhui CSG Quartz Materials Co., Ltd.	June 29,2021	9,000	September 13,2021	4,696	Joint liability guarantee	None	None	5 year	No	No
Anhui CSG Quartz Materials Co., Ltd.	April 26,2023	5,000	March 25,2024	4,980	Joint liability guarantee	None	None	3 year	No	No
Anhui CSG Quartz Materials Co., Ltd.	April 26,2024	1,000	June 27,2024	1,000	Joint liability guarantee	None	None	1 year	No	No
Anhui CSG Quartz Materials Co., Ltd.	April 26,2023	4,000	July 19,2023	0	Joint liability guarantee	None	None	1 year	No	No
Guangxi CSG Quartz Materials Co., Ltd.	April 26,2023	27,400	July 6,2023	7,200	Joint liability guarantee	None	None	8 year	No	No
Guangxi CSG Mining Co., Ltd.	April 26,2023		July 6,2023	7,800	Joint liability guarantee	None	None	8 year	No	No
Guangxi CSG Mining Co., Ltd.	April 26,2023	10,000	June 7,2023	0	Joint liability guarantee	None	None	5 year	No	No
Guangxi CSG Quartz Materials Co., Ltd.	April 26,2023	10,000	June 7,2023	0	Joint liability guarantee	None	None	5 year	No	No
Guangxi CSG Quartz Materials Co., Ltd.	April 25,2022	30,000	April 4,2023	3,207	Joint liability guarantee	None	None	3 year	No	No
Guangxi CSG Quartz Materials Co., Ltd.	April 25,2022	30,000	June 11,2022	9,900	Joint liability guarantee	None	None	3 year	No	No
Guangxi CSG Quartz Materials Co., Ltd.	April 25,2022	50,000	July 26,2022	15,000	Joint liability guarantee	None	None	8 year	No	No
Guangxi CSG Quartz Materials Co., Ltd.	April 25,2022	80,000	July 26,2022	54,000	Joint liability guarantee	None	None	8 year	No	No
Guangxi CSG Quartz Materials Co., Ltd.	April 26,2023	14,500	May 31,2024	0	Joint liability guarantee	None	None	1 year	No	No
Guangxi CSG Quartz Materials Co., Ltd.	April 26,2023	12,000	March 13,2024	500	Joint liability guarantee	None	None	1 year	No	No
Xi'an CSG Energy Saving Glass Technology	April 25,2022	34,400	March 27,2023	16,878	Joint liability guarantee	None	None	7 year	No	No

Co., Ltd.										
Xi'an CSG Energy Saving Glass Technology Co., Ltd.	April 26,2023	3,000	March 6,2024	0	Joint liability guarantee	None	None	1 year	No	No
Qinghai CSG New Energy Technology Co., Ltd.	April 26,2023	150,000	September 26,2023	30,000	Joint liability guarantee	None	None	8 year	No	No
Qinghai CSG New Energy Technology Co., Ltd.	April 26,2023	69,997	January 24,2024	45,823	Joint liability guarantee	None	None	6 year	No	No
Qinghai CSG New Energy Technology Co., Ltd.	April 26,2023	20,000	June 18,2024	0	Joint liability guarantee	None	None	1 year	No	No
Qinghai CSG New Energy Technology Co., Ltd.	April 26,2023	50,000	October 31,2023	47,129	Joint liability guarantee	None	None	7 year	No	No
Zhaoqing CSG New Energy Technology Co., Ltd.	April 25,2022	1,530	April 6,2023	1,138	Joint liability guarantee	None	None	7 year	No	No
Anhui CSG Photovoltaic Energy Co., Ltd.	April 26,2023	10,040	April 27,2023	5,398	Joint liability guarantee	None	None	7 year	No	No
Xianning CSG Photovoltaic Energy Co., Ltd.	April 26,2023	3,000	April 8,2024	671	Joint liability guarantee	None	None	9 year	No	No
Zhanjiang CSG New Energy Co., Ltd.	April 25,2022	1,000	March 28,2023	900	Joint liability guarantee	None	None	5 year	No	No
Zhaoqing CSG Energy-Saving Glass Co., Ltd.	April 25,2022	5,000	May 30,2022	0	Joint liability guarantee	None	None	3 year	No	No
Zhaoqing CSG Energy-Saving Glass Co., Ltd.	September 22,2020	34,000	September 25,2020	20,995	Joint liability guarantee	None	None	5 year	No	No
Dongguan CSG Architectural Glass Co., Ltd.	April 26, 2023	48,000	August 7,2023	587	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	April 26, 2023		August 7,2023	0	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG PV-tech Co., Ltd.	April 26, 2023		August 7,2023	1,252	Joint liability guarantee	None	None	1 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	April 26, 2023		August 7,2023	3,104	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG Glass Co., Ltd.	April 26, 2023		August 7,2023	0	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG	April 26,		August	0	Joint	None	None	1 year	No	No

Glass Co., Ltd.	2023		7,2023		liability guarantee						
Sichuan CSG Energy Conservation Glass Co., Ltd.	April 26, 2023		August 7,2023	236	Joint liability guarantee	None	None	1 year	No	No	
Yichang CSG Polysilicon Co., Ltd.	April 26, 2023		August 7,2023	6,161	Joint liability guarantee	None	None	1 year	No	No	
Xianning CSG Glass Co., Ltd.	April 26, 2023		August 7,2023	0	Joint liability guarantee	None	None	1 year	No	No	
Xianning CSG Glass Co., Ltd.	April 26, 2023		August 7,2023	206	Joint liability guarantee	None	None	1 year	No	No	
Wujiang CSG East China Architectural Glass Co., Ltd.	April 26, 2023		August 7,2023	852	Joint liability guarantee	None	None	1 year	No	No	
Tianjin CSG Energy-Saving Glass Co., Ltd.	April 26, 2023		August 7,2023	2,472	Joint liability guarantee	None	None	1 year	No	No	
Zhaoqing CSG Energy-Saving Glass Co., Ltd.	April 26, 2023		August 7,2023	0	Joint liability guarantee	None	None	1 year	No	No	
Total amount of approved guarantees for subsidiaries during the report period (B1)			72,000	Total actual amount of guarantees for subsidiaries during the report period (B2)						128,141	
Total amount of approved guarantees for subsidiaries at the end of the report period (B3)			1,696,883	Total balance of actual guarantees for subsidiaries at the end of the report period (B4)						771,404	
Guarantees of subsidiaries for their subsidiaries											
Name of guarantee object	Date of disclosure of related announcement on guarantee amount	Guarantee amount	Actual date of guarantee	Actual amount of guarantee	Guarantee type	Collateral (if any)	Counter guarantee circumstance (if any)	Guaranty period	Complete implementation or not	Guarantee for related party or not	
Total amount of approved guarantees for subsidiaries during the report period (C1)			0	Total actual amount of guarantees for subsidiaries during the report period (C2)						0	
Total amount of approved guarantees for subsidiaries at the end of the report period (C3)			0	Total balance of actual guarantees for subsidiaries at the end of the report period (C4)						0	
Total amount of the Company's guarantees (i.e., the sum of the first three items)											
Total amount of approved guarantees during the report period (A1+B1+C1)			72,000	Total actual amount of guarantees during the report period (A2+B2+C2)						128,141	
Total amount of approved guarantees at the end of the report period (A3+B3+C3)			1,696,883	Total actual balance of guarantees at the end of the report period (A4+B4+C4)						771,404	
The proportion of total actual amount of guarantees (i.e., A4+B4+C4) in the net assets of the Company									55.02%		
Including:											
Balance of guarantees provided for shareholders, actual controllers and its related parties (D)									0		
Balance of debt guarantees provided directly or indirectly for guaranteed objects with an asset-liability ratio exceeding 70% (E)									19,222		
The amount of guarantees exceeding 50% of the net assets (F)									0		

Total guarantee amount of the above three items (D+E+F)	19,222
Explanation on guarantee responsibility incurred in the report period or evidence showing the description of the possible joint and several liabilities for repayment for the guarantee contracts not yet due (if any)	Nil
Explanation on providing external guarantees in violation of prescribed procedures (if any)	Nil

Note: 1. The 2023 Annual General Meeting of the Company reviewed and passed the *Proposal for the 2024 Guarantee Plan*, and approved the Company and its subsidiaries to provide guarantees in a total amount of not exceeding RMB 24,400 million (including the effective and unexpired amount) for the 2024 credit lines from financial institutions to guaranteed entities within the scope of consolidated statements. Among them, the total amount of guarantees for all guaranteed entities with asset liability ratio of 70% or above shall not exceed the equivalent amount of RMB 2,000 million (including the effective and unexpired amount). The Company's external guarantees are all provided for subsidiaries within the scope of consolidated statement. As of 30 June 2024, the actual guarantee balance was RMB 7,714.04 million (of which the actual guarantee balance with liability/asset ratio of 70% or above was RMB 192.22 million), accounting for 54.90% of the parent company's audited net assets of RMB 14,050.8402 million at the end of 2023, and 25.41% of the audited net assets of RMB 30,362.06 million. The Company has no overdue guarantee.

2. The Company's 2022 Annual General Meeting reviewed and passed the *Proposal on the Development of Asset Pool Business in 2023*. In order to achieve the overall management of the Company's assets such as bills and letters of credit, the General Meeting of Shareholders approved the Company and its subsidiaries to conduct asset pool business of no more than RMB 1.6 billion. Under the premise of controllable risks, various guarantee methods such as maximum pledge, general pledge, deposit certificate pledge, bill pledge, and margin pledge can be adopted for business development. As of June 30, 2024, the actual pledge amount of the asset pool business was RMB 1,284.04 million, and the financing balance was RMB 1,263.04 million.

Explanation on compound guarantees

Nil

3. Entrusted Financing

Applicable Not applicable

In the report period, there was no entrusted financing.

4. Other material contracts

Applicable Not applicable

Name of signing entity on the Company's side	Name of counterparty	Subject matter	Contract signing date	Pricing principle	Transaction amount (RMB 0,000)	Related-party transaction or not	Association	Execution as of the end of the report period	Date of disclosure	Disclosure index
Wujiang CSG Glass Co., Ltd.,	LONGi Solar Technology Ltd., Zhejiang LONGi Solar Technology Ltd., Taizhou	Photovoltaic glass	31 July 2020	Price negotiated on a monthly basis	-	No	Nil	In progress	3 August 2020	Announcement No.:

and Dongguan CSG Solar Glass Co., Ltd.	LONGi Solar Technology Ltd., Yinchuan LONGi Solar Technology Ltd., Chuzhou LONGi Solar Technology Ltd., Datong LONGi Solar Technology Ltd., LONGi (H.K.) Trading Limited, LONGi (KUCHING) SDN. BHD., Xianyang LONGi Solar Technology Ltd., Jiangsu LONGi Solar Technology Ltd., Jiaxing LONGi Solar Technology Ltd., and Xi'an LONGi Green Building Technology Ltd.			according to market conditions						2020-060
CSG Holding Co., Ltd.	Trina Solar Co., Ltd.	High-purity silicon	13 September 2022	Price of high-purity silicon negotiated on a monthly basis according to contractually agreed pricing principles	-	No	Nil	In progress	14 September 2022	Announcement No.: 2022-054
CSG Holding Co., Ltd.	Two certain customers	Solar grade primary polysilicon	27 October 2022	Price negotiated on a monthly basis according to contractually agreed pricing principles	-	No	Nil	In progress	29 October 2022	Announcement No.: 2022-060
CSG Holding Co., Ltd.	One certain customer	Solar grade primary polysilicon	17 April 2023	Price negotiated on a monthly basis according to contractually agreed pricing principles	-	No	Nil	Yet to be executed	19 April 2023	Announcement No.: 2023-011

Note: The above material contracts are long-term sales contracts signed between the Company and customers. A total supply volume is given in such a contract, the specific price is negotiated on a monthly basis, and the total contract amount is subject to the final transaction amount.

XIII. Statement on other important matters

Applicable Not applicable

1. Ultra-short-term financing bills

On May 16, 2022, the Company's 2021 Annual General Meeting reviewed and approved the "Proposal on Application for Registration and Issuance of Medium-Term Notes and Ultra-short-term Financing Bills", which agreed that the Company would register and issue ultra-short-term financing bills with a registered amount of not more than RMB 1 billion, The Company can issue one or more times within the validity period of the registration according to the actual capital needs and the capital situation of the

inter-bank market. On October 30, 2023, the Dealers Association held the 128th registration meeting in 2023 and decided to accept the registration of ultra-short-term financing notes with a total amount of RMB 1 billion and a validity period of two years.

2. Medium-term notes

On May 16, 2022, the Company's 2021 Annual General Meeting reviewed and approved the "Proposal on Application for Registration and Issuance of Medium-term Notes and Ultra-short-term Financing Bills", which agreed that the Company would register and issue medium-term notes with a registered amount of not more than RMB 2 billion. Actual capital needs and inter-bank market capital status, can be issued one or more times within the validity period of registration. On October 30, 2023, the Dealers Association held its 128th registration meeting for 2023 and decided to accept the registration of medium-term notes with a total value of RMB 2 billion and a validity period of two years.

3. The matter of the special fund of RMB 171 million for talent introduction

Regarding the special fund of RMB 171 million for talent introduction, the Company filed an infringement compensation lawsuit against Zeng Nan and others and Yichang Hongtai Real Estate Co., Ltd. on December 15, 2021, and Shenzhen Intermediate People's Court officially accepted it on January 28, 2022. The first trial of the case was completed in Shenzhen Intermediate People's Court on June 21, 2022. On 4 June 2024, the Company received the Civil Judgment of the first instance issued by Shenzhen Intermediate People's Court, which rejected all of the Company's litigation requests. In June 2024, the Company filed an appeal to Guangdong Higher People's Court, and the case is currently in the process of the second instance.

4. Postponed re-election of the Board of Directors and the Supervisory Committee

The term of office of the ninth Board of Directors and Supervisory Committee of the Company expired on 21 May 2023, and re-election is progressing steadily as of now. According to Articles 96 and 138 of the *Articles of Association of CSG Holding Co., Ltd.*, if a new director/supervisor is not re-elected in time upon the expiry of the term of office of a director/supervisor, before the re-elected director/supervisor assumes his/her office, the former director/supervisor shall still perform the duties of a director/supervisor in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association. Therefore, the members of the ninth Board of Directors and Supervisory Committee are still performing their duties in a normal manner, and the re-election of the Board of Directors and the Supervisory Committee would not have any adverse impact on the Company's operation and governance.

XIV. Significant events of subsidiaries of the Company

Applicable Not applicable

Section VII. Changes in Shares and Particulars about Shareholders

I. Changes in Share Capital

1. Changes in Share Capital

Unit: Share

	Before the Change		Increase/Decrease in the Change (+, -)					After the Change	
	Amount	Proportion	New shares issued	Bonus shares	Capitalization of public reserve	Others	Subtotal	Amount	Proportion
I. Restricted shares	2,043,402	0.07%						2,043,402	0.07%
1. State-owned shares									
2. State-owned legal person's shares									
3. Other domestic shares	2,043,402	0.07%						2,043,402	0.07%
Including: Domestic legal person's shares									
Domestic natural person's shares	2,043,402	0.07%						2,043,402	0.07%
4. Foreign shares									
Including: Foreign legal person's shares									
Foreign natural person's shares									
II. Unrestricted shares	3,068,648,705	99.93%						3,068,648,705	99.93%
1. RMB Ordinary shares	1,959,279,645	63.80%						1,959,279,645	63.80%
2. Domestically listed foreign shares	1,109,369,060	36.13%						1,109,369,060	36.13%
3. Overseas listed foreign shares									
4. Others									
III. Total shares	3,070,692,107	100.00%	0	0	0	0	0	3,070,692,107	100.00%

Reason for equity changes

Applicable Not applicable

Approval on equity changes

Applicable Not applicable

Transfer of ownership for equity changes

Applicable Not applicable

Implementation progress of share buyback

Applicable Not applicable

Implementation progress of share buyback reduction through centralized bidding

Applicable Not applicable

Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of Company in the latest year and period

Applicable Not applicable

Other information necessary to be disclosed or need to be disclosed under requirement from security regulators

Applicable Not applicable

2. Changes of restricted shares

Applicable Not applicable

II. Issuance and listing of Securities

Applicable Not applicable

III. Amount of shareholders of the Company and particulars about shares holding

Unit: share

Total amount of shareholders at the end of the report period	147,717	Total amount of the preferred shareholders who have resumed the voting right at end of report period (if applicable)	0					
Shareholder with above 5% shares held or top ten shareholders (Excluding shares lent through refinancing)								
Full name of Shareholders	Nature of shareholder	Proportion of shares held	Total shares held at the end of report period	Changes in report period	Amount of restricted shares held	Amount of unrestricted shares held	Number of share pledged/frozen	
							Share status	Amount
Foresea Life Insurance Co., Ltd. – HailiNiannian	Domestic non state-owned legal person	15.19%	466,386,874	0	0	466,386,874		
# Shenzhen Sigma C&T Co., Ltd.	Domestic non state-owned legal person	3.92%	120,385,406	48,081,571	0	120,385,406		
Foresea Life Insurance Co., Ltd. – Universal Insurance Products	Domestic non state-owned legal person	3.86%	118,425,007	0	0	118,425,007		
Foresea Life Insurance Co., Ltd. – Own Fund	Domestic non state-owned legal person	2.11%	64,765,161	0	0	64,765,161		
China Galaxy International Securities (Hong Kong) Co., Limited	Foreign legal person	1.34%	41,034,578	0	0	41,034,578		

Hong Kong Securities Clearing Co., Ltd.	Foreign legal person	0.73%	22,421,087	-3,775,027	0	22,421,087		
Zhongshan Runtian Investment Co., Ltd.	Domestic non state-owned legal person	0.62%	18,983,447	0	0	18,983,447	Pledged	18,980,000
							Marked	18,980,000
							Frozen	3,447
China Merchants Securities (Hong Kong) Limited	Foreign legal person	0.61%	18,825,211	-15,284,626	0	18,825,211		
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign legal person	0.57%	17,643,373	-1,952,200	0	17,643,373		
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Foreign legal person	0.57%	17,537,213	0	0	17,537,213		
Strategic investors or general legal person becomes top 10 shareholders due to shares issued (if applicable)	N/A							
Explanation on associated relationship among the aforesaid shareholders	As of the end of the report period, among shareholders as listed above, Foresea Life Insurance Co., Ltd.-HailiNiannian, Foresea Life Insurance Co., Ltd.-Universal Insurance Products, Foresea Life Insurance Co., Ltd.-Own Fund are all held by Foresea Life Insurance Co., Ltd. Shenzhen Jushenghua Co., Ltd., which holds 51% equity of Foresea Life Insurance Co., Ltd., holds 100% equity of Zhongshan Runtian Investment Co.,Ltd and Chengtai Group Co. Ltd., through Shenzhen Hualitong Investment Co., Ltd. Chengtai Group Co., Ltd. holds 40,187,904 shares through China Galaxy International Securities (Hong Kong) Co., Limited.							
Explanation of the above-mentioned shareholders involving entrusted/entrusted voting rights and abstention from voting right	N/A							
Special instructions on the existence of special repurchase account among the top 10 shareholders (if any)	N/A							
Particulars about top ten shareholders with unrestricted shares held (Excluding shares lent through refinancing and executive lock-in shares)								
Shareholders' name	Amount of unrestricted shares held at year-end	Type of shares						
		Type	Amount					
Foresea Life Insurance Co., Ltd. – HailiNiannian	466,386,874	RMB ordinary shares	466,386,874					
# Shenzhen Sigma C&T Co., Ltd.	120,385,406	RMB ordinary shares	120,385,406					
Foresea Life Insurance Co., Ltd. – Universal Insurance Products	118,425,007	RMB ordinary shares	118,425,007					
Foresea Life Insurance Co., Ltd. – Own Fund	64,765,161	RMB ordinary shares	64,765,161					
China Galaxy International Securities (Hong Kong) Co., Limited	41,034,578	Domestically listed foreign shares	41,034,578					
Hong Kong Securities Clearing Co., Ltd.	22,421,087	RMB ordinary shares	22,421,087					
Zhongshan Runtian Investment Co., Ltd.	18,983,447	RMB ordinary shares	18,983,447					
China Merchants Securities (Hong Kong) Limited	18,825,211	Domestically listed foreign shares	18,825,211					

VANGUARD EMERGING MARKETS STOCK INDEX FUND	17,643,373	Domestically listed foreign shares	17,643,373
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	17,537,213	Domestically listed foreign shares	17,537,213
Statement on associated relationship or consistent action among the above shareholders:	As of the end of the report period, among shareholders as listed above, Foresea Life Insurance Co., Ltd.-HailiNiannian, Foresea Life Insurance Co., Ltd.-Universal Insurance Products, Foresea Life Insurance Co., Ltd.-Own Fund are all held by Foresea Life Insurance Co., Ltd. Shenzhen Jushenghua Co., Ltd., which holds 51% equity of Foresea Life Insurance Co., Ltd., holds 100% equity of Zhongshan Runtian Investment Co.,Ltd and Chengtai Group Co. Ltd., through Shenzhen Hualitong Investment Co., Ltd. Chengtai Group Co., Ltd. holds 40,187,904 shares through China Galaxy International Securities (Hong Kong) Co., Limited.		
Explanation on shareholders involving margin business (if applicable)	As of the end of the report period, shareholder Shenzhen Sigma C&T Co., Ltd. holds 0 shares of the Company through an ordinary account, and 120,385,406 shares of the Company through the customer credit transaction guarantee securities account of Huatai Securities Co., Ltd., totaling 120,385,406 shares of the Company.		

Special note: On July 11, 2022, at the Company's Second Extraordinary General Meeting in 2022, Foresea Life Insurance Co., Ltd. voted in favor of all proposals, and Zhongshan Runtian Investment Co., Ltd. voted against all proposals, Chengtai Group Co., Ltd. voted against all the proposals with the shares held by China Galaxy International Securities (Hong Kong) Co., Limited; on August 3, 2022, at the Company's Third Extraordinary General Meeting in 2022, Foresea Life Insurance Co., Ltd. voted in favor of all proposals, and Zhongshan Runtian Investment Co., Ltd. voted against all proposals.

Top 10 shareholders involved in refinancing shares lending

Applicable Not applicable

The top 10 shareholders and the top 10 shareholders of unlimited outstanding shares have changed from the previous period due to refinancing lending/restitution reasons

Applicable Not applicable

Whether the company's top 10 common shareholders and the top 10 shareholders of ordinary shares subject to unlimited sales have agreed to buy back transactions during the report period

Yes No

The top 10 shareholders of ordinary shares and the top 10 shareholders of ordinary shares with unrestricted sales conditions did not engage in any agreed repurchase transactions during the reporting period.

IV. Changes in the shareholding of directors, supervisors and senior executives

Applicable Not applicable

The shareholding situation of the Company's directors, supervisors and senior managers did not change during the reporting period, which can be detailed in the 2023 annual report.

V. Changes of controlling shareholder or actual controller

Changes of controlling shareholders in the report period

Applicable Not applicable

Changes of actual controller in the report period

Applicable Not applicable

Section VIII. Preferred Shares

Applicable Not applicable

There were no preferred shares in the Company during the report period.

Section IX. Bonds

Applicable Not applicable

On the approval date of this report, the Company does not have any existing bonds.

Section X. Financial Report

I. Report of the auditors

Whether the Semi-annual Report has been audited or not

Yes No

The Company's Semi-annual Report has not been audited.

II. Financial statements

All amounts in the tables in the Notes to the Financial Statements are expressed in RMB.

1. Consolidated balance sheet

Prepared by: CSG Holding Co., Ltd.

30 June 2024

Unit: RMB

Item	30 June 2024	1 January 2024
Current assets:		
Cash at bank and on hand	3,619,278,955	3,076,774,218
Notes receivable	1,569,125,486	1,593,520,494
Accounts receivable	1,845,881,636	1,881,796,408
Receivables Financing	622,130,245	529,945,623
Advances to suppliers	120,163,652	155,476,645
Other receivables	173,913,608	177,957,033
Inventories	1,978,742,256	1,590,224,795
Non-current assets due within one year		84,191,224
Other current assets	413,804,979	352,066,698
Total current assets	10,343,040,817	9,441,953,138
Non-current assets:		
Investment properties	292,711,858	290,368,105
Fixed assets	12,785,878,380	13,145,568,631
Construction in progress	5,860,245,516	4,325,016,420
Right-of-use assets	20,668,967	21,637,628
Intangible assets	2,420,861,237	2,490,530,224
Goodwill	8,593,352	8,593,352
Long-term prepaid expenses	19,903,233	18,764,429
Deferred tax assets	284,259,290	223,025,031
Other non-current assets	232,792,856	396,600,354
Total non-current assets	21,925,914,689	20,920,104,174
Total assets	32,268,955,506	30,362,057,312
Current liabilities:		

Item	30 June 2024	1 January 2024
Short-term borrowings	288,350,882	436,853,583
Notes payable	2,509,626,956	2,041,353,189
Accounts payable	3,338,914,236	3,341,624,602
Contract liabilities	343,813,781	362,538,795
Employee benefits payable	325,264,034	483,337,796
Taxes payable	166,777,597	123,407,413
Other payables	1,160,609,297	484,741,877
Including: interest payable	8,863,897	8,751,408
Dividends payable	767,673,027	
Current portion of non-current liabilities	1,540,485,695	1,248,891,979
Other current liabilities	296,865,126	454,332,686
Total current liabilities	9,970,707,604	8,977,081,920
Non-current liabilities:		
Long-term borrowings	6,750,620,208	6,221,648,676
Lease liabilities	14,679,278	15,134,562
Long-term payables	510,957,893	88,204,163
Provisions	12,031,343	13,050,082
Deferred income	441,426,757	430,143,830
Deferred tax liabilities	75,030,913	80,087,910
Total non-current liabilities	7,804,746,392	6,848,269,223
Total liabilities	17,775,453,996	15,825,351,143
Shareholders' equity:		
Share capital	3,070,692,107	3,070,692,107
Capital surplus	590,739,414	590,739,414
Other comprehensive income	178,601,860	177,384,471
Special reserve	3,363,900	1,411,139
Surplus reserve	1,404,063,298	1,404,063,298
Undistributed profits	8,771,988,323	8,806,549,788
Total equity attributable to shareholders of parent company	14,019,448,902	14,050,840,217
Minority interests	474,052,608	485,865,952
Total shareholders' equity	14,493,501,510	14,536,706,169
Total liabilities and shareholders' equity	32,268,955,506	30,362,057,312

Legal representative: Chen Lin

Principal in charge of accounting: Wang Wenxin

Head of accounting department:

Wang Wenxin

2. Balance sheet of the parent company

Unit: RMB

Item	30 June 2024	1 January 2024
Current assets:		
Cash at bank and on hand	1,405,056,729	1,827,896,587
Accounts receivable	237,211,824	240,038,959
Receivables Financing	35,231,635	5,234,304
Advances to suppliers	2,034,835	1,428,810
Other receivables	2,537,334,449	2,157,102,479
Including: Dividends receivable	127,775,200	126,870,800
Non-current assets due within one year		84,191,224
Total current assets	4,216,869,472	4,315,892,363
Non-current assets:		
Long-term equity investments	10,229,533,769	9,806,533,769
Fixed assets	7,909,754	8,737,647
Intangible assets	9,552,772	9,846,993
Long-term prepaid expenses	3,484,218	3,784,407
Other non-current assets	3,900,657	1,683,913
Total non-current assets	10,254,381,170	9,830,586,729
TOTAL ASSETS	14,471,250,642	14,146,479,092
Current liabilities:		
Short-term borrowings	15,000,000	100,000,000
Notes payable	227,613,519	484,035,958
Accounts payable	244,777,834	257,032,871
Employee benefits payable	32,376,007	70,030,907
Taxes payable	4,925,918	2,558,059
Other payables	3,341,402,835	2,857,183,005
Including: interest payable	2,189,475	1,933,504
Dividends payable	767,673,027	
Current portion of non-current liabilities	536,069,800	647,500,000
Total current liabilities	4,402,165,913	4,418,340,800
Non-current liabilities:		
Long-term borrowings	1,718,420,200	1,302,250,000
Deferred income	171,562,500	171,750,000
Total non-current liabilities	1,889,982,700	1,474,000,000
Total liabilities	6,292,148,613	5,892,340,800
Shareholders' equity:		
Share capital	3,070,692,107	3,070,692,107
Capital surplus	741,824,399	741,824,399
Surplus reserve	1,418,608,658	1,418,608,658
Undistributed profits	2,947,976,865	3,023,013,128

Item	30 June 2024	1 January 2024
Total shareholders' equity	8,179,102,029	8,254,138,292
Total liabilities and shareholders' equity	14,471,250,642	14,146,479,092

3. Consolidated income statement

Unit: RMB

Item	H1 2024	H1 2023
I. Total business income	8,078,970,651	8,389,340,245
Including: operating income	8,078,970,651	8,389,340,245
II. Total operating costs	7,363,291,697	7,477,912,994
Including: operating costs	6,333,338,505	6,495,395,931
Taxes and surcharges	67,905,677	76,379,004
Selling and distribution expenses	155,003,701	146,856,141
General and administrative expenses	394,521,014	340,252,772
Research and development expenses	336,673,375	346,264,501
Financial expenses	75,849,425	72,764,645
Including: interest expenses	115,225,970	113,306,203
Interest income	31,170,207	45,500,449
Add: Other Income	116,694,636	47,203,839
Investment income (Loss is listed with “-”)	-4,863,078	-4,083,180
Credit impairment loss (Loss is listed with “-”)	7,380,905	-7,601,224
Asset impairment loss (Loss is listed with “-”)	-41,315,915	24,908
Income on disposal assets (Loss is listed with “-”)	4,202,074	53,451
III. Operating profit (Loss is listed with “-”)	797,777,576	947,025,045
Add: Non-operating revenue	4,928,794	9,453,333
Less: Non-operating expenses	3,180,495	486,800
IV. Total profit (Loss is listed with “-”)	799,525,875	955,991,578
Less: Income tax expenses	78,227,657	74,094,170
V. Net profit (Net loss is listed with “-”)	721,298,218	881,897,408
(1) Classified by continuous operation:		
1. Net income from continuing operations (Net loss is listed with “-”)	721,298,218	881,897,408
(2) Classified by equity ownership:		
1. Attributable to shareholders of parent company	733,111,562	889,478,780
2. Minority interests	-11,813,344	-7,581,372
VI. Other comprehensive income net after tax	1,217,389	10,030,559
Other comprehensive income net after tax attributable to shareholders of parent company	1,217,389	10,030,559
(1) Other comprehensive income to be reclassified into profit and loss	1,217,389	10,030,559
1. Translation differences arising on translation of foreign currency financial statement	1,217,389	10,030,559
VII. Total comprehensive income	722,515,607	891,927,967
Total comprehensive income attributable to shareholders of the parent company	734,328,951	899,509,339

Item	H1 2024	H1 2023
Total comprehensive income attributable to minority shareholders	-11,813,344	-7,581,372
VIII. Earnings per share		
(1) Basic earnings per share	0.24	0.29
(2) Diluted earnings per share	0.24	0.29

Legal representative: Chen Lin

Principal in charge of accounting: Wang Wenxin

Head of accounting department:

Wang Wenxin

4. Income statement of the parent company

Unit: RMB

Item	H1 2024	H1 2023
I. Operating income	196,004,063	219,825,718
Less: operating costs		
Taxes and surcharges	1,569,126	1,405,865
Selling and distribution expenses	20,151,569	10,326,349
General and administrative expenses	134,311,842	137,413,753
Research and development expenses		290,120
Financial expenses	5,210,579	15,872,574
Including: interest expenses	31,753,909	61,444,973
Interest income	25,751,103	41,530,076
Add: Other Income	1,009,464	3,002,974
Investment income (Loss is listed with "-")	656,824,755	1,682,067,333
Credit impairment loss (Loss is listed with "-")	70,299	459,771
Income on disposal assets (Loss is listed with "-")	28,035	
II. Operating profit (Loss is listed with "-")	692,693,500	1,740,047,135
Add: Non-operating revenue	14,664	1,770
Less: Non-operating expenses	71,400	170,614
III. Total profit (Loss is listed with "-")	692,636,764	1,739,878,291
Less: Income tax expenses		
IV. Net profit (Net loss is listed with "-")	692,636,764	1,739,878,291
(1) Net income from continuing operations (Net loss is listed with "-")	692,636,764	1,739,878,291
(2) Net income from discontinued operations (Net loss is listed with "-")		
V. Total comprehensive income	692,636,764	1,739,878,291
VI. Earnings per share		

5. Consolidated statement of cash flows

Unit: RMB

Item	H1 2024	H1 2023
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	8,467,658,366	8,167,102,471
Refund of taxes and surcharges	32,599,323	129,649,279
Cash received relating to other operating activities	120,575,427	235,147,053
Sub-total of cash inflows from operating activities	8,620,833,116	8,531,898,803
Cash paid for goods and services	5,815,275,525	6,164,275,159
Cash paid to and on behalf of employees	1,220,487,978	1,161,324,786
Payments of taxes and surcharges	320,331,418	481,706,537
Cash paid relating to other operating activities	271,454,050	206,165,136
Sub-total of cash outflows from operating activities	7,627,548,971	8,013,471,618
Net cash flows from/(used in) operating activities	993,284,145	518,427,185
II. Cash flows from investing activities:		
Cash received from returns on investments	140,000,000	20,000,000
Cash received from returns on invest income	5,376,333	775,676
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	21,021,307	176,747
Cash received relating to other investing activities		32,629,490
Sub-total of cash inflows from operating activities	166,397,640	53,581,913
Cash paid to acquire fixed assets, intangible assets and other long-term asset	1,492,512,738	1,714,949,765
Cash paid to acquire investments	162,800,000	20,000,000
Net cash paid to acquire subsidiaries and other business units		696,000
Cash paid relating to other investing activities	26,244,829	
Sub-total of cash outflows from operating activities	1,681,557,567	1,735,645,765
Net cash flows (used in)/from investing activities	-1,515,159,927	-1,682,063,852
III. Cash flows from financing activities:		
Cash received from investors		4,000,000
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		4,000,000
Cash received from borrowings	1,605,003,386	1,792,403,638
Cash received relating to other financing activities	458,231,000	12,000,000
Sub-total of cash inflows from operating activities	2,063,234,386	1,808,403,638
Cash repayments of borrowings	900,033,363	2,351,598,051
Cash payments for interest expenses and distribution of dividends or profits	139,192,778	227,681,798
Cash payments relating to other financing activities	86,415,538	23,054,274
Sub-total of cash outflows from operating activities	1,125,641,679	2,602,334,123
Net cash flows (used in)/from financing activities	937,592,707	-793,930,485
IV. Effect of foreign exchange rate changes on cash	10,660,765	2,809,041
V. Net increase/(decrease) in cash and cash equivalents	426,377,690	-1,954,758,111
Add: Cash and cash equivalents at beginning of period	3,051,261,655	4,594,018,251
VI. Cash and cash equivalents at end of period	3,477,639,345	2,639,260,140

6. Statement of cash flows of the parent company

Unit: RMB

Item	H1 2024	H1 2023
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	857,809,508	346,331,261
Cash received relating to other operating activities	26,636,779	207,913,289
Sub-total of cash inflows from operating activities	884,446,287	554,244,550
Cash paid for goods and services	667,365,408	59,456,484
Cash paid to and on behalf of employees	176,610,778	182,805,295
Payments of taxes and surcharges	8,574,661	22,354,669
Cash paid relating to other operating activities	76,762,407	17,475,295
Sub-total of cash outflows	929,313,254	282,091,743
Net cash flows from/(used in) operating activities	-44,866,967	272,152,807
II. Cash flows from investing activities:		
Cash received from returns on investments	80,000,000	20,000,000
Cash received from returns on invest income	661,015,979	1,931,308,828
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	31,680	2,000
Sub-total of cash inflows	741,047,659	1,951,310,828
Cash paid to acquire fixed assets, intangible assets and other long-term assets	3,750,531	5,775,984
Cash paid to acquire investments	523,000,000	999,282,840
Sub-total of cash outflows	526,750,531	1,005,058,824
Net cash flows (used in)/from investing activities	214,297,128	946,252,004
III. Cash flows from financing activities:		
Cash received from borrowings	643,490,000	610,000,000
Sub-total of cash inflows	643,490,000	610,000,000
Cash repayments of borrowings	423,750,000	2,216,543,000
Cash payments for interest expenses and distribution of dividends or profits	31,497,937	154,494,391
Cash paid relating to other financing activities	880,514,582	532,071,876
Sub-total of cash outflows	1,335,762,519	2,903,109,267
Net cash flows (used in)/from financing activities	-692,272,519	-2,293,109,267
IV. Effect of foreign exchange rate changes on cash	2,413	18,222
V. Net increase/(decrease) in cash and cash equivalents	-522,839,945	-1,074,686,234
Add: Cash and cash equivalents at beginning of period	1,827,884,309	2,595,003,883
VI. Cash and cash equivalents at end of period	1,305,044,364	1,520,317,649

7. Consolidated statement of changes in owner's equity

H1 2024

Unit: RMB

Item	H1 2024								
	Equity attributable to shareholders of parent company							Minority interests	Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Sub-total		
I. Balance at the end of the last year	3,070,692,107	590,739,414	177,384,471	1,411,139	1,404,063,298	8,806,549,788	14,050,840,217	485,865,952	14,536,706,169
II. Balance at the beginning of the period	3,070,692,107	590,739,414	177,384,471	1,411,139	1,404,063,298	8,806,549,788	14,050,840,217	485,865,952	14,536,706,169
III. Movements for the period (Decrease is listed with "-")			1,217,389	1,952,761		-34,561,465	-31,391,315	-11,813,344	-43,204,659
(I) Total comprehensive income			1,217,389			733,111,562	734,328,951	-11,813,344	722,515,607
(II) Capital increase or decrease from shareholder									
1. Ordinary shares contributed by the owner									
2. Others									
(III) Profit distribution						-767,673,027	-767,673,027		-767,673,027
1. Transfer to surplus reserves									
2. Distribution to owners (or shareholders)						-767,673,027	-767,673,027		-767,673,027
(IV) Special reserve				1,952,761			1,952,761		1,952,761
1. Special reserve				3,139,075			3,139,075		3,139,075

appropriate									
2. Special reserve used				1,186,314			1,186,314		1,186,314
IV. Balance at the end of the period	3,070,692,107	590,739,414	178,601,860	3,363,900	1,404,063,298	8,771,988,323	14,019,448,902	474,052,608	14,493,501,510

H1 2023

Unit: RMB

Item	H1 2023								
	Equity attributable to shareholders of parent company							Minority interests	Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Sub-total		
I. Balance at the end of the last year	3,070,692,107	596,997,085	170,860,478	731,580	1,228,634,001	7,786,968,455	12,854,883,706	520,787,597	13,375,671,303
II. Balance at the beginning of the period	3,070,692,107	596,997,085	170,860,478	731,580	1,228,634,001	7,786,968,455	12,854,883,706	520,787,597	13,375,671,303
III. Movements for the period (Decrease is listed with “-”)			10,030,559	-521,061		889,478,780	898,988,278	-3,581,372	895,406,906
(I) Total comprehensive income			10,030,559			889,478,780	899,509,339	-7,581,372	891,927,967
(II) Capital increase or decrease from shareholder								4,000,000	4,000,000
1. Contributions from shareholders in common stock								4,000,000	4,000,000
2. Others									
(III) Profit distribution									
1. Transfer to surplus reserves									
2. Distribution to owners (or shareholders)									
(IV) Special reserve				-521,061			-521,061		-521,061
1. Special reserve				5,038,984			5,038,984		5,038,984

Item	H1 2023								
	Equity attributable to shareholders of parent company							Minority interests	Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Sub-total		
appropriate									
2. Special reserve used				5,560,045			5,560,045		5,560,045
IV. Balance at the end of the period	3,070,692,107	596,997,085	180,891,037	210,519	1,228,634,001	8,676,447,235	13,753,871,984	517,206,225	14,271,078,209

8. Statement of changes in owners' equity of the parent company

H1 2024

Unit: RMB

Item	H1 2024				
	Share capital	Capital surplus	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Balance at the end of the last year	3,070,692,107	741,824,399	1,418,608,658	3,023,013,128	8,254,138,292
II. Balance at the beginning of the period	3,070,692,107	741,824,399	1,418,608,658	3,023,013,128	8,254,138,292
III. Movements for the period (Decrease is listed with "-")				-75,036,263	-75,036,263
(I) Total comprehensive income				692,636,764	692,636,764
(II) Capital increase or decrease from shareholder					
(III) Profit distribution				-767,673,027	-767,673,027
1. Transfer to surplus reserves					
2. Distribution to shareholders				-767,673,027	-767,673,027
(IV) Internal carry-forward of owners' equity					
(V) Special reserve					
(VI) Others					
IV. Balance at the end of the period	3,070,692,107	741,824,399	1,418,608,658	2,947,976,865	8,179,102,029

H1 2023

Unit: RMB

Item	H1 2023				
	Share capital	Capital surplus	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Balance at the end of the last year	3,070,692,107	741,824,399	1,243,179,361	1,904,753,271	6,960,449,138
II. Balance at the beginning of the period	3,070,692,107	741,824,399	1,243,179,361	1,904,753,271	6,960,449,138
III. Movements for the period (Decrease is listed with “-”)				1,739,878,291	1,739,878,291
(I) Total comprehensive income				1,739,878,291	1,739,878,291
(II) Capital increase or decrease from shareholder					
(III) Profit distribution					
1. Transfer to surplus reserves					
2. Distribution to owners (or shareholders)					
(IV) Internal carry-forward of owners' equity					
(V) Special reserve					
(VI) Others					
IV. Balance at the end of the period	3,070,692,107	741,824,399	1,243,179,361	3,644,631,562	8,700,327,429

III. GENERAL INFORMATION

CSG Holding Co., Ltd. (the “Group”) was incorporated in September 1984, known as China South Glass Company, as a joint venture enterprise by Hong Kong China Merchants Shipping Co.,LTD (香港招商局轮船股份有限公司), Shenzhen Building Materials Industry Corporation (深圳建筑材料工业集团公司), China North Industries Corporation (中国北方工业深圳公司) and Guangdong International Trust and Investment Corporation (广东国际信托投资公司). The Group was registered in Shenzhen, Guangdong Province of the People's Republic of China and its headquarters is located in Shenzhen, Guangdong Province of the People's Republic of China. The Group issued RMB-denominated ordinary shares (“A-share”) and foreign shares (“B-share”) publicly in October 1991 and January 1992 respectively, and was listed on Shenzhen Stock Exchange on February 1992. As at 30 June 2024, the registered capital of the Group was RMB3,070,692,107, with nominal value of RMB1 per share.

The Group and its subsidiaries (collectively referred to as the “Group”) are mainly engaged in the manufacture and sales of float glass, photovoltaic glass, specialised glass, engineering glass, energy saving glass, silicon related materials, polycrystalline silicon and solar components and electronic-grade display device glass and the construction and operation of photovoltaic plant etc.

The financial statements and the notes thereto were authorised for issue by the Board of Directors of the Group on 22 August 2024.

Details on the major subsidiaries included in the consolidated scope in the current period were stated in the notes to the financial statements.

IV. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation of financial statements

These financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and their application guidelines, interpretations and other relevant regulations issued by the Ministry of Finance (collectively: “Accounting Standards for Business Enterprises”). In addition, the Group also discloses relevant financial information in accordance with the *China Securities Regulatory Commission’s Information Disclosure and Preparation Rules for Companies that Offer Securities to the Public No. 15 - General Provisions on Financial Reports (Revised in 2023)*.

The Group’s accounting is based on the accrual basis. Except for certain financial instruments and investment properties, these financial statements are measured on a historical cost basis. If an asset is impaired, corresponding impairment provisions will be made in accordance with relevant regulations.

2. Going concern

The present financial report has been prepared on the basis of going concern assumptions.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The depreciation of fixed assets, amortization of intangible assets, capitalization conditions for R&D expenses and revenue recognition policies based on its own production and operation characteristics. For specific accounting policies, please refer to Note.

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

This financial statement complies with the requirements of the Accounting Standards for Business Enterprises and truly and completely reflects the Group’s consolidated and company financial status as of 30 June 2024, as well as the

consolidated and company operating results, consolidated and company cash flows and other relevant information from January to June 2024.

2. Accounting year

The Group adopts the Gregorian calendar year, that is, from 1 January to 31 December each year.

3. Operating cycle

The Group's operating cycle is 12 months.

4. Recording currency

The Group and its domestic subsidiaries use RMB as their functional currency for accounting. The Group's overseas subsidiaries determine their recording currency based on the currency of the main economic environment in which they operate. The currency used by the Group in preparing these financial statements is RMB.

5. Materiality criteria determination method and selection basis

Applicable Not applicable

Item	Materiality criterion
Significant single provision for bad debts in accounts receivable	The amount of individual accounts receivable provision accounts for over 5% of the combined accounts receivable balance
Significant single provision for bad debts in other receivables	The amount of individual other receivables provision accounts for over 10% of the combined other receivables balance
Significant write-off of accounts receivable/other receivables	The impact on the company's current profit and loss accounts for over 5% of the net profit absolute value for the most recent audited fiscal year, and exceeds 1 million yuan in absolute amount
Significant construction in progress	The budgeted investment amount accounts for over 5% of the recent audited attributable equity to the parent company
Significant non-wholly owned subsidiaries	The subsidiary's total assets account for over 5% of the consolidated total assets

6. Accounting treatment of business combinations under the common control and under non- common control

(1) Business combinations involving enterprises under common control

For business mergers under common control, the assets and liabilities of the merged party acquired by the merging party during the merger shall be measured based on the book value of the merged party in the consolidated financial statements of the ultimate controlling party on the merger date. The difference between the book value of the merger consideration (or the total face value of the shares issued) and the book value of the net assets obtained in the merger is adjusted to the capital reserve (share premium). If the capital reserve (share premium) is insufficient to offset it, the retained earnings are adjusted.

The merger of enterprises under the same control is realized step by step through multiple transactions.

The assets and liabilities of the merged party acquired by the merging party in the merger shall be measured based on the book value in the consolidated financial statements of the ultimate controlling party on the date of merger; the book value of the investments held before the merger plus the book value of the newly paid consideration on the date of merger. The difference between the sum and the book value of the net assets obtained in the merger shall be adjusted to the capital reserve (equity premium). If the capital reserve is insufficient for offset, the retained earnings shall be adjusted. The long-term equity investment held by the merging party before it obtained control of the merged

party has been confirmed to be relevant between the date of acquiring the original equity and the date when the merging party and the merged party are under the final control of the same party, whichever is later, to the date of merger. Changes in profits and losses, other comprehensive income and other owners' equity should be offset against the opening retained earnings or current profits and losses during the comparative statement period respectively.

(2) Business combination not under common control

For business combinations not under common control, the combination cost shall be the assets paid, liabilities incurred or assumed, and the fair value of equity securities issued to obtain control of the purchased party on the acquisition date. On the purchase date, the acquired assets, liabilities and contingent liabilities of the purchased party are recognized at fair value.

If the merger cost is greater than the fair value share of the acquiree's identifiable net assets obtained in the merger. The difference is recognized as goodwill, and is subsequently measured at cost less accumulated impairment reserves; if the merger cost is less than the acquiree's identifiable net assets acquired in the merger, the difference is recognized as goodwill. The difference between the fair value of the net assets will be included in the current profit and loss after review.

The merger of enterprises not under common control is realized step by step through multiple transactions.

The merger cost is the sum of the consideration paid on the purchase date and the fair value of the purchased party's equity held before the purchase date on the purchase date. For the equity of the purchased party that has been held before the purchase date, it will be remeasured according to the fair value of the equity on the purchase date, and the difference between the fair value and its book value will be included in the investment income of the current period; The purchaser's equity held before the purchase date involves other comprehensive income, changes in other owners' equity are converted into current income on the purchase date, other comprehensive income arising from the investee's remeasurement of the net liabilities or changes in net assets of the defined benefit plan, and other comprehensive income originally designated as fair value Except for other comprehensive income related to investments in non-trading equity instruments that are measured and whose changes are included in other comprehensive income.

(3) Handling of Transaction Costs in Business Combinations

Intermediary fees such as auditing, legal services, evaluation and consulting, and other related management fees incurred for business mergers are included in the current profit and loss when incurred. The transaction costs of equity securities or debt securities issued as consideration for the merger shall be included in the initial recognition amount of the equity securities or debt securities.

7. Judgment standards for control and methods for preparing consolidated financial statements

(1) Control criteria

The scope of consolidation in consolidated financial statements is determined based on control. Control means that the Group has power over the invested unit, enjoys variable returns by participating in the relevant activities of the invested unit, and has the ability to use its power over the invested unit to affect its return amount. The Group will reassess when changes in relevant facts and circumstances lead to changes in the relevant elements involved in the definition of control.

When judging whether to include structured entities into the scope of consolidation, the Group comprehensively considers all facts and circumstances, including assessing the purpose and design of the structured entities, identifying the types of variable returns, and whether it bears part or all of the returns by participating in its related activities. Evaluate whether the structured entity is controlled based on variability, etc.

(2) How to prepare consolidated financial statements

The consolidated financial statements are based on the financial statements of the Group and its subsidiaries, and are prepared by the Group based on other relevant information. When preparing consolidated financial statements, the accounting policies and accounting period requirements of the Group and its subsidiaries are consistent, and significant inter-company transactions and balances are offset.

Subsidiaries and businesses that are added due to business combinations under the same control during the reporting period are deemed to be included in the scope of consolidation of the Group from the date they are both controlled by the ultimate controlling party. The operating results and cash flows from the date of the announcement are included in the consolidated income statement and consolidated cash flow statement respectively.

For subsidiaries and businesses that are added due to business combinations not under common control during the reporting period, the income, expenses, and profits of the subsidiaries and businesses from the date of acquisition to the end of the reporting period are included in the consolidated income statement, and their cash flows are included in the consolidated cash flow statement.

The part of the subsidiary's shareholders' equity that is not owned by the Group is listed separately as minority shareholders' equity in the consolidated balance sheet under shareholders' equity; the share of the subsidiary's current net profit and loss that is minority shareholders' equity is listed in the consolidated income statement. The net profit item is listed under the item "Profits and losses of minority shareholders". If the losses of a subsidiary shared by minority shareholders exceed the minority shareholders' share of the opening owner's equity of the subsidiary, the balance will still offset the minority shareholders' equity.

(3) Purchase of minority shareholders' equity in subsidiaries

The difference between the newly acquired long-term equity investment cost due to the purchase of minority shares and the share of the subsidiary's net assets calculated continuously from the date of purchase or merger based on the new shareholding ratio, and without losing control. The difference between the disposal price obtained from the partial disposal of the equity investment in the subsidiary and the corresponding share of the subsidiary's net assets calculated continuously from the date of purchase or merger date corresponding to the disposal of the long-term equity investment shall be adjusted in the consolidated balance sheet. Capital reserve (equity premium/capital premium), if the capital reserve is insufficient to offset, the retained earnings will be adjusted.

(4) Treatment of loss of control of subsidiaries

If the control over the original subsidiary is lost due to the disposal of part of the equity investment or other reasons, the remaining equity shall be remeasured according to its fair value on the date of loss of control; the sum of the consideration obtained from the disposal of the equity and the fair value of the remaining equity shall be less. Calculated based on the original shareholding ratio, the sum of the share of the book value of the net assets and goodwill of the original subsidiary calculated continuously from the date of purchase shall be included in the investment income in the current period when control is lost.

Other comprehensive income related to the equity investment of the original subsidiary should be accounted for on the same basis as the original subsidiary's direct disposal of relevant assets or liabilities when the control is lost. Any income related to the original subsidiary that involves accounting under the equity method other changes in owners' equity should be transferred to the current profits and losses when control is lost.

8. Determination criteria for cash and cash equivalents

Cash refers to cash on hand and deposits that can be used for payment at any time. Cash equivalents refer to investments held by the Group that are short-term, highly liquid, easily convertible into known amounts of cash, and have little risk of value changes.

9. Foreign currency business and foreign currency statement conversion

(1) Foreign currency business

The Group's foreign currency business is converted into the recording currency amount based on the spot exchange rate on the date of the transaction.

On the balance sheet date, foreign currency monetary items are converted using the spot exchange rate on the balance sheet date. The exchange difference arising from the difference between the spot exchange rate on the balance sheet date and the spot exchange rate at the time of initial recognition or the previous balance sheet date is included in the current profit and loss; for foreign currency non-monetary items measured at historical cost, the spot exchange rate on the date of the transaction is still used. The foreign currency non-monetary items measured at fair value shall be converted at the spot exchange rate on the date when the fair value is determined. The difference between the converted accounting functional currency amount and the original accounting functional currency amount shall be converted according to the non-monetary accounting currency amount. The nature of monetary items is included in current profits and losses or other comprehensive income.

(2) Translation of foreign currency financial statements

On the balance sheet date, when converting the foreign currency financial statements of overseas subsidiaries, the asset and liability items in the balance sheet are translated using the spot exchange rate on the balance sheet date. Except for "undistributed profits", shareholders' equity items include other items. Converted using the spot exchange rate on the date of occurrence.

Income and expense items in the income statement are translated using the spot exchange rate on the date of transaction.

All items in the cash flow statement are translated according to the spot exchange rate on the date when the cash flow occurs. The impact of exchange rate changes on cash is regarded as an adjustment item and is reflected in the "Impact of exchange rate changes on cash and cash equivalents" separately in the cash flow statement.

Differences arising from the translation of financial statements are reflected in the "other comprehensive income" item under the shareholders' equity item in the balance sheet.

When an overseas operation is disposed of and control is lost, the translation difference of the foreign currency statements listed under the shareholders' equity item in the balance sheet and related to the overseas operation shall be transferred to the current profit and loss of the disposal in full or in proportion to the disposal of the overseas operation.

10. Financial tool

A financial instrument is a contract that forms a financial asset of one party and a financial liability or equity instrument of another party.

(1) Recognition and derecognition of financial instruments

The Group recognizes a financial asset or financial liability when it becomes a party to a financial instrument contract.

Financial assets shall be derecognized if they meet one of the following conditions:

- 1) The contractual right to receive cash flows from the financial asset terminates;
- 2) The financial asset has been transferred and meets the following conditions for derecognition of financial asset transfer.

If the current obligation of a financial liability has been discharged in whole or in part, the financial liability or part of it shall be derecognized. If the Group (debtor) signs an agreement with its creditors to replace existing financial liabilities by assuming new financial liabilities, and the contract terms of the new financial liabilities are substantially different from the existing financial liabilities, the existing financial liabilities will be derecognized and the new

financial liabilities will be recognized at the same time.

When financial assets are bought and sold in a regular manner, accounting recognition and derecognition will be carried out based on the transaction date.

(2) Classification and measurement of financial assets

Upon initial recognition, the Group classifies financial assets into the following three categories based on the business model of managing financial assets and the contractual cash flow characteristics of financial assets: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profits and losses.

Financial assets are measured at fair value upon initial recognition. For financial assets measured at fair value through profit and loss, the relevant transaction costs are directly included in the current profit and loss; for other types of financial assets, the relevant transaction costs are included in the initial recognition amount. For receivables arising from the sale of products or provision of services that do not include or take into account significant financing components, the amount of consideration that the Group is expected to be entitled to receive shall be deemed as the initial recognition amount.

Financial assets measured at amortized cost

The Group classifies financial assets that meet the following conditions and are not designated as measured at fair value through profit or loss as financial assets measured at amortized cost:

- The Group's business model for managing this financial asset is aimed at collecting contractual cash flows;
- The contractual terms of the financial asset provide that the cash flows generated on a specific date are solely payments of principal and interest based on the outstanding principal amount.

After initial recognition, such financial assets are measured at amortized cost using the effective interest rate method. Gains or losses arising from financial assets that are measured at amortized cost and are not part of any hedging relationship are included in the current profit and loss when they are derecognized, amortized according to the effective interest method, or impairment is recognized.

Financial assets measured at fair value through other comprehensive income

The Group classifies financial assets that meet the following conditions and are not designated as measured at fair value through profit or loss as financial assets at fair value through other comprehensive income:

- The Group's business model for managing the financial assets aims at both collecting contractual cash flows and selling the financial assets;
- The contractual terms of the financial asset provide that the cash flows generated on a specific date are solely payments of principal and interest based on the outstanding principal amount.

After initial recognition, such financial assets are subsequently measured at fair value. Interest, impairment losses or gains and exchange gains and losses calculated using the effective interest rate method are included in the current profit and loss, and other gains or losses are included in other comprehensive income. When derecognition is terminated, the accumulated gains or losses previously included in other comprehensive income will be transferred out of other comprehensive income and included in the current profit and loss.

Financial assets measured at fair value through profits and losses

Except for the above-mentioned financial assets measured at amortized cost and at fair value through other comprehensive income, the Group classifies all remaining financial assets as financial assets at fair value through profit or loss. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Group irrevocably designated some financial assets that should have been measured at amortized cost or at fair value through other comprehensive income as financial assets measured through profits and losses.

After initial recognition, such financial assets are subsequently measured at fair value, and the resulting gains or losses (including interest and dividend income) are included in the current profits and losses, unless the financial assets are part of a hedging relationship.

The business model for managing financial assets refers to how the Group manages financial assets to generate cash flow. The business model determines whether the source of cash flow from the financial assets managed by the Group is collection of contractual cash flow, sale of financial assets or both. The Group determines the business model for managing financial assets based on objective facts and specific business objectives for managing financial assets determined by key management personnel.

The Group evaluates the contractual cash flow characteristics of financial assets to determine whether the contractual cash flows generated by the relevant financial assets on a specific date are only payments of principal and interest based on the outstanding principal amount. Among them, principal refers to the fair value of the financial asset at the time of initial recognition; interest includes consideration for the time value of money, the credit risk associated with the outstanding principal amount in a specific period, and other basic lending risks, costs and profits. In addition, the Group evaluates contract terms that may cause changes in the time distribution or amount of contractual cash flows of financial assets to determine whether they meet the requirements of the above contractual cash flow characteristics.

Only when the Group changes its business model for managing financial assets, all affected relevant financial assets will be reclassified on the first day of the first reporting period after the change in business model. Otherwise, financial assets shall not be reclassified after initial recognition.

Financial assets are measured at fair value upon initial recognition. For financial assets measured at fair value through profit and loss, the relevant transaction costs are directly included in the current profit and loss; for other types of financial assets, the relevant transaction costs are included in the initial recognition amount. For accounts receivable arising from the sale of products or provision of services that do not include or take into account significant financing components, the amount of consideration that the Group is expected to be entitled to receive shall be deemed as the initial recognition amount.

(3) Classification and measurement of financial liabilities

The Group's financial liabilities are classified upon initial recognition into: financial liabilities measured at fair value through profit or loss, and financial liabilities measured at amortized cost. For financial liabilities that are not classified as measured at fair value through profit and loss, relevant transaction costs are included in their initial recognition amount.

Financial liabilities measured at fair value through profit or loss

Financial liabilities at fair value through profit or loss include trading financial liabilities and financial liabilities designated as fair value through profit or loss upon initial recognition. Such financial liabilities are subsequently measured at fair value, and gains or losses arising from changes in fair value, as well as dividends and interest expenses related to such financial liabilities, are included in the current profits and losses.

Financial liabilities measured at amortized cost

Other financial liabilities adopt the actual interest rate method and are subsequently measured at amortized cost. Gains or losses arising from derecognition or amortization are included in the current profits and losses.

The difference between financial liabilities and equity instruments

Financial liabilities refer to liabilities that meet one of the following conditions:

- 1) Contractual obligation to deliver cash or other financial assets to other parties.
- 2) Contractual obligations to exchange financial assets or financial liabilities with other parties under potentially adverse conditions.

3) Non-derivative contracts that must or can be settled with the enterprise's own equity instruments in the future, and the enterprise will deliver a variable number of its own equity instruments according to the contract.

4) Derivative contracts that must or can be settled with the enterprise's own equity instruments in the future, except for derivative contracts that exchange a fixed number of its own equity instruments for a fixed amount of cash or other financial assets.

Equity instruments refer to contracts that prove ownership of the remaining equity in the assets of an enterprise after deducting all liabilities.

If the Group cannot unconditionally avoid delivering cash or other financial assets to fulfil a contractual obligation, the contractual obligation meets the definition of a financial liability.

If a financial instrument must be settled or can be settled with the Group's own equity instruments, it is necessary to consider whether the Group's own equity instruments used to settle the instrument are used as a substitute for cash or other financial assets, or to enable the holders of the instrument to hold the remaining interest in the issuer's assets after deducting all liabilities. If it is the former, the instrument is a financial liability of the Group; if it is the latter, the instrument is an equity instrument of the Group.

(4) Fair value of financial instruments

Fair value is the price that a market participant would pay to sell an asset or transfer a liability in an orderly transaction that occurred on the measurement date.

The Group measures related assets or liabilities at fair value, assuming that the orderly transaction to sell assets or transfer liabilities is carried out in the principal market for related assets or liabilities. If no principal market exists, the Group assumes that the transaction is carried out in the most advantageous market for related assets or liabilities. The principal market (or the most advantageous market) is the transaction market which the Group can enter on the measurement date. The Group adopts the assumptions used by market participants to maximize their economic benefits when pricing the assets or liabilities.

For financial assets or liabilities with an active market, the Group adopts the quoted price in the active market to determine its fair value. For a financial instrument without an active market, the Group adopts valuation techniques to determine its fair value.

When measuring non-financial assets at fair value, the Company considers the ability of market participants to use the assets for the best use to generate economic benefits, or to sell the assets to other market participants who can use the assets for the best use to generate economic benefits.

The Group adopts valuation techniques that are applicable to the current situation and with sufficient data available and other information support and gives priority to the use of the related observable input value. It uses unobservable input values only if the input value cannot be observed or is not feasible.

The assets and liabilities measured or disclosed at fair value in the financial statements are in line with the lowest level of the input values that is important to fair value measurement as a whole to determine the level of fair value. The first level of the input values means an unadjusted quoted price in an active market for the same assets and liabilities available on the measurement date. The second level of the input values are the directly or indirectly observable input values of related assets and liabilities except for the first level of the input values. The third level of the input values are the unobservable input values of related assets and liabilities.

On each balance sheet date, the Group re-assesses the assets and liabilities that are continuously measured at fair value in the financial statements so as to determine whether the conversion occurs at different levels of the fair value measurement.

(5) Impairment of financial assets

Based on expected credit losses, the Group performs impairment accounting on the following items and recognizes loss provisions:

- Financial assets measured at amortized cost;
- Receivables and debt investments measured at fair value through other comprehensive income;
- Contract assets as defined in *Accounting Standards for Business Enterprises No. 14 - Revenue*;
- Lease receivables;
- Financial guarantee contracts (except those that are measured at fair value and whose changes are included in current profits and losses, the transfer of financial assets does not meet the conditions for derecognition, or the financial assets continue to be involved in the transferred financial assets).

Measurement of expected credit losses

Expected credit losses refer to the weighted average of the credit losses of financial instruments with the risk of default as the weight. Credit loss refers to the difference between all contractual cash flows receivable under the contract and all cash flows expected to be received by the Group discounted at the original effective interest rate, that is, the present value of all cash shortfalls.

The Group considers reasonable and well-founded information about past events, current conditions, and predictions of future economic conditions, and weights the risk of default to calculate the difference between the cash flows receivable under the contract and the cash flows expected to be received. The probability-weighted amount of the present value is recognized as the expected credit loss.

The Group measures the expected credit losses of financial instruments at different stages respectively. If the credit risk of a financial instrument has not increased significantly since initial recognition, it is in the first stage, and the Group will measure loss provisions based on the expected credit losses in the next 12 months; if the credit risk of a financial instrument has increased significantly since initial recognition but has not yet occurred. If the financial instrument is credit-impaired, it is in the second stage, and the Group measures the loss provision based on the expected credit losses for the entire duration of the instrument; if the financial instrument has been credit-impaired since initial recognition, it is in the third stage, and the Group measures the expected credit losses for the entire duration of the instrument. The expected credit losses during the duration are measured as loss provisions.

For financial instruments with low credit risk on the balance sheet date, the Group assumes that its credit risk has not increased significantly since initial recognition and measures loss provisions based on expected credit losses within the next 12 months.

Lifetime expected credit losses refer to the expected credit losses caused by all possible default events that may occur during the entire expected life of a financial instrument. Expected credit losses in the next 12 months refer to the default events of financial instruments that may occur within 12 months after the balance sheet date (if the expected duration of the financial instrument is less than 12 months, the expected duration). Expected credit losses are part of the expected credit losses throughout the entire duration.

When measuring expected credit losses, the maximum period that the Group needs to consider is the longest contract period for which the enterprise faces credit risk (including consideration of renewal options).

For financial instruments in the first and second stages and with lower credit risk, the Group calculates interest income based on its Carrying Amount before impairment provisions and actual interest rate. For financial instruments in the third stage, interest income is calculated based on its Carrying Amount minus the amortized cost and actual interest rate after impairment provisions have been made.

For receivables such as notes receivable, accounts receivable, receivable financing, other receivables, and contract assets, if the credit risk characteristics of a certain customer are significantly different from other customers in the portfolio, or the credit risk of the customer. If the characteristics of the receivables change significantly, the Group shall make a separate provision for bad debts for the receivables. In addition to the receivables for which bad debt provisions are made individually, the Group divides the receivables into groups based on credit risk characteristics and calculates bad debt provisions on a group basis.

Notes receivable, accounts receivable and contract assets

For notes receivable and accounts receivable, regardless of whether there is a significant financing component, the Group always measures its loss provisions at an amount equivalent to the expected credit losses during the entire duration.

When the information on expected credit losses cannot be assessed at a reasonable cost for a single financial asset, the Group divides notes receivable and accounts receivable into groups based on credit risk characteristics, and calculates expected credit losses on the basis of the groups. The basis for determining the group is as follows:

A. Notes receivable

- Notes Receivable Portfolio 1: Bank Acceptance Bill
- Notes Receivable Portfolio 2: Commercial Acceptance Bill

B. Accounts receivable

- Accounts receivable portfolio 1: Non-related party customers
- Accounts Receivable Portfolio 2: Related Party Customers

For notes receivable and contract assets divided into portfolios, the Group refers to historical credit loss experience, combined with current conditions and predictions of future economic conditions, and calculates expected credit losses through default risk exposure and the expected credit loss rate throughout the duration.

For accounts receivable divided into portfolios, the Group refers to historical credit loss experience, combined with current conditions and predictions of future economic conditions, to prepare a comparison table between the aging/overdue days of accounts receivable and the expected credit loss rate for the entire duration. Calculate expected credit losses. The aging of accounts receivable is calculated from the date of confirmation/the number of overdue days is calculated from the date of expiration of the credit period.

Other receivables

The Group divides other receivables into several combinations based on credit risk characteristics, and calculates expected credit losses on the basis of the combinations. The basis for determining the combinations is as follows:

- Other receivables portfolio 1: Amounts due from non-related parties
- Other receivables portfolio 2: Amounts due from related parties

For other receivables classified into portfolios, the Group calculates expected credit losses through the default risk exposure and the expected credit loss rate within the next 12 months or throughout the duration. For other receivables grouped by aging, the aging is calculated from the date of confirmation.

Debt investment, other debt investment

For debt investments and other debt investments, the Group calculates expected credit based on the nature of the investment and various types of counterparties and risk exposures through default risk exposure and expected credit loss rate within the next 12 months or throughout the duration.

Assessment of significant increase in credit risk

The Group compares the risk of default of a financial instrument on the balance sheet date with the risk of default on the initial recognition date to determine the relative change in the default risk of the financial instrument during its expected duration to assess whether the credit risk of the financial instrument has increased significantly since its initial recognition.

When determining whether the credit risk has increased significantly since initial recognition, the Group considers

reasonable and supportable information, including forward-looking information, that can be obtained without unnecessary additional cost or effort. Information considered by the Group includes:

- The debtor fails to pay the principal and interest on the due date of the contract;
- An actual or expected significant deterioration in the external or internal credit rating (if any) of the financial instrument;
- The actual or expected serious deterioration in the debtor's operating results;
- Existing or expected changes in the technological, market, economic or legal environment will have a significant adverse impact on the debtor's ability to repay the Group's debt.

Depending on the nature of the financial instrument, the Group assesses whether there is a significant increase in credit risk on the basis of a single financial instrument or a combination of financial instruments. When evaluating based on a portfolio of financial instruments, the Group can classify financial instruments based on common credit risk characteristics, such as overdue information and credit risk ratings.

If it is overdue for more than 30 days, the Group determines that the credit risk of the financial instrument has increased significantly.

The Group believes that financial assets default in the following circumstances:

- It is unlikely that the borrower will pay in full what it owes the Group, an assessment that does not take into account recourse actions by the Group such as the realization of collateral (if held);
- Financial assets are overdue for more than 90 days.

Credit-impaired financial assets

The Group assesses whether credit impairment has occurred on financial assets measured at amortized cost and debt investments measured at fair value through other comprehensive income on the balance sheet date. When one or more events occur that have an adverse impact on the expected future cash flows of a financial asset, the financial asset becomes a credit-impaired financial asset. Evidence that a financial asset has been credit-impaired includes the following observable information:

- The issuer or debtor encounters significant financial difficulties;
- The debtor breaches the contract, such as default or overdue payment of interest or principal;
- The Group grants the debtor concessions that it would not have made under any other circumstances due to economic or contractual considerations related to the debtor's financial difficulties;
- the likelihood that the debtor will go bankrupt or undergo other financial reorganization;
- Financial difficulties of the issuer or debtor result in the disappearance of an active market for the financial asset.

Presentation of expected credit loss provisions

In order to reflect changes in the credit risk of financial instruments since initial recognition, the Group re-measures expected credit losses on each balance sheet date, and the resulting increase or reversal of loss provisions shall be accounted for as impairment losses or gains into current profit and loss. For financial assets measured at amortized cost, the loss provision is reduced by the book value of the financial assets listed in the balance sheet; for debt investments measured at fair value through other comprehensive income, the Group's other comprehensive income. The loss provision is recognized in income and does not deduct the book value of the financial asset.

Write off

If the Group no longer reasonably expects that the contractual cash flows of a financial asset can be fully or partially recovered, it will directly write down the Carrying Amount of the financial asset. Such a write-down constitutes the derecognition of the relevant financial asset. This situation usually occurs when the Group determines that the debtor does not have the assets or sources of income to generate sufficient cash flow to repay the amount that will be written down. However, in accordance with the Group's procedures for recovering due amounts, financial assets that are written down may still be affected by execution activities.

If a financial asset that has been written down is later recovered, the reversal of the impairment loss will be included in the profit and loss of the current period of recovery.

(6) Financial asset transfer

The transfer of financial assets refers to the transfer or delivery of financial assets to another party (the transfer-in party) other than the issuer of the financial assets.

If the Group has transferred substantially all risks and rewards of ownership of a financial asset to the transferee, the financial asset shall be derecognised; if the Group has retained substantially all risks and rewards of ownership of the financial asset, the financial asset shall not be derecognised.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it shall handle the following situations respectively: if it gives up control of the financial asset, the financial asset shall be derecognised and the assets and liabilities incurred shall be recognized; if it has not given up control of the financial asset, If the financial asset is controlled, the relevant financial assets shall be recognized to the extent of its continued involvement in the transferred financial assets, and the relevant liabilities shall be recognized accordingly.

(7) Offset of financial assets and financial liabilities

When the Group has the legal right to offset the recognized financial assets and financial liabilities and is currently able to enforce such legal rights, and the Group plans to settle on a net basis or to realize the financial assets and pay off the financial liabilities at the same time, the financial assets and financial liabilities will be presented in the balance sheet at the amount after offsetting each other. Otherwise, financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other.

11. Inventories

(1) Inventory classification

The Group's inventories are divided into raw materials, work in progress, inventory goods and turnover materials.

(2) Valuation method for issued inventory

The Group's inventories are valued at actual cost when acquired. Raw materials, inventory, etc. are priced using the weighted average method when shipped.

(3) Methods of accrual and provision for inventories

On the balance sheet date, inventories are measured at the lower of cost and net realizable value. When the net realizable value is lower than the cost, a provision for inventory depreciation is made.

Net realizable value is the estimated selling price of the inventory minus the estimated costs to be incurred upon completion, estimated selling expenses and related taxes. When determining the net realizable value of inventories, it is based on the conclusive evidence obtained and the purpose of holding the inventories and the impact of events after the balance sheet date are also considered.

The Group usually accrues inventory depreciation provisions based on individual inventory items. For inventories with large quantities and low unit prices, inventory depreciation provisions are made according to the inventory category.

On the balance sheet date, if the factors that previously caused the inventory value to be written down have disappeared, the inventory depreciation provision shall be reversed within the amount originally accrued.

(4) Inventory system

The Group adopts the perpetual inventory system.

12. Long-term investment

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates. The associates of the Group are those that the Group can exert significant influence on the invested units.

(1) Initial measurement of investment cost

Long-term equity investments resulting from business combinations: For long-term equity investments obtained from business combinations under common control, the share of the book value of the owner's equity of the merged party in the consolidated financial statements of the ultimate controlling party will be used as the investment cost on the date of merger ; not under the same control For long-term equity investments obtained through a business merger, the investment cost of the long-term equity investment shall be based on the merger cost.

For long-term equity investments obtained by other means: for long-term equity investments obtained by paying cash, the actual purchase price paid will be used as the initial investment cost; for long-term equity investments obtained by issuing equity securities, the fair value of the equity securities issued will be used as the initial investment cost.

(2) Subsequent measurement and profit and loss recognition methods

Investments in subsidiaries are accounted for using the cost method, unless the investment qualifies as held for sale; investments in associates and joint ventures are accounted for using the equity method.

For long-term equity investments accounted for using the cost method, in addition to the actual price paid when acquiring the investment or the cash dividends or profits that have been declared but not yet distributed included in the consideration, the cash dividends or profits declared to be distributed by the investee shall be recognized as investment income for current profit and loss.

For long-term equity investments accounted for using the equity method, if the initial investment cost is greater than the fair value share of the investee's identifiable net assets that should be enjoyed at the time of investment, the investment cost of the long-term equity investment will not be adjusted; if the initial investment cost is less than the investment, the investee's share of the identifiable net assets should be enjoyed If the fair value share of net assets is identified, the book value of the long-term equity investment will be adjusted, and the difference will be included in the current profit and loss of the investment.

When accounting using the equity method, investment income and other comprehensive income are recognized respectively according to the share of the net profit or loss and other comprehensive income realized by the investee that should be enjoyed or shared, and the book value of the long-term equity investment is adjusted at the same time; in accordance with the declaration of the investee The portion of the distributed profits or cash dividends that should be calculated will reduce the book value of the long-term equity investment accordingly; for other changes in the owner's equity of the investee other than net profit and loss, other comprehensive income and profit distribution, the book value of the long-term equity investment will be adjusted and Included in capital reserves (other capital reserves). When confirming the share of the investee's net profits and losses, the fair value of the investee's identifiable assets when the investment is obtained is used as the basis, and in accordance with the Group's accounting policies and accounting periods, the net profit of the investee is determined. Make adjustments and confirm.

If it is possible to exert significant influence on the investee or implement joint control but does not constitute control due to additional investment or other reasons, on the conversion date, the sum of the fair value of the original equity plus the cost of the new investment will be used as the initial investment cost to be accounted for by the equity method. If the original equity is classified as a non-trading equity instrument investment measured at fair value and its changes are included in other comprehensive income, the related cumulative fair value changes originally included in other comprehensive income will be transferred to retained earnings when it is accounted for under the equity method.

If the joint control or significant influence on the invested unit is lost due to the disposal of part of the equity investment or other reasons, the remaining equity after the disposal shall be changed to the Accounting Standards for

Business Enterprises No. 22 - Financial Instrument Recognition and Significant Influence on the date of loss of joint control or significant influence. Measurement is used for accounting treatment, and the difference between the fair value and the book value is included in the current profit and loss. Other comprehensive income recognized due to the use of the equity method for accounting in the original equity investment will be accounted for on the same basis as the investee's direct disposal of relevant assets or liabilities when the equity method is terminated; other changes in owner's equity related to the original equity investment Transferred to current profit and loss.

If the control over the invested unit is lost due to the disposal of part of the equity investment or other reasons, and the remaining equity after the disposal can jointly control or exert significant influence on the invested unit, it shall be accounted for according to the equity method, and the remaining equity shall be regarded as owned. Adjustments will be made using the equity method upon acquisition; if the remaining equity after disposal cannot jointly control or exert significant influence on the invested unit, the relevant provisions of Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments will be followed. Accounting treatment, the difference between its fair value and book value on the date of loss of control is included in the current profit and loss.

If the Group's shareholding ratio decreases due to capital increase by other investors, thereby losing control but it can exercise joint control or exert significant influence on the invested unit, the Group's share of the invested unit due to the capital increase shall be confirmed based on the new shareholding ratio. The difference between the share of net assets increased due to share expansion and the original book value of the long-term equity investment corresponding to the decrease in shareholding ratio that should be carried forward is included in the current profit and loss; then, the new shareholding ratio is deemed to have been calculated since the investment was obtained. That is, adjustments are made using the equity method of accounting.

Unrealized gains and losses from internal transactions between the Group and its associates and joint ventures are calculated based on the shareholding ratio and are attributable to the Group, and investment gains and losses are recognized on an offsetting basis. However, if the unrealized internal transaction losses between the Group and the investee are impairment losses on the transferred assets, they will not be offset.

(3) Basis for determining joint control and significant influence on the invested unit

Joint control refers to the shared control over an arrangement in accordance with relevant agreements, and the relevant activities of the arrangement must be decided only with the unanimous consent of the participants sharing control rights. When judging whether there is joint control, first judge whether the arrangement is collectively controlled by all participants or a combination of participants, and secondly whether decisions on activities related to the arrangement must be unanimously agreed upon by the participants who collectively control the arrangement. If all participants or a group of participants must act in concert to determine the relevant activities of an arrangement, all participants or a group of participants are considered to collectively control the arrangement; if there are two or more combinations of participants that can collectively Control of an arrangement does not constitute joint control. When determining whether joint control exists, the protective rights enjoyed are not taken into account.

Significant influence means that the investor has the power to participate in decision-making on the financial and operating policies of the investee, but it is not able to control or jointly control the formulation of these policies with other parties. When determining whether it can exert a significant influence on the investee, it is considered that the investor's direct or indirect holdings of voting shares in the investee and the current executable potential voting rights held by the investor and other parties are assumed to be converted into control over the investee. The impact arising from the acquisition of equity includes the impact of current convertible warrants, share options and convertible corporate bonds issued by the investee.

When the Group directly or indirectly through subsidiaries owns more than 20% (inclusive) but less than 50% of the voting shares of the invested unit, it is generally considered to have a significant influence on the invested unit, unless there is clear evidence that this situation It is unable to participate in the production and operation decisions of the invested unit and does not have a significant impact; when the Group owns less than 20% (exclusive) of the voting shares of the invested unit, it is generally not considered to have a significant impact on the invested unit, unless there is clear evidence that this Under such circumstances, we can participate in the production and operation decisions of the invested unit and have a significant influence.

(4) Impairment testing method and impairment provision accrual method

For investments in subsidiaries, associates and joint ventures, please refer to Note for the method of calculating asset impairment.

13. Investment properties

Investment properties is property held to earn rentals or for capital appreciation, or both. The Group's investment properties include leased land use rights, land use rights held and prepared to be transferred after appreciation, and leased buildings.

There is an active real estate trading market in the location where the Group's investment properties is located, and the Group is able to obtain market prices and other relevant information of similar or similar real estate from the real estate trading market, so that it can make a reasonable estimate of the fair value of the investment real estate. Therefore, the Group adopts the fair value model for subsequent measurement of investment real estate, and changes in fair value through profit and loss.

When determining the fair value of investment properties, refer to the current market price of the same or similar real estate in the active market; if the current market price of the same or similar real estate cannot be obtained, refer to the latest transaction price of the same or similar real estate in the active market, and Consider the transaction situation, transaction date, location and other factors to make a reasonable estimate of the fair value of the investment property; or determine its fair value based on the expected future rental income and the present value of the relevant cash flows.

In rare cases, if there is evidence that the Group acquires an investment property that is not under construction for the first time (or an existing property becomes an investment property for the first time after completing construction or development activities or changing its use), the Group will If the fair value of investment real estate cannot be obtained continuously and reliably, the investment real estate will be measured using the cost model until disposal, and it is assumed that there is no residual value.

The difference between the disposal income from the sale, transfer, scrapping or damage of investment properties after deducting its book value and relevant taxes is included in the current profit and loss.

14. Fixed assets

(1) Fixed asset recognition conditions

The Group's fixed assets refer to tangible assets held for the production of goods, provision of labour services, leasing or operation and management, and with a useful life of more than one accounting year.

A fixed asset can only be recognized when the economic benefits related to the fixed asset are likely to flow into the enterprise and the cost of the fixed asset can be measured reliably.

The Group's fixed assets are initially measured based on the actual cost when acquired.

Subsequent expenditures related to fixed assets shall be included in the cost of fixed assets when the economic benefits related to them are likely to flow into the Group and their costs can be reliably measured; daily repair costs of fixed assets that do not meet the conditions for subsequent expenditures for capitalization of fixed assets shall be included in the cost of fixed assets when the economic benefits related to them are likely to flow into the Group and their costs can be measured reliably. When incurred, it shall be included in the current profit and loss or included in the cost of related assets according to the beneficiary object. For the replaced part, its book value is derecognized.

(2) Depreciation methods

Depreciation methods for various types of fixed assets Fixed assets are depreciated using the straight-line method based on their costs less estimated residual values over their estimated useful lives Depreciation begins when a fixed asset reaches its intended usable condition, and depreciation stops when it is derecognized or classified as a non-current asset held for sale. Without considering impairment provisions, the Group determines the annual depreciation

rates of various types of fixed assets based on fixed asset category, estimated service life and estimated residual value as follows:

Category	Depreciation methods	Useful lives (years)	Residual rate%	Annual depreciation rate %
Buildings	The life average method	20-35 years	5%	4.75% to 2.71%
Machinery equipment	The life average method	8-20 years	5%	11.88% to 4.75%
Transportation and Others	The life average method	5-8 years	0	20% to 12.50%

Among them, for fixed assets for which impairment provisions have been made, the depreciation rate should also be calculated and determined by deducting the accumulated amount of fixed asset impairment provisions.

(3) Note for the impairment testing method and impairment provision accrual method for fixed assets.

(4) At the end of each year, the Group reviews the useful life, estimated net residual value and depreciation method of fixed assets.

If there is a difference between the estimated useful life and the original estimate, the useful life of the fixed assets will be adjusted; if there is a difference between the expected net residual value and the original estimate, the estimated net residual value will be adjusted.

(5) Fixed asset disposal

When a fixed asset is disposed of or no economic benefits are expected to be generated through use or disposal, the fixed asset is derecognised. The amount of disposal income from the sale, transfer, scrapping or damage of fixed assets after deducting their book value and relevant taxes is included in the current profit and loss.

15. Construction in progress

The cost of the Group's construction-in-progress is determined based on actual project expenditures, including various necessary project expenditures incurred during the construction period, borrowing costs that should be capitalized before the project reaches its intended usable state, and other related expenses.

Construction in progress is transferred to fixed assets when it reaches the intended usable state. The criteria for judging the intended usable status should meet one of the following conditions: The physical construction (including installation) of the fixed assets has been completed or substantially completed, trial production or trial operation has been carried out, and the results show that the assets can operate normally. Or it can produce stably, or the trial operation results show that it can operate normally. The amount of expenditure on the fixed assets constructed is very small or almost no longer occurs, and the fixed assets purchased have met the design or contract requirements, or are basically consistent with the design or contract requirements.

Note for the method of accruing asset impairment for construction in progress.

The Group's engineering materials refer to various materials prepared for projects under construction, including engineering materials, equipment that has not yet been installed, and tools and equipment prepared for production.

The purchased engineering materials are measured at cost, the engineering materials received are transferred to the project under construction, and the remaining engineering materials after the completion of the project are transferred to inventory.

Note for the asset impairment method of construction materials.

In the balance sheet, the closing balance of construction materials is listed in the "Construction in Progress" item.

16. Borrowing costs

(1) Recognition principles for capitalization of borrowing costs

If the borrowing costs incurred by the Group are directly attributable to the acquisition, construction or production of assets that meet the capitalization conditions, they shall be capitalized and included in the cost of the relevant assets; other borrowing costs shall be recognized as expenses based on the amount incurred when incurred and shall be included in the cost of the relevant assets for current profit and loss. Borrowing costs will begin to be capitalized if they meet the following conditions at the same time:

- 1) Asset expenditures have occurred. Asset expenditures include expenditures in the form of cash payments, transfers of non-cash assets or interest-bearing debts for the acquisition, construction or production of assets that meet capitalization conditions;
- 2) The borrowing costs have been incurred;
- 3) The necessary purchase, construction or production activities to bring the asset to its intended usable or saleable state have begun.

(2) Borrowing cost capitalization period

When the assets purchased, constructed or produced by the Group that meet the capitalization conditions are ready for intended use or sale, the capitalization of borrowing costs will cease. Borrowing costs incurred after the assets that meet the capitalization conditions reach the intended usable or saleable state are recognized as expenses based on the amount incurred when incurred and included in the current profit and loss.

If an asset that meets the capitalization conditions is abnormally interrupted during the acquisition, construction or production process, and the interruption lasts for more than 3 months, the capitalization of borrowing costs will be suspended; the borrowing costs during the normal interruption period will continue to be capitalized.

(3) Calculation method of capitalization rate of borrowing costs and capitalization amount

The interest expenses actually incurred on special borrowings in the current period, minus the interest income from unused borrowed funds deposited in banks or investment income from temporary investments, are capitalized; general borrowings are capitalized based on the excess of the accumulated asset expenditures over the special borrowings. The capitalization amount is determined by multiplying the weighted average of asset expenditures by the capitalization rate of the general borrowings occupied. The capitalization rate is calculated and determined based on the weighted average interest rate of general borrowings.

During the capitalization period, all exchange differences on special foreign currency borrowings are capitalized; exchange differences on general foreign currency borrowings are included in the current profits and losses.

17. Intangible assets

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

The Group's intangible assets include land use rights, patent rights and proprietary technologies, mineral mining rights and others.

Intangible assets are initially measured based on cost, and their service life is analysed and judged when the intangible assets are acquired. If the service life is limited, from the time when the intangible asset becomes available for use, an amortization method that can reflect the expected realization method of the economic benefits related to the asset shall be used, and amortization will be amortized within the estimated useful life; if the expected realization method cannot be reliably determined, Amortization is carried out using the straight-line method; intangible assets with indefinite service life are not amortized.

The amortization method of intangible assets with limited useful life is as follows:

Category	Useful lives (years)	Basis for determining service life	Amortization method	Notes
Land use rights	30-70 years	Warrant	Straight-line Depreciation	
Patent rights and proprietary technologies	5-20 years	Estimated useful life	Straight-line Depreciation	
Exploitation rights	16-20 years	Warrants, expected income period	Straight-line Depreciation	
Others	2-10 years	Estimated useful life	Straight-line Depreciation	

At the end of each year, the Group reviews the useful life and amortization method of intangible assets with limited service life. If it is different from the previous estimate, the original estimate is adjusted and treated as a change in accounting estimate.

If it is expected that an intangible asset will no longer bring future economic benefits to the enterprise on the balance sheet date, the entire book value of the intangible asset will be transferred to the current profit and loss.

Note for the method of impairment for intangible assets.

(2) The scope of R&D expenditure collection and the related accounting treatment

The Group's R&D expenditures are expenditures directly related to the company's R&D activities, including R&D staff salaries, direct investment costs, depreciation expenses and long-term deferred expenses, design expenses, equipment commissioning expenses, intangible asset amortization expenses, entrusted external research and development expenses, other expenses etc. The wages of R&D personnel are included in R&D expenditures based on project working hours. Equipment, production lines, and sites shared between R&D activities and other production and operation activities are included in R&D expenses according to the proportion of working hours and the proportion of area.

The Group divides expenditures on internal research and development projects into expenditures in the research phase and expenditures in the development phase.

Expenditures in the research stage are included in the current profits and losses when incurred.

Expenditures in the development stage can only be capitalized if they meet the following conditions: it is technically feasible to complete the intangible asset so that it can be used or sold; there is the intention to complete the intangible asset and use or sell it; the intangible asset The way to generate economic benefits includes being able to prove that there is a market for the products produced using the intangible assets or that the intangible assets themselves have a market. If the intangible assets will be used internally, they can prove their usefulness; there are sufficient technical, financial and other resource supports, in order to complete the development of the intangible asset and have the ability to use or sell the intangible asset; the expenditures attributable to the development stage of the intangible asset can be measured reliably. Development expenditures that do not meet the above conditions are included in the current profit and loss.

The Group's research and development projects will enter the development stage after meeting the above conditions and passing technical feasibility and economic feasibility studies to form a project.

Capitalized expenditures in the development phase are listed as development expenditures on the balance sheet and are converted into intangible assets from the date the project reaches its intended use.

Capitalization conditions for specific R&D projects:

Expenditures in the research stage are included in the current profits and losses when incurred. Before large-scale

production, expenditures related to the design and testing phase of the final application of the production process are expenditures in the development phase. If the following conditions are met at the same time, they will be capitalized:

- The development of the production process has been fully demonstrated by the technical team;
- Management has approved the budget for production process development;
- The research and analysis of the preliminary market research shows that the products produced by the production process have market promotion capabilities;
- Have sufficient technical and financial support to carry out production process development activities and subsequent large-scale production; and the expenditure on production process development can be reliably collected. If it is impossible to distinguish between expenditures in the research stage and expenditures in the development stage, all R&D expenditures incurred will be included in the current profit and loss.

18. Long-term assets impairment

For subsidiaries' long-term investments, fixed assets, construction in process, right-of-use assets, intangible assets, goodwill, etc. (excluding inventories, investment properties measured according to the fair value model, deferred tax assets, and financial assets) value, determined as follows:

On the balance sheet date, it is judged whether there are any signs of possible impairment of the assets. If there are signs of impairment, the Group will estimate its recoverable amount and conduct an impairment test. Goodwill formed due to business combinations, intangible assets with indefinite useful lives and intangible assets that have not yet reached a usable state are subject to impairment testing every year regardless of whether there are signs of impairment.

The recoverable amount is determined based on the higher of the asset's fair value less disposal costs and the present value of the asset's expected future cash flows. The Group estimates the recoverable amount on the basis of a single asset; if it is difficult to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the asset group based on the asset group to which the asset belongs. The identification of an asset group is based on whether the main cash inflow generated by the asset group is independent of the cash inflows of other assets or asset groups.

When the recoverable amount of an asset or asset group is lower than its book value, the Group will write down its book value to the recoverable amount, and the amount of the write-down will be included in the current profit and loss, and the corresponding asset impairment provision will be made.

As far as the impairment test of goodwill is concerned, the book value of goodwill formed due to a business combination shall be apportioned to the relevant asset group in a reasonable manner from the date of purchase; if it is difficult to apportion it to the relevant asset group, it shall be apportioned to the relevant asset group. Related asset group combinations. The relevant asset group or asset group combination is an asset group or asset group combination that can benefit from the synergy effects of the business combination, and is no larger than the reporting segment determined by the group.

During impairment testing, if there are signs of impairment in an asset group or combination of asset groups related to goodwill, first conduct an impairment test on the asset group or combination of asset groups that does not include goodwill, calculate the recoverable amount, and confirm the corresponding impairment. Then conduct an impairment test on the asset group or asset group combination containing goodwill, and compare its book value with the recoverable amount. If the recoverable amount is lower than the book value, the impairment loss of goodwill is recognized.

Once the asset impairment loss is recognized, it will not be reversed in subsequent accounting periods.

19. Long-term prepaid expenses

The long-term deferred expenses incurred by the Group are measured at actual cost and amortized evenly over the expected beneficial period. For long-term deferred expense items that cannot benefit future accounting periods, their amortized value shall be fully included in the current profit and loss.

20. Employee benefits

(1) Accounting for Short-term compensation

During the accounting period when employees provide services, the Group recognizes the actual employee wages, bonuses, social insurance premiums such as medical insurance premiums, work-related injury insurance premiums, maternity insurance premiums, and housing provident funds paid for employees based on prescribed standards and proportions as liabilities and included in the current profit and loss or related asset costs.

(2) Accounting for Post-employment benefits

Post-employment benefit plans include defined contribution plans and defined benefit plans. Among them, a defined contribution plan refers to a post-employment benefit plan in which the enterprise no longer bears further payment obligations after depositing a fixed fee into an independent fund; a defined benefit plan refers to a post-employment benefit plan other than a defined contribution plan.

Defined contribution plans

Defined contribution plans include basic pension insurance, unemployment insurance, etc.

During the accounting period when employees provide services, the deposit amount payable calculated according to the defined contribution plan is recognized as a liability and included in the current profit and loss or related asset costs.

(3) Accounting for Termination benefits

If the Group provides dismissal benefits to employees, the employee compensation liabilities arising from the dismissal benefits will be recognized at the earliest of the following two times and included in the current profit and loss: When the Group cannot unilaterally withdraw the dismissal benefits provided due to the termination of labour relations plan or layoff proposal; When the Group recognizes costs or expenses related to restructuring involving payment of termination benefits.

(4) Accounting for Other long-term benefits

Other long-term employee benefits provided by the Group to employees that meet the conditions of a defined contribution plan will be handled in accordance with the above-mentioned relevant regulations on defined contribution plans. If it is in compliance with the defined benefit plan, it shall be handled in accordance with the relevant provisions on the defined benefit plan mentioned above, but the “changes caused by the remeasurement of the net liabilities or net assets of the defined benefit plan” in the relevant employee compensation costs shall be included in the current profit and loss or related Asset cost.

21. Estimated liabilities

If the obligations related to contingencies meet the following conditions at the same time, the Group will recognize them as estimated liabilities:

- (1) The obligation is a current obligation borne by the Group;
- (2) The performance of this obligation is likely to result in the outflow of economic benefits from the Group;

(3) The amount of the obligation can be measured reliably.

Estimated liabilities are initially measured based on the best estimate of the expenditure required to fulfil the relevant current obligations, and factors such as risks, uncertainties, and time value of money related to contingencies are comprehensively considered. If the time value of money has a significant impact, the best estimate is determined by discounting the relevant future cash outflows. The Group reviews the book value of estimated liabilities on the balance sheet date and adjusts the book value to reflect the current best estimate.

If all or part of the expenses required to settle the recognized estimated liabilities are expected to be compensated by a third party or other parties, the compensation amount can only be recognized separately as an asset when it is basically certain that it will be received. The amount of compensation recognized shall not exceed the book value of the liability recognized.

22. Revenue

(1) General principles

The Group recognizes revenue when it fulfils its performance obligations in the contract, that is, when the customer obtains control of the relevant goods or services.

If the contract contains two or more performance obligations, the Group will allocate the transaction price to each individual performance obligation based on the relative proportion of the stand-alone selling price of the goods or services promised by each individual performance obligation on the contract commencement date. Revenue is measured at the transaction price of each individual performance obligation.

When one of the following conditions is met, the performance obligation is performed within a certain period of time; otherwise, the performance obligation is performed at a certain point in time:

- 1) When the Group performs the contract, the customer obtains and consumes the economic benefits brought by the Group's performance.
- 2) Customers can control the goods under construction during the performance of the contract by the Group.
- 3) The goods produced by the Group during the performance of the contract have irreplaceable uses, and the Group has the right to collect payment for the cumulative performance part completed so far during the entire contract period.

For performance obligations fulfilled within a certain period of time, the Group recognizes revenue based on the performance progress within that period of time. When the progress of contract performance cannot be reasonably determined, if the costs incurred by the Group are expected to be compensated, revenue will be recognized based on the amount of costs incurred until the progress of contract performance can be reasonably determined.

For performance obligations fulfilled at a certain point in time, the Group recognizes revenue at the point when the customer obtains control of the relevant goods or services. When determining whether a customer has obtained control of goods or services, the Group will consider the following signs:

- 1) The Group has the current right to receive payment for the goods or services, that is, the customer has current payment obligations for the goods.
- 2) The Group has transferred the legal ownership of the goods to the customer, which means that the customer already owns the legal ownership of the goods.
- 3) The Group has physically transferred the goods to the customer, that is, the customer has physically taken possession of the goods.

4) The Group has transferred the main risks and rewards of ownership of the commodity to the customer, that is, the customer has obtained the main risks and rewards of ownership of the commodity.

5) The customer has accepted the goods or services.

6) Other signs indicating that the customer has obtained control of the product.

(2) Specific method

The Group's revenue mainly comes from the following business types: sales of products, external provision of consulting and processing services.

Selling goods

Products sold The Group produces and sells float glass, photovoltaic glass, engineering glass, solar industry related products, electronic glass and display device, etc.

For domestic sales, the Group transports the products to the agreed delivery location in accordance with the agreement or picks it up by the buyer. Revenue is recognized after the buyer confirms receipt or pick-up.

For export sales, the Group recognises the revenue when it finished clearing goods for export and deliver the goods on board the vessel, or when the goods are delivered to a certain place specified in the contract.

For solar energy and other industries' photovoltaic power generation revenue, the Group recognizes the electricity when it is supplied to the provincial power grid company where each electric field is located, uses the settled electricity volume confirmed by both parties as the electricity sales for that month, and uses the on-grid electricity price approved by the National Development and Reform Commission or the electricity price agreed in the contract as the sales unit price.

The credit periods granted by the Group to customers in various industries are consistent with the practices of various industries, and there is no significant financing component.

The Group provides product quality assurance for the products sold and recognizes corresponding estimated liabilities. The Group does not provide any additional services or additional quality assurance, so the product quality assurance does not constitute a separate performance obligation.

Glass products with sales return clauses, revenue recognition is limited to the amount of accumulated recognized revenue that is unlikely to result in a significant reversal. The Group recognizes liabilities based on the expected return amount, and at the same time, recognizes the balance as an asset based on the book value of the goods expected to be returned when the goods are transferred, minus the expected costs of recovering the goods (including the impairment of the value of the returned goods).

Provide consulting and processing services

The Group provides external consulting and processing services because customers obtain and consume the economic benefits brought by the company's performance of the contract while the company performs the contract. The Group recognizes revenue based on the progress of contract performance. The progress of contract performance is determined based on the proportion of costs incurred to the estimated total costs. On the balance sheet date, the Group re-estimates the performance progress of completed services to reflect changes in performance.

When the Group recognizes revenue based on the progress of completed services, the portion for which the Group has obtained the unconditional right to receive payment is recognized as accounts receivable, and the remaining portion is recognized as contract assets. Accounts receivable and contract assets are recognized as expected credit losses. Loss provisions are recognized as the basis; if the contract price received or receivable by the Group exceeds the labour services completed, the excess will be recognized as contract liabilities. The Group's contract assets and contract liabilities under the same contract are presented on a net basis.

23. Contract costs

Contract costs include incremental costs incurred to obtain the contract and contract performance costs.

The incremental costs incurred to obtain the contract refer to costs that the company would not have incurred if it had not obtained the contract (such as sales commissions, etc.). If the cost is expected to be recovered, the company will recognize it as the contract acquisition cost and as an asset. Other expenses incurred by the Company to obtain the contract, except for the incremental costs expected to be recovered, are included in the current profits and losses when incurred.

If the cost incurred to fulfil the contract does not fall within the scope of other accounting standards for enterprises such as inventory and meets the following conditions, the company will recognize it as an asset as the contract performance cost:

- 1) The cost is directly related to a current or expected contract, including direct labour, direct materials, manufacturing overhead (or similar expenses), costs clearly borne by the customer, and other costs incurred solely because of the contract;
- 2) This cost increases the Company's resources for fulfilling its performance obligations in the future;
- 3) The cost is expected to be recovered.

Assets recognized for contract acquisition costs and assets recognized for contract performance costs (hereinafter referred to as "assets related to contract costs") are amortized on the same basis as the recognition of revenue from goods or services related to the assets and included in the current profit and loss.

When the book value of assets related to contract costs is higher than the difference between the following two items, the company makes impairment provisions for the excess and recognizes it as asset impairment losses:

- 1) The remaining consideration that the company expects to obtain from the transfer of goods or services related to the asset;
- 2) The estimated cost that will be incurred to transfer the relevant goods or services.

24. Government subsidies

Government subsidies are recognized when the conditions attached to the government subsidies are met and can be received.

Government subsidies for monetary assets are measured based on the amount received or receivable. Government subsidies for non-monetary assets are measured at fair value; if the fair value cannot be obtained reliably, they are measured at a nominal amount of 1 yuan.

Government subsidies related to assets refer to government subsidies obtained by the Group for the purchase, construction or other formation of long-term assets; in addition, government subsidies related to income are regarded as government subsidies.

For government documents that do not clearly stipulate the subsidy objects and can form long-term assets, the part of the government subsidy corresponding to the asset value shall be regarded as the government subsidy related to the asset, and the remaining part shall be regarded as the government subsidy related to income; if it is difficult to distinguish, the government subsidy shall be regarded as the government subsidy related to the asset. The whole is regarded as a government subsidy related to income.

Government subsidies related to assets are recognized as deferred income and are included in profits and losses in instalments according to a reasonable and systematic method during the use period of the relevant assets. If government subsidies related to income are used to compensate for relevant costs or losses that have already occurred,

they will be included in the current profits and losses; if they are used to compensate for relevant costs or losses in subsequent periods, they will be included in deferred income and will be included in the relevant costs or losses. The loss is included in the current profit and loss during the period during which the loss is recognized. Government subsidies measured according to the nominal amount are directly included in the current profit and loss. The Group adopts a consistent approach to the same or similar government subsidy business.

Government subsidies related to daily activities shall be included in other income according to the economic business essence. Government subsidies unrelated to daily activities are included in non-operating income.

When a confirmed government subsidy needs to be returned, if the book value of the relevant assets is offset at the time of initial recognition, the book value of the assets is adjusted; if there is a balance of relevant deferred income, the Carrying Amount of the relevant deferred income is offset, and the excess is included in the current profit and loss; in other cases, it will be directly included in the current profit and loss.

25. Deferred tax assets and deferred tax liabilities

Income tax includes current income tax and deferred income tax. Except for adjustments to goodwill arising from business combinations, or deferred income taxes related to transactions or events directly included in owners' equity, which are included in owners' equity, they are all included in current profits and losses as income tax expenses.

The Group adopts the balance sheet liability method to recognize deferred income tax based on the temporary differences between the book values of assets and liabilities on the balance sheet date and their tax basis.

Each taxable temporary difference is recognized as a related deferred income tax liability, unless the taxable temporary difference is generated in the following transactions:

- (1) Initial recognition of goodwill, or the initial recognition of assets or liabilities arising from a transaction with the following characteristics: the transaction is not a business combination, and the transaction affects neither accounting profits nor taxable income when the transaction occurs initial recognition (Except for individual transactions that result in equal amounts of taxable temporary differences and deductible temporary differences arising from the assets and liabilities);
- (2) For taxable temporary differences related to investments in subsidiaries, joint ventures and associates, the time of reversal of the temporary differences can be controlled and the temporary differences are likely not to be reversed in the foreseeable future.

For deductible temporary differences, deductible losses and tax credits that can be carried forward to future years, the Group shall use it to offset the deductible temporary differences, deductible losses and tax credits to the extent that it is probable that it will be available. The deferred income tax assets generated will be recognized to the limit of the future taxable income, unless the deductible temporary difference is generated in the following transactions:

- (1) The transaction is not a business combination, and when the transaction occurs, it affects neither accounting profits nor taxable income (a single transaction in which the initial recognition of assets and liabilities results in an equal amount of taxable temporary differences and deductible temporary differences are excepted);
- (2) For deductible temporary differences related to investments in subsidiaries, joint ventures and associates, and if the following conditions are met at the same time, the corresponding deferred income tax assets are recognized: the temporary differences are likely to be reversed in the foreseeable future. And it is likely to obtain taxable income in the future that can be used to offset deductible temporary differences.

On the balance sheet date, the Group's deferred income tax assets and deferred income tax liabilities are measured at the applicable tax rate during the period when the asset is expected to be recovered or the liability is settled, and the income tax impact of the expected method of recovering the asset or settling the liability on the balance sheet date is reflected.

On the balance sheet date, the Group reviews the book value of deferred income tax assets. If it is probable that sufficient taxable income will not be available in future periods to offset the benefits of deferred tax assets, the

carrying amount of the deferred tax assets will be reduced. The amount of the write-down is reversed when it is probable that sufficient taxable income will be obtained.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are presented as the net amount after offsetting when the following conditions are met at the same time:

- (1) The tax payer within the group has the legal right to settle current income tax assets and current income tax liabilities on a net basis;
- (2) Deferred income tax assets and deferred income tax liabilities are related to income taxes levied by the same tax collection and administration department on the same taxpayer within the group.

26. Leases

On the contract inception date, the Group, as a lessee or lessor, evaluates whether the customer in the contract has the right to obtain substantially all the economic benefits generated from the use of the identified assets during the use period, and has the right to direct the use of the identified assets during the use period. If a party in a contract transfers the right to control the use of one or more identified assets within a certain period in exchange for consideration, the Group determines that the contract is a lease or contains a lease.

- (1) The accounting policies for right-of-use assets are shown in Note.

Lease liabilities are initially measured based on the present value of the unpaid lease payments at the beginning of the lease term using the interest rate implicit in the lease.

If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate is used as the discount rate. Lease payments include: fixed payments and substantive fixed payments, if there are lease incentives, the amount related to lease incentives is deducted; variable lease payments that depend on the index or ratio; the exercise price of the purchase option, provided that the lessee is reasonable It is certain that the option will be exercised; the amount required to be paid to exercise the option to terminate the lease, provided that the lease term reflects that the lessee will exercise the option to terminate the lease; and the amount expected to be paid based on the residual value of the guarantee provided by the lessee. Subsequently, the interest expense of the lease liability for each period during the lease term is calculated based on the fixed periodic interest rate and included in the current profit and loss. Variable lease payments that are not included in the measurement of lease liabilities are included in the current profit and loss when actually incurred.

Short-term lease

A short-term lease refers to a lease with a lease term of no more than 12 months on the start date of the lease period, except for leases that include a purchase option.

The Group will include the lease payments of short-term leases into the relevant asset costs or current profits and losses on a straight-line basis during each period of the lease term.

Low-value asset leasing

Low-value asset leases refer to leases where the value of a single leased asset is less than 100,000 yuan when it is a brand-new asset.

The Group will include the lease payments for low-value asset leases into the relevant asset costs or current profits and losses on a straight-line basis during each period of the lease term.

For low-value asset leases, the Group chooses to adopt the above simplified treatment method based on the specific circumstances of each lease.

Lease changes

If a lease changes and the following conditions are met at the same time, the Group will account for the lease change as a separate lease: 1) The lease change expands the scope of the lease by adding the right to use one or more leased assets; 2) Increased The consideration is equivalent to the individual price of the extended portion of the lease, adjusted for the circumstances of the contract.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Group re-allocates the consideration of the contract after the change, re-determines the lease term, and calculates it based on the changed lease payment and the revised discount rate. Present value remeasurement of the lease liability.

If a change in the lease results in a reduction in the scope of the lease or a shortening of the lease period, the Group will accordingly reduce the book value of the right-of-use assets, and include the gains or losses related to the partial or complete termination of the lease into the current profits and losses.

If other lease changes result in the remeasurement of lease liabilities, the Group will adjust the book value of the right-of-use assets accordingly.

(2) The accounting policies for the Group acts as lessor

When the Group acts as a lessor, leases that substantially transfer all risks and rewards related to asset ownership are recognized as finance leases, and leases other than finance leases are recognized as operating leases.

Financial lease

In financial leases, the Group's net lease investment on the date of the lease term is recorded as the accounting value of finance lease receivables. The net lease investment is the unguaranteed residual value and the lease receivables that have not been received on the date of the lease term are calculated based on the amount included in the lease. The sum of present values discounted with interest rates. As the lessor, the Group calculates and recognizes interest income for each period during the lease term based on fixed periodic interest rates. Variable lease payments obtained by the Group as a lessor that are not included in the measurement of the net lease investment are included in the current profit and loss when actually incurred.

The derecognition and impairment of finance lease receivables shall be accounted for in accordance with the provisions of *Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments* and *Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets*.

Operating lease

For rents in operating leases, the Group recognizes current profits and losses according to the straight-line method in each period during the lease term. The initial direct expenses incurred in connection with the operating lease shall be capitalized, amortized during the lease period on the same basis as the rental income recognition, and included in the current profit and loss in instalments. Variable lease payments related to operating leases that are not included in the lease receipts are included in the current profit and loss when they actually occur.

Lease changes

If an operating lease changes, the Group will account for it as a new lease from the effective date of the change, and the amount of lease receipts received in advance or receivable related to the lease before the change is regarded as the amount of receipts from the new lease.

If a financial lease changes and the following conditions are met at the same time, the Group will account for the change as a separate lease: 1) The change expands the scope of the lease by adding the right to use one or more leased assets; 2) The increased consideration. The amount is equivalent to the individual price of the extended portion of the lease adjusted for the circumstances of the contract.

If a financial lease is changed and is not accounted for as a separate lease, the Group will treat the changed lease under the following circumstances: 1) If the change takes effect on the lease commencement date, the lease will be classified as an operating lease, and the Group will From the effective date of the lease change, it will be accounted

for as a new lease, and the net lease investment before the effective date of the lease change will be used as the book value of the leased asset; 2) If the change takes effect on the lease commencement date, the lease will be classified as financing. For leases, the Group shall conduct accounting treatment in accordance with the provisions of *Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments* regarding modification or renegotiation of contracts.

27. Critical accounting policies and accounting estimates

Safety production costs

According to relevant regulations of the Ministry of Finance and National Administration of Work Safety, a subsidiary of the Group which is engaged in producing and selling polysilicon appropriates safety production costs on following basis:

- (a) 4.5% for revenue below RMB10 million (inclusive) of the year;
- (b) 2.25% for the revenue between RMB10 million to RMB100 million (inclusive) of the year;
- (c) 0.55% for the revenue between RMB100 million to RMB1 billion (inclusive) of the year;
- (d) 0.2% for the revenue above RMB1 billion of the year.

The safety production costs are mainly used for the overhaul, renewal and maintenance of safety facilities. The safety production costs are charged to costs of related products or profit or loss when appropriated, and safety production costs in equity account are credited correspondingly. When using the special reserve, if the expenditures are expenses in nature, the expenses incurred are offset against the special reserve directly when incurred. If the expenditures are capital expenditures, when projects are completed and transferred to fixed assets, the special reserve should be offset against the cost of fixed assets, and a corresponding accumulated depreciation are recognized. The fixed assets are no longer be depreciated in future.

Significant accounting judgments and estimates

The Group continuously evaluates the important accounting estimates and key assumptions adopted based on historical experience and other factors, including reasonable expectations for future events. The important accounting estimates and key assumptions that are likely to cause a significant adjustment in the book value of assets and liabilities in the next fiscal year are as follows:

Classification of financial assets

The Group's significant judgments involved in determining the classification of financial assets include analysis of business models and contractual cash flow characteristics.

Factors considered include the way to evaluate and report the performance of financial assets to key management personnel, the risks that affect the performance of financial assets and their management methods, and relevant business managers. How to get paid, etc.

When the Group evaluates whether the contractual cash flows of financial assets are consistent with the basic lending arrangements, it makes the following main judgments: whether the time distribution or amount of the principal may change during the duration due to early repayment; whether the interest is only Includes time value of money, credit risk, other fundamental lending risks and consideration against costs and profits. For example, whether the amount of early repayment only reflects the unpaid principal and interest based on the unpaid principal, as well as reasonable compensation paid for early termination of the contract.

Measurement of expected credit losses on accounts receivable

The Group calculates the expected credit losses of accounts receivable through the default risk exposure of accounts receivable and the expected credit loss rate, and determines the expected credit loss rate based on the probability of default and the loss given default rate. When determining the expected credit loss rate, the Group uses internal historical credit loss experience and other data, and adjusts historical data based on current conditions and forward-looking information. When considering forward-looking information, the Group uses indicators including the risk of economic downturn, changes in the external market environment, technical environment and customer conditions. The Group regularly monitors and reviews assumptions related to the calculation of expected credit losses.

Impairment of Fixed Assets and Construction in Progress

As of the balance sheet date, the Company assesses whether there are any indications of impairment for non-current assets other than financial assets. When there are indications that the carrying amount of an asset cannot be recovered, impairment testing is conducted.

Impairment occurs when the carrying amount of an asset or asset group exceeds its recoverable amount, which is the higher of the net amount after deducting disposal costs from fair value and the present value of estimated future cash flows. The net amount after deducting disposal costs from fair value is determined by referencing the sales agreement prices of similar assets in fair transactions or observable market prices, minus incremental costs directly attributable to the asset's disposal. Significant judgments are made regarding the expected future cash flow present value, including the asset's (or asset group's) output, selling price, relevant operating costs, and the discount rate used in the present value calculation. The Company utilizes all relevant information available to estimate the recoverable amount, including forecasts of output, selling prices, and related operating costs based on reasonable and supportable assumptions.

Goodwill impairment

The Group assesses whether goodwill is impaired at least annually. This requires an estimate of the value in use of the asset group to which goodwill is assigned. When estimating value in use, the Group needs to estimate future cash flows from the asset group and select an appropriate discount rate to calculate the present value of future cash flows.

R&D expenditure

When determining the amount to be capitalized, management must make assumptions regarding the expected future cash generation of the asset, the discount rate that should be applied, and the expected period of benefit.

Deferred tax assets

Deferred tax assets should be recognized for all unused tax losses to the extent that it is probable that sufficient taxable profits will be available against which the losses can be utilised. This requires management to use a lot of judgment to estimate the timing and amount of future taxable profits, combined with tax planning strategies, to determine the amount of deferred income tax assets that should be recognized.

28. Changes in important accounting policies and accounting estimates

(1) Important changes in accounting policies

Accounting Standards for Business Enterprises Interpretation No. 17

The Ministry of Finance issued the *Interpretation No. 17 of Accounting Standards for Business Enterprises* (Financial Accounting [2023] No. 21) in October 2023 (hereinafter referred to as "Interpretation No. 17"). It further standardized and clarified the classification of current and non-current liabilities, disclosure of supplier financing arrangements and accounting treatments of sale and leaseback transactions, which was effective from 1 January, 2024.

The adoption of Interpretation No. 17 had no significant impact on the financial condition and operating results of the Group.

VI. TAXATION

1. The main categories and rates of taxes applicable to the Group are set out below:

Category	Taxable basis	Tax rate
Enterprise income tax	Taxable income	16.5%. 25%
Value-added tax (“VAT”)	Taxable value-added amount (Tax payable is calculated using the taxable sales amount multiplied by the applicable tax rate less deductible VAT input of the current period)	3%-13%
Urban maintenance and construction tax	Actual amount of turnover tax paid	1%-7%
Educational surtax	Actual amount of turnover tax paid	5%

2. Tax incentives

Tianjin CSG Energy-Saving Glass Co., Ltd. (“Tianjin Energy Conservation”) passed review on a high and new tech enterprise in 2021 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2021. As the company is currently going through the 2024 review of its high and new tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Dongguan CSG Architectural Glass Co., Ltd. (“Dongguan CSG”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Wujiang CSG East China Architectural Glass Co., Ltd. (“Wujiang CSG Engineering”) passed review on a high and new tech enterprise in 2023 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2023.

Dongguan CSG Solar Glass Co., Ltd. (“Dongguan CSG Solar”) passed review on a high and new tech enterprise in 2023 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2023.

Yichang CSG Polysilicon Co., Ltd. (“Yichang CSG Polysilicon”) passed review on a high and new tech enterprise in 2023 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2023.

Dongguan CSG PV-tech Co., Ltd. (“Dongguan CSG PV-tech”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Hebei Shichuang Glass Co., Ltd. (“Hebei Shichuang”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Wujiang CSG Glass Co., Ltd. (“Wujiang CSG”) passed review on a high and new tech enterprise in 2023, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2023.

Xianning CSG Glass Co Ltd. (“Xianning CSG”) passed review on a high and new tech enterprise in 2023, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2023.

Xianning CSG Energy-Saving Glass Co., Ltd. (“Xianning CSG Energy-Saving”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021. As the company is currently going through the 2024 review of its high and new tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Yichang CSG Photoelectric Glass Co., Ltd. (“Yichang CSG Photoelectric”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021. As the company is currently going through the 2024 review of its high and new tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Yichang CSG Display Co., Ltd (“Yichang CSG Display”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021. As the company is currently going through the 2024 review of its high and new tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Qingyuan CSG New Energy-Saving Materials Co., Ltd. (“Qingyuan CSG Energy-Saving”) passed review on a high and new tech enterprise in 2022, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2022.

Hebei CSG Glass Co Ltd. (“Hebei CSG”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021. As the company is currently going through the 2024 review of its high and new tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Shenzhen CSG Applied Technology Co Ltd. (“Shenzhen Technology”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021. As the company is currently going through the 2024 review of its high and new tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Xianning CSG Photoelectric Glass Co., Ltd. (“Xianning Photoelectric”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Zhaoqing CSG Energy Saving Glass Co., Ltd. (hereinafter referred to as "Zhaoqing Energy Saving Company") passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Sichuan CSG Energy Conservation Glass Co., Ltd. (“Sichuan CSG Energy Conservation”) obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Chengdu CSG Glass Co., Ltd. (“Chengdu CSG”) obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Xi'an CSG Energy Saving Glass Technology Co., Ltd. (hereinafter referred to as "Xi'an Energy Saving Company") obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Guangxi CSG New Energy Materials Technology Co., Ltd. (hereinafter referred to as "Guangxi New Energy Materials Company") obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Qinghai CSG New Energy Technology Co., Ltd. (hereinafter referred to as "Qinghai New Energy Company") obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income

tax at a tax rate of 15% for current year.

Yichang CSG New Energy Co., Ltd. (hereinafter referred to as "Yichang New Energy Company"), Zhaoqing CSG New Energy Technology Co., Ltd. (hereinafter referred to as "Zhaoqing New Energy Company"), Xianning CSG PV Energy Co., Ltd. ("Xianning PV Energy"), Zhanjiang CSG New Energy Co., Ltd. ("Zhanjiang PV Energy"), and Anhui CSG Photovoltaic Energy Co., Ltd. ("Anhui PV Energy") are public infrastructure project specially supported by the state in accordance with the Article 87 in Implementing Regulations of the Law of the People's Republic of China on Enterprise Income Tax, and can enjoy the tax preferential policy of "three-year exemptions and three-year halves", that is, starting from the tax year when the first revenue from production and operation occurs, the enterprise income tax is exempted from the first to the third year, while half of the enterprise income tax is collected for the following three years.

Anhui CSG Quartz Material Co., Ltd. (hereinafter referred to as "Anhui Quartz Company") was recognized as a high-tech enterprise in 2023 and has obtained the "High-tech Enterprise Certificate". The certificate is valid for three years and a 15% income tax rate is applicable for three years starting from 2023.

Anhui CSG New Energy Materials Technology Co., Ltd. (hereinafter referred to as "Anhui New Energy Company") was recognized as a high-tech enterprise in 2023 and has obtained the "High-tech Enterprise Certificate". The certificate is valid for three years and a 15% income tax rate is applicable for three years starting from 2023.

According to the "Announcement on the Additional Value-Added Tax Deduction Policy for Advanced Manufacturing Enterprises" (Announcement No. 43, 2023, of the Ministry of Finance and the State Administration of Taxation), regarding the Company's high-tech enterprises, from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct an additional 5% of the deductible input tax for the current period to deduct the value-added tax payable.

VII. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash at bank and on hand

Unit: RMB

Item	30 June 2024	1 January 2024
Cash at bank	3,477,639,345	3,051,261,655
Other currency funds	141,639,610	25,512,563
Total	3,619,278,955	3,076,774,218
Including: Total overseas deposits	43,301,497	31,005,196
The total amount of cash and cash equivalents that are restricted to use due to mortgage, pledge or freezing etc.	141,639,610	25,512,563

2. Notes receivable

(1) Notes receivable listed by category

Unit: RMB

Item	30 June 2024	1 January 2024
Bank acceptance	1,474,867,926	1,510,946,903
Trade acceptance	94,257,560	82,573,591
Total	1,569,125,486	1,593,520,494

(2) Classification by bad debt accrual method

Unit: RMB

Category	30 June 2024				
	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Proportion	
Provision for bad debts on an individual basis					
Provision for bad debts on a portfolio basis	1,571,049,110	100%	1,923,624	0.12%	1,569,125,486
Including:					
Bank acceptance	1,474,867,926	94%			1,474,867,926
Trade acceptance	96,181,184	6%	1,923,624	2%	94,257,560
Total	1,571,049,110	100%	1,923,624	0.12%	1,569,125,486

(Continued)

Category	1 January 2024				
	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Proportion	
Provision for bad debts on an					

Category	1 January 2024				
	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Proportion	
individual basis					
Provision for bad debts on a portfolio basis	1,595,205,669	100%	1,685,175	0.11%	1,593,520,494
Including:					
Bank acceptance	1,510,946,903	95%			1,510,946,903
Trade acceptance	84,258,766	5%	1,685,175	2%	82,573,591
Total	1,595,205,669	100%	1,685,175	0.11%	1,593,520,494

Provision for bad debts on a basis of trade acceptance portfolio:

Unit: RMB

Item	30 June 2024		
	Carrying amount	Provision for bad debts	Provision proportion
Trade acceptance	96,181,184	1,923,624	2%
Total	96,181,184	1,923,624	

(3) Bad debt provisions accrued, recovered or reversed in the current period

Bad debt provisions in the current period:

Unit: RMB

Category	1 January 2024	Change in the current period				30 June 2024
		Accrued	Recovered or reversed	Written off	Others	
Trade acceptance	1,685,175	658,694	420,245			1,923,624
Total	1,685,175	658,694	420,245			1,923,624

(4) Notes receivables that the Company has pledged at the end of the period

Unit: RMB

Item	Pledged amount
Bank acceptance	1,092,137,999
Total	1,092,137,999

(5) Endorsed or discounted notes receivable have not yet matured on the balance sheet

Unit: RMB

Item	Derecognized amount at the end of the period	Un-derecognized amount at the end of the period
Bank acceptance		253,785,857
Trade acceptance		3,905,265

Item	Derecognized amount at the end of the period	Un-derecognized amount at the end of the period
Total		257,691,122

3. Accounts receivable

(1) Disclosure by age

Unit: RMB

Aging	30 June 2024	1 January 2024
Within 1 year (including 1 year)	1,748,714,872	1,799,401,050
1 to 2 years	34,569,102	42,338,430
2 to 3 years	63,255,818	156,855,077
Over 3 years	192,219,106	81,310,642
Total	2,038,758,898	2,079,905,199

(2) Classification by bad debt accrual method

Unit: RMB

Category	30 June 2024				
	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Provision proportion	
Provision for bad debts on an individual basis	171,165,314	8%	155,522,612	91%	15,642,702
Provision for bad debts on a portfolio basis	1,867,593,584	92%	37,354,650	2%	1,830,238,934
Including:					
Receivables from unrelated parties	1,867,593,584	92%	37,354,650	2%	1,830,238,934
Total	2,038,758,898	100%	192,877,262	9%	1,845,881,636

(Continued)

Category	1 January 2024				
	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Provision proportion	
Provision for bad debts on an individual basis	176,357,014	8%	160,074,840	91%	16,282,174
Provision for bad debts on a portfolio basis	1,903,548,185	92%	38,033,951	2%	1,865,514,234
Including:					
Receivables from unrelated parties	1,903,548,185	92%	38,033,951	2%	1,865,514,234
Total	2,079,905,199	100%	198,108,791	10%	1,881,796,408

Provision for bad debts on an individual basis:

Unit: RMB

Item	1 January 2024		30 June 2024			
	Carrying amount	Provision for bad debts	Carrying amount	Provision for bad debts	Provision proportion	Reason for provision
Total of single-item accrual customers	176,357,014	160,074,840	171,165,314	155,522,612	91%	Mainly due to the inability to honor commercial acceptance bills issued by Evergrande and its subsidiaries that have been endorsed by customers, and the transfer of accounts receivable from bills receivable, as well as partial or full provision for bad debt reserves due to business disputes or deterioration of customer operations.
Total	176,357,014	160,074,840	171,165,314	155,522,612	91%	

Provision for bad debts on a portfolio basis:

Unit: RMB

Item	30 June 2024		
	Carrying amount	Provision for bad debts	Provision proportion
Combined customers	1,867,593,584	37,354,650	2%
Total	1,867,593,584	37,354,650	

(3) Bad debt provisions accrued, recovered or reversed in the current period

Bad debt provisions in the current period:

Unit: RMB

Category	1 January 2024	Change in the current period			30 June 2024
		Accrued	Recovered or reversed	Written off	
Bad debt provisions for accounts receivable	198,108,791	9,227,299	14,387,203	71,625	192,877,262
Total	198,108,791	9,227,299	14,387,203	71,625	192,877,262

(4) Actual write-off of accounts receivable in the current period

Unit: RMB

Item	Write-off amount
Accounts receivable	71,625

(5) Accounts receivable details of the top 5 closing balances by debtors

Unit: RMB

Name	Accounts receivable closing balance	Percentage in total accounts receivable balance	Provision for bad debts closing balance
Total balances for the five largest accounts receivable	611,275,089	30%	12,225,502

Total	611,275,089	30%	12,225,502
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4. Receivables financing

Unit: RMB

Item	30 June 2024	1 January 2024
Notes receivable	622,130,245	529,945,623
Total	622,130,245	529,945,623

5. Other receivables

Unit: RMB

Item	30 June 2024	1 January 2024
Other receivables	173,913,608	177,957,033
Total	173,913,608	177,957,033

(1) Other receivables

1) Other receivables categorized by nature

Unit: RMB

Nature	30 June 2024	1 January 2024
Receivables from special fund for talent (note)	171,000,000	171,000,000
Payments made on behalf of other parties	31,769,484	40,125,087
Advances to suppliers	10,366,164	10,366,164
Refundable deposits	9,862,520	9,033,990
Petty cash	1,354,833	594,514
Others	13,614,899	13,797,012
Total	237,967,900	244,916,767

Note: This fund is a subsidy fund given to the Group by the government. The Company entrusted its wholly-owned subsidiary Yichang CSG Silicon Materials Co., Ltd. to collect the fund. The Yichang High-tech Zone Management Committee also paid the full amount to Yichang CSG Silicon in 2014. After receiving the funds, Yichang CSG Silicon Materials Co., Ltd. transferred the full amount to Yichang Hongtai Real Estate Co., Ltd. without appropriate approval by the then Company's board of directors and other competent authorities. Yichang CSG Silicon Materials Co., Ltd. received the above funds from 21 February 2014 to 28 April 2014 and then transferred the entire amount to Yichang Hongtai Real Estate Co., Ltd.

The Company filed an infringement compensation lawsuit against Zeng Nan and others and Yichang Hongtai Real Estate Co., Ltd. on 15 December 2021, and Shenzhen Intermediate People's Court officially accepted the lawsuit on 28 January 2022. The first instance of the case was completed in Shenzhen Intermediate People's Court on 21 June 2022. On 4 June 2024, the Company received the first instance Civil Judgment issued by Shenzhen Intermediate People's Court, which rejected all of the Company's litigation requests. In June 2024, the Company filed an appeal to Guangdong Higher People's Court, and the case is currently in the process of the second instance.

2) Disclosure by age

Unit: RMB

Aging	30 June 2024	1 January 2024
Within 1 year (including 1 year)	22,878,544	22,612,560
1 to 2 years	2,168,217	1,819,789
2 to 3 years	15,777,311	20,535,190
Over 3 years	197,143,828	199,949,228
3 to 4 years	836,485	1,058,546
4 to 5 years	676,868	450,650
Over 5 years	195,630,475	198,440,032
Total	237,967,900	244,916,767

3) Classification by bad debt accrual method

Unit: RMB

Category	30 June 2024				
	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Provision proportion	
Provision for bad debts on an individual basis	182,823,641	77%	63,123,642	35%	119,699,999
Provision for bad debts on a portfolio basis	55,144,259	23%	930,650	2%	54,213,609
Including:					
Unrelated party combination	55,144,259	23%	930,650	2%	54,213,609
Total	237,967,900	100%	64,054,292	27%	173,913,608

(Continued)

Category	1 January 2024				
	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Provision proportion	
Provision for bad debts on an individual basis	188,393,981	77%	65,908,811	35%	122,485,170
Provision for bad debts on a portfolio basis	56,522,786	23%	1,050,923	2%	55,471,863
Including:					
Unrelated party combination	56,522,786	23%	1,050,923	2%	55,471,863
Total	244,916,767	100%	66,959,734	27%	177,957,033

Provision for bad debts accrued on the basis of a general model of expected credit losses:

Unit: RMB

Provision for bad debt	Stage 1	Stage 2	Stage 3	Total
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	Expected credit loss in the next 12 months	Expected credit loss for the whole period (no credit impairment)	Expected credit loss for the whole period (with credit impairment)	
Amount on 1 January 2024	1,050,923		65,908,811	66,959,734
Carrying amount on 1 January 2024 that in this period:				
Provision for the period	84,702			84,702
Reverse for the period	204,975		2,339,177	2,544,152
Write-off for the period			445,992	445,992
Amount on 30 June 2024	930,650		63,123,642	64,054,292

4) Bad debt provisions accrued, recovered or reversed in the current period

Bad debt provisions in the current period:

Unit: RMB

Category	1 January 2024	Change in the current period				30 June 2024
		Accrued	Recovered or reversed	Written off	Others	
Bad debt provisions for other receivables	66,959,734	84,702	2,544,152	445,992		64,054,292
Total	66,959,734	84,702	2,544,152	445,992		64,054,292

5) Actual write-off of other receivables in the current period

Unit: RMB

Item	Write-off amount
Other receivables	445,992

6) Other receivables details of the top 5 closing balances by debtors

Unit: RMB

Name	Nature of business	30 June 2024	Ageing	Percentage in total other receivables balance	Provision for bad debts
Company 1	Independent third party	171,000,000	Over 5 years	72%	51,300,000
Company 2	Independent third party	14,000,000	2-3 years	6%	280,000
Company 3	Independent third party	11,556,004	Over 5 years	5%	231,120
Company 4	Independent third party	10,366,164	Over 5 years	4%	10,366,164
Company 5	Independent third party	1,800,000	Over 5 years	1%	36,000

Name	Nature of business	30 June 2024	Ageing	Percentage in total other receivables balance	Provision for bad debts
Total		208,722,168		88%	62,213,284

6. Advances to suppliers

(1) Listing by ages

Unit: RMB

Aging	30 June 2024		1 January 2024	
	Amount	Proportion	Amount	Proportion
Within 1 year (including 1 year)	116,975,400	97%	155,075,823	100%
1 to 2 years	3,122,473	3%	395,256	
2 to 3 years	64,013		1,766	
Over 3 years	1,766		3,800	
Total	120,163,652		155,476,645	

(2) Advance payment of the top 5 closing balances by prepayment objects

Item	Advance payment closing balance	Percentage in total advances to suppliers balance
Total balances for the five largest advances to suppliers	56,805,492	47%

7. Inventories

(1) Inventory classification

Unit: RMB

Item	30 June 2024			1 January 2024		
	Carrying amount	Provision for decline in the value of inventories	Book value	Carrying amount	Provision for decline in the value of inventories	Book value
Raw materials	648,135,092	19,537,174	628,597,918	568,803,335	1,935,371	566,867,964
Work in progress	34,111,901		34,111,901	29,941,046		29,941,046
Finished goods	1,236,911,623	32,317,391	1,204,594,232	928,685,781	28,179,241	900,506,540
Turnover materials	111,621,873	183,668	111,438,205	93,093,127	183,882	92,909,245
Total	2,030,780,489	52,038,233	1,978,742,256	1,620,523,289	30,298,494	1,590,224,795

(2) Provision for decline in the value of inventories

Unit: RMB

Item	1 January 2024	Increase in current period		Decrease in current period		30 June 2024
		Provision	Others	Reversal or write-off	Others	
Raw materials	1,935,371	18,073,648		471,845		19,537,174
Finished goods	28,179,241	23,242,267		19,104,117		32,317,391
Turnover materials	183,882			214		183,668
Total	30,298,494	41,315,915		19,576,176		52,038,233

8. Non-current assets due within one year

Unit: RMB

Item	30 June 2024	1 January 2024
Fixed-term deposit in bank due within one year		84,191,224
Total		84,191,224

9. Other current assets

Unit: RMB

Item	30 June 2024	1 January 2024
VAT to be offset	353,275,416	260,361,670
Enterprise income tax prepaid	2,601,848	18,127,608
VAT input to be recognised	15,127,715	33,577,420
Term deposits	42,800,000	40,000,000
Total	413,804,979	352,066,698

10. Investment properties**(1) Investment properties measured using the fair value model**√ Applicable Not applicable

Unit: RMB

Item	House, building and related land use rights
I. 1 January 2024	290,368,105
II. Movement in the current period	2,343,753
III. 30 June 2024	292,711,858

11. Fixed assets

Unit: RMB

Item	30 June 2024	1 January 2024
Fixed assets	12,785,878,380	13,145,568,631
Total	12,785,878,380	13,145,568,631

(1) List of fixed assets

Unit: RMB

Item	Buildings	Machinery and equipment	Motor vehicles and others	Total
I. Original book value:				
1. 1 January 2024	6,308,032,051	16,145,236,673	369,115,738	22,822,384,462
2. Increase in current period	114,474,348	242,020,867	13,208,585	369,703,800
(1) Acquisition	5,322,104	15,430,543	11,059,842	31,812,489
(2) Transfers from construction in progress	105,629,308	226,075,188		331,704,496
(3) Other increases	3,522,936	515,136	2,148,743	6,186,815
3. Decrease in current period	5,110,586	740,029,055	5,579,475	750,719,116
(1) Disposal or retirement	1,335,279	52,816,468	4,761,135	58,912,882
(2) Transfer to construction in progress	3,775,307	670,065,001		673,840,308
(3) Other decreases		17,147,586	818,340	17,965,926
4. 30 June 2024	6,417,395,813	15,647,228,485	376,744,848	22,441,369,146
II. Accumulative depreciation				
1. 1 January 2024	1,411,838,090	6,622,522,037	273,719,361	8,308,079,488
2. Increase in current period	106,825,930	452,458,689	20,853,213	580,137,832
(1) Accrual	106,814,755	452,448,127	20,631,114	579,893,996
(2) Other increases	11,175	10,562	222,099	243,836
3. Decrease in current period	1,913,617	573,342,258	4,852,372	580,108,247
(1) Disposal or retirement		25,409,256	4,427,593	29,836,849
(2) Transfer to construction in progress	1,913,617	547,495,429		549,409,046
(3) Other decreases		437,573	424,779	862,352
4. 30 June 2024	1,516,750,403	6,501,638,468	289,720,202	8,308,109,073
III. Impairment provision				
1. 1 January 2024	152,839,987	1,215,616,873	279,483	1,368,736,343
2. Increase in current period		2,247,363	416,190	2,663,553
(1) Transfers from construction in progress		2,247,363	416,190	2,663,553
3. Decrease in current period	1,335,279	22,682,924		24,018,203
(1) Disposal or retirement	1,335,279	22,682,924		24,018,203

Item	Buildings	Machinery and equipment	Motor vehicles and others	Total
4. 30 June 2024	151,504,708	1,195,181,312	695,673	1,347,381,693
IV. Book value				
1. 30 June 2024	4,749,140,702	7,950,408,705	86,328,973	12,785,878,380
2. 1 January 2024	4,743,353,974	8,307,097,763	95,116,894	13,145,568,631

(2) Fixed assets without ownership certificate

Unit: RMB

Item	Book value	Reasons for not yet obtaining certificates of title
Buildings	926,436,414	Have submitted the required documents and are in the process of application, or the related land use right certificate pending

12. Construction in progress

Unit: RMB

Item	30 June 2024	1 January 2024
Construction in progress	5,860,245,516	4,325,016,420
Total	5,860,245,516	4,325,016,420

(1) Details of construction in progress

Unit: RMB

Item	30 June 2024			1 January 2024		
	Carrying amount	Provision for impairment loss	Book value	Carrying amount	Provision for impairment loss	Book value
A new high-purity crystalline silicon project with an annual output of 50,000 tons in Haixi Prefecture, Qinghai Province	3,491,475,262		3,491,475,262	2,646,430,785		2,646,430,785
Guangxi Beihai Photovoltaic Green Energy Industry Park (Phase I) Project	1,254,365,091		1,254,365,091	728,103,811		728,103,811
Yichang CSG Polysilicon Technical Transformation Project	539,100,224	56,888,576	482,211,648	507,815,356	56,888,576	450,926,780
Wujiang Float (650TD) Photovoltaic Calendering Line Technical Transformation Project	117,914,338		117,914,338	154,717		154,717
Qingyuan CSG Phase I Upgrading Technical Transformation Project	230,292,811	116,909,920	113,382,891	228,055,647	116,909,920	111,145,727
Xi'an CSG energy-saving glass production line project	50,156,346		50,156,346	222,583,993		222,583,993
Xianning energy-saving production line reconstruction and expansion construction project	30,589,560		30,589,560	25,585,501		25,585,501
Wujiang Float Processing Department Production Line Technical Upgrading and Transformation	16,585,825		16,585,825			
Dongguan Photovoltaic Building B 450MWPERC battery technology upgrade project	186,866,743	184,998,076	1,868,667	186,866,743	184,998,076	1,868,667
Anhui Fengyang newly built 37.6 MW distributed photovoltaic power generation project				83,354,432		83,354,432
Other projects	303,227,704	1,531,816	301,695,888	59,057,376	4,195,369	54,862,007
Total	6,220,573,904	360,328,388	5,860,245,516	4,688,008,361	362,991,941	4,325,016,420

(2) Movement of significant projects of construction in progress

Unit: RMB

Project name	Budget	1 January 2024	Increase in current period	Transfer to fixed assets in current period	Other decreases in current period	30 June 2024	Proportion between engineering input and budget	Engineering progresses	Amount of borrowing costs capitalized	Including: Amount of borrowing costs capitalized in current period	Capitalization rate for current period	Source of fund
A new high-purity crystalline silicon project with an annual output of 50,000 tons in Haixi Prefecture, Qinghai Province	4,498,192,210	2,646,430,785	857,680,692	12,636,215		3,491,475,262	78%	78%	24,314,504	20,062,535	4.13%	Internal fund and bank loan
Guangxi Beihai Photovoltaic Green Energy Industry Park (Phase I) Project	4,942,051,800	728,103,811	541,274,995	15,013,715		1,254,365,091	33%	33%	9,743,845	5,121,348	2.44%	Internal fund and bank loan
Qingyuan CSG Phase I Upgrading Technical Transformation Project	534,870,000	228,055,647	2,247,649	10,485		230,292,811	5%	5%				Internal fund and bank loan
Xi'an CSG energy-saving glass production line project	494,000,000	222,583,993	17,899,051	186,903,430	3,423,268	50,156,346	60%	60%	3,688,930	1,749,339	3.54%	Internal fund and bank loan
Anhui Fengyang newly built 37.6 MW distributed photovoltaic power generation project	146,640,000	83,354,432	6,150,317	89,504,749			61%	100%	543,559	140,754	4.07%	Internal fund and bank loan
Total	10,615,754,010	3,908,528,668	1,425,252,704	304,068,594	3,423,268	5,026,289,510			38,290,838	27,073,976		

(3) Provision for impairment of construction in progress in the current period

Unit: RMB

Project	1 January 2024	Increase in the current period		Decrease in the current period	30 June 2024	Reason for provision
		Provision for the current period	Other increases			
Qingyuan CSG Phase I Upgrading Technical Transformation Project	116,909,920				116,909,920	
Dongguan Photovoltaic Building B 450MWPERC battery technology upgrade project	184,998,076				184,998,076	
Yichang CSG Polysilicon Technical Transformation Project	56,888,576				56,888,576	
Other projects	4,195,369			2,663,553	1,531,816	
Total	362,991,941			2,663,553	360,328,388	--

13. Right-of-use assets

Unit: RMB

Item	Land leases	Building leases	Total
I. Original book value:			
1. 1 January 2024	21,823,035	2,984,415	24,807,450
2. Increase in current period			
3. Decrease in current period			
4. 30 June 2024	21,823,035	2,984,415	24,807,450
II. Accumulative depreciation			
1. 1 January 2024	3,020,601	149,221	3,169,822
2. Increase in current period	819,440	149,221	968,661
(1) Provision	819,440	149,221	968,661
3. Decrease in current period			
4. 30 June 2024	3,840,041	298,442	4,138,483
III. Impairment provisions			
IV. Book value			
1. 30 June 2024	17,982,994	2,685,973	20,668,967
2. 1 January 2024	18,802,434	2,835,194	21,637,628

14. Intangible assets

(1) Details of intangible assets

Unit: RMB

Item	Land use rights	Patents and proprietary technologies	Exploitation rights	Others	Total
I. Original book value:					
1. 1 January 2024	1,469,814,142	563,753,185	1,091,671,546	72,584,426	3,197,823,299
2. Increase in current period				3,754,433	3,754,433
(1) Acquisition				331,165	331,165
(2) Others				3,423,268	3,423,268
3. Decrease in current period					
4. 30 June 2024	1,469,814,142	563,753,185	1,091,671,546	76,338,859	3,201,577,732
II. Accumulative amortization					
1. 1 January 2024	293,150,658	262,978,745	40,776,980	56,056,887	652,963,270
2. Increase in current period	15,040,247	17,526,919	38,510,655	2,345,599	73,423,420
(1) Accrual	15,040,247	17,526,919	38,510,655	2,345,599	73,423,420
3. Decrease in current period					
4. 30 June 2024	308,190,905	280,505,664	79,287,635	58,402,486	726,386,690
III. Provision for impairment					
1. 1 January 2024		54,316,431		13,374	54,329,805
2. Increase in current period					
3. Decrease in current period					
4. 30 June 2024		54,316,431		13,374	54,329,805
IV. Book value					
1. 30 June 2024	1,161,623,237	228,931,090	1,012,383,911	17,922,999	2,420,861,237
2. 1 January 2024	1,176,663,484	246,458,009	1,050,894,566	16,514,165	2,490,530,224

(2) Land use rights without ownership certificate

Unit: RMB

Item	Book value	Reasons for not yet obtaining certificates of title
Land use rights	4,037,062	The management of the Company believes that there is no substantive legal obstacle to obtaining the relevant land use certificate, and it will not have a significant adverse impact on the operation of the Group.

15. Goodwill

(1) Original book value of goodwill

Unit: RMB

Name of invested unit or items forming goodwill	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
Tianjin CSG Architectural Glass Co., Ltd	3,039,946			3,039,946
Xianning CSG Photoelectric	4,857,406			4,857,406
Shenzhen CSG Display	389,494,804			389,494,804
Guangdong Licheng Construction Engineering Co., Ltd.	696,000			696,000
Total	398,088,156			398,088,156

(2) Provision for impairment of goodwill

Unit: RMB

Name of invested unit or matters forming goodwill	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
Shenzhen CSG Display	389,494,804			389,494,804
Total	389,494,804			389,494,804

16. Long-term prepaid expenses

Unit: RMB

Item	1 January 2024	Increase in current period	Amortized amounts in current period	Other decreases	30 June 2024
Various prepaid expenses	18,764,429	5,315,249	4,176,445		19,903,233
Total	18,764,429	5,315,249	4,176,445		19,903,233

17. Deferred tax assets and liabilities

(1) Deferred income tax assets before offsetting

Unit: RMB

Item	30 June 2024		1 January 2024	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for asset impairments	965,206,298	146,093,254	988,603,433	149,485,849
Deductible losses	845,370,792	145,081,978	500,056,218	88,815,735

Item	30 June 2024		1 January 2024	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Government grants	183,168,218	27,987,160	171,767,926	26,346,666
Accrued expenses	5,378,170	806,725	6,854,739	1,028,211
Depreciation of fixed assets, etc.	167,391,235	25,857,310	124,810,353	19,386,825
Total	2,166,514,713	345,826,427	1,792,092,669	285,063,286

(2) Deferred income tax liabilities before offsetting

Unit: RMB

Item	30 June 2024		1 January 2024	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Depreciation of fixed assets	535,139,952	81,313,308	571,131,285	86,841,423
Investment properties	368,564,944	55,284,742	368,564,944	55,284,742
Total	903,704,896	136,598,050	939,696,229	142,126,165

(3) Deferred income tax assets or liabilities presented with net amount after offsetting

Unit: RMB

Item	Offset amount of closing deferred tax assets and liabilities	Closing deferred tax assets or liabilities after offsetting	Offset amount of opening deferred tax assets and liabilities	Opening deferred tax assets or liabilities after offsetting
Deferred tax assets	61,567,137	284,259,290	62,038,255	223,025,031
Deferred tax liabilities	61,567,137	75,030,913	62,038,255	80,087,910

(4) Detail about unrecognized deferred income tax assets

Unit: RMB

Item	30 June 2024	1 January 2024
Deductible temporary differences and losses	1,069,961,338	1,168,354,313
Total	1,069,961,338	1,168,354,313

(5) Deductible losses of unconfirmed deferred income tax assets shall expire in the following years

Unit: RMB

Year	30 June 2024	1 January 2024	Notes
2024		103,008,917	
2025	502,484,452	502,484,452	
2026	557,374,493	557,374,493	
2027	524,904	524,904	

Year	30 June 2024	1 January 2024	Notes
2028	4,961,547	4,961,547	
2029	4,615,942		
Total	1,069,961,338	1,168,354,313	

18. Other non-current assets

Unit: RMB

Item	30 June 2024			1 January 2024		
	Carrying amount	Impairment provision	Book value	Carrying amount	Impairment provision	Book value
Prepayment for equipment and project	219,021,356		219,021,356	390,090,354		390,090,354
Prepayment for lease of land use rights	13,771,500		13,771,500	6,510,000		6,510,000
Total	232,792,856		232,792,856	396,600,354		396,600,354

19. The assets with the ownership or use right restricted

Unit: RMB

Item	30 June 2024			
	Carrying amount	Book value	Restricted type	Restricted situation
Cash at bank and on hand	141,639,610	141,639,610	Restricted circulation of deposits, freezes, etc	Cash at bank and on hand
Note receivable	1,092,137,999	1,092,137,999	Restricted pledge	Note receivable
Fixed assets/ Construction in progress	927,490,640	627,742,974	Restricted financing lease	Fixed assets/ Construction in progress
Total	2,161,268,249	1,861,520,583		

(Continued)

Item	1 January 2024			
	Carrying amount	Book value	Restricted type	Restricted situation
Cash at bank and on hand	25,512,563	25,512,563	Restricted circulation of deposits, freezes, etc	Cash at bank and on hand
Note receivable	1,157,485,085	1,157,485,085	Restricted pledge	Note receivable
Fixed assets	416,947,659	106,982,081	Restricted financing lease	Fixed assets
Total	1,599,945,307	1,289,979,729		

20. Short-term borrowings

(1) Classification of short-term borrowings

Unit: RMB

Item	30 June 2024	1 January 2024
Guaranteed loan	264,263,560	320,893,730
Credit loan	23,426,590	108,426,590
Discounted bills	660,732	7,533,263
Total	288,350,882	436,853,583

21. Notes payable

Unit: RMB

Type	30 June 2024	1 January 2024
Trade acceptance	140,454,268	90,836,911
Bank acceptance	2,157,963,721	1,950,516,278
Supply chain financial notes	211,208,967	
Total	2,509,626,956	2,041,353,189

22. Accounts payable

(1) Accounts payable listed

Unit: RMB

Item	30 June 2024	1 January 2024
Materials payable	1,111,343,655	938,666,542
Equipment payable	964,492,585	994,552,522
Construction expenses payable	1,062,144,697	1,206,275,761
Freight payable	140,025,365	143,114,233
Utilities payable	52,138,174	50,982,984
Others	8,769,760	8,032,560
Total	3,338,914,236	3,341,624,602

(2) Significant accounts payable aged more than one year

Unit: RMB

Item	30 June 2024	Reasons
Engineering and equipment payments, etc	237,901,234	Due to the unfinished final accounts of related projects, they have not been settled yet
Total	237,901,234	

23. Other payables

Unit: RMB

Item	30 June 2024	1 January 2024
Interest payable	8,863,897	8,751,408

Item	30 June 2024	1 January 2024
Dividends payable	767,673,027	
Other payables	384,072,373	475,990,469
Total	1,160,609,297	484,741,877

(1) Interest payable

Unit: RMB

Item	30 June 2024	1 January 2024
Interest of long-term borrowings with periodic payments of interest and return of principal at maturity	8,366,465	8,082,760
Interest of short-term borrowings	497,432	668,648
Total	8,863,897	8,751,408

(2) Dividends payable

Unit: RMB

Item	30 June 2024	1 January 2024
Dividends payable to ordinary shareholders	767,673,027	
Total	767,673,027	

(3) Other payables**1) Disclosure of other payables by nature**

Unit: RMB

Item	30 June 2024	1 January 2024
Guarantee deposits received from construction contractors	302,056,930	351,439,479
Accrued cost of sales (i)	45,393,923	67,861,475
Payable for contracted labour costs	6,776,382	27,689,963
Temporary receipts for third parties	3,310,676	7,277,368
Others	26,534,462	21,722,184
Total	384,072,373	475,990,469

(i) This item mainly includes expenses that have been incurred but for which invoices have not been obtained at the end of the period, comprising maintenance charges, professional service fee and travelling expenses etc.

24. Contract liabilities

Unit: RMB

Item	30 June 2024	1 January 2024
Contract liabilities	343,813,781	362,538,795

Total	343,813,781	362,538,795
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25. Employee benefits payable

(1) Presentation of employee benefits payable

Unit: RMB

Item	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
I. Short-term employee benefits payable	480,172,235	1,054,918,344	1,209,826,545	325,264,034
II. Defined contribution plans payable		96,586,266	96,586,266	
III. Termination benefits	3,165,561	3,530,676	6,696,237	
Total	483,337,796	1,155,035,286	1,313,109,048	325,264,034

(2) Presentation of short-term benefits

Unit: RMB

Item	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
1. Wages and salaries, bonus, allowances and subsidies	455,508,551	972,169,126	1,128,756,917	298,920,760
2. Social security contributions		41,777,652	41,679,372	98,280
Including: Medical insurance		36,531,600	36,433,320	98,280
Work injury insurance		4,418,288	4,418,288	
Maternity insurance		827,764	827,764	
3. Housing funds	880,089	28,356,932	28,383,625	853,396
4. Labour union funds and employee education funds	23,783,595	12,614,634	11,006,631	25,391,598
Total	480,172,235	1,054,918,344	1,209,826,545	325,264,034

(3) Defined benefit plans

Unit: RMB

Item	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
1. Basic pensions		92,585,461	92,585,461	
2. Unemployment insurance		4,000,805	4,000,805	
Total		96,586,266	96,586,266	

26. Taxes payable

Unit: RMB

Item	30 June 2024	1 January 2024
Enterprise income tax payable	88,847,010	50,021,929
VAT payable	46,214,028	44,410,002
Housing property tax payable	13,309,437	8,590,406
Individual income tax payable	4,930,376	6,633,485
Urban maintenance and construction tax payable	2,100,204	2,667,504
Educational surtax payable	1,736,347	2,209,407
Environmental tax payable	1,523,674	1,842,557
Others	8,116,521	7,032,123
Total	166,777,597	123,407,413

27. Non-current liabilities due within one year

Unit: RMB

Item	30 June 2024	1 January 2024
Long-term borrowings due within one year	1,523,840,827	1,206,872,898
Long-term account payable due within one year	15,541,083	40,939,718
Lease liabilities due within one year	1,103,785	1,079,363
Total	1,540,485,695	1,248,891,979

28. Other current liabilities

Unit: RMB

Item	30 June 2024	1 January 2024
Output VAT to be transferred	39,834,736	44,121,680
Supply chain financial notes, etc.		121,676,275
Notes that did not meet the conditions for derecognition	257,030,390	288,534,731
Total	296,865,126	454,332,686

29. Long-term borrowings

(1) Types of long-term borrowings

Unit: RMB

Item	30 June 2024	1 January 2024
Guaranteed loan	6,019,971,035	5,478,771,574
Credit loan	2,254,490,000	1,949,750,000
Subtotal	8,274,461,035	7,428,521,574
Less: Long-term borrowings due within one year	1,523,840,827	1,206,872,898

Item	30 June 2024	1 January 2024
Total	6,750,620,208	6,221,648,676

30. Lease liabilities

Unit: RMB

Item	30 June 2024	1 January 2024
Lease liabilities	15,783,063	16,213,925
Less: Lease liabilities due within one year	1,103,785	1,079,363
Total	14,679,278	15,134,562

31. Long-term account payable

Unit: RMB

Item	30 June 2024	1 January 2024
Long-term account payable	510,957,893	88,204,163

(1) Long-term payable listed by nature

Unit: RMB

Item	30 June 2024	1 January 2024
Finance lease payable	526,498,976	129,143,881
Less: Long-term payables due within one year	15,541,083	40,939,718
Total	510,957,893	88,204,163

32. Estimated liabilities

Unit: RMB

Item	30 June 2024	1 January 2024	Causes
Retirement obligation	12,031,343	11,798,141	Estimated mine rehabilitation costs
Pending litigation		1,251,941	
Total	12,031,343	13,050,082	

33. Deferred income

Unit: RMB

Item	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
Government grants	430,143,830	38,341,600	27,058,673	441,426,757
Total	430,143,830	38,341,600	27,058,673	441,426,757

34. Share capital

Unit: RMB

	1 January 2024	Movement for current period					30 June 2024
		New issues	Bonus issue	Transfer from capital surplus	Others	Sub-total	
Total number of ordinary shares	3,070,692,107						3,070,692,107

35. Capital surplus

Unit: RMB

Item	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
Share premium	649,166,589			649,166,589
Other capital surplus	-58,427,175			-58,427,175
Total	590,739,414			590,739,414

36. Other comprehensive income

Unit: RMB

Item	1 January 2024	Other comprehensive income for current period				30 June 2024
		Actual amount before tax for current period	Less: Income tax expenses	Attributable to parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive income items which will be reclassified subsequently to profit or loss	177,384,471			1,217,389		178,601,860
Difference on translation of foreign currency financial statements	13,682,674			1,217,389		14,900,063
Financial rewards for energy-saving technical retrofits	2,550,000					2,550,000
Income generated when self-property and land use rights are converted into investment property	161,151,797					161,151,797
Total	177,384,471			1,217,389		178,601,860

37. Special reserve

Unit: RMB

Item	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
Safety production costs	1,411,139	3,139,075	1,186,314	3,363,900
Total	1,411,139	3,139,075	1,186,314	3,363,900

38. Surplus reserve

Unit: RMB

Item	1 January 2024	Increase in current period	Decrease in current period	30 June 2024
Statutory surplus reserve	1,276,210,730			1,276,210,730
Discretionary surplus reserve	127,852,568			127,852,568
Total	1,404,063,298			1,404,063,298

39. Undistributed profits

Unit: RMB

Item	H1 2024	H1 2023
Undistributed profits at the end of the previous period before adjustments	8,806,549,788	7,786,968,455
Undistributed profits at the beginning of the period after adjustments	8,806,549,788	7,786,968,455
Add: Net profits attributable to shareholders of parent company in current period	733,111,562	889,478,780
Less: Appropriation for statutory surplus reserve		
Ordinary share dividends payable	767,673,027	
Undistributed profits at the end of the period	8,771,988,323	8,676,447,235

40. Operating income and operating costs

Unit: RMB

Item	H1 2024		H1 2023	
	Revenue	Cost	Revenue	Cost
Principal operation	8,026,214,086	6,330,753,454	8,269,985,146	6,451,841,635
Other operations	52,756,565	2,585,051	119,355,099	43,554,296
Total	8,078,970,651	6,333,338,505	8,389,340,245	6,495,395,931

41. Taxes and surcharges

Unit: RMB

Item	H1 2024	H1 2023
Housing property tax	24,262,618	20,987,873
Land use rights	13,293,655	10,894,279
Urban maintenance and construction tax	10,630,321	18,676,773
Educational surtax	9,140,452	14,886,892
Stamp tax	4,953,753	6,454,506
Environmental tax	2,960,497	2,815,691
Others	2,664,381	1,662,990
Total	67,905,677	76,379,004

42. General and administrative expenses

Unit: RMB

Item	H1 2024	H1 2023
Employee benefits	213,862,214	198,481,504
Depreciation and amortization	106,703,302	70,577,321
General office expenses	14,096,760	14,943,321
Labour union funds	12,098,064	10,994,483
Entertainment fees	10,454,102	8,997,162
Consulting advisers	5,655,089	3,919,242
Canteen costs	4,955,469	5,641,281
Business travel expenses	4,479,971	4,438,258
Water and electricity fees	3,475,192	3,542,076
Vehicle use fees	2,277,382	3,500,710
Rental fees	659,536	1,025,672
Others	15,803,933	14,191,742
Total	394,521,014	340,252,772

43. Selling and distribution expenses

Unit: RMB

Item	H1 2024	H1 2023
Employee benefits	110,767,294	99,419,222
Entertainment fees	9,996,939	8,645,368
Business travel expenses	6,358,650	6,194,559
Rental fees	5,445,122	5,713,495
Office expenses	1,543,766	1,768,037
Freight expenses	1,199,242	3,390,552
Insurance fees	766,925	2,528,186
Vehicle use fees	664,626	4,656,501
Others	18,261,137	14,540,221

Total	155,003,701	146,856,141
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44. Research and development expenses

Unit: RMB

Item	H1 2024	H1 2023
Research and development expenses	336,673,375	346,264,501
Total	336,673,375	346,264,501

45. Financial expenses

Unit: RMB

Item	H1 2024	H1 2023
Interest expenses	115,225,970	113,306,203
Interest income	-31,170,207	-45,500,449
Exchange gains and losses	-10,609,069	3,203,357
Others	2,402,731	1,755,534
Total	75,849,425	72,764,645

46. Other Income

Unit: RMB

Sources of other income	H1 2024	H1 2023
Government subsidy amortization	27,058,673	21,916,903
Tax benefits and rebates	61,735,134	2,374,350
Industry support funds	11,125,627	800,000
Government incentive funds	11,286,068	18,216,697
Research grants	2,882,320	1,528,784
Others	2,606,814	2,367,105
Total	116,694,636	47,203,839

47. Investment income

Unit: RMB

Item	H1 2024	H1 2023
Debt restructuring income	569,142	
Interest on note discounting	-6,356,329	-5,617,361
Income from term deposits, etc.	924,109	1,534,181
Total	-4,863,078	-4,083,180

48. Credit impairment loss

Unit: RMB

Item	H1 2024	H1 2023
Losses on bad debts of accounts receivable	5,159,904	-7,621,521
Losses on bad debts of notes receivable	-238,449	
Losses on bad debts of other receivables	2,459,450	20,297
Total	7,380,905	-7,601,224

49. Asset impairment loss

Unit: RMB

Item	H1 2024	H1 2023
Decline in the value of inventories	-41,315,915	24,908
Total	-41,315,915	24,908

50. Income on disposal of assets

Unit: RMB

Source of income on disposal of assets	H1 2024	H1 2023
Gain/loss on disposal of non-current assets	4,202,074	53,451
Total	4,202,074	53,451

51. Non-operating revenue

Unit: RMB

Item	H1 2024	H1 2023	Amount booked into current non-recurring profits and losses
Amounts unable to pay	1,587,975	4,901,175	1,587,975
Compensation income	958,059	165,653	958,059
Insurance claims		3,212,700	
Others	2,382,760	1,173,805	2,382,760
Total	4,928,794	9,453,333	4,928,794

52. Non-operating expenses

Unit: RMB

Item	H1 2024	H1 2023	Amount booked into current non-recurring profits and losses
Donation	171,400	300,614	171,400
Losses due to damage or scrapping of non-current assets	2,446,816	133,677	2,446,816
Compensation		30,225	
Others	562,279	22,284	562,279

Total	3,180,495	486,800	3,180,495
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53. Income tax expenses

(1) Income tax expense details

Unit: RMB

Item	H1 2024	H1 2023
Current income tax	144,518,913	84,300,053
Deferred income tax	-66,291,256	-10,205,883
Total	78,227,657	74,094,170

(2) Adjustment process of accounting profit and income tax expenses

Unit: RMB

Item	H1 2024
Total profit	799,525,875
Income tax expenses calculated at applicable tax rates	122,777,660
Costs, expenses and losses not deductible for tax purposes	731,434
Effect of deductible loss on usage of unconfirmed deferred income tax assets in the prior period	-28,776,991
Effect of deductible temporary difference or deductible loss on unconfirmed deferred income tax in the current period	939,783
The impact of tax rate changes	
Adjustments to income taxes in prior periods	-8,301,789
Effect of obtaining tax incentives	-9,142,440
Income tax expenses	78,227,657

54. Other comprehensive income

See Note Other comprehensive income for details

55. Notes to the cash flow statement

(1) Cash received relating to other operating activities

Unit: RMB

Item	H1 2024	H1 2023
Security deposits received for operating purposes		140,939,522
Government grants	75,274,086	41,458,937
Interest income	31,108,379	45,474,892
Others	14,192,962	7,273,702
Total	120,575,427	235,147,053

(2) Cash paid relating to other operating activities

Unit: RMB

Item	H1 2024	H1 2023
Security deposits	73,884,621	
Entertainment fees	25,630,075	21,343,865
General office expenses	24,410,473	22,506,207
Canteen costs	20,422,983	20,838,907
Maintenance fee	19,543,932	17,742,387
Business travel expenses	16,895,349	14,512,458
Insurance fees	8,138,926	21,517,337
Consulting advisers	7,487,681	8,326,998
Rental expenses	7,218,739	9,824,468
Vehicle use fee	3,620,924	10,230,122
Bank handling charges	2,030,056	1,820,613
Others	62,170,291	57,501,774
Total	271,454,050	206,165,136

(3) Cash received relating to other investing activities

Unit: RMB

Item	H1 2024	H1 2023
Security deposits received		22,629,490
Amounts received that had been previously paid on behalf of others		10,000,000
Total		32,629,490

(4) Cash paid relating to other investing activities

Unit: RMB

Item	H1 2024	H1 2023
Security deposits	26,244,829	
Total	26,244,829	

(5) Cash paid related to significant investment activities

Unit: RMB

Item	H1 2024	H1 2023
Engineering project construction expenditure	1,492,512,738	1,714,949,765
Financial investment expenses	162,800,000	20,000,000
Total	1,655,312,738	1,734,949,765

(6) Cash received relating to other financing activities

Unit: RMB

Item	H1 2024	H1 2023
Cash received in finance leases	458,231,000	
Minority shareholder borrowings		12,000,000
Total	458,231,000	12,000,000

(7) Cash payments relating to other financing activities

Unit: RMB

Item	H1 2024	H1 2023
Lease repayments	84,615,538	22,948,274
Security deposits	600,000	
Repayments for minority shareholder borrowings	1,200,000	
Others		106,000
Total	86,415,538	23,054,274

(8) Changes in various liabilities arising from financing activities

Unit: RMB

Item	1 January 2024	Increase in current period		Decrease in current period		30 June 2024
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term loan	436,853,583	189,010,732		329,980,170	7,533,263	288,350,882
Long-term borrowings (including long-term borrowings due within one year)	7,428,521,574	1,415,992,654		570,053,193		8,274,461,035
Bonds payable (including bonds payable due within one year)						
Total	7,865,375,157	1,605,003,386		900,033,363	7,533,263	8,562,811,917

56. Supplementary information to the cash flow statement**(1) Supplementary information to the cash flow statement**

Unit: RMB

Supplementary information	H1 2024	H1 2023
1. Reconciliation from net profit to cash flows from operating activities		
Net profit	721,298,218	881,897,408
Add: Provision for asset impairment	41,315,915	-24,908

Supplementary information	H1 2024	H1 2023
Provision for credit impairment	-7,380,905	7,601,224
Depreciation of fixed assets, oil and gas assets, and productive living assets	579,893,996	550,154,625
Depreciation of right-of-use assets	968,661	319,141
Amortization of intangible assets	73,423,420	43,479,477
Amortization of long-term prepaid expenses	4,176,445	1,878,327
Losses (gains) on disposal of fixed assets, intangible assets and other long-term asset ("- for gains)	-4,202,074	-53,451
Financial expenses ("- for gains)	104,616,901	113,306,203
Investment loss ("- for gains)	-1,493,251	4,083,180
Decrease in deferred tax assets ("- for increase)	-61,234,259	-4,999,507
Increase in deferred tax liabilities ("- for decrease)	-5,056,997	-5,206,376
Decrease in inventories ("- for increase)	-429,833,376	-306,915,534
Decrease/(increase) in operating receivables ("- for increase)	-42,729,653	-825,895,694
Increase in operating payables ("- for decrease)	16,382,029	53,764,086
Others	3,139,075	5,038,984
Net cash flows from operating activities	993,284,145	518,427,185
2. Net changes in cash and cash equivalents:		
Cash and cash equivalents at end of period	3,477,639,345	2,639,260,140
Less: Cash and cash equivalents at beginning of period	3,051,261,655	4,594,018,251
Net increase in cash and cash equivalents	426,377,690	-1,954,758,111

(2) Cash and cash equivalents composition

Unit: RMB

Item	30 June 2024	1 January 2024
I. Cash and cash equivalents	3,477,639,345	3,051,261,655
Bank deposits that can be readily drawn on demand	3,477,639,345	3,051,261,655
Other cash balances that can be readily drawn on demand		
II. Cash and cash equivalents at end of period	3,477,639,345	3,051,261,655

(3) Monetary funds other than cash and cash equivalents

Unit: RMB

Item	H1 2024	H1 2023	Reasons why it is not cash and cash equivalents
Other monetary fund	141,639,610	20,057,007	Security deposits, frozen amounts, etc. of which the use is restricted
Total	141,639,610	20,057,007	

57. Monetary items denominated in foreign currencies

(1) Monetary items denominated in foreign currencies

Unit: RMB

Item	Balances denominated in foreign currencies	Exchange rates	Balances denominated in RMB
Cash at bank and on hand			73,440,388
Including: USD	9,990,360	7.1268	71,199,296
EUR	6,618	7.6617	50,704
HKD	2,097,524	0.9127	1,914,410
JPY	6,005,101	0.0447	268,428
SGD	710	5.2790	3,750
AUD	797	4.7650	3,800
Accounts receivable			173,160,070
Including: USD	22,646,920	7.1268	161,400,066
EUR	834,785	7.6617	6,395,875
HKD	5,877,209	0.9127	5,364,129
Accounts payable			30,732,596
Including: USD	4,046,598	7.1268	28,839,292
EUR	206,887	7.6617	1,585,103
GBP	11,000	9.0430	99,473
JPY	4,669,530	0.0447	208,728

58. Leases

(1) The Company as the lessee

Applicable Not applicable

Variable lease payments not included in the measurement of lease liabilities

Applicable Not applicable

Lease costs for short-term leases or low-value assets that adopt a simplified accounting approach:

For January-June 2024, lease costs for the Group's short-term leases or low-value assets that adopt a simplified accounting approach were RMB 6,083,242.

Sale-leasebacks:

For January-June 2024, the total cash outflow amount in relation to sale-leasebacks was RMB 69,192,468.

VIII. R&D SPENDING

Unit: RMB

Item	H1 2024	H1 2023
Material	158,306,519	177,053,665
Labor costs	137,105,995	137,509,742

Fees and others	41,260,861	42,678,805
Total	336,673,375	357,242,212
Among them: expense	336,673,375	346,264,501
Capitalization		10,977,711

IX. THE CHANGES OF CONSOLIDATION SCOPE

1. Changes in scope of consolidation due to other reasons

On 10 April 2024, the Group established Chengdu CSG New Energy Co., Ltd. As of 30 June 2024, the Group has not contributed any capital and the Group holds 100% of its equities.

X. EQUITY IN OTHER ENTITIES

1. Interest in subsidiaries

(1) Constitution of the Group

Unit: RMB

Name of subsidiary	Registered capital	Major business location	Place of registration	Scope of business	Shareholding		Method of acquisition
					Direct	Indirect	
Chengdu CSG	260,000,000	Chengdu, PRC	Chengdu, PRC	Development, production and sales of special glass	75%	25%	Establishment
Sichuan CSG Energy Conservation	180,000,000	Chengdu, PRC	Chengdu, PRC	Intensive processing of glass	75%	25%	Separation
Tianjin Energy Conservation	336,000,000	Tianjin, PRC	Tianjin, PRC	Intensive processing of glass	75%	25%	Establishment
Dongguan CSG Engineering	240,000,000	Dongguan, PRC	Dongguan, PRC	Intensive processing of glass	75%	25%	Establishment
Dongguan CSG Solar	480,000,000	Dongguan, PRC	Dongguan, PRC	Production and sales of special glass and photovoltaic glass	75%	25%	Establishment
Dongguan CSG PV-tech	516,000,000	Dongguan, PRC	Dongguan, PRC	Production and sales of hi-tech green battery and components	100%		Establishment
Yichang CSG Polysilicon	1,467,980,000	Yichang, PRC	Yichang, PRC	Production and sales of high-purity silicon materials	75%	25%	Establishment
Wujiang CSG Engineering	320,000,000	Wujiang, PRC	Wujiang, PRC	Intensive processing of glass	75%	25%	Establishment
Hebei CSG (note 1)	48,066,000	Yongqing, PRC	Yongqing, PRC	Production and sales of special glass	75%	25%	Establishment
Wujiang CSG	565,041,798	Wujiang, PRC	Wujiang, PRC	Production and sales of special glass	100%		Establishment
China Southern Glass (Hong Kong) Limited (note 2)	86,440,000	Hong Kong, PRC	Hong Kong, PRC	Investment holding	100%		Establishment
Xianning CSG	235,000,000	Xianning, PRC	Xianning, PRC	Production and sales of special glass and photovoltaic glass	75%	25%	Establishment

Name of subsidiary	Registered capital	Major business location	Place of registration	Scope of business	Shareholding		Method of acquisition
					Direct	Indirect	
Xianning CSG Energy-Saving	215,000,000	Xianning, PRC	Xianning, PRC	Intensive processing of glass	75%	25%	Separation
Qingyuan CSG Energy-Saving	1,055,000,000	Qingyuan, PRC	Qingyuan, PRC	Production and sales of ultra-thin electronic glass	100%		Establishment
Shenzhen CSG Financial Leasing Co., Ltd.	300,000,000	Shenzhen, PRC	Shenzhen, PRC	Finance leasing, etc.	75%	25%	Establishment
Jiangyou CSG Mining Development Co. Ltd.	100,000,000	Jiangyou, PRC	Jiangyou, PRC	Production and sales of silica and its by-products	100%		Establishment
Shenzhen CSG Display:	143,000,000	Shenzhen, PRC	Shenzhen, PRC	Production and sales of display component products	60.8%		Acquisition
Zhaoqing Energy Saving Company	200,000,000	Zhaoqing PRC	Zhaoqing PRC	Intensive processing of glass	100%		Establishment
Zhaoqing Automobile Company	200,000,000	Zhaoqing PRC	Zhaoqing PRC	Intensive processing of glass	100%		Establishment
Anhui Energy Company	1,750,000,000	Fengyang, PRC	Fengyang, PRC	Production and sales of photovoltaic glass	100%		Establishment
Anhui Quartz Company	75,000,000	Fengyang, PRC	Fengyang, PRC	Production and sales of solar glass products	100%		Establishment
Anhui Silicon Valley Mingdu Mining Company	360,000,000	Fengyang, PRC	Fengyang, PRC	Mineral resources exploitation	60%		Establishment
Xi'an energy conservation company	150,000,000	Xi'an, PRC	Xi'an, PRC	Intensive processing of glass	55%	45%	Establishment
Qinghai New Energy	1,350,000,000	Delingha, PRC	Delingha, PRC	Production and sales of high purity silicon products	100%		Establishment
Guangxi New Energy Materials Company	600,000,000	Beihai, PRC	Beihai, PRC	Production and sales of photovoltaic glass	75%	25%	Establishment

Note 1: The registered capital of Hebei CSG is in USD.

Note 2: The registered capital of China Southern Glass (Hong Kong) Limited is in HKD.

XI. GOVERNMENT GRANTS

1. Liabilities involving government grants

√ Applicable □ Not applicable

Unit: RMB

Accounting item	1 January 2024	Increase in current period	Amount included in non-operating income in current period	Amount transferred to other income in current period	30 June 2024	Asset related/income related
Deferred income	430,143,830	38,341,600		27,058,673	441,426,757	Asset related/income related
Total	430,143,830	38,341,600		27,058,673	441,426,757	

2. Government grants included in current profits and losses

√ Applicable □ Not applicable

Unit: RMB

Accounting item	H1 2024	H1 2023
Amortization of government subsidies	27,058,673	21,916,903
Other government subsidies	31,507,137	28,608,269
Total	58,565,810	50,525,172

XII. FINANCIAL INSTRUMENT RISK MANAGEMENT

The Group's main financial instruments include monetary funds, notes receivable, accounts receivable, receivable financing, other receivables, non-current assets due within one year, other current assets, notes payable, accounts payable, Other payables, short-term borrowings, trading financial liabilities, non-current liabilities due within one year, long-term borrowings, bonds payable, lease liabilities and long-term payables. Details of each financial instrument have been disclosed in the relevant notes. The risks associated with these financial instruments and the risk management policies adopted by the Group to mitigate these risks are described below. The management of the Group manages and monitors these risk exposures to ensure that the above risks are controlled within limited limits.

1. Risk management objectives and policies

The main risks caused by the Group's financial instruments are credit risk, liquidity risk, and market risk (including exchange rate risk, interest rate risk, and commodity price risk).

The Group's overall risk management plan addresses the unpredictability of financial markets and strives to reduce potential adverse effects on the Group's financial performance.

The Group has formulated risk management policies to identify and analyze the risks faced by the Group, set appropriate risk acceptance levels and design corresponding internal control procedures to monitor the Group's risk levels. The Group will regularly reassess these risk management policies and related internal control systems to adapt to changes in market conditions or the Group's operating activities. The internal audit department also regularly and irregularly checks whether the implementation of the internal control system complies with the risk management policy.

The Board of Directors is responsible for planning and establishing the Group's risk management structure, formulating the Group's risk management policies and relevant guidelines, and supervising the implementation of risk management measures. The Group has formulated risk management policies to identify and analyze the risks faced by the Group. These risk management policies clearly define specific risks and cover many aspects such as market risk, credit risk and liquidity risk management. The Group regularly assesses changes in the market environment and the Group's operating activities to determine whether to update risk management policies and systems. The Group's risk management is carried out by relevant departments in accordance with policies approved by the Board of Directors. These departments identify, evaluate and avoid relevant risks through close cooperation with other business departments of the Group.

The Group diversifies financial instrument risks through appropriate diversification of investments and business portfolios, and reduces risks concentrated in a single industry, specific region or specific counterparty by formulating corresponding risk management policies.

(1) Credit risk

Credit risk refers to the risk that the counterparty fails to perform its contractual obligations, resulting in financial losses to the Group.

The Group manages credit risks by portfolio classification. Credit risk mainly arises from bank deposits, bills receivable, accounts receivable, other receivables, etc.

The Group's bank deposits are mainly deposited in state-owned banks and other large and medium-sized listed banks. The Group expects that there will be no significant credit risk in bank deposits.

For notes receivable, accounts receivable, other receivables and long-term receivables, the Group sets relevant policies to control credit risk exposure. The Group evaluates the customer's credit qualifications and sets corresponding credit periods based on the customer's financial status, credit history and other factors such as current market conditions. The Group will regularly monitor

customer credit records. For customers with poor credit records, the Group will use written reminders, shorten the credit period or cancel the credit period to ensure that the Group's overall credit risk is within a controllable range. .

The debtors of the Group's accounts receivable are customers located in different industries and regions. The Group continues to conduct credit assessments on the financial status of accounts receivable and purchases credit guarantee insurance when appropriate.

The Group's maximum exposure to credit risk is the carrying amount of each financial asset on the balance sheet. The Group does not provide any other guarantees that may expose the Group to credit risk. Among the Group's accounts receivable, those from the top five customers (mainly photovoltaic glass customers) accounted for 30% of the Group's total accounts receivable (2023: 39%). These customers are all industry leaders with good credit, thus reducing the risk of accounts receivable recovery for this group. Among the Group's other receivables, those from the top five companies in terms of arrears. Other receivables account for 88% of the Group's total other receivables (2023: 87%).

(2) Liquidity risk

Liquidity risk refers to the risk that the Group encounters a shortage of funds when fulfilling its obligations to settle by delivering cash or other financial assets.

When managing liquidity risk, the Group maintains and monitors cash and cash equivalents that management considers sufficient to meet the Group's operating needs and reduce the impact of cash flow fluctuations. The management of the Group monitors the use of bank borrowings and ensures compliance with borrowing agreements. At the same time, obtain commitments from major financial institutions to provide sufficient backup funds to meet short-term and long-term funding needs.

At the end of the period, the financial liabilities and off-balance sheet guarantee items held by the Group are analyzed based on the maturity period of the undiscounted remaining contract cash flows as follows (unit: RMB):

Item	30 June 2024				
	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Financial liabilities:					
Short-term borrowings	293,776,684				293,776,684
Notes payable	2,509,626,956				2,509,626,956
Accounts payable	3,338,914,236				3,338,914,236
Other payables	1,160,609,297				1,160,609,297
Non-current liabilities due within one year	1,567,681,490				1,567,681,490
Other current liabilities	296,865,126				296,865,126
Long-term borrowings	221,738,975	2,586,683,966	3,521,083,493	1,084,806,033	7,414,312,467
Lease liabilities		1,154,300	3,789,641	9,735,337	14,679,278
Long-term payables		78,423,577	340,888,116	91,646,200	510,957,893
Total financial liabilities and contingent liabilities	9,389,212,764	2,666,261,843	3,865,761,250	1,186,187,570	17,107,423,427

At the end of last year, the financial liabilities and off-balance sheet guarantee items held by the Group were analyzed based on the maturity period of the undiscounted remaining contract cash flows as follows (unit: RMB):

Item	1 January 2024				
	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Financial liabilities:					
Short-term borrowings	442,145,185				442,145,185
Notes payable	2,041,353,189				2,041,353,189
Accounts payable	3,341,624,602				3,341,624,602
Other payables	484,741,877				484,741,877
Non-current liabilities due within one year	1,271,501,008				1,271,501,008
Other current liabilities	454,332,686				454,332,686
Long-term borrowings	214,670,100	1,941,153,526	3,246,286,160	1,584,820,574	6,986,930,360

Item	1 January 2024				
	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Lease liabilities		1,128,760	3,705,792	10,300,010	15,134,562
Long-term payables		42,003,985	46,200,178		88,204,163
Total financial liabilities and contingent liabilities	8,250,368,647	1,984,286,271	3,296,192,130	1,595,120,584	15,125,967,632

The amounts of financial liabilities disclosed in the table above represent undiscounted contractual cash flows and therefore may differ from the carrying amounts in the balance sheet.

(3) Market risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments fluctuate due to market price changes, including interest rate risk, exchange rate risk and other price risks.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. Interest rate risk can arise from both recognized interest-bearing financial instruments and unrecognized financial instruments (such as certain loan commitments).

The Group's interest rate risk mainly arises from long-term interest-bearing debt such as long-term bank borrowings and bonds payable. Financial liabilities with floating interest rates expose the Group to cash flow interest rate risk, while financial liabilities with fixed interest rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of fixed-rate and floating-rate contracts based on the prevailing market environment, and maintains an appropriate mix of fixed-rate and floating-rate instruments through regular review and monitoring.

The Group pays close attention to the impact of interest rate changes on the Group's interest rate risk. The Group currently does not adopt an interest rate hedging policy. However, management is responsible for monitoring interest rate risk and will consider hedging significant interest rate risk if necessary. An increase in interest rates will increase the cost of new interest-bearing debt and the interest expense of the Group's unpaid interest-bearing debt with floating interest rates, and will have a significant adverse impact on the Group's financial results. The management will base on the latest market trends Adjustments are made in a timely manner to the situation, and these adjustments may be through interest rate swap arrangements to reduce interest rate risk.

The interest-bearing financial instruments held by the Group are as follows (unit: RMB):

Item	30 June 2024	1 January 2024
Contracts at fixed rates	1,075,553,150	1,123,875,582
Contracts at floating rates	5,675,067,058	5,097,773,094
Total	6,750,620,208	6,221,648,676

Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in foreign exchange rates. Exchange rate risk can arise from financial instruments denominated in foreign currencies other than the functional currency of accounting.

Exchange rate risk is mainly due to the impact of the Group's financial position and cash flows on foreign exchange rate fluctuations. Except for the subsidiaries established in Hong Kong that hold assets settled in Hong Kong dollars, the proportion of foreign currency assets and liabilities held by the Group to the overall assets and liabilities is not significant. Therefore, the Group believes that the exchange rate risk it faces is not significant.

At the end of the period, the amounts of foreign currency financial assets and foreign currency financial liabilities held by the Group converted into RMB are listed as follows (unit: RMB):

Item	Foreign currency liabilities		Foreign currency assets	
	30 June 2024	1 January 2024	30 June 2024	1 January 2024
USD	28,839,292	26,941,200	232,599,362	297,351,920
HKD		54,917	7,278,539	15,309,673
Others	1,893,304	1,642,375	6,722,557	7,102,354

Item	Foreign currency liabilities		Foreign currency assets	
	30 June 2024	1 January 2024	30 June 2024	1 January 2024
Total	30,732,596	28,638,492	246,600,458	319,763,947

The Group pays close attention to the impact of exchange rate changes on the Group's exchange rate risk. Management is responsible for monitoring exchange rate risk and will consider hedging significant exchange rate risk if necessary.

As of 30 June 2024, for the Group's various U.S. dollar financial assets and U.S. dollar financial liabilities, if the RMB appreciates or depreciates by 10% against the U.S. dollar and other factors remain unchanged, the Group's net profit will decrease or increase by approximately RMB 17,319,606. (31 December 2023: decrease or increase of approximately RMB 22,984,911).

2. Capital management

The goal of the Group's capital management policy is to ensure that the Group can continue to operate, thereby providing returns to shareholders and benefiting other stakeholders, while maintaining an optimal capital structure to reduce capital costs.

In order to maintain or adjust the capital structure, the Group may adjust financing methods, adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and other equity instruments, or sell assets to reduce debt.

The Group monitors the capital structure based on the asset-liability ratio (i.e., total liabilities divided by total assets). At the end of the period, the Group's asset-liability ratio was 55% (end of the previous year: 52%).

XIII. DISCLOSURE OF FAIR VALUE

1. Closing balance of assets and liabilities measured at fair value

Unit: RMB

Item	Closing fair value			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income	--	--	--	--
Receivables financing			622,130,245	622,130,245
Investment properties		292,711,858		292,711,858
Total		292,711,858	622,130,245	914,842,103

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Information of the parent company

The Company regards no entity as the parent company.

2. The subsidiaries

The general information and other related information of the subsidiaries are set out in Note "X. EQUITY IN OTHER ENTITIES".

3. General information of the Group's associate

None

4. Other related parties information

Name of Other Related Party	Relationship with the Group
Qianhai Life Insurance Co., Ltd	The largest shareholder of the Company
Shantou Chaoshang Urban Comprehensive Management Co., Ltd	Related party of the Company's largest shareholder
Qianhai Life Insurance (Xi'an) Hospital Co., Ltd.	Related party of the Company's largest shareholder
Shenzhen Baoyao Construction Engineering Co., Ltd.	Related party of the Company's largest shareholder
Shenzhen Hongtu Construction Co., Ltd.	Related party of the Company's largest shareholder
Suzhou Baoqi Logistics Co., Ltd.	Related party of the Company's largest shareholder
Shantou Laihua Industrial Co., Ltd.	Related party of the Company's largest shareholder
Shen Zhen Golden Flourish Supply Chain Limited	Related party of the Company's largest shareholder

5. Related party transactions

(1) Purchase and sales of goods and rendering and receiving services

Table on purchase of goods/receiving of services

Unit: RMB

Related parties	Related transaction	H1 2024	H1 2023
Qianhai Life Insurance Co., Ltd	Receive service	3,724,810	3,787,542
Total		3,724,810	3,787,542

Table on sales of goods/providing of services

Unit: RMB

Related parties	Related transaction	H1 2024	H1 2023
Qianhai Life Insurance (Xi'an) Hospital Co., Ltd.	Sales of goods	1,446,563	
Shenzhen Baoyao Construction Engineering Co., Ltd.	Sales of goods	107,329	
Shantou Chaoshang Urban Comprehensive Management Co., Ltd	Sales of goods		478,927
Shantou Laihua Industrial Co., Ltd.	Sales of goods		71,645
Total		1,553,892	550,572

6. Receivables from and payables to related parties

(1) Receivables from related parties

Unit: RMB

Item	Related parties	30 June 2024		1 January 2024	
		Carrying amount	Provision for bad debts	Carrying amount	Provision for bad debts
Accounts receivable	Shenzhen Hongtu Construction Co., Ltd.	8,652,356	7,382,793	8,652,356	7,382,793

Item	Related parties	30 June 2024		1 January 2024	
		Carrying amount	Provision for bad debts	Carrying amount	Provision for bad debts
Accounts receivable	Qianhai Life Insurance (Xi'an) Hospital Co., Ltd.	192,716	3,854		
Accounts receivable	Shen Zhen Golden Flourish Supply Chain Limited	22,090	20,986	22,090	20,986
Advances to suppliers	Qianhai Life Insurance Co., Ltd	119,625		4,441	
Total		8,986,787	7,407,633	8,678,887	7,403,779

(2) Payables to related parties

Unit: RMB

Item	Related parties	30 June 2024	1 January 2024
Accounts payable	Suzhou Baoqi Logistics Co., Ltd	308,667	314,667
Other payables	Qianhai Life Insurance Co., Ltd	6,646	386,589
Contract liabilities	Other related parties	411,875	504,538
Total		727,188	1,205,794

XV. SHARE-BASED PAYMENTS

1. Overall share-based payments

None

2. Equity-settled share-based payments

None

3. Cash-settled share-based payments

None

4. Share-based payments in the current period

None

XVI. COMMITMENTS AND CONTINGENCIES

1. Significant commitments

Capital expenditures contracted for by the Group at the balance sheet date but are not yet necessary to be recognized on the balance sheet are as follows:

Unit: RMB

Item	30 June 2024	1 January 2024
Buildings, machinery and equipment	1,673,293,474	3,010,778,541

2. Contingencies

Contingent liabilities arising from pending litigation and arbitration and their financial impact

Unit: RMB

Plaintiff	Defendant	Cause of action	Court of acceptance	Target amount	Case progress
The Company (note 1)	Zeng Nan, Luo Youming, Wu Guobin, Ding Jiuru, Li Weinan, Yichang Hongtai Real Estate Co., Ltd.	Disputes over liability for harming company interests	Shenzhen Intermediate People's Court	229,200,087	Under second trial
Fengyang Wenyang Building and Decoration Materials Co., Ltd. (note 2)	Anhui CSG New Energy Materials Technology Co., Ltd.	Disputes over creditor's subrogation rights	Fengyang County People's Court	17,349,467	Under trial

Note 1: The Company requested the Defendants to jointly compensate the plaintiff for the RMB 171 million principal amount of the subsidy funds granted by the government to the Group as well as the interest loss of RMB 58.2 million. As of the date of disclosure of this Report, the case is under trial. In relation to the matter of the RMB 171 million special fund for the introduction of talents, the Company filed a lawsuit against Zeng Nan et al. and Yichang Hongtai Real Estate Co., Ltd. on 15 December 2021 for infringement of rights and compensation, which was formally accepted on 28 January 2022 by Shenzhen Intermediate People's Court. The first instance of the case was heard at Shenzhen Intermediate People's Court on 21 June 2022. On 4 June 2024, the Company received the first instance Civil Judgment issued by Shenzhen Intermediate People's Court, which rejected all of the Company's litigation requests. In June 2024, the Company filed an appeal to Guangdong Higher People's Court, and the case is currently in the process of the second instance.

Note 2: The plaintiff sued Anhui New Energy for subrogation to bear the delayed payment and interest on the grounds that the concrete from Hefei Construction Materials and Equipment Co., Ltd. was used in the civil construction project of the defendant Anhui New Energy. As of the announcement date of this report, the case is under trial. The Company has confirmed all accounts payable with relevant payment obligations.

XVII. POST-BALANCE SHEET EVENTS

None.

XVIII. OTHER SIGNIFICANT EVENTS

1. Segment reporting

(1) Determination basis and accounting policy of report segment

Based on the Group's internal organizational structure, management requirements and internal reporting system, the Group's operating business is divided into four reporting segments. These reporting segments are determined based on the financial information required by the company for daily internal management. The Group's management regularly evaluates the operating results of these reportable segments to determine the allocation of resources to them and evaluate their performance.

The Group's reportable segments include:

-The Glass Division is responsible for the production and sales of float glass, photovoltaic glass products, architectural glass products, and silica sand required for the production of related glass.

-The Electronic Glass and Display device Division is responsible for the production and sales of display components and special ultra-thin glass products.

-The Solar Energy and Others segment is responsible for the production and sales of polysilicon and solar cell module products, photovoltaic energy development and other products.

-Other unallocated divisions.

Segment reporting information is disclosed based on the accounting policies and measurement standards adopted by each segment when reporting to management. These accounting policies and measurement basis are consistent with those used when preparing financial statements.

(2) Financial information of reporting segments

Unit: RMB

Item	Glass industry	Electronic glass and display device	Solar energy and other industries	Unallocated amount	Inter-segment elimination	Total
Revenue from external customers	7,132,198,082	638,348,372	305,452,520	2,971,677		8,078,970,651
Inter-segment revenue	66,507,407	71,490,724	44,181,044	193,370,462	-375,549,637	
Interest expenses	76,856,192	4,356,994	2,258,875	31,753,909		115,225,970
Depreciation and amortization expenses	470,959,748	110,198,227	68,634,265	8,670,282		658,462,522
Total profit/(loss)	876,285,926	-7,528,915	-93,703,707	24,472,571		799,525,875
Total assets	19,645,776,935	3,225,766,932	6,861,488,006	2,535,923,633		32,268,955,506
Total liabilities	10,521,288,872	563,111,651	2,900,262,156	3,790,791,317		17,775,453,996
Increase in non-current assets	774,245,894	17,990,864	984,668,244	1,054,066		1,777,959,068

XIX. NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

(1) Disclosure by age

Unit: RMB

Aging	30 June 2024	1 January 2024
Within 1 year (including 1 year)	237,211,824	240,038,959
Total	237,211,824	240,038,959

(2) Classification by bad debt accrual method

Unit: RMB

Category	30 June 2024					1 January 2024				
	Carrying amount		Provision for bad debts		Book value	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Provision proportion		Amount	Proportion	Amount	Provision proportion	
Provision for bad debts on a portfolio basis	237,211,824	100%			237,211,824	240,038,959	100%			240,038,959
Total	237,211,824	100%			237,211,824	240,038,959	100%			240,038,959

(3) Accounts receivable details of the top 5 closing balances by debtors

Unit: RMB

Name	Accounts receivable closing balance	Percentage in total accounts receivable balance	Provision for bad debts closing balance
Total balances for the five largest accounts receivable	195,525,151	82%	
Total	195,525,151	82%	

2. Other receivables

Unit: RMB

Item	30 June 2024	1 January 2024
Dividends receivable	127,775,200	126,870,800
Other receivables	2,409,559,249	2,030,231,679
Total	2,537,334,449	2,157,102,479

(1) Dividends receivable**1) Disclosed by categories**

Unit: RMB

Item	30 June 2024	1 January 2024
Dividends receivable from subsidiaries	127,775,200	126,870,800
Total	127,775,200	126,870,800

(2) Other receivables**1) Other receivables categorized by nature**

Unit: RMB

Nature of receivables	30 June 2024	1 January 2024
Due from related parties	2,287,481,057	1,908,899,993
Others	173,426,727	172,750,521
Total	2,460,907,784	2,081,650,514

2) Disclosure by age

Unit: RMB

Aging	30 June 2024	1 January 2024
Within 1 year (including 1 year)	2,093,287,353	1,753,727,543
Over 1 year	367,620,431	327,922,971
Total	2,460,907,784	2,081,650,514

3) Classification by bad debt accrual method

Unit: RMB

Category	30 June 2024				Book value
	Carrying amount		Provision for bad debts		
	Amount	Proportion	Amount	Accrual proportion	
Provision for bad debts on an individual basis	171,000,000	7%	51,300,000	30%	119,700,000
Provision for bad debts on a portfolio basis	2,289,907,784	93%	48,535		2,289,859,249
Including:					
Related party combination	2,287,481,057	93%			2,287,481,057
Unrelated party combination	2,426,727		48,535	2%	2,378,192
Total	2,460,907,784	100%	51,348,535	2%	2,409,559,249

(Continued)

Category	1 January 2024				
	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Accrual proportion	
Provision for bad debts on an individual basis	171,000,000	8%	51,300,000	30%	119,700,000
Provision for bad debts on a portfolio basis	1,910,650,514	92%	118,835		1,910,531,679
Including:					
Related party combination	1,908,899,993	92%			1,908,899,993
Unrelated party combination	1,750,521		118,835	7%	1,631,686
Total	2,081,650,514	100%	51,418,835	2%	2,030,231,679

Provision for bad debts on an individual basis:

Unit: RMB

Item	1 January 2024		30 June 2024			
	Carrying amount	Provision for bad debts	Carrying amount	Provision for bad debts	Provision proportion	Reason for provision
Provision for bad debts on an individual basis, which is of a significant single amount	171,000,000	51,300,000	171,000,000	51,300,000	30%	Under trial
Total	171,000,000	51,300,000	171,000,000	51,300,000		

Provision for bad debts on a portfolio basis:

Unit: RMB

Item	30 June 2024		
	Carrying amount	Provision for bad debts	Provision proportion
Unrelated parties	2,426,727	48,535	2%
Total	2,426,727	48,535	

Provision for bad debts accrued on the basis of a general model of expected credit losses:

Unit: RMB

Provision for bad debt	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss for the whole period (no credit impairment)	Expected credit loss for the whole period (with credit impairment)	
Amount on 1 January 2024	118,835		51,300,000	51,418,835
Carrying amount on 1 January 2024 that in this period:				
Provision for the period	5,660			5,660

Provision for bad debt	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss for the whole period (no credit impairment)	Expected credit loss for the whole period (with credit impairment)	
Reverse for the period	75,960			75,960
Amount on 30 June 2024	48,535		51,300,000	51,348,535

4) Bad debt provisions accrued, recovered or reversed in the current period

Bad debt provisions in the current period:

Unit: RMB

Category	1 January 2024	Change in the current period				30 June 2024
		Accrued	Recovered or reversed	Written off	Others	
Bad debt provisions for other receivables	51,418,835	5,660	75,960			51,348,535
Total	51,418,835	5,660	75,960			51,348,535

5) Other receivables details of the top 5 closing balances by debtors

Unit: RMB

Name	Nature of business	30 June 2024	Ageing	Percentage in total other receivables balance	Provision for bad debts
Company A	Advance payment for other party	542,285,536	Within 1 year	22%	
Company B	Advance payment for other party	365,065,100	Within 1 year	15%	
Company C	Advance payment for other party	193,858,596	Within 1 year	8%	
Company D	Advance payment for other party	171,000,000	Over 5 years	7%	51,300,000
Company E	Advance payment for other party	163,405,241	Within 1 year	7%	
Total		1,435,614,473		59%	51,300,000

3. Long-term equity investments

Unit: RMB

Item	30 June 2024			1 January 2024		
	Carrying amount	Impairment provision	Book value	Carrying amount	Impairment provision	Book value
Investment in subsidiaries	10,244,533,769	15,000,000	10,229,533,769	9,821,533,769	15,000,000	9,806,533,769
Total	10,244,533,769	15,000,000	10,229,533,769	9,821,533,769	15,000,000	9,806,533,769

(1) Investments in subsidiaries

Unit: RMB

Investee	Opening book value	Opening impairment provision	Movement in current period				Closing book value	Closing impairment provision
			Increase in investment	Decrease in investment	Impairment provision	Others		
Chengdu CSG Company	151,397,763						151,397,763	
Sichuan Energy Saving Company	119,256,949						119,256,949	
Tianjin Energy Saving Company	247,833,327						247,833,327	
Dongguan Engineering Company	222,276,243						222,276,243	
Dongguan Solar Energy Company	355,120,247						355,120,247	
Dongguan Photovoltaic Company	432,112,183						432,112,183	
Yichang Silicon Material Company	909,960,170						909,960,170	
Wujiang Engineering Company	254,401,190						254,401,190	
Hebei CSG Company	266,189,705						266,189,705	
CSG (Hong Kong) Co., Ltd.	87,767,304						87,767,304	
Wujiang CSG Company	567,645,430						567,645,430	
Jiangyou CSG Mining Development Co., Ltd.	102,415,096						102,415,096	
Xianning Float Company	181,116,277						181,116,277	
Xianning Energy Saving Company	165,452,035						165,452,035	
Qingyuan Energy Saving Company	885,273,105						885,273,105	
Shenzhen CSG Financial Leasing Co., Ltd.	133,500,000						133,500,000	
Shenzhen Display Device Company	550,765,474						550,765,474	
Zhaoqing Energy Saving Company	200,000,000						200,000,000	
Zhaoqing CSG Automotive Glass Co., Ltd.	159,959,074						159,959,074	

Investee	Opening book value	Opening impairment provision	Movement in current period				Closing book value	Closing impairment provision
			Increase in investment	Decrease in investment	Impairment provision	Others		
Anhui New Energy Company	1,550,000,000		200,000,000				1,750,000,000	
Anhui Quartz Company	75,000,000						75,000,000	
Anhui Silicon Valley Mingdu Company	216,000,000						216,000,000	
Xi'an Energy Saving Company	82,500,000						82,500,000	
Guangxi New Energy Materials Company	227,000,000		223,000,000				450,000,000	
CSG (Suzhou) Corporate Headquarters Management Co., Ltd.	30,000,000						30,000,000	
Shenzhen CSG Quartz Materials Industrial Co., Ltd.	40,000,000						40,000,000	
Shenzhen CSG New Energy Industry Development Co., Ltd.	1,350,000,000						1,350,000,000	
Others	243,592,197	15,000,000					243,592,197	15,000,000
Total	9,806,533,769	15,000,000	423,000,000				10,229,533,769	15,000,000

4. Operating income and operating costs

Unit: RMB

Item	H1 2024		H1 2023	
	Revenue	Cost	Revenue	Cost
Principal operation	2,824,451		833,033	
Other operations	193,179,612		218,992,685	
Total	196,004,063		219,825,718	

5. Investment income

Unit: RMB

Item	H1 2024	H1 2023
Investment income from long-term equity investment under cost method	655,900,646	1,680,533,152
Others	924,109	1,534,181
Total	656,824,755	1,682,067,333

XX. SUPPLEMENTARY INFORMATION

1. Statement of non-recurring gains and losses

Applicable Not applicable

Unit: RMB

Item	Amount	Notes
Gains/losses from the disposal of non-current asset	4,202,074	
Government subsidies included in the profit and loss of the current period (closely related to the normal operation of the company, in line with national policies and provisions, in accordance with the defined standards, except government subsidies that have a continuous impact on the profit and loss of the company)	58,517,357	
In addition to the effective hedging business related to the normal operation of the company, the profit or loss of fair value changes arising from the holding of financial assets and financial liabilities by non-financial enterprises and the loss or gain arising from the disposal of financial assets and financial liabilities and available for sale financial assets	924,109	
Reversal of provision for impairment of receivables that have been individually tested for impairment	6,819,779	
Profit and loss from debt restructuring	569,142	
Other non-operating income and expenditure except for the aforementioned items	1,748,299	
Less: Impact on income tax	11,058,108	
Impact on minority shareholders' equity (post-tax)	1,512,282	
Total	60,210,370	--

Particulars about other gains and losses that meet the definition of non-recurring gains and losses:

Applicable Not applicable

It did not exist that other profit and loss items met the definition of non-recurring gains and losses.

Explanation of the non-recurring gains and losses listed in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public - Non-recurring Gains and Losses as recurring gains and losses

Applicable Not applicable

2.ROE and earnings per share

Profit during the reporting period	Weighted average return on equity %	Earnings per share	
		Basic earnings per share (RMB/share)	Diluted earnings per share (RMB/share)
Net profit attributable to the company's ordinary shareholders	5.08%	0.24	0.24
Net profit attributable to the company's ordinary shareholders after deducting non-recurring gains and losses	4.67%	0.22	0.22

Board of Directors of

CSG Holding Co., Ltd.

26 August 2024