

Company Code: 600623

Huayi Group

Company Abbreviation:

# **Shanghai Huayi Group Company Limited 2020 Half-Yearly Report**

## Important Notes

**I. The Board of Directors, the Supervisory Committee and the Directors, Supervisors and senior management of the Company warrant that the contents of the Half-yearly Report are true, accurate and complete, and that there are no false records, misleading statements or material omissions, and that they shall bear individual and joint legal liabilities.**

**II. All directors of the Company**

**attended the Board meeting. III.**

**This half-yearly report is**

**unaudited.**

**Fourth, the company's head of Liu Xunfeng, responsible for accounting work Chang Daguang and the head of the accounting organisation (accounting supervisor) Guo Mu statement: to ensure that the financial reports in the semi-annual report is true, accurate and complete.**

**V. No proposals for profit distribution or capitalisation  
of provident fund for the reporting period  
considered by the Board of Directors**

**vi. risk statements for forward-looking statements**

☒Applicable ☐Not applicable

Forward-looking statements such as future plans, development strategies and other forward-looking statements contained in this report do not constitute a material commitment by the Company to investors, and investors are advised to be aware of the investment risks.

**VII. Whether there is non-operational  
appropriation of funds by controlling  
shareholders and their related parties No**

**VIII. Has there been any violation of the  
prescribed decision-making procedures for  
the provision of external guarantees? No**

**IX. Significant Risk Warning**

The Company has described in detail in this report the risky matters, please refer to the section on possible risks in Section IV, Discussion and Analysis of Operations.

**X. Other**

☐Applicable ☒Not Applicable

## directory (on computer hard drive)

Section I. Interpretation.....	4
Section II    Company Profile and Key Financial Indicators .....	5
Section III Summary of the .....	Company's Business
8	
Section IV.   Discussion and Analysis of Operations .....	10
Section V.    Important matters .....	15
Section VI    Movements in ordinary shares and shareholders .....	25
Section VII. Information.....	on preference shares
27	
Section VIII Directors, Supervisors and Senior Management .....	28
Section IX. Information .....	on corporate bonds
29	
Section X.    Financial reporting.....	30
Section XI. Catalogue of.....	documents on
the docket.....	184

## Section I. Interpretation

In this report, unless the context otherwise requires, the following terms have the meanings set

Interpretation of commonly used words		
firms	depend on	Shanghai Huayi Group Co.
Controlling Shareholder, Shanghai Huayi	depend on	Shanghai Huayi (Group) Company
NEC	depend on	Shanghai Huayi Energy Chemical Co.
Double Coin	depend on	Double Coin Tyre Group Limited
New Materials Corporation	depend on	Shanghai Huayi New Material Co.
Refining Company	depend on	Shanghai Huayi Fine Chemical Co.
investment company	depend on	Shanghai Huayi Group Investment Co.
Tenkara	depend on	Shanghai Tianyuan (Group) Co.
information company	depend on	Shanghai Huayi Information Technology Co.
finance company	depend on	Shanghai Huayi Group Finance Co.
Anhui Hui Li	depend on	Double Coin Group (Anhui) Back Tyre Co.
Huayi Hong Kong (Chinese company)	depend on	Huayi Group (Hong Kong) Limited
Anhui Huayi	depend on	Anhui Huayi Chemical Co.
Guangxi New Materials	depend on	Guangxi Huayi New Material Co.
methanol CH <sub>3</sub> OH	depend on	An alcohol compound, usually produced by reacting carbon monoxide with hydrogen, used primarily in the manufacture of olefins, formaldehyde, methyl tert-butyl ether, acetic acid, and methyl methacrylate, Chloromethane and many other organic products, as well as solvents and antifreeze, fuels, etc.
acetic acid (CH <sub>3</sub> COOH)	depend on	Mainly used in vinyl acetate, acetic anhydride, acetic acid fibre and metal acetates, etc., also used as solvents and raw materials for pesticides, pharmaceuticals and dyestuffs, etc., in the manufacture of pharmaceuticals, textiles, etc. Widely used in dyeing and rubber industries.
industrial gas	depend on	Products in gaseous state at room temperature and pressure, including air gases, synthetic gases and special gases, of which air gases are gases separated from air, including nitrogen, oxygen, etc.; synthetic gases include gases obtained by chemical synthesis such as carbon monoxide, hydrogen, etc.; and special gases include high-purity gases, standard gases, electronic speciality gases, and other gases. Gases, etc. Numerous gases for special applications
Acrylic acid and esters	depend on	Including acrylic monomers and acrylate compounds such as methyl, ethyl and butyl acrylate, which are used in highly absorbent resins, coatings, inks, adhesives, textiles and leather, plastics auxiliaries, detergent auxiliaries, papermaking, building materials and packaging materials. field of application

## Section II Company Profile and Key Financial Indicators

### I. Company information

Chinese name of the company	Shanghai Huayi Group Co.
Chinese abbreviation of the company	Huayi Group
Foreign name of the company	shanghai huayi group corporation limited
Legal representative of the company	Liu Xunfeng (1936-), second governor of Hainan

### II. Contact person and contact information

	secretary to the board	Securities Representative
name and surname	Wang Jinyuai (1905-1995), Chinese-American linguist	Yuan Dinghua (1542-1610), Ming dynasty poet and dramatist
Contacts	809 Changde Road, Shanghai	809 Changde Road, Shanghai
telephones	021-23530152	021-23530152
telex	021-64456042-880152	021-64456042-880152
electronic mailbox	wangjinhuai@shhuayi.com	yuandinghua@shhuayi.com

### III. Brief description of the change in the basic situation

Company registered address	809 Changde Road, Shanghai
Postal code of the company's registered address	200040
Company Office Address	809 Changde Road, Shanghai
Postal code of the company's office address	200040

### IV. Summary of information disclosure and change of location of preparation

Name of the newspaper selected by the company for disclosure of information	Shanghai Securities News, Securities Daily, Hong Kong Commercial Daily
URL of the designated website of the China Securities Regulatory Commission on which the half-yearly report is posted	www.sse.com.cn
Place of filing of the Company's semi-annual report	809 Changde Road, Shanghai

### V. Brief description of the company's shares

Stock Type	stock exchange	stock short name	stock code (computing)	Stock name before change
A-share	Shanghai Stock Exchange (SSE)	Huayi Group	600623	Double Coin, Tyre & Rubber
B Shares	Shanghai Stock Exchange	Huayi B shares	900909	Double Coin B shares, Tyre B shares

	(SSE)			
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**VI. Other relevant information**

☐Applicable ☒Not Applicable

**VII. MAJOR ACCOUNTING  
DATA AND FINANCIAL  
INDICATORS OF THE  
COMPANY (I) Major  
accounting data**

Unit: Yuan Currency: RMB

Key accounting data	Current reporting period (January-June)	same period last year	Increase in the current reporting period over the same period of the previous year Decrease (per cent)
revenues	12,846,188,340.23	20,868,768,824.44	-38.44
Net profit attributable to shareholders of listed companies	-89,482,821.71	505,694,884.73	-117.70
Attributable to shareholders of the listed company net of unaudited Net profit from ordinary gains and losses	-50,232,166.01	384,688,046.78	-113.06
Net cash flows from operating activities	-101,270,421.01	-1,036,884,173.19	inapplicable
	End of the reporting period	prior year end	At the end of the reporting period compared to the end of the previous year Increase/de crease (per cent)
Net assets attributable to shareholders of listed companies	18,038,384,536.58	18,353,710,350.06	-1.72
total assets	46,003,070,456.74	48,710,178,965.51	-5.56

**(ii) Key financial indicators**

Main financial indicators	Current reporting period (January-June)	same period last year	Current reporting period compared to the same period of the previous year Increase/decrease
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			(per cent)
Basic earnings per share (\$/share)	-0.04	0.24	-116.67
Diluted earnings per share (\$/share)	-0.04	0.24	-116.67
Basic earnings per share after extraordinary gains and losses (\$/share)	-0.02	0.18	-111.11
Weighted average return on net assets (%)	-0.49	2.78	Decrease of 3.27 percentage points
Weighted average net assets after extraordinary gains and losses	-0.28	2.11	Decrease of 2.39 percentage points
Yield on production (per cent)			

Description of the Company's principal accounting data and financial indicators

☐Applicable ☒Not Applicable

#### VIII. Differences in accounting data under domestic and foreign accounting standards

☐Applicable ☒Not Applicable



## IX. Items and amounts of non-recurring gains and losses

√Applicable □Not applicable

Unit: Yuan		
Non-recurring items of profit or loss	sum of RMB mon ey	Notes (if applicable) Currency:
Gains and losses on disposal of non-current assets	68,915.29	
Excessive approval, or lack of official approval documents, or occasional tax rebates or exemptions		
Government grants recognised in profit or loss for the current period, but closely related to the Company's normal business operations, in line with national policies and in accordance with certain standards of a fixed amount or a fixed amount of continuous enjoyment Except for government grants	53,213,186.18	
Occupancy fees charged to non-financial corporations included in profit or loss for the period		
The cost of investments in subsidiaries, associates and joint ventures acquired by an enterprise is less than its share of the income arising from the fair value of the identifiable net assets of the investee at the time of acquisition. all the more		
Gains and losses on exchange of non-monetary assets		
Gains and losses on entrusted investments or management of assets		
Impairment allowance for each asset due to force majeure factors, such as natural disasters provide or equip		
Debt restructuring gains and losses	31,675.00	
Business restructuring costs, e.g., expenses for relocating employees, integration costs, etc.		
Gains and losses in excess of fair value arising from transactions at significantly unfair prices		
Current net income of subsidiaries resulting from business combinations under the same control from the beginning of the period to the date of the combination increase and decrease		
Gains and losses arising from contingencies unrelated to the Company's normal business operations		
Gains and losses on fair value changes arising from the holding of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities, and disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debt securities, except for effective hedging operations related to the Company's normal business operations Investment income earned on investments	-2,540,524.42	
Reversal of provision for impairment of receivables and contract assets individually tested for impairment	3,312,690.85	
Gains and losses on external entrusted loans	580,776.63	
Fair value of investment properties subsequently measured using the fair value model Gains and losses from changes		

X. Other

□Applicable, √Not Applicable

## **Section III. Outline of the Company's Business**

### **I. Description of the principal business, business model and industry in which the Company was engaged during the reporting period**

The company is a large state-controlled listed company, mainly engaged in five core businesses: energy chemicals, green tyres, advanced materials, fine chemicals and chemical services, and has basically formed a business development model driven by the dual nucleus of "manufacturing + services" and an integrated upstream and downstream industrial chain development system covering "basic chemicals, fine chemicals and advanced materials, and products for end customers". We have basically formed a business development model driven by the dual core of "manufacturing + service", and an integrated development system of upstream and downstream industrial chain covering "basic chemicals, fine chemicals and advanced materials, and end-customer-oriented products". The main products of energy chemical business include methanol, acetic acid, ethyl acetate, syngas and other basic chemicals and clean energy products, which are widely used in the fields of medicine, agriculture, construction, textile and new energy automobile, and it is the leading company in the comprehensive utilization of clean coal in China; the main products of green tyre business include heavy-duty tyres and passenger tyres, which are widely used in the fields of trucks, buses, passenger cars, mining and agricultural vehicles, and are widely used by many automobile companies, and are widely used in the fields of mining and agricultural vehicles, and are widely used by many automobile companies. Its products are widely used in trucks, buses, passenger cars, mining and agricultural vehicles, etc., and provide original equipment for many automobile manufacturers; the main products of the advanced materials business include acrylic acid and esters, acrylic catalysts, and highly absorbent resins, etc., which are widely used in the fields of coatings, adhesives, synthetic rubbers, water treatment, and sanitary products, etc.; the main products of the fine chemicals business include industrial coatings, pigments, printing inks, and daily chemicals, etc., which are widely used in home appliances, automobiles, high-speed rail, aerospace, marine engineering, and marine engineering, Fine chemical business mainly includes industrial coatings, pigments, inks, daily chemicals, etc., which are widely used in home appliances, automobiles, high-speed railways, aerospace, marine engineering, construction, pharmaceuticals, food and cosmetics, etc. Chemical service business mainly includes chemical trading, chemical logistics, chemical investment, information technology, etc., which provides corresponding supporting logistics, investment and information technology services for the main business of the chemical industry.

During the reporting period, global economic growth was once significantly impacted by the impact of the New Crown epidemic, which led to a decline in consumer demand and disruption in the supply chain.

International trade contraction; with countries restarting the economy and the implementation of large-scale stimulus policies, the global manufacturing boom index from the trough gradually rebound, but the overall is still in the contraction zone. In this context, China's chemical industry price index is also presented all the way down, the industry efficiency decline is obvious. In the face of major challenges in the macro-environment, the company actively do a good job in epidemic prevention and control, strengthen lean operations, optimise supply chain management, enhance core competitiveness; at the same time, actively explore opportunities for business transformation and upgrading, not only in the epidemic period will be produced with a number of batches of medicinal soaps sent to Hubei medical team to fight against epidemics in Hubei first line, and the rapid development of the alcohol no-detergent sprays, no-detergent gels, quaternary ammonium disinfection wipes, and other products on the market.

### **II. Explanation of significant changes in the Company's major assets during the reporting period**

☐Applicable ☒Not Applicable

### III. Analysis of core competencies during the reporting period

☒Applicable

☐Not applicable

#### (i) Technology research and development capability

The company has advanced R & D hardware and software innovation conditions in the industry, including national enterprise technology centre, municipal enterprise centre, Shanghai high-tech enterprises, national testing laboratories, and postdoctoral research station, constructed industrial catalysis, new chemical materials, fine chemicals, process development, analysis and testing of technology research platform for new products, new processes, new technology development and industrialization of achievements provide a The company continues to increase investment in technological innovation. The company continues to increase investment in technological innovation, promote the integration of R & D resources gathering, sharing R & D resources, improve R & D efficiency; build doorway management system, comprehensively enhance the excellent R & D capabilities oriented to market demand; carry out a number of key projects, formed a series of independent intellectual property rights of new products and new technologies.

#### (ii) Industry-leading core products

After years of development, the company's core business has formed a series of advantageous products with strong industry influence. The company's main products such as methanol, acetic acid, all-steel tyres, acrylic acid and esters have certain scale advantages, of which methanol is one of the largest producers in East China, acetic acid, all-steel tyres, acrylic acid and esters ranked among the top three in the domestic industry.

#### (iii) Core product brand influence

The company owns a series of famous trademarks such as China Famous Brand, China Old Brand and Shanghai Old Brand, Shanghai Famous Brand and so on. Among them, Chinese Famous Brand and Shanghai Famous Brand products are Double Coin tyres, Eye Brand paints, Bright Brand paints, Flying Tiger Brand paints, One Brand pigments, White Elephant Batteries, Peony Ink, Joy Brand sports shoes and Bee Flower Brand soaps; the company continues to expand its brand awareness and influence by strengthening the market promotion of the product brands and enhancing the recognition and reputation in the market.

**(iv) National business layout and overseas development capacity**

The company has initially formed a business pattern of nationwide development, with several chemical production bases with international advanced level and strong comprehensiveness, distributed in Shanghai, Anhui, Jiangsu, Chongqing, Xinjiang, Zhejiang and other regions, as well as a large-scale intelligent tyre production plant in Thailand and an integrated new chemical material production base in Qinzhou, Guangxi. Through the rational layout of bases and the construction of overseas bases, the company is effectively close to the market, implements the mode of production and sales, expands overseas business, provides customers with efficient and quick product services, and enhances the company's ability to participate in the market competition.

**(v) Capacity for integrated development**

Relying on the advantages of wide coverage of upstream and downstream products, the Company continues to build an integrated industrial chain, develop an integrated circular economy, continuously improve the efficiency of resource utilisation, reduce the emission of pollutants, reduce the cost of logistics and warehousing in the production and operation, and enhance the advantages in production and operation, logistics and safety, etc. The Company has strengthened the integrated operation and control, promoted centralised purchasing, centralised sales, and the mutual supply of products upstream and downstream, and improved its ability to resist the risk of price fluctuations of raw materials and product sales. The ability to resist the risk of price fluctuations in the raw material market is constantly improved, the bargaining power of raw material procurement and product sales and the overall stability of production operations are enhanced, and the production scheduling and utility synergies between the production bases of the same business segment and between different business segments within the same base are promoted to reduce costs and enhance competitiveness; the dual-core drive model of **"Manufacturing + Service"** is brought into play to build the Group's services and services. The Group has built a service sharing centre to integrate professional resources, provide efficient services and promote the overall upgrading of the industry by playing the "manufacturing + service" dual-core driving mode.

**(vi) Co-operative development capacity**

The company is one of the few enterprises in China's local chemical industry to have multi-faceted co-operation and joint ventures with globally renowned chemical enterprises, and has become one of the preferred partners of globally renowned chemical enterprises to enter the Chinese market. At present, we have set up a number of Sino-foreign joint ventures with multinational companies such as BASF, Arkema, Linde, Cabot, etc. Meanwhile, we have established a good business relationship with a number of well-known domestic enterprises such as Baowu, Sinopec, Shenhua, CIMC, etc. We regularly hold conferences and seminars attended by famous domestic and foreign enterprises. The company regularly holds **the "Supply Chain Partner Forum"** with the participation of famous domestic and foreign enterprises and **the "Partner CEO Forum"** with the participation of senior executives of multinational enterprises, to continuously enhance the close cooperation with the world's leading chemical enterprises.

**(vii) Business management capacity**

The Company has a group of experienced senior management personnel with strong knowledge and management skills in their specialised fields. Especially in production and operation, the management team of the Company has been continuously improving the level of lean management and transforming from production management to **"production + operation"** management, continuously improving the operation quality of the plant, promoting process optimisation, and promoting a significant reduction in the unit consumption and energy consumption of the main products.

**(viii) HSE control capacity**

Safety and environmental protection is the lifeline of an enterprise, and the company has formed a perfect HSE management system and management system. The company has established a series of effective safety management mechanisms and systems — “one post, two responsibilities” system, key equipment fixed-point contact system, safety interviews and warning system, safety production risk collateral system and “three basic” comprehensive inspection mechanism. **The company has** also achieved full coverage from the president, vice presidents in charge, general managers of functional departments, to all levels (affiliated enterprises, subsidiaries, plants and workshops, and workgroups) of its employees. In terms of environmental protection, through environmental risk prevention, continuous upgrading of process technology, emission reduction at source, promotion of comprehensive treatment, and implementation of whole-process monitoring of the “three wastes” emissions of enterprises along the rivers and streams. The company introduces third-party assessment and other measures to maintain the continuous and effective operation of the HSE system to ensure the stable development of the company, and at the same time, through the establishment of the enterprise open day, actively accepting social supervision, and actively promoting the harmonious development of the enterprise and the community.

## Section IV. Discussion and analysis of operations

### I. Discussion and analysis of the business situation

In the first half of 2020, in the face of the severe and complex epidemic prevention and control situation and economic downward pressure, all cadres and employees of the Company continued to focus on the goal of "building a world-class enterprise with international competitiveness and influence" and pushed forward the key work in a solid manner.

Fully implement the epidemic prevention and control. Implementing responsibilities at all levels, timely preparation and updating of the new coronavirus epidemic prevention and control emergency plan and working guide, promoting the prevention and control of the epidemic and the production and operation of both hands, without losing sight of the two, and promoting the two, all the company's production enterprises resumed work in March; people-oriented, adhere to the health daily report and zero report system, the company did not have a person infected with the new coronavirus. Actively fulfilling corporate social responsibility, organising the production of hand sanitiser, medicated soap, disinfectant and other products to meet market demand in a timely manner.

Overall production safety was under control. Improve the safety responsibility system and implement the "double director" system of the company's safety committee. Formulated a three-year action plan for special rectification of production safety. Consolidate the "Three Ones" monthly actions (a comprehensive safety inspection, a regular safety meeting, and a lecture on safety accident case analysis) of corporate leaders, and form a long-term mechanism. We have continued to promote safety audits and studied and formulated standards for safety demonstration enterprises. We will continue to improve our grassroots safety capability, select HAZOP experts, and give full play to the role of the company's registered safety engineers.

Major projects advanced in an orderly manner. Overcoming the impact of the epidemic, the Company resumed construction of major projects in March. Construction of Huayi's new chemical and new material integration base in Qinzhou accelerated.

Mechanism innovation continues to break through. Completed the first batch of three-year tenure system assessment unit soap, back to the company's assessment of cash, and signed a new three-year tenure goals. Completed the market-based selection and recruitment of the general manager and deputy general manager of Soap Company. Started the preparation of the Group's "14th Five-Year Plan" and completed the strategic research on Digital Huayi.

Management changes continued to advance. The headquarters administrative structure was adjusted, the manufacturing and digital centre was reorganised to promote digital transformation, and a new marketing and supply chain centre was set up to strengthen the capacity building of the procurement and marketing system. The company established a "double report" mechanism for financial management and strengthened budget execution analysis and research. Continuously promote scientific and technological innovation, and further increase external cooperation and technology development.

Preventing and resolving major risks. It has formulated a work plan for preventing and resolving major risks in 2020, improved the working mechanism, and investigated major risks in seven major areas, including investment, capital, main business and finance. Strengthen the application of audit results and promote the rectification of audit issues. Formulated the Measures for the Management of Overseas Enterprises to promote the compliant operation of enterprises. Carried out the work of intellectual property rights standardisation and formulated the Company's Specification for the Management of Intellectual Property Rights of Enterprises.

### II. MAJOR OPERATIONS DURING THE REPORTING

## PERIOD (I) Analysis of the main businesses

### 1 Statement of changes in accounts relating to the financial statements

Unit: Yuan Currency: RMB

subjects	Curren t period	Same period last year	Percentage change (%)
revenue	12,846,188,340.23	20,868,768,824.44	-38.44
business costs	11,601,877,950.04	19,044,892,559.29	-39.08
sales expense	491,062,812.78	433,731,493.84	13.22
overheads	485,362,582.15	542,258,582.30	-10.49
financial cost	146,997,505.92	150,570,333.26	-2.37
R&D costs	203,307,294.17	196,346,435.55	3.55
Net cash flows from operating activities	-101,270,421.01	-1,036,884,173.19	inapplicable
Net cash flows from investing activities	-1,056,074,497.59	-693,170,803.94	inapplicable
Net cash flows from financing activities	-1,034,902,308.97	-331,228,567.55	inapplicable

Reasons for changes in operating income: mainly due to the company's initiative to adjust the less relevant business with the main industry and the impact of the epidemic.

Explanation for changes in operating costs: mainly due to the company's initiative to adjust the less relevant business with the main industry and the impact of the epidemic.

Reasons for the change in net cash flows from operating activities: Mainly attributable to the year-on-year increase in net flows from deposit-taking and loan-issuing by the subsidiary finance companies.

Reasons for the change in net cash flows from investing activities: Mainly attributable to the year-on-year increase in investment in the construction of the second phase of the integrated base for new chemical materials in Qinzhou.

Reasons for the change in net cash flows from financing activities: Mainly due to the year-on-year decrease in net borrowings and repayments during the period.

## 2 the rest

## (1) Detailed description of significant changes in the composition of the company's profits or sources of profits

□Applicable ✓Not Applicable

## (2) the rest

□Applicable ✓Not Applicable

## (ii) Explanation of significant changes in profit due to non-principal activities

□Applicable ✓Not Applicable

## (iii) Analysis of assets and liabilities

✓Applicable □Not applicable

## 1. Assets and liabilities

Unit: Yuan

Project name	Closing balance of the period	Percentage of total assets at the end of the period Proportion (%)	Closing figure for the same period of the previous year	Percentage of total assets at the end of the same period of the previous year Proportion (%)	Change in amount at the end of the period compared with the end of the same period of the previous year Proportion of action (%)	informati on note
notes receivable	6,814,984.50	0.01	10,866,836.15	0.02	-37.29	Mainly as a result of the decrease in notes held by subsidiaries for the purpose of acceptance at maturity
accounts receivable	2,698,162,701.44	5.87	1,939,755,348.61	3.98	39.10	Mainly due to the settlement of accounts and the impact of the epidemic
construction in progress	1,573,427,697.15	3.42	887,304,370.13	1.82 11 / 184	77.33	Mainly for the construction of the second phase of the Qinzhou New Chemical Materials Integration Base Project. (c) Increase in investment in equipment and 1.2 million sets of Xinjiang tyres project
note payable	559,954,604.13	1.22	1,447,030,139.02	2.97	-61.30	Bankers' acceptances due for payment



**2. Restrictions on major assets as at the end of the reporting period**

□Applicable ✓Not Applicable

**3. Other notes**

□Applicable ✓Not Applicable

**(iv) Analysis of the investment situation****1. Overall analysis of outward equity investments**

✓Applicable □Not applicable

At the end of the reporting period, the balance of external long-term equity investments was RMB 3,658,256, 600, an increase of RMB 3,346,029,000 from RMB 3,360,029,000 in the previous year.

31,222.76 million yuan, an increase of 9.33 per cent, of which: investment increased by 20,745.24 million yuan during the period, and equity method subsidiaries increased by 20,745.24 million yuan as a result of earnings.

The increase in dividends, etc. was 111,678,100 yen, and the decrease in dividends was 6,902,900 yen.

**(1) Significant equity investments**

□Applicable ✓Not Applicable

**(2) Significant non-equity investments**

✓Applicable □Not applicable

- ① Double Coin Group (Jiangsu) Tyre Co., Ltd. has an annual output of 1.8 million high-performance all-wire radial load tyres expansion project, with a total investment of RMB 1.526 billion, the project is being promoted in phases, and 67% of the production capacity has been achieved.
- ② Annual output of 15 million high-performance half-wire radial tyre project of Double Coin Group (Anhui) Hui Li Tyre Co.  
At \$3,183 million, the project is advancing in phases, with 40 per cent of capacity already achieved.
- ③ Double Coin Group (Xinjiang) Kunlun Tyre Co., Ltd. expanded the project with an annual output of 1.2 million high-performance all-steel radial tyres, with a total investment of RMB 988 million. In order to adapt to the market demand, the company adjusted the product scheme of the original project, and the total weight of the products was the same as the original design, and the project has been completed and put into operation.
- ④ 1200 tonnes/year catalyst project, with a total investment of RMB 240 million, Phase I of the project has been completed and entered the production stage. The second phase has been commissioned to carry out preliminary design work.
- ⑤ Guangxi Huayi New Material 750,000 tonnes per year propylene and downstream deep processing project, with a total investment of RMB 9,090 million, and the construction of the project's spare parts warehouse has begun.

Guangxi Huayi New Material 200,000 tonnes/year bisphenol A project, with a total investment of RMB 3,267 million, the project has been carrying out preliminary work.

**(3) Financial assets at fair value**

✓Applicable □Not applicable

Shareholdings in other listed companies

Unit: Yuan

certific ate coding	short form	Initial investment cost	Closing book value	Gains and losses for the reporting period	All reporting period Changes in shareholders' equity	Accounting subjects
000120	01	00,000,000.00	100,000,000.00	1,000,000.00	1,000,000.00	Financial assets at fair value

## Shareholdings in unlisted financial enterprises

Unit: Yuan

Name of object held	Initial investment amount	Number of holdings (shares)	Closing book value	Gains and losses for the reporting period	Accounting subjects
Shanghai Baoding Investment Co. <b>(v) Significant asset and equity sales</b>	1,025,000.00	1,025,000.00	19,459,239.69	-	Other non-current financial assets
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable <b>(vi) Analysis of major holding and participating companies</b>	1,025,000.00	1,025,000.00	19,459,239.69	-	
<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable					

Unit: RMB 10,000

company identification	Nature of business	Main products	registered capital	asset size Currency: RMB	Per cent of equity	net profit
Shanghai Huayi Energy Chemical Co.	Manufacturing, services, trade	Methanol, acetic acid	404,887.00	1,035,054.27	100.00	2,038.82
Shanghai Huayi Fine Chemical Co.	Manufacturing, wholesale, transport	Coatings, paints, resins	72,556.00	320,475.31	100.00	10,891.94
Shanghai Huayi Group Investment Co.	Investment, trade, services, manufacturing	Plastics, resins	96,000.00	269,718.91	100.00	6,546.36
Shanghai Tianyuan (Group) Co.	Industrial investment, manufacturing, freight forwarding, national International trade, etc.	Plastic parts, resins, medical materials	35,217.61	155,357.20	100.00	389.03
Shanghai Huayi Information Technology Co.	technology development	software development	1,700.00	16,286.73	64.71	130.51
Shanghai Huayi New Material Co.	service industry	Acrylic acid, acrylate	205,820.00	471,402.95	100.00	-4,296.96
Shanghai Huayi Group Finance Co.	financial sector	financial service	100,000.00	1,597,918.18	64.00	5,176.51
Shanghai Soap Making (Group) Co.	fabrication	Soap, ink, batteries	16,069.00	116,204.42	60.00	-1,129.20
Double Coin Tyre Group Limited	fabrication	tyres	250,000.00	1,078,731.59	100.00	-20,487.26
Huayi Group (Hong Kong) Limited	Manufacturing, investment and financing, trading	tyres	\$99,576,000	449,581.96	51.00	-6,574.93
Shanghai DuPont Agrochemicals Co.	fabrication	pesticides <b>13 / 184</b>	\$11.56 million	132,375.35	20.00	3,728.55
Shanghai Cabot Chemical Co.	fabrication	Various types of carbon black for rubber	\$43.78 million	70,832.51	30.00	82.83
Shanghai Arkema Hydrogen Peroxide Co.	fabrication	hydrogen peroxide (H2O2) solution	US\$ 5251.8867 million	57,132.20	33.33	1,603.95
Shanghai Hualin Industrial	fabrication	Carbon monoxide, hydrogen	5427.143 million	79,460.47	50.00	8,527.37

**(vii) Information on structured subjects controlled by the company**

☐Applicable ☒Not Applicable

**III. Other disclosures****(a) Warning and explanation of the possibility that the cumulative net profit from the beginning of the year to the end of the next reporting period may be a loss or may change substantially from the same period of the previous year**

☐Applicable ☒Not Applicable

**(ii) Possible risk exposure**

☒Applicable ☐Not applicable

Epidemic uncertainty risk. As countries around the world slowly recover from the epidemic, the global economy is showing signs of improvement, especially the gradual recovery of the major economies represented by China, but we should still be vigilant about the impact on the global economy of the second wave of the epidemic peak that may be coming, especially the delay in the improvement of the epidemic situation in some countries, and the global economic growth is still facing a large uncertainty.

Risk of global trade policy uncertainty. In the context of insufficient growth momentum in the global economy and a downturn in the manufacturing sector, the ongoing trade disputes among major economies may undermine the global trade ecosystem, threaten the international trade order, exacerbate the downside risks to the economy, and create great uncertainty for global economic growth.

In the face of these risks, the company will strengthen the tracking and analysis of the national macro-environment and industrial policies, and study the impact of the national "six stabilisers" and "six guarantees", the expansion of domestic demand, supply-side reform and other policies on the industry; continue to carry out risk analysis, strengthen risk assessment and response, and at the same time, strengthen digital transformation and enhance the level of competitiveness. At the same time, we strengthened digital transformation, enhanced lean operation and improved competitiveness; we continued to explore industry opportunities, fully studied the impact of industry chain and supply chain restructuring, strengthened domestic and overseas business layout planning, strengthened the pre-project demonstration, and proactively promoted the development of the Company's business.

**(iii) Other disclosure matters**

☐Applicable ☒Not Applicable

## Section V. Important matters

### I. Briefing on the General Meeting of Shareholders

Session of the Conference	Date of convening	Index of searches on designated websites where resolutions are published	Disclosure date of publication of resolution
2019 Annual General Meeting	2020-6-23	www.sse.com.cn	2020-6-24

Information note on the general meeting of shareholders

☐Applicable ☒Not Applicable

### II. Proposed profit distribution or capitalisation of capital reserves

#### (i) Half-yearly profit distribution plan and capitalisation of provident fund proposal

Whether to distribute or convert	clogged
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#### iii. fulfilment of commitments

(i) Commitments made by the Company's de facto controller, shareholders, connected parties, acquirers and the Company and other parties related to the commitments during the reporting period or continuing into the reporting period

☒Applicable ☐Not applicable

Background to the commitments	Type of commitment	Commitment party	Content of the commitment	Commitment time and duration	Availability of a period of performance set a limit (on)	Timeliness and rigor honor	Failure to perform in a timely manner should indicate that performance has not been completed Specific causes of	Failure to perform in a timely manner should result in an indication of the next work plan
	Settlement of	Shanghai Huayi (Group)	After the completion of this transaction, Shanghai Huayi (Group) Company will continue to exercise its shareholders' rights or urge its directors to exercise their rights as directors in accordance with the Company Law and other laws, regulations, rules and other normative documents as well as the relevant provisions of the Articles of Association of the listed company, and fulfil its obligations to abstain from voting in the shareholders' general meeting and the Board of Directors' voting on the connected transactions relating to matters involving Shanghai Huayi (Group) Company. 2. After the completion of this transaction, the connected transactions	Commitment: 2015 23 March 2009: duration	clogged	be		

	the rest	Shanghai Huayi (Group) Company	<p>Guaranteeing the independence of the listed company's personnel 1. Guaranteeing that the listed company's general manager, deputy general manager, financial controller, secretary of the board of directors and other senior management personnel will work full-time in the listed company and receive remuneration, and will not hold positions other than director and supervisor in Shanghai Huayi (Group) Company and its affiliates (the specific scope of which shall be determined with reference to the currently effective Company Law, Rules for Listing of Stocks on Shanghai Stock Exchange, and Accounting Standard for Enterprises (ASE) No. 36 - Disclosure of Related Parties).</p> <p>-The specific scope is determined with reference to the valid Company Law, the Rules for Listing of Stocks on Shanghai Stock Exchange and the Accounting Standard for Business Enterprises No. 36 "Disclosure of Connected Parties".</p> <p>(Group) Company and its related parties are completely independent of each other; 3. Shanghai Huayi (Group) Company has no plan to recommend candidates for directors, supervisors, managers and other senior management personnel to the listed company for the time being. If it recommends candidates for directors, supervisors, managers and other senior management personnel to the listed company in the future, Shanghai Huayi (Group) Company guarantees that it will do so through lawful procedures and will not intervene in the exercise of the powers of the board of directors and the general meeting of the listed company to make decisions on the appointment and removal of personnel. Guarantee the independence and integrity of the listed company's assets 1. Guarantee that the listed company has a business system and independent and complete assets related to its operation; 2. Guarantee that the listed company does not have any situation in which its funds and assets are occupied by Shanghai Huayi (Group) Company and its related parties; 3. Guarantee that the listed company's domicile is independent of Shanghai Huayi (Group) Company and its related parties. Guarantee that the listed company is financially independent 1. Guarantee that the listed company establishes an independent financial department and an independent financial accounting system, and has a standardised and independent financial accounting system; 2. Guarantee that the listed company opens a bank account independently, and does not share a bank account with Shanghai Huayi (Group) Company and its related parties; 3. Guarantee that the listed company's financial personnel do not work part-time in Shanghai Huayi (Group) Company and its related parties; 4, Ensure that the listed company pays taxes independently according to the law; 5. Ensure that the listed company can make financial decisions independently, and that Shanghai Huayi (Group) Company and its related parties do not interfere with the use of funds of the listed company. 4. Ensure the independence of the listed company 1. Ensure that the listed company establishes a sound corporate governance structure with independent and complete organisational structure; 2. Ensure that the shareholders' general meeting, board of directors, independent directors, supervisory board and general manager of the listed company independently exercise their powers and functions in accordance with the laws, regulations and the Articles of Association of Shuangqian Joint Stock Company. V. Guaranteeing the business independence of the listed company 1. Guaranteeing that the listed company has the assets, personnel, qualification and ability to carry out business activities independently, and has the ability to operate independently and sustainably in the market;</p>	Commitment: 2015 23 March 2009; duration of commitment: valid for a long time	clogge d	be		
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		<p>2. Guaranteeing that Shanghai Huayi (Group) Company will not intervene in the business activities of the listed company inappropriately; 3. Guaranteeing that Shanghai Huayi (Group) Company and its affiliates will refrain from engaging in business that is in substantial competition with the listed company; 4. Ensure that Shanghai Huayi (Group) Company and its related parties will not engage in business activities which are in substantial competition with the listed company; 4. Ensure that Shanghai Huayi (Group) Company and its related parties will minimise and avoid connected transactions with the listed company; and in the event of connected transactions which are necessary and cannot be avoided, ensure that such transactions will be carried out in accordance with the market-based principle and fair price and will be conducted in accordance with the relevant</p> <p>To fulfil the transaction procedures and information disclosure obligations in accordance with the provisions of laws and regulations as well as regulatory documents and the Articles of Association of the listed company.</p>					
the rest	Shanghai Huayi (Group) corporation	<p>See "Section VI: Information on the Subject of the Transaction / II: Information on Major Assets Related to the Business of the Subject Company (IV) Description of the Real Estate Situation" in the Company's Restructuring Report.</p>	<p>Commitment: 2015 23rd March 2009</p>	be	be		

**Appointment and dismissal of the accounting firm** Description of the appointment and dismissal of the accounting firm

☐Applicable ☒Not Applicable

Information note on the change of accounting firm during the audit period

☐Applicable ☒Not Applicable

Company's explanation of the accounting firm's "non-standard audit report"

☐Applicable ☒Not Applicable

Explanation of the company's financial report in the previous year's annual report, which was issued a "non-standard audit report" by a certified public accountant

☐Applicable ☒Not Applicable

#### **V. Matters relating to insolvency reorganisation**

☐Applicable ☒Not Applicable

#### **VI. Significant litigation and arbitration matters**

☐ The Company had significant litigation and arbitration matters during the reporting period ☒ The Company had no significant litigation and arbitration matters during the reporting period

#### **VII. Penalties and Rectification for Listed Companies and Their Directors, Supervisors, Senior Management, Controlling Shareholders, Actual Controllers and Acquirers**

☐Applicable ☒Not Applicable

#### **VIII. Explanation of the integrity status of the Company and its controlling shareholders and de facto controllers during the reporting period**

☐Applicable ☒Not Applicable

**IX. The status of the Company's share incentive scheme, employee share ownership scheme or other employee incentives and their impact (I) Relevant share incentive matters have been disclosed in the Interim Announcement and there has been no progress or change in subsequent implementation**

☐Applicable ☒Not Applicable

**(ii) Incentive situations not disclosed in the interim announcement or with subsequent developments** Equity incentive situations

☐Applicable ☒Not Applicable

Other notes

☐Applicable ☒Not Applicable

Employee Share Ownership Plan Status

☐Applicable ☒Not Applicable

Other incentives

☐Applicable ☒Not Applicable



## X. Significant connected transactions

## (i) Connected transactions related to daily operations

## 1. Matters that have been disclosed in an interim announcement and for which there has been no progress or change in subsequent implementation

√Applicable □Not applicable

Overview of matters		Query Index			
The Company's 9th 29th Board of Directors meeting on 24 April 2020 and Reviewed at the Company's 2019 Annual General Meeting on 23 June 2020 The "Resolution on the Daily Connected Transactions of the Company in 2020" was passed. The daily transactions between the Company and the connected parties are normal business purchases and sales activities, which to a large extent support the production and operation of the Company. (c) The operation and sustainable development of the organisation is in line with the principles of openness, fairness and impartiality.		Considered and approved at the 9th 29th Board of Directors' Meeting and 2019 Annual General Meeting of the Company. <a href="http://www.sse.com.cn">www.sse.com.cn</a> Unit: Yuan Currency: RMB			
		Type of connected transaction	Contents of connected transactions	Amount of connected transactions	Percentage of value of similar transactions Proportion (%)
Shanghai Huayi Environmental Protection Technology Co.	Subsidiaries of controlling shareholders	Sales of goods	Product Sales	60,299,249.85	0.47
Shanghai Huayi Qifa Economic and Trade Co.	Subsidiaries of controlling shareholders	Sales of goods	Product Sales	21,821,049.35	0.17
Shanghai Dyestuff & Chemical Sales Co.	Subsidiaries of controlling shareholders	Sales of goods	Product Sales	25,643,055.31	0.20
Shanghai Huayi Engineering Co.	Subsidiaries of controlling shareholders	Purchase of goods	Procurement of materials	173,817,923.19	1.47
Shanghai Huayi Engineering Co.	Subsidiaries of controlling shareholders	Acceptance of labour	Acceptance of labour	26,599,861.56	6.27
Shanghai Huayi Environmental Protection Technology Co.	Subsidiaries of controlling shareholders	Purchase of goods	Procurement of materials	94,789,320.83	0.80
Shanghai Pacific Chemical Equipment Engineering Co.	Subsidiaries of controlling shareholders	Acceptance of labour	Acceptance of labour		
				423,010,978.01	

□Applicable √Not Applicable

## 3. Matters not disclosed in the interim announcement

□Applicable √Not Applicable

**4. Where performance covenants are involved, the performance realisation for the reporting period should be disclosed**

☐Applicable ☒Not Applicable

## (iii) Significant connected transactions for joint foreign investments

## 1. Matters that have been disclosed in an interim announcement and for which there has been no progress or change in subsequent implementation

□Applicable ✓Not Applicable

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

□Applicable ✓Not Applicable

## 3. Matters not disclosed in the interim announcement

□Applicable ✓Not Applicable

## (iv) Related debt transactions 1.

## Amounts due from

Unit: Yuan Currency: RMB

Project name	related party	Closing balance		Balance at the beginning of the year	
		Carrying amount	provision for bad debts	Carrying amount	provision for bad debts
accounts receivable					
	Dongming Huayi Yuhuang New Material Co.	70,866,966.47	3,543,348.32	69,162,584.31	3,458,129.22
	Shanghai Huayi Engineering Co.	7,954,536.98	4,872,535.97	8,541,669.78	5,452,811.97
	Shanghai Huayi Environmental Protection Technology Co.	104,400.00	5,220.00	78,000.00	3,900.00
	Shanghai Huayi Qifa Economic and Trade Co.	4,171,148.16	208,557.41	2,982,935.06	149,146.75
	Shanghai Dyestuff & Chemical Sales Co.	19,968,038.28	998,401.91	9,869,210.78	493,460.54
Other receivables					
paragraph					
	Shanghai Huayi Engineering Co.	2,600,000.00	2,600,000.00	2,760,020.04	2,644,760.02
prepayments					
	Shanghai Huayi Engineering Co.	5,217,086.52	-	7,403,515.30	
	Shanghai Pacific Chemical Equipment Engineering Co. firms			3,025,758.73	

## 2. Amounts due to related parties

Unit: Yuan Currency: RMB

Project name (e.g. a bank)	related party	Closing balance		Balance at the beginning of the year	
accounts payable					
	Shanghai Huayi (Group) Company	1,451,576,875.00	37,700,000.00	2,001,957,500.00	52,148,906.92
	Inner Mongolia San'aifu	100,102,777.78			
	Wanhao Chemical Co.	2,600,000.00	282,953.15	220,536,179.74	
	Shanghai Huayi Environmental Protection Technology Co.		3,761,530.44	9,323,760.74	
	Shanghai Huayi Dyestuff & Chemical Sales Co.		424,000.00	521,489.07	
	Chemical Logistics Co. department (under a ministry)	20,022,958.33	520,000.00	20,022,254.17	
	Shanghai Pacific Chemical Equipment Engineering Co.		236,147.58	10,764.00	
	Guangxi Huayi Energy Chemical Co.	1,209,790,674.29	31,421,000.00	700,820,756.95	18,252,117.42

	Shanghai Huayi Engineering Co.		57,505,634.69
Other accounts payable			
	Shanghai Huayi (Group) Company	357,319,176.53	476,903,207.89
	Shanghai Huayi Engineering Co.	4,252,182.00	6,655,890.00
	Shanghai Huayi Environmental Protection Technology Co.	266,900.00	275,000.00
dividend payable			
	Shanghai Huayi (Group) Company	89,494,982.50	
Long-term accounts payable			
	Shanghai Huayi (Group) Company	10,266,457.06	10,266,457.06

### 3. Related party transactions

Unit: Yuan Currency: RMB

related party	related parties guanxi	Provision of funds to related parties			Provision of funds to listed companies by connected persons		
		beginning of a period balances	incidence horizontal tablet or inscribed board	end of term balances	Opening balance	rate of occurrence	Closing balance
(v) Other significant connected transactions							
Shanghai Huayi Capital Leasing Company Limited	under joint management firms	Not Applicable			488,000,000.00	-30,000,000.00	458,000,000.00
(vi) Other							
Shanghai Huayi (Group) firms	controlling firms	Not Applicable			399,171,581.34	-99,171,581.34	300,000,000.00
XI. Significant contracts and their performance							
1 Fiduciary, contractual and leasehold matters							
	shares in a company stakeholder	Not Applicable					
add up the total		-	-	-	887,171,581.34	-129,171,581.34	758,000,000.00

## 2 Status of guarantees

Unit: Yuan Currency:

√Applicable

□Not applicable

Corporate external guarantees (excluding guarantees to subsidiaries)

RMB

secured party	Secured Parties and Listing Company relations	secured party	Amount of guarantee	Date of occurrence of the guarantee (date of signature of agreement)	warranty starting date	warranty maturity (of an investment bond)	guarantee category type (e.g. blood type)	Has the guarantee been Completed	guarantee is overdue	guarantee exceeds Period Amount	whether or not counter-guarantee	Is it off Related party guarantees	related parties' guarantee
Shanghai Huayi Group corporation	Corporate Headquarters	Shanghai Huayi (Group) firms	US\$ 178,500,000.00	2019/10/30	2019/10/30	2024/10/30	joint liability (law) guarantee	clogged	clogged	0	clogged	be	own a controlling number of shares in a company stakeholder
Shanghai Huayi Fine Chemical Co.	wholly owned subsidiary	Shanghai International Paint Co. firms	23,800,000.00	2020/5/31	2020/6/1	2021/5/31	joint liability (law) guarantee	clogged	clogged	0	clogged	be	under joint management firms
Shanghai Huayi Group corporation	Corporate Headquarters	Zhejiang Huahong New Material Co. limited company	65,100,000.00	2019/6/28	2019/8/7	2025/12/25	joint liability (law) guarantee	clogged	clogged	0	clogged	be	under joint management firms
Shanghai Huayi Group corporation	Corporate Headquarters	Zhejiang Huahong New Material Co. limited company	65,100,000.00	2019/6/28	2019/8/8	2025/12/25	joint liability (law) guarantee	clogged	clogged	0	clogged	be	under joint management firms
Shanghai Huayi Group corporation	Corporate Headquarters	Zhejiang Huahong New Material Co. limited company	32,550,000.00	2019/2/19	2019/2/26	2026/12/31	joint liability (law) guarantee	clogged	clogged	0	clogged	be	under joint management

### 3 Other major contracts

☐Applicable ☒Not Applicable

### XII. Poverty alleviation work of listed companies

☐Applicable ☒Not Applicable

### XIII. Convertible bonds

☐Applicable ☒Not Applicable

### XIV. Environmental information situation

(i) A description of the environmental protection situation of the Company and its significant subsidiaries that are key emission units announced by the environmental protection authorities

☒Applicable ☐Not applicable

#### 1. sewage information

☒Applicable ☐Not applicable

Ltd., Anhui Huayi Chemical Co., Ltd., Shuangqian Group (Anhui) Hui Li Tyre Co., Ltd., Shuangqian Group (Chongqing) Tyre Co., Ltd., Shuangqian Group (Jiangsu) Tyre Co., Ltd., Shuangqian Group (Xinjiang) Kunlun Tyre Co. Ltd, Shanghai Huayi Group Huayuan Chemical Co., Shanghai Huayi Coatings Co., Ltd, Tiantong Fine Chemical (Nantong) Co., Ltd, Shanghai Huayi New Materials Co., Ltd, Shanghai Resin Factory Co.

During the reporting period, the key emission units focused on atmospheric control, strengthened source prevention and control and process supervision, complied with the laws and regulations on environmental protection, discharged all pollutants in compliance with the standards and met the total amount requirements, and there were zero major environmental incidents and zero major environmental protection penalties.

During the reporting period, there were 15 wastewater outfalls, 27 rainwater outfalls, 100 waste gas outfalls and 38 general solid waste storage sites for key enterprises. The number of hazardous waste warehouses is 22, which meets the storage requirement of 15 days of hazardous waste generation. The key sewage disposal units discharge 3.385 million tonnes of wastewater.

CODcr-183.5 tonnes, ammonia 7.9 tonnes, waste gases 10,015 million standard <sup>m</sup><sub>3</sub>, SO 145.8 tonnes, NOx 140.3 tonnes, soot 45.68 tonnes, VOCs 355.3 tonnes, non-methane total hydrocarbons (NMHs) 328.3 tonnes, hazardous waste generation 2630 tonnes, general solid waste generation 212,424.3 tonnes, 100% of general solid waste and hazardous waste harmless disposal rate, factory noise fully meets the standards, and all the key enterprises have completed the annual hazardous waste filing.

#### 2. Construction and operation of pollution prevention and control facilities

☒Applicable ☐Not applicable

During the reporting period, the three waste treatment facilities of key emission units, including wastewater treatment devices, wastewater capped tail gas absorption devices, acid gas treatment devices, VOCs adsorption and treatment devices, waste gas incineration devices, noise reduction facilities, etc., operated stably and effectively, and the flue gas of boilers comprehensively realised desulphurisation, denitrification and dedusting treatment.

In 2020, it is planned to carry out the transformation of the wastewater configuration flow and fly ash treatment flow of the wastewater incineration unit of Shanghai Huayi New Materials Co., Ltd. for external wastewater discharge, the optimisation of the underground pipeline network

and storage tanks for the collection and treatment of wastewater gases in the whole plant of Shanghai Resin Factory Co. Ltd. and hazardous waste warehouse, Anhui Huayi Chemical Co., Ltd. fine cinder storage technology transformation, double money group (Jiangsu) Tyre Co. The projects are being implemented as planned.

During the reporting period, Shanghai Huayi Energy Chemical Co., Ltd, Shanghai Test Four Chemicals Co., Ltd, Shanghai Huayi Coatings Co. Ltd. and Shanghai Huayi Energy Chemical Co., Ltd. have prepared the "VOCs Emission Reduction One Factory One Programme Version 2.0" in accordance with the requirements of the Shanghai Ecological Environment Bureau, and plan to continue to carry out VOCs treatment in 46 areas, including phthalic anhydride exhaust treatment, in the three years from 2020 to 2022, so as to continue to reduce the emission of VOCs by more than 10%.

The company implements full-coverage inspections and surprise spot checks of pollutant treatment facilities of key emission units to ensure stable operation of pollution treatment facilities and full compliance of pollutants with standards. Key enterprises implement online monitoring of **COD<sub>cr</sub>**-, ammonia nitrogen, PH, total non-methane hydrocarbons, SO<sub>2</sub>, NO<sub>x</sub>, and smoke and dust. Shanghai Huayi Energy Chemical Co., Ltd. and Anhui Huayi Chemical Co., Ltd. uploaded the online data of wastewater and wastewater gas on the state-controlled platform, while the online data of other key sewage disposal units were uploaded to the local ecological and environmental departments.

### **3. Environmental impact assessment of construction projects and other administrative licences for environmental protection**

√Applicable ☐Not applicable

All key emission units have their in-service installations implemented in accordance with the requirements of the EIA report and the EIA approval, and have completed the construction of upgrading or rectification tasks on time in accordance with existing laws and regulations. The new projects declared EIA according to the regulations, and implemented the construction of environmental protection measures and the completion and acceptance of environmental protection facilities on time. Ltd. "Anhui Huayi Chemical Waste Heat Power Generation Project" obtained the approval of EIA, "Fine Cinder Storage Technology Improvement Project" completed the registration and filing, "Ammonia Recovery Project" completed the completion and acceptance of the project, "320,000 tonnes/year Acrylic Acid and Esters Project (Phase II)" and "60,000 tonnes/year Acrylic Acid Isooctyl Esters Project", "Boiler Room Expansion Project", "60,000 tonnes/year Acrylic Acid Iso-Octyl Esters Project" of Shuangqian Group (Xinjiang) Kunlun Tyre Co. Boiler Room Expansion Project" and "Industrial Lubricant Recycling Project" completed project completion and acceptance. Shanghai Huayi New Materials Co., Ltd. carried out the declaration of green factory.

All key enterprises to carry out the application for discharge permits and complete the work of obtaining permits before 30 September in the second half of the year. Tank enterprises to complete The company has completed the registration and filing of information on storage tanks involving volatile materials in the petrochemical, coal chemical and warehousing, wharfage and logistics industries. The company conducts quarterly and semi-annual assessments of the environmental protection performance of key emission units.

The Company revised the environmental protection system formulated in 2018 in accordance with the current laws and standards, and improved such systems and procedural documents as the solid waste management measures, the hidden danger investigation system for soil and groundwater management, the preparation and management of annual environmental reports, the management of VOCs emissions from start-up, shut-down and inspection and maintenance of chemical plants, and the management of post-construction environmental evaluation of construction projects.

### **4. Emergency Response Plan for Environmental Emergencies**

√Applicable ☐Not applicable

According to the national and local environmental emergency response plan filing requirements, Shanghai Huayi Energy Chemical Co., Ltd. and Shuangqian Group (Xinjiang) Kunlun Tire Co., Ltd. and other enterprises to carry out the assessment of corporate environmental risks, the preparation of emergency response plan for environmental emergencies and filing in the local environmental protection departments, according to local requirements to develop the implementation of the heavy air pollution emergency programme details and graded emission reduction list. At the same time the enterprises to establish emergency organisations, the implementation of emergency measures, complete emergency rescue materials, and hold regular environmental emergency drills.

### **5. Environmental self-monitoring programme**

√Applicable ☐Not applicable

During the reporting period, all key enterprises, in accordance with the requirements of the self-monitoring guidelines, formulated environmental self-monitoring programmes for wastewater, waste gas, boiler flue gas, unorganized emission of waste gas, soil and groundwater, noise at the plant boundary, including key pollutants such as COD<sub>Cr</sub>, ammonia nitrogen, SO<sub>2</sub>, nitrogen oxides, VOCs and



smoke and dust, and carried out monitoring in accordance with the monitoring frequency. The monitoring programme and monitoring data are publicly announced in each province, city or local "Key Monitoring Enterprise Pollution Source Monitoring Information Release Platform" or "Enterprise and Institution Environmental Information Disclosure Platform" or enterprise website.

Enterprises involved in volatile organic compounds (VOCs) carried out leakage detection and repair of VOCs at equipment sealing points in accordance with the technical regulations on equipment leakage detection and repair. Shanghai Huayi New Materials Co., Ltd, Shanghai Resin Factory Co., Ltd, Shanghai Test 4 Chemicals Co., Ltd, Shanghai Huayi Coatings Co., Ltd, and Tiantong Fine Chemicals (Nantong) Co., Ltd. and other key sewage discharge units carried out soil hazard investigation during the reporting period, and Shanghai Paint Manufacturing Co., Ltd. completed the investigation of dismantled enterprise sites.

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

☐Applicable ☒Not Applicable

### (ii) Environmental protection statement of companies other than key emission units

☒Applicable ☐Not applicable

During the reporting period, the general emission units of the Company, such as Shanghai Huayi Fine Chemical Co., Ltd, Shanghai Kailin Lacquer Plant, Shanghai Test 4 Hervey Chemical Co. Ltd. and Shanghai Plastic Research Institute Co., Ltd. comply with the laws and regulations on environmental protection, discharge all pollutants in compliance with the standards and meet the total amount of requirements. General sewage enterprises have 11 wastewater outlets, 27 rainwater outlets, 49 waste gas outlets, 18 general solid waste storage points and 14 hazardous waste warehouses, which meet the requirements of total quantity.

The storage requirement of 15 days of hazardous waste generation, 156 tonnes of hazardous waste generation in the first half of the year, and the rate of harmless disposal is 100%. General enterprises during the reporting period

It discharges 538,000 tonnes of wastewater, 11.2 tonnes of COD<sub>Cr</sub>, 1.88 tonnes of ammonia nitrogen, 1.26 billion standard cubic metres of exhaust gas, 8.16 tonnes of SO<sub>2</sub>, 8.16 tonnes of nitrogen nitrogen nitrogen nitrogen nitrogen nitrogen nitrogen nitrogen

Oxides 2.09 tonnes, soot 0.082 tonnes, VOCs 5.2 tonnes, and non-methane hydrocarbons (NMHs) 6.3 tonnes. The noise at the plant boundary has fully met the standards, and the rate of harmless disposal of hazardous waste is 100%.

During the reporting period, Shanghai Tianyuan Group Shengde Co., Ltd. carried out the construction of exhaust gas collection, treatment and emission system, Shanghai Yipin Pigment Co., Ltd. carried out the standardisation and rectification of exhaust gas outlet, and Anhui Huayi Rixin Science and Technology Co. Ltd. and Shanghai Tianyuan Group Shengde Co., Ltd. prepared "VOCs Emission Reduction One Factory One Programme Version 2.0" in accordance with the requirements of Shanghai Ecological Environment Bureau, and formulated VOCs emission reduction measures from 2020 to 2022. During the reporting period, pollutant treatment devices of general enterprises operated stably and effectively, and emergency response plans for environmental emergencies were prepared and filed. Formulation Set up a self-monitoring programme, conduct regular monitoring at regular intervals and publish the monitoring information publicly on the enterprises' websites. Carry out the application for a sewage discharge permit and complete the work of obtaining the permit before 30 September this year. Tank enterprises completed the registration and filing of storage tanks involving volatile materials in petrochemical, coal chemical and warehousing, wharf, logistics and other industries. During the reporting period, there were no major environmental incidents and no major environmental penalties for companies other than key emission units.

**(iii) Explanation of the reasons for the non-disclosure of environmental information by companies other than key emission units**

☐Applicable ☒Not Applicable

**(iv) Explanation of subsequent progress or changes in the content of environmental information disclosed during the reporting period**

☐Applicable ☒Not Applicable

**xv. statement of other significant matters**

**(i) Changes in accounting policies, estimates and methods of accounting as compared with the previous financial period, the reasons for such changes and their effect**

☐Applicable ☒Not Applicable

**(ii) Corrections of significant accounting errors requiring retrospective restatement during the reporting period, the amounts of such corrections, the reasons therefor and their impacts**

☐Applicable ☒Not Applicable

**(iii) Other**

☐Applicable ☒Not Applicable

## Section VI. Changes in ordinary shares and shareholders

### I. Changes in share capital

#### (i) Statement of Changes in Shares 1.

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

#### 2. Description of changes in shares

☐Applicable ☒Not Applicable

#### 3. Impact on financial indicators such as earnings per share and net assets per share, if any, as a result of changes in shares occurring between the end of the reporting period and the date of disclosure of the half-yearly report

☐Applicable ☒Not Applicable

#### 4. Other contents that the company deems necessary or the securities regulator requires to be disclosed

☐Applicable ☒Not Applicable

#### (ii) Changes in restricted shares

☐Applicable ☒Not Applicable

### II.

#### SHAREHOLDERS (i)

#### Total number of shareholders.

Total number of ordinary shareholders as at the end of the reporting period (households)	66,944
Total number of preference shareholders with voting rights restored as at the end of the reporting period (households)	0

#### (ii) Table showing the shareholdings of the top ten shareholders and the top ten outstanding shareholders (or shareholders with unlimited conditions to sell) as at the end of the reporting period

Unit: Unit

Shareholding of top ten shareholders							
Name of Shareholder (full name)	Increase/decrease during the reporting period	Number of shares held at the end of the period	Proportion (%)	Holding of restricted shares Number of copies	Pledged or frozen		Nature of shareholders
					shareholding	quantities	
Shanghai Huayi (Group)	0	894 949 825	42.51	0	not have		State-

Shareholdings of the top ten unlimited shareholders			
Name of Shareholder	Number of unlimited shares outstanding measure word	Type and number of shares	
		kind	quantities
Shanghai Huayi (Group) Company	894,949,825	Renminbi ordinary shares	894,949,825
Shanghai Guosheng (Group) Co.	473,385,796	Renminbi ordinary shares	473,385,796
Ping An Fund - Ping An Bank - Ping An Grand Shenzhen China Gateway Wealth Management Limited	34,786,342	Renminbi ordinary shares	34,786,342
Shanghai Guosheng Group Investment Co.	29,230,769	Renminbi ordinary shares	29,230,769
Industrial and Commercial Bank of China Limited - CSI Shanghai State-owned Enterprises Trading Open-ended Index Securities Investment funding fund	15,935,013	Renminbi ordinary shares	15,935,013
vanguard emerging markets stock INDEX FUND	4,398,334	Domestically listed foreign shares	4,398,334
vanguard total international STOCK INDEX FUND	4,069,775	Domestically listed foreign shares	4,069,775
Hong Kong Securities Clearing Company Limited	3,660,892	Renminbi ordinary shares	3,660,892
Agricultural Bank of China Limited - CSI 500 Trading Open-ended Index Securities Investment Fund generic term for lustrous and ductile metals	3,622,159	Renminbi ordinary shares	3,622,159
NORGES BANK	3,379,987	Domestically listed foreign shares	3,379,987
Description of the above shareholders' affiliation or concerted action	Ltd. is the controlling shareholder of Shanghai Guosheng Group Investment Co., Ltd. and constitutes a party acting in concert. Apart from the above, the Company does not know whether the above shareholders are related to each other or belong to the "Shanghai Guosheng Group Investment Co. Persons acting in concert as defined in the "Administrative Measures for Disclosure of Changes in Shareholders' Shareholdings of Listed Companies".		
Preference shareholders with voting rights restored and number of shares held Description of the volume	not have		

Number of shares held by the top ten shareholders with limited selling conditions and the conditions under which they are subject to selling restrictions

☐Applicable ☒Not Applicable

(iii) Strategic investors or general corporations becoming top ten shareholders as a result of placing new shares

☐Applicable ☒Not Applicable

### **III. Changes in controlling shareholders or de facto controllers**

☐Applicable ☒Not Applicable

## **Section VII on preferred shares**

☐Applicable ☒Not Applicable

## Section VIII. Directors, Supervisors and Senior Management Personnel

### I. Changes in shareholdings

(i) Changes in shareholdings of current and outgoing directors, supervisors and senior management during the reporting period

☐Applicable

☒Not Applicable

Other

Information

Notes

☐Applicable ☒Not Applicable

(ii) Share incentives granted to Directors, Supervisors and senior management during the reporting period

☐Applicable ☒Not Applicable

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

☒Applicable ☐Not applicable

name and surname	Positions held	Scenario of change
Liu Xunfeng (1936-), second governor of Hainan	chairman of the board	elections
Wang Xia (1973-), Chinese long-distance runner	Director, President	elections
Gu Lili (1914-1993), noted scholar and author of the UNESCO World Heritage Tentative List	board member	elections
Chen Qi	outside director	elections
Guan Yimin (1919-), Taiwanese politician	independent director	elections
Duan Qihua	independent director	elections
Zhang Yimin (1889-1912), founding member of the Qing dynasty	independent director	elections
Zhang Renliang (1944-), Taiwanese politician	Chairman of the Supervisory Board	elections
Zhang Jianxin	Vice-Chairman of the Supervisory Board	elections
Shen Guoping (1952-), foreign affairs official (PRC)	supervisor	elections
Li Aimin (1964-), Taiwanese poet	employee supervisor	elections
Li Yuhong	employee supervisor	elections
Li Liangjun (1944-), PRC politician, prime minister 1996-1998	deputy director (of a company etc)	appoint (to a position)
The Company held its 2019 10th Board of Directors and Supervisory Board, and on the same day convened the	Annual General Meeting on 23 June 2020 to elect the members of the Board of Directors, Supervisors and Senior Management of the Company	appoint (to a position)
Wei Jianhua (1965-), PRC politician, prime minister 1997-1998, vice-president from 2008	deputy director (of a company etc)	appoint (to a position)
Peter Chang Tat-kwong (1928-), Hong Kong politician	chief financial officer	appoint (to a position)

The eleventh session of the Board of Directors was held to appoint senior management and the relevant announcement was disclosed on 24 June 2020 on the website of Shanghai Stock Exchange.

At the first extraordinary general meeting of 2020 held on 12 August 2020, Mr Zhang Renliang was elected as the 10th Supervisor of the Company.

Supervisors of the Board, the Third Session of the Supervisory Committee of the Tenth Session was held on the same day to elect Mr. Zhang Renliang as the Chairman of the Supervisory Committee, and the relevant announcement was disclosed on 13 August 2020 on the website of the Shanghai Stock Exchange.

### III. Other notes

☐Applicable ☒Not Applicable



## **Section IX on      corporate bonds**

☐Applicable ☒Not Applicable

## Section X. Financial reporting

### Audit reports

☐Applicable ☒Not Applicable

### financial statement

#### Consolidated balance sheet

Prepared by: Shanghai Huayi Group 30 June 2020

Co

Unit: Yuan Currency:

	Note 5	30 June 2020	31 December 2019 RMB
<b>Liquid assets:</b>			
money funds	(i)	9,593,905,914.83	12,235,526,483.03
Provision for settlement			
invested sum that can be cashed			
Financial assets held for trading	(ii)	1,802,626,280.84	1,695,969,479.48
derivative financial asset			
notes receivable	(iv)	6,814,984.50	10,866,836.15
accounts receivable	(v)	2,698,162,701.44	1,939,755,348.61
Receivables financing	(vi)	1,700,853,760.39	2,230,385,670.28
Prepayments	(vii)	601,727,710.52	776,854,354.82
Premiums receivable			
Receivables from reinsurance			
Reserve for reinsurance contracts receivable			
Other receivables	(viii)	106,648,686.93	128,263,778.74
Of which: Interest receivable			
Dividends receivable		3,791,750.00	24,335,999.20
Bought and sold financial assets			
inventory (of material)	(ix)	4,164,732,536.00	4,319,685,782.45
Contractual assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	(xiii)	472,994,832.99	533,175,624.93
Total current assets		21,148,467,408.44	23,870,483,358.49
<b>Non-current assets:</b>			
Release of loans and advances	(xiv)	3,788,470,156.35	4,054,654,728.67
debenture investment			
Other debt investments			
Long-term receivables			
Long-term equity investments	(xviii)	3,657,320,553.37	3,345,092,940.70
Investments in other equity instruments			
Other non-current financial assets	(xx)	890,326,282.03	925,693,579.03
investment property	(xxi)	97,606,138.98	100,686,598.15
fixed assets	(xxii)	12,462,240,001.03	13,070,075,015.84

usufructuary assets			
intangible asset	(xxvii)	1,856,929,908.34	1,830,994,344.00
development expenditure			
reputation of a firm's product	(xxix)	128,065,581.26	128,065,581.26
Long-term amortised expenses	(xxx)	200,395,806.96	228,688,079.49
Deferred tax assets			
Other non-current assets	(xxxii)	199,820,922.83	268,440,369.75
Total non-current assets		24,854,603,048.30	24,839,695,607.02
Total assets		46,003,070,456.74	48,710,178,965.51
<b>Current liabilities:</b>			
short term loan	(xxxiii)	3,344,368,837.34	4,251,498,848.59
Borrowing from the Central Bank			
funds on call			
Trading financial liabilities			
Derivative financial liabilities			
banknote payable	(xxxvi)	559,954,604.13	1,447,030,139.02
accounts payable	(XXXVII)	3,470,440,568.35	3,327,255,000.45
Advance receipts	(xxxviii)		435,918,378.58
Contractual liabilities	(XXXIX)	440,926,261.17	
Sales of repurchased financial assets			
Deposit-taking and interbank deposits	(xl)	8,279,925,050.59	9,089,950,010.45
Securities brokerage			
Underwriting of securities			
Employee remuneration payable	(XLI)	117,509,734.97	138,165,805.18
Taxes payable	(XLII)	107,663,145.05	161,782,025.54
Other accounts payable	(XLIII)	2,494,103,528.95	2,316,339,189.80
Of which: Interest payable			
dividend payable		213,453,145.29	3,140,768.99
Fees and commissions payable			
Accounts payable for reinsurance			
Liabilities held for sale			
Non-current liabilities due within one year	(xlv)	658,180,543.79	302,769,446.89
Other current liabilities	(xlvi)	109,879,495.31	89,410,581.95
Total current liabilities		19,582,951,769.65	21,560,119,426.45
<b>Non-current liabilities:</b>			
Reserves for insurance contracts			
long term loan	(XLVII)	2,117,879,897.63	2,752,686,194.61
bonds payable	(xlviii)	2,455,690,732.56	2,417,749,133.42
Of which: preference shares			
perpetual bond			
leasehold liability			
Long-term accounts payable	(Fifty)	146,043,303.68	150,327,202.16

Half-yearly report

2020

Long-term employee compensation payable	(Fifty-one)	375,923,658.92	380,710,000.00
projected liability	(fifty-two)	15,473,200.00	23,809,518.38
Deferred income	(fifty-three)	496,884,783.41	492,179,115.32
Deferred income tax liabilities	(xxxi)	121,548,857.40	124,196,294.82
Other non-current liabilities			
Total non-current liabilities		5,729,444,433.60	6,341,657,458.71

Total liabilities		25,312,396,203.25	27,901,776,885.16
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)	(Fifty-five)	2,105,296,763.00	2,105,296,763.00
Other equity instruments			
Of which: preference shares			
perpetual bond			
capital surplus	(Fifty-seven)	9,026,821,780.95	9,026,821,780.95
Less: Treasury stock			
Other comprehensive income	(fifty-nine)	-157,726,508.08	-141,575,136.66
earmark	(xx)	11,212,818.25	10,374,762.30
surplus surplus	(xxxi)	410,403,710.52	410,403,710.52
General risk provision			
unallocated profit	(xxxii)	6,642,375,971.94	6,942,388,469.95
Equity attributable to owners of the parent company (Total (or shareholders' equity))		18,038,384,536.58	18,353,710,350.06
Minority interests		2,652,289,716.91	2,454,691,730.29
Owners' equity (or shareholders' rights)		20,690,674,253.49	20,808,402,080.35
Total (benefits)			
Liabilities and owners' equity (or Total (shareholders' equity))		46,003,070,456.74	48,710,178,965.51

Legal representative: Liu Xunfeng  
 accounting work: Chang Daguang  
 Organisation: Guo Mu

Person in charge of  
 Head of Accounting

**Parent  
 company**

Prepared by: Shanghai Huayi Group balance sheet

Co.

30 June 2020

Unit: Yuan Currency:

Co.	Note	30 June 2020	31 December 2019
<b>Liquid assets:</b>			
money funds		1,334,502,153.97	2,086,167,091.47
Financial assets held for trading		169,591,060.40	179,646,460.60
derivative financial asset			
notes receivable			
accounts receivable	(i)	120,189,864.25	216,147,742.77
Receivables financing			
Prepayments		1,447,452.34	7,123,857.91
Other receivables	(ii)	2,666,737,769.04	2,399,513,575.40
Of which: Interest receivable			
Dividends receivable			
inventory (of material)		37 / 264	
Contractual assets			
Assets held for sale			
Non-current assets due			

Long-term receivables			
Long-term equity investments	(iii)	16,871,445,353.89	16,481,473,562.68
Investments in other equity instruments			
Other non-current financial assets			
investment property		31,347,829.88	32,265,562.96
fixed assets		73,426,301.30	76,219,277.54
construction in progress		5,851,858.81	3,643,805.30
Productive biological assets			
oil and gas assets			
usufructuary assets			
intangible asset		20,967,342.80	21,281,068.63
development expenditure			
reputation of a firm's product			
Long-term amortised expenses			
Deferred tax assets			
Other non-current assets			
Total non-current assets		17,003,038,686.68	16,614,883,277.11
Total assets		21,353,095,464.08	21,558,377,466.45
<b>Current liabilities:</b>			
short term loan		2,696,385,990.51	2,400,312,791.76
Trading financial liabilities			
Derivative financial liabilities			
banknote payable			
accounts payable		1,098,979.27	57,787,544.24
Advance receipts			6,161,494.83
Contractual liabilities		3,602,470.01	
Employee remuneration payable		51,932.01	
Taxes payable		180,984.55	1,852,820.82
Other accounts payable		1,411,928,441.14	1,584,462,024.45
Of which: Interest payable			
dividend payable			
Liabilities held for sale			
Non-current liabilities due within one year		430,181,973.24	29,934,652.61
Other current liabilities			
Total current liabilities		4,543,430,770.73	4,080,511,328.71
<b>Non-current liabilities:</b>			
long term loan		559,513,333.36	970,000,000.00
bonds payable			
Of which: preference shares			
perpetual bond			
leasehold liability			
Long-term accounts payable			
Long-term employee compensation payable			

Half-yearly report

2020

projected liability			
Deferred income		4,800,000.00	4,800,000.00
Deferred income tax liabilities		27,405,099.27	29,918,949.32
Other non-current liabilities			
Total non-current liabilities		591,718,432.63	1,004,718,949.32

Total liabilities		5,135,149,203.36	5,085,230,278.03
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)		2,105,296,763.00	2,105,296,763.00
Other equity instruments			
Of which: preference shares			
perpetual bond			
capital surplus		12,098,323,235.38	12,098,323,235.38
Less: Treasury stock			
Other comprehensive income		-16,184,241.20	-16,184,241.20
earmark			
surplus surplus		410,403,710.52	410,403,710.52
unallocated profit		1,620,106,793.02	1,875,307,720.72
Owners' equity (or shareholders' rights)		16,217,946,260.72	16,473,147,188.42
Total (benefits)			
Liabilities and owners' equity (or Total (shareholders' equity))		21,353,095,464.08	21,558,377,466.45

Legal representative: Liu Xunfeng  
 accounting work: Chang Daguang  
 Organisation: Guo Mu

Person in charge of  
 Head of Accounting

**Consolidated  
 Income  
 Statement  
 January-June  
 2020**

Unit: Yuan Currency: RMB

spo rts eve nt	Note 5	Semi-annual 2020	Semi-Annual 2019
I. Gross operating income		13,012,479,691.23	20,988,165,387.35
Of which: Operating income	(xxxii)	12,846,188,340.23	20,868,768,824.44
Interest income	(64)	166,291,351.00	119,396,562.91
Earned premiums			
Fee and commission income			
II. Total operating costs		13,080,787,267.18	20,528,030,560.39
Of which: Operating costs	(xxxii)	11,601,877,950.04	19,044,892,559.29
interest expense	(64)	80,828,140.41	70,635,923.72
Handling fee and commission expenses	(sixty-five)	194,663.93	178,141.74
surrender charge			
Net claims expenditure			
Net withdrawal of reserve for insurance liabilities			
Policy dividend expenses	40 / 264		
Reinsurance costs			
Taxes and surcharges	(xlvii)	71,156,317.78	89,417,090.69
sales expense	(xxviii)	491,062,812.78	433,731,493.84



Financial assets carried at amortised cost Derecognition of gains (losses are shown with a "-" sign)			
Exchange gains (losses are represented by a "-" sign)		683,443.92	10,381.08
Net exposure to hedging gains (losses are marked with a "-") (columns)			
Gain (loss marked "-") on change in fair value (fill in the blanks)	(seventy-four)	-3,720,454.06	76,177,682.32
Credit impairment losses (losses are represented by a "-" sign)	(seventy-five)	-28,938,106.53	-47,773,790.46
Impairment losses on assets (losses are represented by a "-" sign)	(seventy-six)	-28,679,589.06	-13,537,043.66
Gain (loss is represented by a "-") on disposal of assets	(viii)	388,923.98	3,583,068.87
III. Operating profit (loss is shown with a "-" sign)		74,259,979.99	708,634,307.60
Add: Non-operating income	(78)	7,683,890.34	10,731,267.99
Less: Non-operating expenses	(79)	135,639,582.10	4,384,620.90
IV. Total profit (total loss is shown with a "-" sign)		-53,695,711.77	714,980,954.69
Less: Income tax expense	(80)	72,574,337.89	194,719,526.00
V. Net profit (net loss is represented by a "-" sign)		-126,270,049.66	520,261,428.69
(i) Classification by continuity of operations			
1. Net profit from continuing operations (net loss is marked with a "-") (fill in the blanks)		-126,270,049.66	520,261,428.69
2. Net profit from discontinued operations (net loss marked with a "-") (fill in the blanks)			
(ii) Classification by ownership			
1. Net income (net loss) attributable to shareholders of the parent company (to be completed with a "-" sign)		-89,482,821.71	505,694,884.73
2. Minority interests (net loss is marked with a "-") (columns)		-36,787,227.95	14,566,543.96
VI. Other comprehensive income, net of tax		-31,654,200.14	2,485,803.12
(i) Other comprehensive income attributable to owners of the parent company net of tax		-16,151,371.42	-624,408.30
1. Other comprehensive income that cannot be reclassified to profit or loss			
(1) Remeasurement of changes in defined			

2020

benefit plans			
(2) Other comprehensive income that cannot be transferred to profit or loss under the equity method			
(3) Changes in fair value of investments in other equity instruments			
(4) Changes in fair value of an enterprise's own credit risk			
2. Other comprehensive income to be reclassified to profit or loss		-16,151,371.42	-624,408.30
(1) Other comprehensive income available for transfer to profit or loss under the equity method			-1,576,021.90
(2) Changes in fair value of other debt investments			
(3) Reclassification of financial assets to other comprehensive income sum of money			
(4) Provision for credit impairment of other debt investments			
(5) Cash flow hedge reserve			
(6) Translation differences on foreign currency financial statements		-16,151,371.42	951,613.60
(7) Other			
(ii) Other comprehensive income attributable to minority shareholders of the net profit after tax		-15,502,828.72	3,110,211.42
VII. Total comprehensive income		-157,924,249.80	522,747,231.81
(i) Total comprehensive income attributable to owners of the parent company		-105,634,193.13	505,070,476.43
horizontal tablet or inscribed board			
(ii) Total comprehensive income attributable to minority shareholders		-52,290,056.67	17,676,755.38

VIII. Earnings per share:			
(i) Basic earnings per share (yuan/share)		-0.04	0.24
(ii) Diluted earnings per share (\$/share)		-0.04	0.24

Legal representative: Liu Xunfeng  
 accounting work: Chang Daguang  
 Organisation: Guo Mu

Person in charge of  
 Head of Accounting

**Parent  
 Company  
 Income  
 Statement  
 January-June  
 2020**

Unit: Yuan    Currency: RMB

spo rts eve nt	Note 15	Semi-annual 2020	Semi-Annual 2019
I. Operating income	(iv)	44,430,329.52	334,881,972.43
Less: Operating costs	(iv)	31,614,553.58	308,854,752.97
Taxes and surcharges		2,226,975.42	1,671,193.24
sales expense		1,432,618.79	13,750,203.08
overheads		60,026,136.00	73,034,443.24
R&D costs			
financial cost		60,818,328.54	52,661,557.96
Of which: interest costs		77,648,365.88	68,090,415.30
Interest income		9,133,806.11	19,192,293.41
Add: other gains		654,394.00	
Investment income (loss is represented by a "-" sign)	(v)	2,862,863.58	791,875,513.55
Of which: Income from investments in associates and joint ventures		3,058,911.21	2,993,455.55
Derecognition of financial assets measured at amortised cost			
Pledged gains (losses are shown with a "-" sign)			
Net exposure to hedging gains (losses are represented by a "-" sign)			
Gain (Loss) on fair value changes		-10,055,400.20	31,148,554.40
Credit impairment losses (losses are represented by a "-" sign)		70,882,803.96	22,801,100.41
Impairment losses on assets (losses are represented by a "-" sign)		180,727.39	
Gain (loss is represented by a "-") on disposal of assets			2,008,487.00
II. Operating profit (loss is shown with a "-" sign)		-47,162,894.08	732,743,477.30
Add: Non-operating income		242,475.11	
Less: Non-operating expenses		264,682.48	
III. Total profit (total loss is shown with a "-" sign)		-47,185,101.45	732,743,477.30
Less: Income tax expense		-2,513,850.05	7,787,138.60
IV. Net profit (net loss is represented by a "-" sign)		-44,671,251.40	724,956,338.70

3. Amounts reclassified from financial assets to other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedge reserve			
6. Translation differences on foreign currency financial statements			
7. Other			
VI. Total comprehensive income		-44,671,251.40	724,956,338.70
VII. Earnings per share:			
(i) Basic earnings per share (yuan/share)		-0.02	0.34
(ii) Diluted earnings per share (\$/share)		-0.02	0.34

Legal representative: Liu Xunfeng  
accounting work: Chang Daguang  
Organisation: Guo Mu

Person in charge of  
Head of Accounting

**Consolidated  
Cash Flow  
Statement**

January-June 2020

Unit: Yuan Currency: RMB

spo rts eve nt	Note 5	Semi-annual 2020	Semi-annual 2019
<b>i. Cash flows from operating activities:</b>			
Cash received from sales of goods and services		14,653,121,736.53	24,883,396,074.65
Net increase in customer deposits and interbank deposits		-809,967,669.86	-1,272,702,294.75
Net increase in borrowing from central banks			
Net increase in remittances to other financial institutions			
Cash received from premiums for original insurance contracts			
Net cash received from reinsurance operations			
Net increase in policyholder deposits and investments			
Cash received for interest, fees and commissions		166,344,431.94	135,817,709.74
Net increase in inward remittances			
Net increase in funding for repurchase operations			
Net cash received from agency trading of securities			
Tax refunds received		109,335,461.25	95,195,789.83
Other cash received in relation to operating activities	(83)	247,049,127.17	517,289,975.06
Subtotal cash inflow from operating activities	44 / 264	14,365,883,087.03	24,358,997,254.53
Cash paid for goods and services		12,347,141,780.81	22,007,923,797.27
Net increase in loans and advances to		-247,015,210.38	202,592,711.09

Disposal of cash received by subsidiaries and other operating units net cash			
Other cash received related to investing activities	(83)	52,161,750.00	52,611,271.27
Subtotal cash inflow from investing activities		469,744,887.09	582,776,529.70
Acquisition of property, plant and equipment, intangible assets and other long-term assets		862,380,172.92	623,580,700.53
Cash paid for assets			
Cash paid for investments		633,439,211.76	601,618,633.11
Net increase in pledged loans			
Acquisition of cash paid by subsidiaries and other operating units net cash			
Payments of other cash related to investing activities	(83)	30,000,000.00	50,748,000.00
Subtotal cash outflows from investing activities		1,525,819,384.68	1,275,947,333.64
Net cash flows from investing activities		-1,056,074,497.59	-693,170,803.94
<b>III. Cash flows from financing activities:</b>			
Cash received from absorption of investments		272,176,500.00	193,857,980.00
Of which: Received by subsidiaries from minority investments		260,000,000.00	193,857,980.00
cash			
Cash received for borrowings		2,209,075,646.91	3,155,357,068.29
Other cash received related to financing activities			
Subtotal cash inflow from financing activities		2,481,252,146.91	3,349,215,048.29
Cash paid for debt service		3,345,727,022.22	3,162,528,688.77
Distributions of dividends, profits or interest payments		170,427,430.66	517,914,917.07
generic term for lustrous and ductile metals			
Of which: dividends paid by subsidiaries to minority shareholders, margins			59,956,032.59
Other cash payments related to financing activities			
Subtotal cash outflows from financing activities		3,516,154,452.88	3,680,443,605.84
Net cash flows from financing activities		-1,034,902,305.97	-331,228,557.55
<b>iv. effect of exchange rate changes on cash and cash equivalents</b>			
<b>loud</b>		35,944,251.78	-15,029,279.06
<b>V. Net increase in cash and cash equivalents</b>		-2,156,302,972.79	-2,076,312,813.74
Add: Cash and cash equivalents		10,727,677,100.50	11,437,118,716.35

Half-yearly report

2020			
balance at beginning of period			
<b>VI. Cash and cash equivalents</b>		8,571,374,127.71	9,360,805,902.61
<b>balance at end of period</b>			

Legal representative: Liu Xunfeng  
 accounting work: Chang Daguang  
 Organisation: Guo Mu

Person in charge of  
 Head of Accounting

**Parent  
 Company Cash  
 Flow Statement**  
 January-June  
 2020

Unit: Yuan Currency: RMB

spo rts eve nt	footno te	Semi-annual 2020	Semi-annual 2019
<b>i. Cash flows from operating activities:</b>			
Cash received from sales of goods and services		409,061,804.80	1,199,773,953.11
Tax refunds received		14,454,621.26	32,804,169.70
Other cash received in relation to operating activities		48,289,116.30	24,584,756.91
Subtotal cash inflow from operating activities		471,805,542.36	1,257,162,879.72
Cash paid for goods and services		518,297,324.20	1,734,715,587.01
Cash paid to and for employees		44,918,627.10	57,600,841.16
Taxes paid		12,343,288.08	2,450,273.32

Payments of other cash related to operating activities		464,567,511.52	37,072,794.77
Subtotal cash outflows from operating activities		1,040,126,750.90	1,831,839,496.26
Net cash flows from operating activities		-568,321,208.54	-574,676,616.54
<b>II. Cash flows from investing activities:</b>			
Cash received from recovery of investments			
Cash received from investment income		3,305,870.00	788,882,058.00
Disposal of fixed assets, intangible assets and other long-term assets			
Net cash recovered from production			
Cash received on disposal of subsidiaries and other operating units net amount			
Other cash received related to investing activities			
Subtotal cash inflow from investing activities		3,305,870.00	788,882,058.00
Acquisition of fixed assets, intangible assets and other long-term assets		869,849.00	
Cash paid for production			
Cash paid for investments		390,000,000.00	289,444,020.00
Cash paid for acquisition of subsidiaries and other operating units net amount			
Payments of other cash related to investing activities			
Subtotal cash outflows from investing activities		390,869,849.00	289,444,020.00
Net cash flows from investing activities		-387,563,979.00	499,438,038.00
<b>III. Cash flows from financing activities:</b>			
Cash received from absorption of investments			
Cash received for borrowings		2,795,440,489.57	1,673,912,300.00
Other cash received related to financing activities			
Subtotal cash inflow from financing activities		2,795,440,489.57	1,673,912,300.00
Cash paid for debt service		2,511,000,000.00	911,000,000.00
Cash paid for distribution of dividends, profits or repayment of interest		86,127,327.72	293,100,602.85
Other cash payments related to financing activities			
Subtotal cash outflows from financing activities		2,597,127,327.72	1,204,100,602.85
Net cash flows from financing activities		198,313,161.85	469,811,697.15
<b>IV. Impact of exchange rate changes on cash and cash equivalents</b>		5,907,088.19	-3,629,145.56

<b>V. Net increase in cash and cash equivalents</b>		-751,664,937.50	390,943,973.05
Add: Cash and cash equivalents balance at beginning of period		2,086,167,091.47	1,867,429,866.89
<b>VI. Cash and cash equivalents balance at end of period</b>		1,334,502,153.97	2,258,373,839.94

Legal representative: Liu Xunfeng  
accounting work: Chang Daguang  
Organisation: Guo Mu

Person in charge of  
Head of Accounting



## 2020

## Consolidated

### in Equity January-June

2020

Unit:Yuan Currency:RMB

[illegible]

## Half-yearly report

2020

sport s even t	Semi-Annual 2019														
	Equity attributable to owners of the parent company											Minority interests	Total owners' equity		
	Paid-in capital (or share capital)	Other equity instruments			capital surplus	Less : inve ntor y thigh	Other comprehensive income	earmark	surplus surplus	Gener al risk provisi on	unallocated profit			th e re st	Subto tal
	priorit ise thigh	susta inabili ty deb t	it (re fer s sth . pr ec edi ng it) (us ed for eit he r se x wh en the se x is un kn ow n or uni mp ort ant )												
I. Prior year closing balance	2,117,430,913.00				9,011,441,489.83		-47,143,474.03	17,005,957.93	265,949,218.66		6,701,012,288.87		18,065,696,394.26	2,171,438,340.99	20,237,134,735.25
Add: change in accounting policy							-138,812,996.49		6,700,899.54		301,524,641.85		169,412,544.90	984,640.52	170,397,185.42
Correction of prior period errors															
Same-control business combinations															
the rest															
II. Opening balance for the year	2,117,430,913.00				9,011,441,489.83		-185,956,470.52	17,005,957.93	272,650,118.20		7,002,536,930.72		18,235,108,939.16	2,172,422,981.51	20,407,531,920.67

Half-yearly report

2020															
III. Changes during the period (decreases) (to be completed with a "+" sign)	-12,134,150.00				15,349,698.75		-624,408.30	3,874,182.29			-41,682,273.65		-35,216,950.91	151,578,702.76	116,361,751.85
(i) Total comprehensive income							-624,408.30				505,694,884.73		505,070,476.43	17,676,755.38	522,747,231.81
(ii) Owners' inputs and reductions in capital	-12,134,150.00				15,349,698.75								3,215,548.75	193,857,980.00	197,073,528.75
1. Ordinary shares invested by owners														193,857,980.00	193,857,980.00
2. Inputs from holders of other equity instruments roots or stems of plants															
3. Share-based payments credited to owners' equity sum of money															
4. Other	-12,134,150.00				15,349,698.75								3,215,548.75		3,215,548.75
(iii) Distribution of profits											-547,377,158.38		-547,377,158.38	-59,956,032.62	-607,333,191.00
1. Withdrawal of surplus reserves															
2. Provision for general risks															
3. Distribution to owners (or shareholders)											-547,377,158.38		-547,377,158.38	-59,956,032.62	-607,333,191.00
4. Other															
(iv) Internal carry-forward of owners' equity															
1. Transfer of capital surplus to capital (or share capital)															
2. Transfer of surplus to capital (or share capital)															
3. Surplus surpluses to cover losses															
4. Carry-over of changes in defined benefit plans income on deposit															
5. Other comprehensive income carried forward to retained earnings															
6. Other															
(v) Earmarked reserves								3,874,182.29					3,874,182.29		3,874,182.29
1. Withdrawals during the period								12,129,736.27					12,129,736.27		12,129,736.27
2. Use during the period								8,255,553.98					8,255,553.98		8,255,553.98
(vi) Other															
IV. Closing balance for the period	2,105,296,763.00				9,026,791,188.58		-186,580,878.82	20,880,140.22	272,650,118.20		6,960,854,657.07		18,199,891,988.25	2,324,001,684.27	20,523,893,672.52

Legal representative: Liu Xunfeng

Person in charge of accounting work: Chang Daguang

Head of Accounting

Organisation: Guo Mu

2020

Statement of changes  
in owners' equity of  
the parent company

sport s even t	the parent company										
	January-June 2020										
	Semi-annual 2020										
	Paid-in capital (or share capital)	Other equity instruments			capital surplus	Less: Treasury stock	Other comprehensiv e income	earmar k	surplus surplus	Unit: Yuan unallocated profit	Currency: RMB Total owners' equity
		priorit ise thig h	sustai nabilit y debt	it (ref ers sth . pre ce din g it) (us ed for eit her se x wh en the se x is un kn ow n or uni mp ort ant )							
I. Prior year closing balance	2,105,296,763.00				12,098,323,235.38		-16,184,241.20		410,403,710.52	1,875,307,720.72	16,473,147,188.42
Add: change in accounting policy											
Correction of prior period errors					52 / 264						
(sth. or sb) else											
II. Opening balance for the year	2,105,296,763.00				12,098,323,235.38		-16,184,241.20		410,403,710.52	1,875,307,720.72	16,473,147,188.42
III. Amount of increase or decrease during the period (Decrease is										-255,200,927.70	-255,200,927.70

Half-yearly report  
2020

sports event	Semi-Annual 2019										
	Paid-in capital (or share capital)	Other equity instruments			capital surplus	Less: Treasury stock	Other comprehensiv e income	earmar k	surplus surplus	unallocated profit	Total owners' equity
		priorit ise thigh	sustai nabilit y debt	it (ref ers sth  · pre ce din g it) (us ed for eit her se x wh en the se x is un kn ow n or uni mp ort ant )							
I. Prior year closing balance	2,117,430,913.00				12,082,973,536.63		50,824,754.27		265,949,218.66	1,122,594,452.32	15,639,772,874.88
Add: change in accounting policy							-67,008,995.47		6,700,899.54	60,308,095.93	
Correction of prior period errors											
the rest											

Half-yearly report

II. Opening balance for the year	2,117,430,913.00				12,082,973,536.63		-16,184,241.20		272,650,118.20	1,182,902,548.25	15,639,772,874.88
III. Amount of increase or decrease during the period (Decrease is indicated by a "-" sign) (columns)	-12,134,150.00				15,349,698.75					177,579,180.32	180,794,729.07
(i) Total comprehensive income										724,956,338.70	724,956,338.70
(ii) Owners' inputs and reductions in capital	-12,134,150.00				15,349,698.75						3,215,548.75
1. Ordinary shares invested by owners											
2. Capital contributions by holders of other equity instruments											
3. Amount of share-based payments credited to owners' equity											
4. Other	-12,134,150.00				15,349,698.75						3,215,548.75
(iii) Distribution of profits										-547,377,158.38	-547,377,158.38
1. Withdrawal of surplus reserves											
2. Distribution to owners (or shareholders)										-547,377,158.38	-547,377,158.38
3. Other											
(iv) Internal carry-forward of owners' equity											
1. Transfer of capital surplus to capital (or share capital)											
2. Transfer of surplus to capital (or share capital)											
3. Surplus surpluses to cover losses											
4. Carry-over of changes in defined benefit plans to retained earnings											
5. Other comprehensive income carried forward to retained earnings											
6. Other											
(v) Earmarked reserves											
1. Withdrawals during the period											
2. Use during the period											
(vi) Other											
IV. Closing balance for the period	2,105,296,763.00				12,098,323,235.38		-16,184,241.20		272,650,118.20	1,360,481,728.57	15,820,567,603.95

Legal representative: Liu Xunfeng

Person in charge of accounting work: Chang Daguang

Head of Accounting

Organisation: Guo Mu

**I. Basic  
information of  
the Company (I)  
Overview of  
the Company**

√Applicable □Not applicable

Ltd. (formerly known as Shanghai Tyre & Rubber (Group) Co., Ltd. and Double Coin Group Co., Ltd., hereinafter referred to as **"the Company"** or **"the Company"**) was formerly known as Shanghai Tyre & Rubber (Group) Co. In May 1992, it was approved to be restructured into a sino-foreign joint stock company, and in December 1992, it was listed on the Shanghai Stock Exchange.

Pursuant to the resolution of the shareholders' meeting related to the Company's shareholding reform of the A-share market on 10 April 2006, the shareholders of the non-circulating shares were entitled to a shareholding of up to HK\$1,000,000 per share.

On the basis of 18 May 2006, the date of registration of A shares under the implementation of the reform plan, 7 shares for every 10 shares will be distributed to the shareholders of A shares in circulation.

As consideration for the acquisition of the right of circulation of the non-circulating shares, the non-circulating shareholders were paid 16,016,000 shares, and the non-circulating shareholders were entitled to the non-circulating shares.

The right of circulation of the Consideration Shares. The listing date of the consideration shares was 22 May 2006. Following the implementation of the Share Reform Programme, the shares have been listed on the stock exchange since 1 January 2011.

With effect from 5 January, the Company's share capital of 889,467,722 shares is unlimited.

Pursuant to the resolution of the first extraordinary general meeting of 2015 of the Company, the Securities and Futures Commission of the People's Republic of China has issued a certificate of authorisation of

[Ltd. and other 7 companies held by Shanghai Huayi Energy Chemical Co., Ltd. and increased the registered capital by RMB940,784,985.00, and in November 2015 issued 287,178,206 RMB ordinary shares (A shares) with a par value of RMB1 each privately to specific investors, increasing the registered capital by 287,178,206 shares. Ltd. and increased the registered capital by RMB940,784,985.00, and increased the registered capital by RMB287,178,206.00 by privately issuing 287,178,206 RMB ordinary shares (A shares) with a par value of RMB1 per share to specific investors in November 2015. After the change, the registered capital is RMB2,117,430,913.00.

Pursuant to the resolution of the First Extraordinary General Meeting of 2018 of the Company, the Company repurchased 12,134,150 ordinary shares (A shares) of the Company held by Shanghai Huayi (Group) Company in March 2019 at an aggregate price of RMB1 and cancelled them. The changed registered capital is RMB2,105,296,763.00.

As at 30 June 2020, the Company has a cumulative total issued share capital of 2,105,296,763 shares and registered capital of

2,105,296,763.00 Yuan. Business scope: wholesale, import and export, commission agency (except auction) and related business of chemical products (dangerous chemicals according to the scope of the permit), plastics, paints, pigments, dyestuffs and other related products; research and development, production of tyres, rubber shoes and other rubber products and accessories of the foregoing products, raw and auxiliary materials of rubber, rubber machinery, moulds, tyre and rubber products outline wire (limited to branches); sales of self-produced products. (limited to branches); sales of self-produced products. (Not involving state trade management of goods, involving quotas, licences management of goods, in accordance with relevant state regulations for application). [Items subject to approval according to law, can only carry out business activities after approval by the relevant departments].

The parent company of the Company is Shanghai Huayi (Group) Company and the actual

controller of the Company is Shanghai Huayi (Group) Company. These financial statements were approved for issue on 21 August 2020 by the Board of Directors of the Company.

**(ii) Scope of consolidated financial statements**

√Applicable □Not applicable

The subsidiaries within the scope of the Company's consolidated financial statements as at 30 June 2020 are as follows:

	Name of Subsidiary
1	Double Coin Tyre Group Limited
2	Double Coin Group Shanghai Tyre Research Institute Co.
3	Double Coin Group (Jiangsu) Tyre Co.
4	Double Coin Group Shanghai Supply & Marketing Co.
5	Double Coin Group (Anhui) Back Tyre Co.
6	Double Coin Group Shanghai Donghai Tyre Co.
7	Shanghai Rubber Machinery No.1 Factory Co.
8	Shanghai Tyre & Rubber Group Jinqiao Tyre Factory
9	Shanghai Jai-Alai Hotel Co.
10	China North American Tyre Joint Sales Corporation
11	Shanghai Double Coin Tyre Sales Co.
12	Double Coin Group (Chongqing) Tyre Co.
13	Huatai Rubber Co.
14	Double Coin Group (Xinjiang) Kunlun Tyre Co.
15	Xinjiang Kunlun Engineering Tyre Co.



Name of Subsidiary	
16	Shanghai Shuangqian Enterprise Management Co.
17	Double Coin Tyre Group Shanghai Import & Export Co.
18	Shanghai Soap Making (Group) Co.
19	Shanghai White Elephant Swan Battery Co.
20	Shanghai Soap Factory Co.
21	Shanghai Ink Factory Co.
22	Shanghai Peony Ink Co.
23	Moltech Holdings Corporation
24	Shanghai Soap Co.
25	Moltechpowersystemsinc.
26	Anhui Huayi Rixin Technology Co.
27	Shanghai Huayi Energy Chemical Co.
28	Wujiang Dianshan Lake Red Top Resort Co.
29	Anhui Huayi Chemical Co.
30	Shanghai Huayi New Energy Chemical Sales Co.
31	Kunshan Baoyan Gas Co.
32	Shanghai Huayi Fine Chemical Co.
33	Shanghai Huayuan Industry Co.
34	Shanghai Huayi Fine Chemical Sales Co.
35	Shanghai Coating Research Institute Co.
36	Shanghai Yipin Pigment Co.
37	Shanghai Try 4 Hervey Chemical Co.
38	Shanghai Chemical Reagent Research Institute Co.
39	Shanghai Huayi Group Huayuan Chemical Co.
40	Shanghai Try 4 Chemicals Co.
41	Yixing Huayi Yipin Colouring Technology Co.
42	Tiantong Fine Chemical (Nantong) Co.
43	Shanghai Huayi Coating Co.
44	Shanghai Huayi Group Investment Co.
45	Shanghai Huayi Engineering Services Co.
46	Shanghai Huayi Resin Co.
47	Shanghai Huayi Group International Trade Co.
48	Shanghai Jai-Li Shoes Co.
49	Shanghai Synthetic Resin Research Institute Co.
50	Shanghai Rubber Products Research Institute Co.
51	Shanghai Chemical Engineering Supervision Co.
52	Shanghai Plastic Research Institute Co.
53	Shanghai Chemical Industry Inspection & Testing Co.
54	Shanghai Huayi Inspection and Testing Technology Co.
55	Guangxi Hualing Terminal Co.
56	Shanghai Tianyuan (Group) Co.
57	Shanghai Resin Factory Co.
58	Shanghai Tianyuan Group Shengde Plastic Co.
59	Shanghai Chemical Supply & Marketing Co.
60	Suzhou Tianyuan Logistics Co.
61	Yantai Tianyuan Shengde Material Technology Co.
62	Shanghai Huayi Group Trading Co.
63	Zhejiang Tianyuan Medical Material Co.

Name of Subsidiary	
64	Fujian Huayi Shengde Material Technology Co.
65	Zhejiang Huayi Shengde Material Technology Co.
66	Shanghai Huayi Information Technology Co.
67	Shanghai Huayi New Material Co.
68	Zhejiang Huayu Absorbent Material Co.
69	Shanghai Huayi New Material Chemical Sales Co.
70	Shanghai Huayi Group Finance Co.
71	Huayi Group (Hong Kong) Limited
72	huayi finance i ltd.
73	Huayi Group (Thailand) Co.
74	Huayi Tire Canada LLC
75	Guangxi Huayi New Material Co.

For details of the scope of the consolidated financial statements and changes in the scope of consolidation during the period, please refer to "VI. Changes in the scope of consolidation" and "VII. Interests in other entities" in these notes.

## II. Basis of preparation of the financial statements

### (i) Basis of preparation

The Company operates on a going concern basis and, based on transactions and events that actually occur, in accordance with the "Accounting Standards for Business Enterprises - The Basic Standard and specific accounting standards, guidance on the application of enterprise accounting standards, interpretations of enterprise accounting standards and other relevant regulations (hereinafter collectively referred to as the "Enterprise Accounting Standards"), and the disclosure requirements of the "No. 15 Rules for Information Disclosure and Presentation of Information of Publicly Issued Securities Companies - General Provisions on Financial Reporting" of the Securities and Futures Commission of the People's Republic of China.

### (ii) Going concern

☒Applicable ☐Not applicable

There are no material doubts about the company's ability to continue as a going concern for the 12 months from the end of the reporting period.

## Critical Accounting Policies and Accounting Estimates

Specific Accounting Policies  
and Accounting Estimates

Reminder:

☐Applicable ☒Not Applicable

### (i) Statement of compliance with enterprise accounting standards

The financial statements comply with the requirements of the Enterprise Accounting Standards issued by the Ministry of Finance, and give a true and complete account of the Company's June

2020 financial statements.

Consolidated and parent company financial position as at 30 January 2020 and consolidated and parent company results of operations and cash flows for the period January to June 2020

**(ii) Accounting period**

The fiscal year shall run from 1 January to 31 December of the Gregorian calendar.

**(iii) Business cycle**

☒Applicable ☐Not applicable

The Company's operating cycle is 12 months.

**(iv) Currency of account**

The Company adopts Renminbi (RMB) as its local currency of account.

## **(v) Accounting treatment of business combinations under common control and non-common control**

√Applicable ☐Not applicable

Business combinations under the same control: Assets and liabilities acquired by the combining parties in a business combination are measured at the book value of the assets and liabilities of the party being combined (including goodwill resulting from the acquisition of the party being combined by the ultimate controlling party) in the consolidated financial statements of the ultimate controlling party at the date of the combination. The difference between the book value of net assets acquired in the merger and the book value of the merger consideration paid (or the total nominal value of the shares issued) is adjusted to the equity premium in the capital surplus, and the retained earnings are adjusted to the extent that the equity premium in the capital surplus is not sufficient to eliminate the difference.

Business combination not under the same control: the purchaser measures the assets given, liabilities incurred or assumed as consideration for the business combination at fair value at the date of purchase, and the difference between the fair value and its carrying amount is recognised in profit or loss for the current period. The difference between the cost of the combination and the fair value of the acquiree's identifiable net assets acquired in the combination is recognised as goodwill; the difference between the cost of the combination and the fair value of the acquiree's identifiable net assets acquired in the combination is recognised in profit or loss for the current period.

Directly related costs incurred for the purpose of a business combination are charged to profit or loss when incurred; transaction costs for the issuance of equity or debt securities for the purpose of a business combination are included in the initial recognition amount of the equity or debt securities.

## **(vi) Method of preparation of consolidated financial statements**

√Applicable

☐Not applicable

### **1. Scope of consolidation**

The scope of consolidation of the consolidated financial statements is determined on the basis of control and includes the Company and all subsidiaries.

### **2. Consolidation process**

The Company prepares consolidated financial statements on the basis of its own financial statements and those of its subsidiaries, and on the basis of other relevant information. The Company prepares the consolidated financial statements to reflect the financial position, results of operations and cash flows of the enterprise group as a whole by considering the entire enterprise group as a single accounting entity in accordance with the recognition, measurement and presentation requirements of the relevant accounting standards for business enterprises and in accordance with uniform accounting policies.

All subsidiaries included in the scope of consolidation of the consolidated financial statements adopt accounting policies and accounting periods that are consistent with those of the Company. If the subsidiaries adopt accounting policies and accounting periods that are inconsistent with those of the Company, necessary adjustments are made to the consolidated financial statements in accordance with the Company's accounting policies and accounting periods when preparing the consolidated financial statements. For subsidiaries acquired in a business combination not under the same control, their financial statements are adjusted on the basis of the fair value of the identifiable net assets at the date of purchase. For subsidiaries

acquired in a business combination under the same control, adjustments are made to their financial statements on the basis of the carrying value of their assets and liabilities (including goodwill resulting from the acquisition of the subsidiary by the party ultimately in control) in the financial statements of the party ultimately in control.

The share of minority shareholders in the subsidiary's ownership interest, net profit or loss for the period and comprehensive income for the period are shown separately in the consolidated balance sheet under the item of ownership interest, in the consolidated income statement under the item of net profit and in the consolidated income statement under the item of total comprehensive income, respectively. The balance resulting from the excess of the minority shareholders' share of a subsidiary's loss for the period over the minority shareholders' share of the subsidiary's equity at the beginning of the period is eliminated to reduce the minority shareholders' equity.

(1) Increase in subsidiaries or operations

During the reporting period, if a subsidiary or business is added as a result of a business combination under the same control, the opening balance of the consolidated balance sheet is adjusted; the revenues, expenses, and profits from the beginning to the end of the reporting period of the subsidiary or business combination are included in the consolidated income statement; and the cash flows from the beginning to the end of the reporting period of the subsidiary or business combination are included in the consolidated cash flow statement, and adjustments are made to the relevant items in the comparative statements, as if the consolidated reporting entity has been in existence since the point in time when the ultimate controlling party begins to exercise control.

If the Company is able to exercise control over an investee under the same control due to an additional investment, etc., the parties involved in the merger are deemed to be adjusted as if they had existed in their current state at the time when the ultimate **c o n t r o l l i n g** party began to exercise control. Gains or losses, other comprehensive income and other changes in net assets recognised between the date of acquisition of equity interest and the later of the date on which the consolidating party and the consolidated entity are under the same control and the date of consolidation for equity investments held before the acquisition of control of the consolidated entity are eliminated against opening retained earnings or profit or loss, respectively, in the comparative reporting period.

During the reporting period, if a subsidiary or business is added as a result of a business combination not under the same control, the opening balance of the consolidated balance sheet will not be adjusted; the revenue, expenses and profit of the subsidiary or business from the date of purchase to the end of the reporting period will be included in the consolidated income statement; and the cash flows of the subsidiary or business from the date of purchase to the end of the reporting period will be included in the consolidated cash flow statement.

If the Company is able to exercise control over an investee that is not under the same control due to additional investment, etc., the Company remeasures the equity interest in the acquiree held prior to the date of purchase at the fair value of the equity interest at the date of purchase, and the difference between the fair value and its carrying amount is included in investment income for the current period. The equity interest in the acquiree held prior to the date of purchase relates to other comprehensive income under the equity method of accounting and other changes in owners' equity other than net profit or loss, other comprehensive income and profit appropriation, and other comprehensive income related thereto,

Other changes in owners' equity are transferred to investment income for the period to which the date of purchase belongs, except for other comprehensive income arising from the remeasurement by the investee of changes in net liabilities or net assets of the defined benefit plan.

(2) Disposal of subsidiaries or operations

① General treatment

If the Company disposes of a subsidiary or business during the reporting period, the revenue, expenses and profit of the subsidiary or business from the beginning of the period to the date of disposal are included in the consolidated income statement; and the cash flows of the subsidiary or business from the beginning of the period to the date of disposal are included in the consolidated statement of cash flows.

When control over an investee is lost due to the disposal of a portion of the equity investment or for other reasons, the Company remeasures the remaining equity investment after disposal at its fair value at the date of loss of control. The difference between the sum of the consideration obtained from the disposal and the fair value of the remaining equity interest, less the sum of the share of the original subsidiary's net assets continuously measured from the date of purchase or consolidation based on the original shareholding ratio and goodwill, is included in investment income in the period in which control is lost. Other comprehensive income related to equity investments in the original subsidiaries or changes in owners' equity other than net profit or loss, other comprehensive income and profit appropriation are transferred to investment income in the current period when control is lost, except for other comprehensive income due to remeasurement of net liabilities or changes in net assets of defined benefit plans by the investee.

If the Company's shareholding ratio decreases as a result of an increase in the capital of a subsidiary by another investor, thereby resulting in a loss of control, the accounting treatment shall be in accordance with the above principles.

② Step-by-step disposal of subsidiaries

Where an equity investment in a subsidiary is disposed of in stages through multiple transactions until control is lost, the terms, conditions, and economic effects of each transaction in which the equity investment in the subsidiary is disposed of satisfy one or more of the following conditions, which generally indicate that the multiple transactions should be accounted for as a package:

- i. These transactions are entered into simultaneously or with consideration of the effects of each other;
- ii. It is the totality of these transactions that will lead to a complete business result;
- iii. The occurrence of one transaction is dependent on the occurrence of at least one other transaction;
- iv. A transaction is uneconomical when viewed in isolation, but economical when considered in conjunction with other transactions.

If each of the transactions for the disposal of an equity investment in a subsidiary up to the loss of control is a package transaction, the Company accounts for each transaction as a single transaction for the disposal of a subsidiary and the loss of control; however, the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the investment in each of the transactions up to the loss of control is recognised in the consolidated financial statements as other comprehensive income, and transferred to profit or loss for the period of the loss of control at the same time. and transferred to profit or loss in the period in which control is lost.

If each transaction of disposal of equity investments in subsidiaries until the loss of control is not a package transaction, before the loss of control, it is accounted for in accordance with the policy related to partial disposal of equity investments in subsidiaries without the loss of control, and when the loss of control occurs, it is accounted for in accordance with the general treatment of disposal of subsidiaries.

( 3 ) Purchase of minority interests in subsidiaries

The difference between the newly acquired long-term equity investment by the Company as a result of the purchase of a minority interest and its share of the net assets of the subsidiary calculated on the basis of the newly acquired shareholding on a continuous basis from the date of purchase (or the date of consolidation) is adjusted to the equity premium in the capital surplus in the consolidated balance sheet, and the retained earnings are adjusted to the extent that equity premium in the capital surplus is not sufficient to offset the difference.

( 4 ) Partial disposal of equity investments in subsidiaries without loss of control

The difference between the disposal price obtained from the partial disposal of a long-term equity investment in a subsidiary without loss of control and the corresponding share of the disposal long-term equity investment in the net assets of the subsidiary calculated on a continuous basis from the date of purchase or the date of consolidation is adjusted to the equity premium in capital surplus in the consolidated balance sheet, or to retained earnings if there is insufficient capital surplus to offset the difference.

**(vii) Classification of joint arrangements and accounting treatment of joint operations**

√Applicable ☐Not applicable

Joint venture arrangements are classified as joint operations and joint ventures.

A joint operation is a joint operation when the Company is a joint party to a joint arrangement, enjoys the assets and assumes the liabilities related to the arrangement. The Company recognises the following items related to its share of interest in a joint operation and accounts for them in accordance with the relevant corporate accounting standards

**(c) Counting processing:**

- ( 1 ) Recognition of assets held individually by the Company and of assets held jointly in proportion to the Company's share;
- ( 2 ) Recognition of liabilities borne individually by the Company and recognition of liabilities borne jointly in the Company's share;
- ( 3 ) Recognise revenue from the sale of the Company's share of common operating output;
- ( 4 ) Revenue from joint operations arising from the sale of output is recognised at the Company's share;
- ( 5 ) Recognition of expenses incurred separately and expenses incurred in joint operations based on the Company's share.

The Company's accounting policy for investments in joint ventures is set out in "III. (XXI) Long-term equity investments" in this note.

**(viii) Criteria for determining cash and cash equivalents**

In preparing the statement of cash flows, the Company's cash on hand and deposits readily available for payment are recognised as cash. Investments that simultaneously meet the four conditions of short maturity (maturing within three months from the date of purchase), high liquidity, are readily convertible to known cash, and are subject to an insignificant risk of changes in value are identified as cash equivalents.

**(ix) Foreign currency operations and translation of foreign currency statements**

✓ Applicable ☐

Not applicable **1.**

**Foreign  
currency  
operations**

Foreign currency operations are recorded using the spot exchange rate at the date of the transaction as the translation rate to convert the foreign currency amount into RMB.

Balances of monetary items denominated in foreign currencies at the balance sheet date are translated at the spot exchange rate at the balance sheet date, and the resulting exchange differences are included in profit or loss for the current period, except for exchange differences arising from specialised borrowings in foreign currencies relating to the acquisition and construction of assets eligible for capitalisation, which are dealt with in accordance with the principle of capitalisation of borrowing costs.

**2. Translation of foreign currency financial statements**

Assets and liabilities in the balance sheet are translated using the spot exchange rate at the balance sheet date; items of owners' equity are translated using the spot exchange rate at the time of occurrence, except for the item "undistributed profits". Income and expense items in the income statement are translated using the spot exchange rate at the date of the transaction.

Upon disposal of a foreign operation, the difference in translation of the financial statements of the foreign currency relating to that foreign operation is transferred from the owner's equity line to profit or loss in the period of disposal.

**(x) Financial instruments**

✓ Applicable ☐ Not applicable

Financial instruments include financial assets, financial liabilities and equity instruments. **1.**

**Classification of financial instruments**

Based on the Company's business model for managing financial assets and the contractual cash flow characteristics of financial assets, financial assets are classified on initial recognition as follows: financial assets at amortised cost, financial assets at fair value through other comprehensive income (debt instruments) and financial assets at fair value through profit or loss.

Financial assets with a business model whose objective is to collect the contractual cash flows and whose contractual cash flows are solely payments of principal and interest on the principal outstanding are classified as financial assets carried at amortised cost; financial assets with a business model whose objective is both to collect the contractual cash flows and to sell the financial assets and whose contractual cash flows are solely payments of principal and interest on the principal outstanding are classified as financial assets (debt instruments) at fair value



through other comprehensive income; otherwise, other financial assets are classified as financial assets at fair value through profit or loss. Financial assets at fair value through other comprehensive income (debt instruments); all other financial assets are classified as financial assets at fair value through profit or loss.

For investments in non-trading equity instruments, the Company determines at initial recognition whether to designate them as financial assets at fair value through other comprehensive income (equity instruments).

Financial liabilities are classified on initial recognition as: financial liabilities at fair value through profit or loss and financial liabilities at amortised cost.

## **2. Basis of recognition and measurement of financial instruments**

### **( 1 ) Financial assets measured at amortised cost**

Financial assets carried at amortised cost, including notes receivable, accounts receivable, other receivables, long-term receivables and debt investments, are initially measured at fair value, with the related transaction costs included in the amount initially recognised; accounts receivable that do not contain a significant financing component and those for which the Company has decided to disregard a financing component of no more than one year are initially measured at the contractual transaction price.

Interest calculated using the effective interest method during the holding period is recognised in profit or loss.

Upon recovery or disposal, the difference between the price obtained and the carrying amount of the financial asset is recognised in profit or loss.

( 2 ) Financial assets at fair value through other comprehensive income (debt instruments)

Financial assets (debt instruments) measured at fair value through other comprehensive income, including receivables financing and other debt investments, are initially measured at fair value, with the related transaction costs included in the initial recognition amount. The financial assets are subsequently measured at fair value, and changes in fair value are included in other comprehensive income, except for interest calculated using the effective interest rate method, impairment losses or gains and exchange gains or losses.

On derecognition, the cumulative gain or loss previously included in other comprehensive income is transferred out of other comprehensive income and recognised in profit or loss for the period.

( 3 ) Financial assets at fair value through other comprehensive income (equity instruments)

Financial assets (equity instruments) at fair value through other comprehensive income, including investments in other equity instruments, are initially measured at fair value, with the related transaction costs included in the initial recognition amount. The financial assets are subsequently measured at fair value, with changes in fair value recognised in other comprehensive income. Dividends received are recognised in profit or loss.

On derecognition, the cumulative gain or loss previously included in other comprehensive income is transferred from other comprehensive income to retained earnings.

( 4 ) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include trading financial assets, derivative financial assets and other non-current financial assets, etc., which are initially measured at fair value, and the related transaction costs are recognised in profit or loss. The financial assets are subsequently measured at fair value, with changes in fair value recognised in profit or loss for the current period.

( 5 ) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and derivative financial liabilities, etc., which are initially measured at fair value, and the related transaction costs are recognised in profit or loss. The financial liabilities are subsequently measured at fair value, with changes in fair value recognised in profit or loss.

On derecognition, the difference between its carrying amount and the consideration paid is recognised in profit or loss.

( 6 ) Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost, including short-term loans, notes payable, accounts payable, other payables, long-term loans, bonds payable and long-term payables, are initially measured at fair value, with related transaction costs included in the initial recognition amount.

Interest calculated using the effective interest method during the holding period is recognised in profit or loss.

On derecognition, the difference between the consideration paid and the carrying amount of the financial liability is recognised in profit or loss.

### 3. Basis of recognition and measurement of transfers of financial assets

When a company transfers a financial asset, it derecognises the financial asset if it has transferred substantially all the risks and rewards of ownership of the financial asset to the transferor, and does not derecognise the financial asset if it has retained substantially all the risks and rewards of ownership of the financial asset.

In determining whether a transfer of financial assets meets the above conditions for derecognition of financial assets, the principle of substance over form is applied. The Company distinguishes between a transfer of financial assets as a whole and a transfer of financial assets in part. The transfer of financial assets as a whole meets the conditions for derecognition.

If the conditions are met, the difference between the following two amounts is recognised in profit or loss for the period:

- ( 1 ) Carrying value of financial assets transferred;
- ( 2 ) The sum of the consideration received as a result of the transfer and the cumulative amount of changes in fair value that would have been recognised directly in owners' equity (financial assets involved in the transfer are financial assets (debt instruments) at fair value through other comprehensive income).

If a partial transfer of a financial asset satisfies the conditions for derecognition, the carrying amount of the transferred financial asset as a whole is apportioned between the derecognised portion and the non-derecognised portion in accordance with their respective relative fair values, and the difference between the two amounts listed below is recognised in profit or loss for the current period:

- ( 1 ) The carrying value of the derecognition component;
- ( 2 ) The sum of the derecognition portion of the consideration and the amount corresponding to the derecognition portion of the cumulative amount of changes in fair value that would have been recognised directly in owner's equity (the financial assets involved in the transfer are financial assets at fair value through other comprehensive income (debt instruments)).

If the transfer of a financial asset does not satisfy the conditions for derecognition, the financial asset continues to be recognised and the consideration received is recognised as a financial liability.

#### **4. Conditions for derecognition of financial liabilities**

A financial liability or a portion of a financial liability is derecognised when the present obligation of the financial liability has been discharged in whole or in part. If the Company enters into an agreement with a creditor to replace an existing financial liability by assuming a new financial liability and the contractual terms of the new financial liability are substantially different from those of the existing financial liability, the Company derecognises the existing financial liability and recognises the new financial liability at the same time.

A material modification of all or part of the contractual terms of an existing financial liability derecognises the existing financial liability or a portion of it and recognises the modified terms as a new financial liability.

When a financial liability is derecognised in whole or in part, the difference between the carrying amount of the financial liability derecognised and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) is recognised in profit or loss.

If the Company repurchases a portion of a financial liability, the carrying amount of the financial liability as a whole is allocated between the continuing and derecognised portions based on their relative fair values at the date of repurchase. The difference between the carrying amount allocated to the derecognised portion and the consideration paid, including the non-cash assets transferred or new financial liabilities assumed, is recognized in profit or loss.

#### **5. Methods of determining the fair value of financial assets and financial liabilities**

The fair value of financial instruments for which an active market exists is determined using quoted prices in an active market. For financial instruments for which no active market exists, valuation techniques are used to determine fair value. At the time of valuation, the Company selects inputs that are consistent with the characteristics of the asset or liability that would be considered by a market participant in a transaction for the underlying asset or liability, using valuation techniques that are appropriate in the circumstances and are supported by sufficient available data and other information, and gives preference to the use of relevant observable inputs. Unobservable inputs are used only if the relevant observable inputs are not available or practicable to obtain.

#### **6. Test methods and accounting treatment for impairment of financial assets**

The Company estimates expected credit losses on financial assets measured at amortised cost and financial assets at fair value through other comprehensive income (debt instruments), either individually or in combination, taking into account all reasonable and supportable information, including forward-looking information. The measurement of expected credit losses depends on whether a significant increase in credit risk has occurred in the financial asset since initial recognition.

If the credit risk of a financial instrument has increased significantly since initial recognition, the Company measures the allowance for losses at an amount equal to the expected credit losses over the entire life of the financial instrument; if the credit risk of a financial instrument has not increased significantly since initial recognition, the Company measures the allowance for losses at an amount equal to the expected credit losses over the next 12 months. The resulting increase or reversal of the allowance for losses is recognised as an impairment loss or gain in profit or loss.

Generally, the Company considers that the credit risk of a financial instrument has increased significantly when it is past due for more than 30 days, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since the initial recognition.

If the credit risk of a financial instrument is low at the balance sheet date, the Company considers that the credit risk of the financial instrument has not increased significantly since initial recognition.

If there is objective evidence that a financial asset is impaired for credit purposes, the

Company makes a provision for impairment of the financial asset on an individual basis.

Methods of determining credit losses for each type of financial asset:

( 1 ) notes receivable

For notes receivable, whether or not they contain a significant financing component, the Company always measures its allowance for losses at an amount equal to the expected credit losses over the entire duration.

Notes receivable are classified into different portfolios based on their credit risk characteristics:

Portfolio Name	Basis for determining the portfolio
Notes receivable portfolio 1	banker's acceptance
Notes receivable portfolio 2	commercial promissory note

( 2 ) accounts receivable

For accounts receivable, whether or not they contain a significant financing component, the Company always measures its allowance for losses at an amount equal to the expected credit losses over the entire duration.

Except for receivables that are individually assessed for credit risk, they are classified into different portfolios based on their credit risk characteristics.

Portfolio Name	Basis for determining the portfolio
Accounts receivable portfolio 1	Credit risk characteristics

( 3 ) Other receivables

The Company measures impairment losses based on whether the credit risk of other receivables has increased significantly since initial recognition, using an amount equal to the expected credit losses within the next 12 months, or over the entire duration.

Except for receivables that are individually assessed for credit risk, they are classified into different portfolios based on their credit risk characteristics.

Portfolio Name	Basis for determining the portfolio
Other receivables portfolio 1	External receivables
Other receivables portfolio 2	Transactions within the scope of the consolidated statements

(xi) Notes receivable

Method of determining and accounting for expected credit losses on notes receivable

☐Applicable ☒Not Applicable

(xii) Accounts receivable

Methods of determining and accounting for expected credit losses on accounts receivable

☐Applicable ☒Not Applicable

(xiii) Receivables financing

☐Applicable ☒Not Applicable

(xiv) Other receivables

Method of determining and accounting for expected credit losses on other receivables

☐Applicable ☒Not Applicable

(xv) Inventories

☒ Applicable ☐

Not applicable 1.

**Classification  
of inventories**

Inventories are classified as materials in transit, raw materials, working capital materials, inventory goods, products in process, finished goods, development costs, development products, and commissioned materials.

**2. Method of valuation of inventories issued**

Inventories are valued on a first-in, first-out (FIFO) weighted average basis when issued.

**3. Basis for determining the net realisable value of different categories of inventories**

The net realisable value of inventories of goods directly for sale, such as finished goods, goods in stock and materials for sale, is determined in the normal course of production and operation by the estimated selling price of the inventories, less estimated selling expenses and related taxes; inventories of materials to be processed are determined in the normal course of production and operation by the estimated selling price of the finished goods produced, less estimated costs to be incurred up to the time of completion, The net realisable value of inventories held for the purpose of executing a sales contract or a labour contract is calculated

on the basis of the contract price. If the quantity of inventories held exceeds the quantity ordered under the sales contract, the net realisable value of the excess inventory is calculated on the basis of the normal selling price.

Provision for inventory write-downs is made at the end of the period on the basis of individual inventory items; however, provision for inventory write-downs is made on the basis of inventory categories for inventories with large quantities and low unit prices; and provision for inventory write-downs is made on a consolidated basis for inventories that are related to a line of products that are produced and sold in the same region, that have the same or similar end-use or purpose, and that are difficult to measure separately from other items.

The net realisable value of inventory items is determined on the basis of market prices at the balance sheet date, except where there is clear evidence of an abnormality in market prices at the balance sheet date.

The net realisable value of inventory items at the end of the period is determined on the basis of market prices at the balance sheet date.

#### **4. Inventory**

system A  
perpetual  
inventory system  
is used.

#### **5. Methods of amortisation of low value consumables and packing materials**

- ( 1 ) The lump sum write-off method is used for low value consumables;
- ( 2 ) Packaging is done using the one-time resale method.

#### **(xvi) Contract assets**

##### **Accounting policies from 1**

##### **January 2020 1. Methods and criteria for recognition of contract assets**

☒Applicable ☐Not applicable

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the fulfilment of performance obligations and payments from customers. The right to receive consideration for goods or services that the Company has transferred to the customer (and which is dependent on factors other than the passage of time) is shown as a contract asset. Contract assets and contract liabilities under the same contract are presented on a net basis. The Company's unconditional right (which depends only on the passage of time) to receive consideration from customers is presented separately as receivables.

#### **2. Methods of determining and accounting for expected credit losses on contract assets**

☒Applicable ☐Not applicable

For details of the method of determining expected credit losses on contract assets and the accounting treatment, please refer to Note "III (X) 6. Methods of testing and accounting for impairment of financial assets".

#### **(xvii) Assets held for sale**

☒Applicable ☐Not applicable

The Company classifies non-current assets or disposal groups as held for sale if they simultaneously meet the following conditions:

- ( 1 ) In accordance with the practice for the sale of such assets or disposal groups in similar transactions, immediate sale is possible in the current situation;
- ( 2 ) It is highly probable that the sale will occur, i.e., the Company has resolved on a plan of sale and has obtained a firm commitment to purchase, and it is expected that the sale will be completed within one year. Where the relevant regulations require the approval of the Company's relevant authority or regulator before the sale can take place, such approval has been obtained.

#### **(xviii) Debt investments**

##### **Method of determining and accounting for expected credit losses on debt investments**

☐Applicable ☒Not Applicable

#### **(xix) Other debt investments**

##### **Method of determining expected credit losses and accounting treatment of other debt**



**investments**

☐Applicable ☒Not Applicable

**(xx) Long-term receivables**

**Method of determining and accounting for expected credit losses on long-term receivables**

☐Applicable ☒Not Applicable

## **(xxi) Long-term equity investments**

√Applicable □Not applicable

### **1. Criteria for determining joint control and significant influence**

Joint control is control that is shared over an arrangement in accordance with the relevant agreement, and the relevant activities of the arrangement must be agreed upon by the participants sharing control before decisions can be made. Where the Company, together with other joint venturers, exercises joint control over an investee and has rights to the net assets of the investee, the investee is a joint venture of the Company.

Significant influence means having the power to participate in decision-making with respect to the financial and operating decisions of an enterprise, but not being able to control, or jointly control with other parties, the formulation of those policies. Where the Company is able to exercise significant influence over an investee, the investee is an associate of the Company.

### **2. Determination of initial investment cost**

#### **( 1 ) Long-term equity investments resulting from business combinations**

Business combinations under the same control: If the company pays cash, transfers non-cash assets or assumes liabilities and issues equity securities as consideration for the combination, the initial investment cost of a long-term equity investment is determined at the date of the combination on the basis of the company's share of the book value of the equity in the net assets of the party to be combined in the consolidated financial statements of the party that will ultimately control the company. If the investee unit under the same control can be controlled due to additional investment or other reasons, the initial investment cost of the long-term equity investment is determined at the date of consolidation based on the share of the book value of the net assets of the consolidated party in the consolidated financial statements of the party ultimately controlling the consolidated party after the consolidation. The difference between the initial investment cost of the long-term equity investment at the date of consolidation and the sum of the book value of the long-term equity investment before reaching consolidation plus the book value of the new consideration paid for the further acquisition of shares at the date of consolidation is adjusted for equity premium, and if equity premium is not sufficient to be eliminated, it is eliminated against retained earnings.

Business combinations not under the same control: The Company uses the cost of the combination determined at the date of purchase as the initial investment cost of the long-term equity investment.

Cost. If an investee that is not under common control can be controlled by additional investment, the initial investment cost under the cost method shall be the sum of the carrying amount of the original equity investment and the cost of the additional investment.

#### **( 2 ) Long-term equity investments acquired otherwise**

Long-term equity investments acquired with cash payments are recognised at initial investment cost based on the actual purchase price paid.

Long-term equity investments acquired through the issuance of equity securities are recognised at initial investment cost based on the fair value of the equity securities issued. When the exchange of non-monetary assets has commercial substance and the fair value of the exchanged assets or exchanged assets can be measured reliably, the initial investment cost is calculated as the fair value of the exchanged assets or exchanged assets.

Measured on the basis of fair value. If the fair value of both the exchanged assets and the exchanged assets can be measured reliably, the fair value of the exchanged assets and the related tax payable shall be used as the initial investment cost of the exchanged long-term equity investment, unless there is conclusive evidence that the fair value of the exchanged assets is more reliable. If the exchange of non-monetary assets does not have commercial substance or the fair value of both the exchanged assets and the exchanged assets cannot be reliably

measured, the initial investment cost of the long-term equity investment exchanged is the book value of the exchanged assets and the related taxes and fees payable.

Long-term equity investments acquired through debt restructuring are recorded at the fair value of the claims relinquished and other costs directly attributable to the assets, such as taxes, and the difference between the fair value of the claims relinquished and the carrying amount is recognised in profit or loss for the current period.

### **3. Subsequent measurement and profit or loss recognition methods**

#### **(1) Long-term equity investments accounted for under the cost method**

The Company's long-term equity investments in subsidiaries are accounted for using the cost method. Except for cash dividends or profits declared but not yet paid, which are included in the price or consideration actually paid when the investment is acquired, the Company recognises current investment income based on its entitlement to cash dividends or profits declared by the investee.

#### **(2) Long-term equity investments accounted for under the equity method**

Long-term equity investments in associates and joint ventures are accounted for using the equity method. The initial investment cost of long-term equity investments is not adjusted if the initial investment cost is greater than the fair value of the investee's share of the investee's identifiable net assets at the time of investment; the difference between the initial investment cost and the fair value of the investee's share of the investee's identifiable net assets at the time of investment is recognised in profit or loss for the period.

The Company recognises investment income and other comprehensive income in accordance with its share of net profit or loss and other comprehensive income realised by the investee and adjusts the carrying value of the long-term equity investment at the same time; the carrying value of the long-term equity investment is reduced accordingly by the portion of profit or cash dividends declared by the investee; and the carrying value of the long-term equity investment is adjusted and credited to the owner's equity for other changes in the owner's equity of the investee except for net profit or loss, other comprehensive income and distribution of profit. For other changes in the investee's equity other than net profit or loss, other comprehensive income and profit distribution, the carrying value of the long-term equity investment shall be adjusted and credited to the owner's equity.

The recognition of the share of net profit or loss of the investee is based on the fair value of the identifiable net assets of the investee at the time of acquisition of the investment, adjusted for the net profit of the investee in accordance with the Company's accounting policies and accounting periods. If the investee prepares consolidated financial statements during the period in which the investment is held, it is accounted for on the basis of the amounts attributable to the investee in the consolidated financial statements in net profit, other comprehensive income and other changes in equity of the owner.

Unrealised gains or losses on internal transactions between the Company and its associates and joint ventures are offset against the portion attributable to the Company in proportion to its entitlement, and investment income is recognised on this basis. Unrealised losses on internal transactions with investees are recognised in full if they are attributable to asset impairment losses. Transactions between the Company and its associates or joint ventures in which assets are invested or sold and the assets constitute a business are accounted for in accordance with the relevant policies disclosed in "III(E) Accounting for business combinations under the same control and not under the same control" and "III. (F) Preparation of consolidated financial statements " for accounting treatment in accordance with the relevant policies disclosed in these notes.

When the Company recognises its share of losses incurred by an investee, the following order of treatment is followed: first, the carrying value of the long-term equity investment is reduced. Second, if the carrying value of the long-term equity investment is not sufficient to be eliminated, the Company continues to recognise investment losses to the extent of the carrying value of other long-term equity interests that constitute, in substance, its net investment in the investee, and eliminates the carrying value of long-term receivables and other items. Finally, if, after the above treatment, the enterprise still assumes additional obligations in accordance with the investment contract or agreement, a projected liability is recognised for the obligations expected to be assumed, which is included in investment loss for the current period.

( 3 ) Disposal of long-term equity investments

On disposal of long-term equity investments, the difference between the carrying amount and the actual acquisition price is recognised in profit or loss for the period.

When a long-term equity investment accounted for by the equity method is disposed of, the investment is accounted for using the same basis as that used for the direct disposal of the related assets or liabilities by the investee, with a corresponding proportion of the portion originally included in other comprehensive income. Ownership interests recognised as a result of changes in the investee's ownership interests other than net profit or loss, other comprehensive income and profit distribution are carried forward to profit or loss on a pro rata basis, with the exception of other comprehensive income arising from the remeasurement of the investee's net liabilities or changes in the net assets of the defined benefit plan.

If common control or significant influence over an investee is lost due to the disposal of a portion of the equity investment, etc., the remaining equity after disposal is accounted for in accordance with the Guidelines for the Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount at the date of the loss of common control or significant influence is recognised in the current period's profit or loss. Other comprehensive income recognised as a result of the adoption of the equity method of accounting for the original equity investment is accounted for on the same basis as the direct disposal of the related assets or liabilities by the investee upon termination of the equity method of accounting. Ownership interests recognised as a result of changes in the investee's ownership interests other than net profit or loss, other comprehensive income and profit distribution are fully transferred to current profit or loss on the termination of the equity method of accounting.

If the Company loses control over an investee due to the disposal of part of the equity investment or a decrease in the proportion of shares held by the Company as a result of an increase in the capital of a subsidiary by another investor, the remaining equity interest shall be accounted for under the equity method of accounting in the preparation of the individual financial

statements if the equity interest is capable of exercising joint control or significant influence over the investee, and the remaining equity interest shall be adjusted as if it were accounted for under the equity method of accounting at the time of its acquisition; if the equity interest cannot exercise joint control or significant influence over the investee, the difference between its fair value and its carrying value at the date of loss of control shall be recognised in profit or loss for the current period. If the remaining equity interest cannot exercise joint control or significant influence over the investee, the accounting treatment shall be changed in accordance with the relevant provisions of the Guidelines on the Recognition and Measurement of Financial Instruments, and the difference between the fair value and the book value at the date of loss of control shall be recognised in profit or loss for the current period.

If the equity interests disposed of were acquired through a business combination, for example, as a result of an additional investment, in preparing the individual financial statements, if the remaining equity interests disposed of are accounted for using the cost method or the equity method, the other comprehensive income and other owners' equity recognised as a result of using the equity method for equity investments held prior to the date of purchase are carried forward on a pro rata basis; if the remaining equity interests disposed of are reclassified to be accounted for in accordance with the Guidelines for the Recognition and Measurement of Financial Instruments. Other comprehensive income and other owners' equity are carried forward in full.

## **(xxii) Investment property**

### **1. If the depreciation or amortisation method of the cost measurement model is used**

Investment property is property held to earn rentals or for capital appreciation, or both, and includes land use rights that are leased out, land use rights that are held with the intention of transferring them after they have increased in value, and buildings that are leased out (including those that are leased out after completion of self-construction or development activities, and those that are to be leased out in the course of construction or development).

The Company measures its existing investment properties using the cost model. Investment properties measured under the cost model - buildings for rental use - are subject to the same depreciation policy as the Company's fixed assets, and land use rights for rental use are subject to the same amortisation policy as intangible assets.

(xxiii) Fixed  
assets 1.  
Conditions of  
recognition

✓Applicable □Not applicable

Fixed assets are tangible assets that are held for use in the production of goods, the provision of services, rental or management and have a useful life of more than one fiscal year. Fixed assets are recognised when the following conditions are simultaneously met:

- (1) It is probable that the economic benefits associated with the fixed asset will flow to the enterprise;
- (2) The cost of the fixed asset can be measured reliably.

2. Depreciation methods

✓Applicable □Not applicable

Depreciation of fixed assets is provided on a classified basis using the average annual depreciation method, whereby depreciation rates are determined according to the category of fixed assets, their estimated useful lives and estimated net residual value rates. If the components of fixed assets have different useful lives or provide economic benefits to the enterprise in different ways, different depreciation rates or depreciation methods are selected and depreciated separately.

For fixed assets leased under finance leases, if it is reasonably certain that ownership of the leased asset will be obtained at the end of the lease term, depreciation is provided over the remaining useful life of the leased asset; if it is not reasonably certain that ownership of the leased asset will be obtained at the end of the lease term, depreciation is provided over the shorter of the lease term and the remaining useful life of the leased asset.

The depreciation methods, depreciable lives, residual values and annual depreciation rates for

form each class of fixed assets are as follows	Depreciation method	Depreciable life (years)	salvage rate	Annual depreciation rate
Houses and buildings	life-cycle averaging (LCA)	10-50	3-10 per cent	9.70 per cent-1.80 per cent
Specialised equipment	life-cycle averaging (LCA)	10-20	3-10 per cent	9.70 per cent-4.50 per cent
General equipment	life-cycle averaging (LCA)	5-15	3-10 per cent	19.40 per cent-6.00 per cent
Basis of recognition, valuation and depreciation of fixed assets under finance leases				
Assets leased under finance leases are recognised if one of the following conditions is stipulated in the terms of the lease agreement signed between the Company and the lessor:				
Transport equipment	life-cycle averaging (LCA)	5-10	3-10 per cent	19.40 per cent-9.00 per cent
Other equipment	life-cycle averaging (LCA)	5	3-10 per cent	19.40 per cent
(1) The ownership of the leased assets is vested in the Company at the end of the lease term;				
(2) The Company has an option to purchase an asset for a purchase price that is substantially less than the fair value of the asset at the time the option is exercised;				
(3) The lease term represents the majority of the useful life of the asset leased;				
(4) The present value of the minimum lease payments at the commencement date of the lease is not materially different from the fair value of the asset.				

At the commencement date of the lease, the Company records the lower of the fair value of the leased asset or the present value of the minimum lease payments as the value of the leased asset and the minimum lease payments as the value of the long-term payable, with the difference recorded as unrecognised finance charges.

**(xxiv) Construction in progress**

√Applicable ☐Not applicable

Construction-in-progress projects are recognised as fixed assets on the basis of the necessary expenditures incurred before the asset is constructed and brought to its intended state of use. If the fixed assets under construction have reached the intended state of use, but the final accounts have not yet been finalised, the fixed assets shall be transferred to the fixed assets at the estimated value according to the project budget, construction cost or actual cost of the project from the date of reaching the intended state of use, and depreciation of fixed assets shall be provided in accordance with the Company's policy on depreciation of fixed assets, and then the provisional value shall be adjusted in accordance with the actual cost upon finalisation of the final accounts, but the amount of depreciation originally provided for shall not be adjusted. Adjustment of the depreciation originally provided for.

## **(xxv) Borrowing costs**

√Applicable □Not applicable

### **1. Principles for recognition of capitalisation of borrowing costs**

Borrowing costs, including interest on borrowings, amortisation of discounts or premiums, ancillary costs and exchange differences incurred on foreign currency borrowings.

Borrowing costs incurred by the Company that are directly attributable to the acquisition, construction or production of assets eligible for capitalisation are capitalised and included in the cost of the relevant assets; other borrowing costs are recognised as an expense when incurred, based on the amount incurred, and are included in profit or loss for the current period.

Assets eligible for capitalisation are fixed assets, investment properties and inventories that require a significant period of time to complete before they reach their intended use or saleable condition, such as construction or production activities.

Capitalisation of borrowing costs begins when the following conditions are simultaneously met:

(1) Expenditure on assets has been incurred and expenditure on assets includes expenditure incurred in the form of cash payments, transfer of non-cash assets or assumption of interest-bearing liabilities for the purpose of acquiring or producing assets that qualify for capitalisation;

(2) Borrowing costs have been incurred;

(3) Acquisition or production activities necessary to bring the asset to its intended use or marketable condition have begun.

### **2. Period in which borrowing costs are capitalised**

Capitalisation period means the period from the point at which capitalisation of borrowing costs commences to the point at which capitalisation ceases, excluding the period during which capitalisation of borrowing costs is suspended.

Capitalisation of borrowing costs ceases when the acquisition or production of assets eligible for capitalisation reaches their intended use or saleable condition.

Capitalisation of borrowing costs on assets eligible for capitalisation ceases when some of the items in the acquisition or production of the assets are completed separately and can be used individually.

Capitalisation of borrowing costs ceases when the parts of an asset acquired or produced are completed separately, but the asset must be completed as a whole before it can be used or sold to the public, and when the asset is completed as a whole.

### **3. Period of suspension of capitalisation**

The capitalisation of borrowing costs is suspended if there is an abnormal interruption in the acquisition or production of assets eligible for capitalisation for more than three consecutive months; if the interruption is necessary for the acquisition or production of assets eligible for capitalisation to reach their intended useable or saleable condition, the borrowing costs continue to be capitalised. Borrowing costs incurred during the interruption period are recognised in profit or loss for the current period until the construction or production of the asset recommences and the borrowing costs continue to be capitalised.

### **4. Calculation of the capitalisation rate and amount of capitalisation of borrowing costs**

For specialised borrowings for the purpose of purchasing, constructing or producing assets eligible for capitalisation, the amount of borrowing costs capitalised is determined by the actual borrowing costs incurred during the period of the specialised borrowings, less the amount of interest income earned on the unused borrowed funds deposited in the bank or the amount of investment income earned on the temporary investment.

For general borrowings taken up for the acquisition or production of assets eligible for



capitalisation, the amount of borrowing costs to be capitalised in respect of general borrowings is calculated on the basis of the weighted average number of asset expenditures in excess of the portion of cumulative asset expenditures in excess of specialised borrowings multiplied by the capitalisation rate of the general borrowings taken up. The capitalisation rate is determined based on the weighted average interest rate of general borrowings.

**(xxvi) Biological assets**

☐Applicable ☒Not Applicable

**(xxvii) Oil and gas assets**

☐Applicable ☒Not Applicable

**(xxviii) Right-of-use assets**

☐Applicable ☒Not Applicable

## **(xxix) Intangible assets**

### **Valuation method, useful life, impairment testing**

√Applicable □Not applicable

#### **1. Method of valuation of intangible assets**

( 1 ) Intangible assets are initially measured at cost when acquired by the Company;

The cost of an acquired intangible asset consists of the purchase price, related taxes and other expenses directly attributable to bringing the asset to its intended use. If the purchase price of an intangible asset is deferred beyond normal credit terms and is substantially in the nature of financing, the cost of the intangible asset is determined on the basis of the present value of the purchase price.

Intangible assets acquired in debt restructuring that are used by the debtor to offset a debt are recorded at the fair value of the relinquished claim and other costs directly attributable to bringing the asset to its intended use, and the difference between the fair value of the relinquished claim and its carrying amount is recognised in profit or loss for the current period.

Non-monetary asset exchanges are measured at fair value when they have commercial substance and the fair value of the assets exchanged or exchanged can be measured reliably. If the fair value of both the exchanged assets and the exchanged assets can be measured reliably, for the exchanged intangible assets, the fair value of the exchanged assets and the related taxes payable are used as the initial investment cost of the exchanged intangible assets, unless there is conclusive evidence that the fair value of the exchanged assets is more reliable. If the exchange of non-monetary assets does not have commercial substance, or the fair value of both the exchanged assets and the exchanged assets cannot be measured reliably, the carrying value of the exchanged assets and related taxes payable are used as the initial investment cost of the exchanged intangible assets.

( 2 ) Follow-up measurement

Intangible assets are analysed at the time of acquisition to determine their useful lives.

Intangible assets with finite useful lives are amortised on a straight-line basis over the period of time over which they will bring economic benefits to the enterprise; if the period over which the intangible asset will bring economic benefits to the enterprise cannot be foreseen, it is considered to be an intangible asset with an indefinite useful life and is not amortised.

#### **2. Estimated useful lives of intangible assets with finite useful lives**

sports event	Expected service life	gauge
land use right	50-60 years	Years indicated on land certificates
trademark right	10-20 years	benefit period
Financial software, specialised technology, etc.	5 years	benefit period
industrial property	10 years	benefit period

### **Accounting policy for internal research and development expenditure**

√Applicable □Not applicable

#### **1. Specific criteria for delineating the research and development phases**

Expenditure on in-house research and development projects is categorised into research phase expenditure and development phase expenditure.

Research stage: The stage of original and planned investigation and research activities to acquire and understand new scientific or technological knowledge, etc.

Development phase: The phase of activity in which research results or other knowledge are applied to a programme or design to produce new or substantially improved materials, devices, products, etc., prior to commercial production or use.

## **2. Specific conditions for capitalisation of development phase expenditure**

Expenditure in the development phase of an internal research and development project is recognised as an intangible asset when the following conditions are simultaneously met:

- ( 1 ) It is technically feasible to complete the intangible asset so that it can be used or sold;
- ( 2 ) There is an intention to complete the intangible asset and use or sell it;
- ( 3 ) The manner in which an intangible asset generates economic benefits, including the ability to demonstrate the existence of a market for the product produced using the intangible asset or the existence of a market for the intangible asset itself, and the ability to demonstrate the usefulness of the intangible asset if it is to be used internally;
- ( 4 ) have sufficient technical, financial and other resource support to complete the development of the intangible asset and the ability to use or sell the intangible asset;
- ( 5 ) Expenditure attributable to the development phase of the intangible asset can be measured reliably.

Expenditure in the development phase that does not fulfil the conditions listed above is recognised in profit or loss when incurred. Research expenditures are charged to profit or loss when incurred.

### **(xxx) Impairment of long-lived assets**

✓Applicable ☐Not applicable

Long-lived assets such as long-term equity investments, investment properties measured using the cost model, property, plant and equipment, construction in progress and intangible assets with finite useful lives are tested for impairment if there is any indication of impairment at the balance sheet date. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment is made and an impairment loss is recognised for the difference. The recoverable amount is the higher of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows. Provision for asset impairment is calculated and recognised on an individual asset basis. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group is determined using the asset group to which the asset belongs. An asset group is the smallest group of assets that can generate cash inflows independently.

Goodwill, intangible assets with indefinite useful lives, and intangible assets that have not yet reached their useable condition are tested for impairment at least annually at the end of each year.

The Company performs goodwill impairment testing by apportioning the carrying value of goodwill arising from a business combination to the relevant asset group in a reasonable manner from the date of purchase; if it is difficult to apportion the goodwill to the relevant asset group, the goodwill is apportioned to a combination of the relevant asset groups. In apportioning the carrying value of goodwill, the Company apportions the goodwill based on the relative benefits that the relevant asset group or combination of asset groups can obtain from the synergies of the business combination, and performs the goodwill impairment test on this basis.

When performing the impairment test for relevant asset groups or combinations of asset groups that contain goodwill, if there is an indication of impairment for the asset groups or combinations of asset groups related to goodwill, an impairment test is first performed for the asset groups or combinations of asset groups that do not contain goodwill, the recoverable amount is calculated and compared with the relevant carrying amount, and a corresponding impairment loss is recognised. An impairment test is then performed on the asset group or combination of asset groups that contain goodwill by comparing the carrying amount of the relevant asset group or combination of asset groups (including the portion of the carrying amount of the goodwill apportioned to the asset group) with its recoverable amount, and an impairment loss is recognised for goodwill if the recoverable amount of the relevant asset group or combination of asset groups is less than its carrying amount. Once recognised, the above asset impairment loss is not reversed in subsequent accounting periods.

### **(xxxii) Long-term amortised expenses**

✓Applicable ☐Not applicable

Long-term amortised expenses are expenses that have been incurred but are to be borne by the current and future periods and are spread over a period of more than one year. **1.**

#### **Method of amortisation**

Long-term amortised expenses are amortised equally over the period of benefit

#### **2. Amortisation period**

The amortisation period is based on the period of benefit if there is a defined benefit period, and is spread over five years if there is no defined benefit period.

### **(xxxiii) Contractual liabilities**

#### **1. Method of recognition of contract liabilities**

√Applicable ☐Not applicable

**Accounting policies from 1 January 2020**

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the fulfilment of performance obligations and payments from customers. The Company's obligation to transfer goods or provide services to customers for consideration received or receivable from customers is presented as a contract liability. Contract assets and contract liabilities under the same contract are presented on a net basis.

**(xxxiii) Employee remuneration**

**1. Accounting treatment of short-term remuneration**

√Applicable ☐Not applicable

The Company recognises short-term compensation actually incurred as a liability in the accounting period in which the employee provides services to the Company and recognises it in profit or loss or in the cost of the related asset.

The Company contributes social insurance premiums and housing provident funds for employees, as well as trade union funds and employee education funds as required, and calculates and determines the corresponding amount of employee compensation in accordance with the prescribed accrual basis and accrual rate during the accounting period in which the employees render services to the Company.

Employee benefit costs that are non-monetary benefits are measured at fair value if they can be measured reliably.

## 2. Accounting treatment of post-employment benefits

√Applicable □Not applicable

### (1) Setting up a withdrawal plan

The Company pays basic pension insurance and unemployment insurance for its employees in accordance with relevant local government regulations. During the accounting period in which the employees provide services to the Company, the amount payable is calculated on the basis of the locally stipulated contribution base and ratio, and is recognised as a liability and charged to profit or loss or the cost of the relevant asset.

In addition to basic pension insurance, the Company has established an enterprise annuity contribution system (supplementary pension insurance)/enterprise annuity plan in accordance with the relevant policies of the national enterprise annuity system. The Company contributes a certain percentage of the employees' gross salaries to the local social insurance institutions/annuity plans, and the corresponding expenses are charged to current profit or loss or the cost of related assets.

### (2) Setting up a benefit plan

The Company attributes the benefit obligations arising from the defined benefit plans to the period in which the employees render services based on a formula determined by the projected accumulated benefit unit method and is included in profit or loss or in the cost of the related assets for the current period.

The deficit or surplus resulting from the present value of the defined benefit plan obligation less the fair value of the defined benefit plan assets is recognised as a net defined benefit plan liability or net asset. If the defined benefit plan has a surplus, the Company measures the net assets of the defined benefit plan at the lower of the surplus of the defined benefit plan or the asset limit.

All defined benefit plan obligations, including those that are expected to be paid within twelve months after the end of the annual reporting period in which the employee renders service, are discounted on the basis of market yields at the balance sheet date on treasury bonds or high-quality corporate bonds on active markets that match the maturity and currency of the defined benefit plan obligations.

The service costs incurred for the defined benefit plan and the net interest on the net liability or net asset of the defined benefit plan are recognised in profit or loss or in the cost of the related assets; the changes arising from the remeasurement of the net liability or net asset of the defined benefit plan are recognised in other comprehensive income and are not reversed to profit or loss in the subsequent accounting periods, and the portion previously recognised in other comprehensive income is fully transferred to unappropriated earnings within equity on the termination of the original defined benefit plan. (c) The changes in other comprehensive income are recognised in other comprehensive income and are not reversed to profit or loss in subsequent accounting periods.

Upon settlement of a defined benefit plan, a settlement gain or loss is recognised as the difference between the present value of the defined benefit plan obligation determined at the settlement date and the settlement price.

## 3. Accounting treatment of termination benefits

√Applicable □Not applicable

The Company recognises employee compensation liabilities arising from termination benefits in profit or loss when it is unable to unilaterally withdraw the termination benefits provided as a result of a plan to terminate employment or a proposal for redundancy or when it recognises the earlier of the costs or expenses related to a restructuring that involves the payment of termination benefits.

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

☐Applicable ☒Not Applicable

##### **(xxxiv) Lease liabilities**

☐Applicable ☒Not Applicable

##### **(xxxv) Projected liabilities**

☒Applicable ☐Not applicable

#### **1. Criteria for recognition of projected liabilities**

The Company recognises estimated liabilities when obligations related to contingencies such as lawsuits, debt guarantees, loss contracts and restructuring matters simultaneously meet the following conditions:

- ( 1 ) The obligation is a present obligation assumed by the Company;
- ( 2 ) It is probable that the fulfilment of this obligation will result in an outflow of economic benefits to the Company;
- ( 3 ) The amount of the obligation can be measured reliably.

## **2. Measurement of various types of projected liabilities**

The Company's projected liabilities are measured initially on the basis of the best estimate of the expenditure required to settle the related present obligation.

In determining the best estimate, the Company considers a combination of factors such as the risks and uncertainties associated with the contingency and the time value of money. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows.

The best estimates are dealt with separately below:

Where there is a continuous range (or interval) of expenditure requirements and the likelihood of each outcome within that range is equal, the best estimate is determined by averaging the middle of the range, i.e., the upper and lower limits.

Where there is no continuous range (or interval) of expenditure requirements, or where there is a continuous range but the likelihood of the various outcomes within the range is not the same, the best estimate is determined on the basis of the most probable amount to be incurred if the contingency relates to a single item, or on the basis of a range of possible outcomes and associated probabilities if the contingency relates to a number of items.

Where the Company expects to be reimbursed, in whole or in part, by a third party for the expenditures required to settle a projected liability, the amount of the reimbursement is recognised separately as an asset when it is virtually certain that the reimbursement will be received, and the amount of reimbursement recognised does not exceed the carrying amount of the projected liability.

### **(xxxvi) Share-based payment**

☐Applicable ☒Not Applicable

### **(xxxvii) Preference shares, perpetual bonds and other financial instruments**

☐Applicable ☒Not Applicable

### **(xxxviii) Income**

#### **Accounting policies from 1 January 2020** **1. Accounting policies adopted for revenue recognition and measurement**

☒Applicable ☐Not applicable

The Company recognises revenue when it has fulfilled its performance obligations under a contract, i.e. when the customer obtains control of the related goods or services. Acquiring control of the underlying good or service means being able to dominate the use of the good or service and derive substantially all of the economic benefits therefrom.

Where a contract contains two or more performance obligations, the Company apportions the transaction price to each individual performance obligation at the inception date of the contract based on the relative proportion of the individual selling price of the goods or services promised under each individual performance obligation. The Company measures revenue based on the transaction price allocated to each individual performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled as a result of the transfer of goods or services to the customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to the customer. The Company determines the transaction price in accordance with the terms of the contract and in conjunction with its past customary practices. In determining the transaction price, the Company takes into account the impact of variable consideration, the existence of significant financing



components in the contract, non-cash consideration, and consideration payable to the customer. The Company determines the transaction price that includes variable consideration at an amount that does not exceed the amount by which it is highly probable that the cumulative revenue recognised will not materially reverse when the related uncertainty is removed. Where there is a significant financing element in a contract, the Company determines the transaction price based on the amount payable that is assumed to be paid in cash by the customer at the time the customer obtains control of the goods or services, and amortises the difference between that transaction price and the contractual consideration over the term of the contract using the effective interest method.

If one of the following conditions is met, the performance obligation is fulfilled within a certain period of time; otherwise, the performance obligation is fulfilled at a certain point in time.

Business:

- The customer acquires and consumes the economic benefits of the Company's performance at the same time as the Company's performance.
- The customer is able to control the goods under construction in the course of the Company's performance.
- Commodities produced in the course of the Company's performance are irreplaceable and the Company is entitled to receive payment for the portion of performance that has been completed to date, cumulatively, throughout the term of the contract.

For performance obligations that are to be fulfilled within a certain period of time, the Company recognises revenue in accordance with the progress of performance over that period of time, unless the progress of performance is not reasonably determinable. The Company determines the progress of performance using either the output method or the input method, taking into account the nature of the goods or services. When the progress of performance is not reasonably determinable, the Company recognises revenue based on the amount of costs incurred until the progress of performance is reasonably determinable, provided that the costs incurred are expected to be reimbursed.

For performance obligations that are satisfied at a point in time, the Company recognises revenue at the point at which the customer obtains control of the related goods or services. In determining whether a customer has obtained control of goods or services, the Company considers the following indications:

- The Company has a present right to receive payment for such goods or services, i.e. the customer has a present obligation to pay for such goods or services.

- The Company has transferred legal ownership of the goods to the Customer, i.e. the Customer has legal ownership of the goods.
- The Company has physically transferred the goods to the customer, i.e. the customer has taken physical possession of the goods.
- The Company has transferred the principal risks and rewards of ownership of the commodity to the customer, i.e. the customer has acquired the principal risks and rewards of ownership of the commodity.
- The customer has accepted the goods or services, etc.

#### **Accounting Policies Prior to 1 January 2020 General Principles for the Recognition of Major Types of Revenue**

##### **1. General principles of revenue recognition from the sale of goods:**

- ( 1 ) The Company has transferred the principal risks and rewards of ownership of the merchandise to the purchaser;
- ( 2 ) The Company neither retains the continuing management rights normally associated with ownership nor exercises effective control over the merchandise sold;
- ( 3 ) The amount of revenue can be measured reliably;
- ( 4 ) It is probable that the related economic benefits will flow to the Company;
- ( 5 ) Relevant costs incurred or to be incurred can be measured reliably.

##### **2. General principles of recognition of revenue from the provision of labour under the percentage-of-completion method: General**

principles of recognition of revenue from the provision  
of labour under the percentage-of-completion method

Revenue from the provision of services is recognised using the percentage-of-completion method when the outcome of the transaction can be estimated reliably at the balance sheet date.

Revenue and expenses are also recognised in  
accordance with the progress of completion of  
the labour supply transaction. General  
principles of revenue recognition for the  
provision of labour:

- ( 1 ) The amount of revenue can be measured reliably
- ( 2 ) It is probable that the related economic benefits will flow to the enterprise
- ( 3 ) The progress of completion of the transaction can be reliably determined
- ( 4 ) Costs incurred and to be incurred in the transaction can be measured reliably

If the outcome of a transaction involving the provision of labour cannot be estimated reliably at the balance sheet date, it is dealt with as follows:

① If the cost of labour already incurred is expected to be reimbursed, revenue from the provision of labour is recognised at the amount of the cost of labour already incurred and the cost of labour is carried forward at the same amount.

(ii) If the cost of labour already incurred is not expected to be reimbursed, the cost of labour already incurred is recognized in profit or loss for the current period, and no income from the provision of labour is recognized.

##### **3. General principles of recognition of revenue from the concession of the right to use**

**assets:**

When it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of revenue can be measured reliably. The amount of revenue from the concession of the right to use assets is determined as follows:

- ( 1 ) The amount of interest income is determined by calculating the time and the effective interest rate for the use of the enterprise's monetary funds by others.
- ( 2 ) The amount of revenue from royalties is determined by calculating the time and method of charging as agreed in the relevant contract or agreement.

**4. General principles of recognition of interest income, fee and commission income:**

Revenue is recognised when it is probable that the related economic benefits will flow to the Company and the amount can be measured reliably.

**The principle of specificity:**

**1. Specific principles for recognising revenue from the sale of goods:**

- ( 1 ) Revenue recognition criteria and timing of revenue recognition for domestic sales:

In the case of product sales on a pay-as-you-go basis, receipt of payment, dispatch of goods, acceptance by the customer and obtaining of supporting documents shall be the conditions for revenue recognition in accordance with the contract.

(ii) In the case of product sales on credit, revenue is recognised on the basis of the contractual agreement that the goods will be dispatched, accepted by the customer, and the receipt of payment documents.

(2) Revenue recognition criteria and revenue recognition time for foreign sales: Sales revenue is recognised when the goods are loaded onto the ship and the bill of lading is received from the shipping company.

## **2. Specific principles for the recognition of income from the provision of labour:**

The Company confirms the progress of completion of labour supply transactions based on the measurement of the amount of work completed. Based on the workload confirmation sheet provided by the customer, the finance staff confirms that the relevant workload has been approved by the customer, determines the total amount of revenue from the provision of labour services based on the price of the contract or agreement, and recognizes the revenue from the provision of labour services for the current period according to the total amount of revenue from the provision of labour services multiplied by the amount of the progress towards completion, minus the amount of the cumulative amount of revenue from the provision of labour services that has been recognised in the previous accounting periods; at the same time, carries forward the current labour costs according to the estimated total cost of the provision of labour services multiplied by the progress towards completion. At the same time, the cost of labour is carried forward by multiplying the estimated total cost of labour supplied by the progress to completion, less the cumulative amount of labour costs recognised in previous accounting periods.

## **3. Specific principles for recognition of interest income:**

Interest income and expense are recognised on an accrual basis using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that is used to discount future cash flows to a net carrying amount at the expected maturity of the financial instrument or at a suitable shorter period. The Company considers all contractual terms of the financial instrument in estimating future cash flows, but does not consider future credit losses. The effective interest rate is calculated by taking into account transaction costs, discounts and premiums and all fees related to the effective interest rate received and paid between the parties to the contract.

## **4. Specific principles for the recognition of fees and commission income:**

Fee and commission income is recognised on an accrual basis over the period of service and consists primarily of commissions, operational handling fees and other management consulting fees.

Differences in accounting policies for revenue recognition due to the use of different operating models for the same type of business

☐Applicable ☒Not Applicable

### **(xxxix) Contract costs**

☒Applicable ☐Not applicable

#### **Accounting policies from 1 January 2020**

Contract costs include contract performance costs and contract acquisition costs.

Costs incurred by the Company for the performance of a contract that do not fall within the scope of regulation of relevant standards such as inventories, property, plant and equipment or intangible assets are recognised as an asset as contract performance costs when the following conditions are met:

- The cost is directly related to a current or anticipated contract.
- This cost increases the resources available to the Company to meet its performance obligations in the future.

- The cost is expected to be recovered.

Incremental costs incurred by the Company to acquire a contract that are expected to be recovered are recognised as an asset as contract acquisition costs. Assets related to contract costs are amortised using the same basis as revenue recognition for the goods or services to which the asset relates; however

If the amortisation period of contract acquisition costs does not exceed one year, the Company recognises the costs in profit or loss when incurred.

If the carrying amount of an asset related to the cost of a contract is greater than the difference between the following two items, the Company makes a provision for impairment of the excess and recognises an asset impairment loss:

1. The residual consideration expected to be obtained as a result of the transfer of goods or services related to the asset;
2. The estimated costs to be incurred for the transfer of the relevant goods or services.

If there is a subsequent change in the factors that impaired the asset in a previous period that causes the aforementioned difference to be greater than the carrying amount of the asset, the Company reverses the provision for impairment and recognises it in profit or loss for the current period, provided that the carrying amount of the asset after the reversal does not exceed the carrying amount that would have been determined as at the date of the reversal assuming that no provision for impairment had been made.

## **(xl) Government grants**

√Applicable

□Not Applicable

### **1. Type**

Government grants are monetary and non-monetary assets that the Company receives from the government at no cost. They are classified as asset-related government grants and revenue-related government grants.

Asset-related government grants are government grants obtained by the Company for the purpose of acquiring, constructing or otherwise forming long-term assets. Government grants related to revenue are government grants other than those related to assets.

### **2. Confirmation of the point of time**

For asset-related government grants received, the amortisation point for deferred income is when the related assets are available for use; for long-lived assets that are subject to depreciation or amortisation, this is the point at which depreciation or amortisation of the asset commences;

Government grants related to income received are recognised in profit or loss in the period in which the related costs or losses for which they compensate are incurred, with those used to compensate for related costs or losses already incurred (including those incurred in previous periods) being recognised directly in the period in which they are obtained, and those used to compensate for related costs or losses in subsequent periods being recognised in the period in which the related costs or losses are recognised.

If there is conclusive evidence that a government grant project has been approved and the expected collection point and specific amount are clear, it is recognised in the period in which it is approved with reference to the above principles.

### **3. Accounting treatment**

Government grants related to assets are either offset against the carrying amount of the related assets or recognised as deferred income. If deferred revenue is recognised, it is charged to current profit or loss in a reasonable and systematic manner over the useful life of the related assets (if it is related to the Company's ordinary activities, it is included in other revenues; if it is not related to the Company's ordinary activities, it is included in non-operating income);

Government grants related to income that are used to compensate the Company for costs or losses incurred in future periods are recognised as deferred income and are credited or charged to profit or loss in the period in which the related costs or losses are recognised (to other income if they are related to the Company's ordinary activities; to non-operating income if they are not related to the Company's ordinary activities); those used to compensate the Company for costs or losses incurred are directly credited or charged to profit or loss in the period in which they are recognised; and those used to compensate the Company for costs or losses incurred are directly credited or charged to profit or loss in the period in which they are recognised. For the purpose of compensating the Company for the costs or losses incurred, the costs or losses incurred are recognised directly in profit or loss for the current period (other income if they are related to the Company's daily activities; non-operating income if they are not related to the Company's daily activities) or are offset against the costs or losses incurred.

The Company obtains policy preferential loan subsidies and distinguishes between the following two scenarios, which are accounted for separately:

( 1 ) If the treasury allocates the subsidised interest rate funds to a lending bank, and the lending bank provides loans to the Company at a policy preferential interest rate, the Company uses the actual amount of borrowings received as the recorded value of the borrowings, and

calculates the related borrowing costs in accordance with the principal amount of the borrowings and such policy preferential interest rate.

- ( 2 ) If the subsidy funds are directly allocated to the Company from the treasury, the Company will offset the corresponding subsidy against the related borrowing costs.

#### **(XLI) Deferred tax assets/deferred tax liabilities**

☒Applicable ☐Not applicable

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. For deductible losses and tax credits that can be carried forward to future years, a corresponding deferred tax asset is recognised to the extent that it is probable that future taxable income will be available against which the deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences, except in special cases.

The special situations in which deferred tax assets or deferred tax liabilities are not recognised include: the initial recognition of goodwill; and transactions or events, other than business combinations, that affect neither the accounting profit nor taxable income (or deductible losses) at the time of occurrence.

When there is a legal right to settle on a net basis and there is an intention to settle on a net basis or to acquire assets and settle liabilities simultaneously, current income tax assets and current income tax liabilities are presented on a net basis after offsetting.

Deferred income tax assets and deferred income tax liabilities are stated at net amounts when there is a legally enforceable right to settle current income tax assets and current income tax liabilities on a net basis and when the deferred income tax assets and deferred income tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity or on different taxable entities, provided that, in each future period in which deferred income tax assets and liabilities of significance are reversed, the taxable entities involved intend to settle current income tax assets and liabilities on a net basis. Deferred tax assets and deferred tax liabilities are stated at net amounts when income tax assets and liabilities are acquired or settled simultaneously.

### **(xliii) Leasing**

#### **1. Accounting treatment of operating leases**

☒Applicable ☐Not applicable

(1) Lease payments made by the Company for assets leased to it are amortised on a straight-line basis over the entire lease term, without deduction of the rent-free period, and are charged to current expense. Initial direct costs paid by the Company in connection with the lease transaction are charged to current expense.

When the lessor of an asset incurs lease-related expenses that should be borne by the Company, the Company deducts such expenses from the gross rental amount and apportions them over the term of the lease based on the deducted rental expenses, which are charged to current expense.

(2) Lease payments received by the company for leasing assets are amortised on a straight-line basis over the entire lease term without deducting the rent-free period and are recognised as lease-related revenue. Initial direct costs paid by the Company in connection with the lease transaction are expensed in the current period; if the amount is significant, it is capitalised and amortised to current income over the entire lease term on the same basis as lease-related revenue recognition.

When the Company incurs lease-related expenses that should be borne by the lessee, the Company deducts such expenses from the gross rental income and allocates them over the term of the lease based on the deducted rental expenses.

#### **2. Accounting treatment of finance leases**

☒Applicable ☐Not applicable

(1) Assets leased under finance leases: At the commencement date of the lease, the Company records the lower of the fair value of the leased asset or the present value of the minimum lease payments as the recorded value of the leased asset, and the minimum lease payments as the recorded value of the long-term payable, with the difference recorded as unrecognised finance charges. The Company uses the effective interest rate method to amortise unrecognised finance costs over the lease term of the asset, which is included in finance costs. Initial direct costs incurred by the Company are included in the value of the leased assets.

(2) Assets leased out under finance leases: The Company recognises the difference between the finance lease receivable, the sum of the unguaranteed residual value and its present value as an unrealised finance gain at the lease commencement date and recognises it as lease income in each period in which future rentals are received. Initial direct costs incurred by the Company in connection with the leasing transaction are included in the initial measurement of the finance lease receivable and reduce the amount of revenue recognised over the lease term.

#### **3. Methods of determining leases under the new leasing standards and accounting treatment**

☐Applicable ☒Not Applicable

Other significant accounting policies and accounting estimates

☒Applicable

☐Not applicable

#### **(43) Fiduciary business**

The Company generally acts as an agent, a trustee in a fiduciary capacity for individuals, securities investment funds, social security funds, insurance companies, qualified foreign investors, annuity plans and other clients in the holding and management of assets. The assets



involved in these agency activities do not belong to the Company and are therefore not included in the Company's balance sheet.

The Company also engages in entrusted loan business. Entrusted loan business refers to a loan where the principal provides funds and the Company issues, supervises the use of, and recovers the loan on behalf of the borrower, for the purpose, in the amount, in the currency, for the term, and at the interest rate determined by the principal. The risk is borne by the principal and the Company only receives the relevant handling fee. Entrusted loans are not included in the Company's balance sheet.

#### **(xliv) Termination of operations**

A discontinued operation is a separately distinguishable component that meets one of the following conditions and that has been disposed of by the Company or classified by the Company as held for sale:

- ( 1 ) The component represents a separate principal business or a separate principal operating area;
- ( 2 ) The component is part of an associated plan for the proposed disposal of a separate major business or a separate major operating area;
- ( 3 ) The component is a subsidiary acquired exclusively for resale.

#### (xlv) Segment reporting

The Company determines its operating segments on the basis of its internal organisational structure, management requirements and internal reporting system, and determines its reportable segments and discloses segment information on the basis of its operating segments.

An operating segment is a component of the Company that simultaneously meets the following conditions: (1) the component is capable of generating revenues and incurring expenses in its day-to-day activities; (2) the Company's management is able to evaluate the operating results of the component on a regular basis in order to decide on the allocation of resources to the component and to evaluate its performance; and (3) the Company is able to obtain the component's financial position, results of operations, and cash flows and other relevant accounting information. Two or more operating segments may be consolidated into one operating segment if they have similar economic characteristics and meet certain conditions.

#### (XLVI) Changes in significant accounting policies and accounting estimates

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

√Applicable □Not applicable

What and why changes in accounting policies	approval process	Remarks (names and amounts of significantly affected statement items)
<p>1. Implementation of ASBE No. 14, "Revenue"(revised in 2017) (the "new revenue standard")</p> <p>The Ministry of Finance revised ASBE No.14 - Revenue in fiscal 2017. The revised standard stipulates that the first-time implementation of the standard should adjust the amount of retained earnings and other related items in the financial statements at the beginning of the year based on the cumulative effect, and that no adjustment should be made to the information of comparable periods.</p> <p>Effective January 1, 2020, the Company implemented the new revenue standard. Under the provisions of the standard, the Company adjusts the amount of retained earnings and other related items in the financial statements at the beginning of 2020 only for the cumulative effect of contracts not yet completed at the date of initial implementation.</p> <p>The comparative financial statements are not adjusted. The main effects of the implementation of the standard are set out below:</p>		
<p>(1) Reclassification of settled uncompleted and advance receipts related to progress of performance to</p> <p>Contractual liabilities.</p>	board of directors decision (of a congress)	<p>Advance receipts</p> <p>Consolidated: -435,918,378.58</p> <p>Parent company: -6,161,494.83</p> <p>Contractual liabilities</p> <p>Consolidated: 435,918,378.58</p> <p>Parent company: 6,161,494.83</p>
2. Implementation of EITF Interpretation No. 13		

<p>The Ministry of Finance (MOF) issued on 10 December 2019 the Interpretation of Accounting Standards for Business Enterprises No. 13 ("Interpretation No. 13" (FRC [2019] 21). Effective 1 January 2020, no retroactive adjustment is required.</p> <p>① Recognition of related parties</p> <p>Interpretation No. 13 specifies that an enterprise is a related party if it is an associate of an enterprise of which it is a member, other members of the Group (including parent companies and subsidiaries) in joint ventures or Associated enterprises; joint ventures of an enterprise with other joint ventures or associates of the enterprise</p> <p>The industry. In addition, Interpretation No. 13 makes it clear that only two companies that are materially influenced by one of the parties are to be treated in the same way. parties or more than two parties do not constitute related parties, and supplemented the description of associates Includes associates and their subsidiaries, and joint ventures include joint ventures and their subsidiaries.</p> <p>Division.</p> <p>② Definition of Business</p> <p>Interpretation No. 13 refines the three elements of what constitutes a business and refines what constitutes a business. Judgemental conditions, and the introduction of a "concentration test" option to provide a degree of Simplifying issues such as the judgement of whether the acquisition of a portfolio under non-identical control constitutes a business.</p>		<p>The Company will implement the interpretation from 1 January 2020 No. 13, Comparative Financial Statements without Adjustment, Executive Summary Interpretation No. 13 does not address the Company's financial position and significant impact on the results of operations.</p>
<p>3. Implementation of the Interim Provisions on Accounting Treatment Related to Carbon Emission Rights Trading</p> <p>The Ministry of Finance (MOF) issued on 16 December 2019 the "Accounting for Carbon Emission Rights Trading".</p> <p>Interim Provisions on Disposal (Caijing [2019] No. 22), which applies to carbon emission rights in accordance with the The Interim Measures for the Administration of Carbon Emission Trading and Other Relevant Provisions for Carbon Emission Trading Business</p> <p>relevant enterprises in point emission units (hereinafter referred to as point emission enterprises) The regulation</p> <p>Effective from 1 January 2020, key emitting enterprises shall use the future applicable</p> <p>The law applies the provision.</p>		<p>The Company implemented this provision from 1 January 2020, with no adjustments to the comparative financial statements, and the implementation of this provision did not have a material impact on the Company's financial position and results of operations.</p>

<p>4. Implementation of the Accounting Treatment of Rental Concessions Related to the New Crown Pneumonia Epidemic</p> <p>The Ministry of Finance issued the "Rent Related to the New Crown Pneumonia Outbreak" on 19 June 2020</p> <p>Provisions on Accounting Treatment of Concessions" (Caijing [2020] No. 10), effective June 2020</p> <p>The regulation came into effect on 19th January 2020, allowing enterprises to adjust the relevant rent concessions that occurred between 1st January 2020 and the date of implementation of the regulation. In accordance with this regulation, for rent reductions, deferred rent payments, etc. that meet the conditions and are directly triggered by the new coronavirus outbreak, the following are allowed such as rent abatements, companies may choose to account for them using the simplified method.</p>	<p>The Company has elected to adopt the simplified method of accounting for all rental concessions falling within the scope of application of this provision and has made corresponding adjustments to relevant rental concessions occurring between 1 January 2020 and the effective date of this provision in accordance with this provision.</p>
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Other notes:

The impact of the implementation of the new revenue standard on the relevant items in the January-June 2020 financial statements, compared to the previous revenue standard, is as follows (increase/decrease):

Balance sheet items affected	Unit: Yuan      Currency: RMB 30 June 2020	
	consolidation	parent companies
Contractual liabilities	440,926,261.17	3,602,470.01
Advance receipts	-440,926,261.17	-3,602,470.01

## 2. Changes in critical accounting estimates

☐Applicable ☒Not Applicable

### (3) Adjustments to the financial statements at the beginning of the year of first-time implementation of the new revenue standard and the new leasing standard from 2020 onwards

☒Applicable ☐Not applicable

Consolidated  
balance sheets

sports event	Unit: Yuan      Currency: RMB		
	31 December 2019	1 January 2020	Adjustments
<b>Liquid assets:</b>			
money funds	12,235,526,483.03	12,235,526,483.03	
Provision for settlement			
invested sum that can be cashed			
Financial assets held for trading	1,695,969,479.48	1,695,969,479.48	
derivative financial asset			
notes receivable	10,866,836.15	10,866,836.15	
accounts receivable	1,939,755,348.61	1,939,755,348.61	
Receivables financing	2,230,385,670.28	2,230,385,670.28	
Prepayments	776,854,354.82	776,854,354.82	
Premiums receivable	100 /		
Receivables from reinsurance	264		
Reserve for reinsurance contracts receivable			
Other receivables	128,263,778.74	128,263,778.74	

Release of loans and advances	4,054,654,728.67	4,054,654,728.67	
debenture investment			
Other debt investments			
Long-term receivables			
Long-term equity investments	3,345,092,940.70	3,345,092,940.70	
Investments in other equity instruments			
Other non-current financial assets	925,693,579.03	925,693,579.03	
investment property	100,686,598.15	100,686,598.15	
fixed assets	13,070,075,015.84	13,070,075,015.84	
construction in progress	887,304,370.13	887,304,370.13	
Productive biological assets			
oil and gas assets			
usufructuary assets			
intangible asset	1,830,994,344.00	1,830,994,344.00	
development expenditure			
reputation of a firm's product	128,065,581.26	128,065,581.26	
Long-term amortised expenses	228,688,079.49	228,688,079.49	
Deferred tax assets			
Other non-current assets	268,440,369.75	268,440,369.75	
Total non-current assets	24,839,695,607.02	24,839,695,607.02	
Total assets	48,710,178,965.51	48,710,178,965.51	
<b>Current liabilities:</b>			
short term loan	4,251,498,848.59	4,251,498,848.59	
Borrowing from the Central Bank			
funds on call			
Trading financial liabilities			
Derivative financial liabilities			
banknote payable	1,447,030,139.02	1,447,030,139.02	
accounts payable	3,327,255,000.45	3,327,255,000.45	
Advance receipts	435,918,378.58		-435,918,378.58
Contractual liabilities		435,918,378.58	435,918,378.58
Sales of repurchased financial assets			
Deposit-taking and interbank deposits	9,089,950,010.45	9,089,950,010.45	
Securities brokerage			
Underwriting of securities			
Employee remuneration payable	138,165,805.18	138,165,805.18	
Taxes payable	161,782,025.54	161,782,025.54	
Other accounts payable	2,316,339,189.80	2,316,339,189.80	
Of which: Interest payable			
dividend payable			
Fees and commissions payable			
Accounts payable for			

reinsurance			
Liabilities held for sale			
Non-current liabilities due within one year	302,769,446.89	302,769,446.89	
Other current liabilities	89,410,581.95	89,410,581.95	
Total current liabilities	21,560,119,426.45	21,560,119,426.45	
<b>Non-current liabilities:</b>			
Reserves for insurance contracts			
long term loan	2,752,686,194.61	2,752,686,194.61	

Half-yearly report  
2020

bonds payable	2,417,749,133.42	2,417,749,133.42	
Of which: preference shares			
perpetual bond			
leasehold liability			
Long-term accounts payable	150,327,202.16	150,327,202.16	
Long-term employee compensation payable	380,710,000.00	380,710,000.00	
projected liability	23,809,518.38	23,809,518.38	
Deferred income	492,179,115.32	492,179,115.32	
Deferred income tax liabilities	124,196,294.82	124,196,294.82	
Other non-current liabilities			
Total non-current liabilities	6,341,657,458.71	6,341,657,458.71	
Total liabilities	27,901,776,885.16	27,901,776,885.16	
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)	2,105,296,763.00	2,105,296,763.00	
Other equity instruments			
Of which: preference shares			
perpetual bond			
capital surplus	9,026,821,780.95	9,026,821,780.95	
Less: Treasury stock			
Other comprehensive income	-141,575,136.66	-141,575,136.66	
earmark	10,374,762.30	10,374,762.30	
surplus surplus	410,403,710.52	410,403,710.52	
General risk provision			
unallocated profit	6,942,388,469.95	6,942,388,469.95	
Equity attributable to owners of the parent company (or Total (shareholders' equity)	18,353,710,350.06	18,353,710,350.06	
Minority interests	2,454,691,730.29	2,454,691,730.29	
Owners' equity (or shareholders' equity) add up the total	20,808,402,080.35	20,808,402,080.35	
Liabilities and owners' equity (or shares)	48,710,178,965.51	48,710,178,965.51	
Total (Eastern Equity)			

Explanation of adjustments to individual items:

☐Applicable ☒Not Applicable

Parent company  
balance sheet

Unit: Yuan Currency: RMB

sports event	31 December 2019	1 January 2020	Adjustments
<b>Liquid assets:</b>			
money funds	2,086,167,091.47	2,086,167,091.47	
Financial assets held for trading	179,646,460.60	179,646,460.60	
derivative financial asset			
notes receivable	103 /		
accounts receivable	216,147,742.77	216,147,742.77	
Receivables financing			
Prepayments	7,123,857.91	7,123,857.91	
Other receivables	2,300,513,575.40	2,300,513,575.40	

inventory (of material)			
Contractual assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	54,895,461.19	54,895,461.19	
Total current assets	4,943,494,189.34	4,943,494,189.34	
<b>Non-current assets:</b>			
debenture investment			
Other debt investments			
Long-term receivables			
Long-term equity investments	16,481,473,562.68	16,481,473,562.68	
Investments in other equity instruments			
Other non-current financial assets			
investment property	32,265,562.96	32,265,562.96	
fixed assets	76,219,277.54	76,219,277.54	
construction in progress	3,643,805.30	3,643,805.30	
Productive biological assets			
oil and gas assets			
usufructuary assets			
intangible asset	21,281,068.63	21,281,068.63	
development expenditure			
reputation of a firm's product			
Long-term amortised expenses			
Deferred tax assets			
Other non-current assets			
Total non-current assets	16,614,883,277.11	16,614,883,277.11	
Total assets	21,558,377,466.45	21,558,377,466.45	
<b>Current liabilities:</b>			
short term loan	2,400,312,791.76	2,400,312,791.76	
Trading financial liabilities			
Derivative financial liabilities			
banknote payable			
accounts payable	57,787,544.24	57,787,544.24	
Advance receipts	6,161,494.83		-6,161,494.83
Contractual liabilities		6,161,494.83	6,161,494.83
Employee remuneration payable			
Taxes payable	1,852,820.82	1,852,820.82	
Other accounts payable	1,584,462,024.45	1,584,462,024.45	
Of which: Interest payable			
dividend payable			
Liabilities held for sale			
Non-current liabilities due within one year	29,934,652.61	29,934,652.61	
Other current liabilities			
Total current liabilities	4,080,511,328.71	4,080,511,328.71	
<b>Non-current liabilities:</b>			



long term loan	970,000,000.00	970,000,000.00	
bonds payable			
Of which: preference shares			
perpetual bond			

leasehold liability			
Long-term accounts payable			
Long-term employee compensation payable			
projected liability			
Deferred income	4,800,000.00	4,800,000.00	
Deferred income tax liabilities	29,918,949.32	29,918,949.32	
Other non-current liabilities			
Total non-current liabilities	1,004,718,949.32	1,004,718,949.32	
Total liabilities	5,085,230,278.03	5,085,230,278.03	
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)	2,105,296,763.00	2,105,296,763.00	
Other equity instruments			
Of which: preference shares			
perpetual bond			
capital surplus	12,098,323,235.38	12,098,323,235.38	
Less: Treasury stock			
Other comprehensive income	-16,184,241.20	-16,184,241.20	
earmark			
surplus surplus	410,403,710.52	410,403,710.52	
unallocated profit	1,875,307,720.72	1,875,307,720.72	
Owners' equity (or shareholders' equity)	16,473,147,188.42	16,473,147,188.42	
add up the total			
Liabilities and owners' equity (or Total (shareholders' equity))	21,558,377,466.45	21,558,377,466.45	

Explanation of adjustments to individual items:

☐Applicable ☒Not Applicable

#### 4. Explanation of retrospective adjustment of prior period's comparative data for the first time implementation of the new revenue standard and the new leasing standard from 2020 onwards

☐Applicable ☒Not Applicable

#### (xlvii) Other

☐Applicable ☒Not Applicable

#### IV. Taxes

##### (i) Major tax types

##### and tax rates Major

##### tax types and tax

##### rates

☒Applicable ☐Not applicable

tax type s	taxable basis	duty rate
value-added tax (VAT)	<p>106 / 200</p> <p>The sales tax is calculated on the basis of the income from the sale of goods and taxable services as stipulated in the tax law, and after deducting the</p>	5 per cent, 6 per cent, 9 per cent, 10 per cent, 13 per cent, 16 per

Disclosure of information where there are taxable entities with different corporate income tax rates

√Applicable □Not applicable

Name of taxable entity	Income tax rate (%)
Huatai Rubber Co.	20
China North American Tyre Joint Sales Corporation	U.S. federal tax rate, U.S. California tax rate
Huayi Group (Thailand) Co.	20
Huayi Tire Canada LLC	26.5
Huayi Group (Hong Kong) Limited	16.5
Shanghai Try 4 Hervey Chemical Co.	15
Shanghai Try 4 Chemicals Co.	15
Shanghai Coating Research Institute Co.	15
Shanghai Chemical Reagent Research Institute Co.	15
Shanghai Plastic Research Institute Co.	15
Shanghai Synthetic Resin Research Institute Co.	15
Shanghai Resin Factory Co.	15
Shanghai Tianyuan Group Shengde Plastic Co.	15

√Applicable □Not applicable

Ltd., Shanghai Pilot Hervey Chemical Co., Shanghai Pilot Chemical Co., Shanghai Coating Research Institute, Shanghai Chemical Reagent Research Institute, Shanghai Plastic Research Institute, Shanghai Synthetic Resin Research Institute, Shanghai Resin Factory, Shanghai Tianyuan Group Shengde Plastic Co. Ltd. were assessed as high-tech enterprises, and the effective enterprise income tax rate as at 30 June 2020 was 15%.

### (iii) Other

□Applicable √Not Applicable

## V. Notes to the consolidated financial statements (i)

### Currency funds

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sport s even t	Closing balance	Opening balance
(accountancy)	81,420.44	246,578.66
a bank account	1,975,021,868.20	2,011,591,983.67
Other monetary funds	195,403,005.44	655,576,437.32
Cash and deposits with the Central Bank	833,888,944.18	858,866,795.97
Of which: Deposits with the Central Bank Legal Reserve	833,888,944.18	858,866,795.97
Interbank deposits	6,589,510,676.57	8,709,244,687.41
Of which: demand deposits	5,089,510,676.57	6,209,244,687.41
fixed deposit	1,500,000,000.00	2,500,000,000.00
add up the total	9,593,905,914.83	12,235,526,483.03
Of which: total deposits abroad	892,644,629.66	1,081,507,475.69

Other notes:

Of these, the breakdown of monetary funds with restrictions on their use due to collateralisation, pledging or freezing, as well as those placed outside the country with restrictions on repatriation of funds, is as follows:

Unit: Yuan Currency: RMB

Event	Closing balance	Prior year-end balance
Banker's acceptance deposit (Note 1)	100,739,292.71	168,609,069.37
Letter of Credit Deposit		39,719,894.43
performance bond (international trade)	1,887,938.30	309,123.00
Time deposits or call deposits for security purposes		354,328,864.65
Housing construction special account	233,167.59	233,190.77
Other deposits (Note 2)	85,782,444.34	85,782,444.34
Deposit of legal reserve with the Central Bank (Note 3)	833,888,944.18	858,866,795.97
below:		
(1) The company's subsidiary Double Coin Group (Xinjiang) Kunlun Tyre Co., Ltd. and the Agricultural Bank of China Urumqi Dongshan Sub-branch signed a bank loan agreement. The banker's acceptance agreement has a margin of 100 per cent. As at 30 June 2020, the amount of the bankers' acceptance bond was RMB 77,939,940.	1,022,531,787.12	1,507,849,382.53

- (2) Ltd., a subsidiary of the Company, signed a banker's acceptance agreement with Kunlun Bank, Urumqi Petrochemical Sub-branch.  
The banker's acceptance agreement has a margin ratio of 100 per cent. As at 30 June 2020, the amount of bankers' acceptance deposit is RMB  
The total amount of the programme is \$1,156,546.12.
- (3) Anhui Rixin Technology Company Limited, a subsidiary of the Company, signed a deposit agreement for the issuance of banker's acceptance drafts with Anhui Hanshan Rural Commercial Bank.  
book with a margin ratio of 100%. As at 31 December 2019, the amount of bankers' acceptance deposits was RMB 20,000,000.00.

Note 2:

Huatai Rubber Company Limited, a subsidiary of the Company, deposited Baht with the local bank as agreed, which was the deposit for Huatai Rubber Company Limited's borrowing from the local bank, and as agreed, this part of the fund could only be used to cope with the Company's rigid payments, such as electricity bills or short-term turnover of liquidity. As at 30 June 2020, the equivalent amount of this part of the deposit was RMB85,782,444.34 yuan. Note 3:

Shanghai Huayi Group Finance Co., Ltd, a subsidiary of the Company, deposits RMB and USD reserves with the People's Bank of China in accordance with the regulations, which cannot be used for daily operations. 30 June 2020, the ratio of RMB reserve deposits was 6% and the ratio of USD reserve deposits was 5%.

## (ii) Financial assets held for trading

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Event	Closing balance	Opening balance
Financial assets at fair value through profit or loss	1,802,626,280.84	1,695,969,479.48
Among them:		
Investment in debt instruments	355,790,891.75	351,033,663.75
Investment in equity instruments	1,446,835,389.09	1,344,935,815.73

Other notes:

☐Applicable ☒Not Applicable

**(iii) Derivative financial assets**

☐Applicable ☒Not Applicable

(iv) Notes receivable

1. Classification of notes receivable

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
banker's acceptance	6,814,984.50	10,866,836.15
commercial promissory note		
add up the total	6,814,984.50	10,866,836.15

2. Notes receivable pledged by the Company at the end of the period

□Applicable √Not Applicable

3. Notes receivable endorsed or discounted by the Company at the end of the period and not yet due at the balance sheet date

□Applicable √Not Applicable

4. Notes converted to accounts receivable by the company at the end of the period due to non-performance by the issuer

□Applicable √Not Applicable

5. Disclosure by bad debt accrual method

□Applicable √Not Applicable

6. Provision for bad debts

□Applicable √Not Applicable

7. Actual write-off of notes receivable during the period

□Applicable √Not Applicable

Other notes:

□Applicable √Not Applicable

(v) Accounts receivable

1. Disclosure by age

√Applicable □Not applicable

Unit: Yuan Currency:  
RMB

age of accounts	Closing book balance	Prior year-end balance
Within 1 year		
Of which: within 1 year		
Within 1 year	2,767,382,103.30	1,950,658,250.63
Subtotal less than 1 year	2,767,382,103.30	1,950,658,250.63
1 to 2 years	79,940,060.96	106,312,331.04
2 to 3 years	22,348,064.59	25,573,391.06

More than 3 years	410,754,031.65	406,850,794.35
3 to 4 years		
4 to 5 years		
More than 5 years		
add up the total	3,280,424,260.50	2,489,394,767.08

## 2. Disclosure by bad debt provisioning method

√Applicable □Not applicable

Unit: Yuan Currency: RMB

form	Closing balance					Opening balance				
	Carrying amount		provision for bad debts		book value	Carrying amount		provision for bad debts		book value
	sum of money	proportions (%)	sum of money	accruals ratio Example (%)		sum of money	proportions (%)	sum of money	accruals ratio Example (%)	
Provision for bad debts on an individual basis	53,081,285.19	1.62	53,081,285.19	100.00		53,081,285.19	2.13	53,081,285.19	100.00	
Among them:										
Provision for bad debts on an individual basis	53,081,285.19	1.62	53,081,285.19	100.00		53,081,285.19	2.13	53,081,285.19	100.00	
Provision for bad debts by portfolio	3,227,342,975.31	98.38	529,180,273.87	16.40	2,698,162,701.44	2,436,313,481.89	97.87	496,558,133.28	20.38	1,939,755,348.61
Among them:										
Accounts receivable portfolio 1	3,227,342,975.31	98.38	529,180,273.87	16.40	2,698,162,701.44	2,436,313,481.89	97.87	496,558,133.28	20.38	1,939,755,348.61
add up the total	3,280,424,260.50	/	582,261,559.06	/	2,698,162,701.44	2,489,394,767.08	/	549,639,418.47	/	1,939,755,348.61



Provision for bad debts is made on an individual basis:

√Applicable □Not applicable

Unit: Yuan Currency: RMB

name (of a thing)	Closing balance			
	Carrying amount	provision for bad debts	Accrual ratio (%)	Reasons for the provision
Xinjiang Donghan Technology Development Co.	20,370,000.78	20,370,000.78	100.00	Not expected to be recovered
Xinjiang Yongji Trading Co.	16,957,381.92	16,957,381.92	100.00	Not expected to be recovered
A description of the provision for bad debts on an individual basis:				
Shanghai Untong Trading Co.	11,016,807.81	11,016,807.81	100.00	Not expected to be recovered
Provision for bad debts is made on a portfolio basis:				
Wuxi Fushang Tyre & Rubber Co.	1,546,977.30	1,546,977.30	100.00	Not expected to be recovered
Portfolio accruals: accounts receivable portfolio 1				
Unit: Yuan Currency: RMB				
Wuxi Fushang Tyre & Rubber Co.	1,199,168.39	1,199,168.39	100.00	Not expected to be recovered
Closing balance				
accounts				
Nantong Jiahao Chemical Co. receivables	1,169,068.00	1,169,068.00	100.00	Not expected to be recovered
Criteria and description of recognition of bad debts by portfolio:				
Beijing Jinghai Futong Trading Co.	821,880.99	821,880.99	100.00	Not expected to be recovered
□Applicable √Not Applicable				
Accounts receivable	3,227,342,975.31	529,180,273.87		16.40
Provision for bad debts is based on the general model of expected credit losses, please refer to the disclosure of other receivables.				
add up the total	3,227,342,975.31	529,180,273.87	100.00	16.40
□Applicable √Not Applicable				

### 3. Provision for bad debts

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Unit: Yuan Currency: RMB							
form	Prior year-end balance	Opening balance	Amount of change during the period				Closing balance
			make provision for (capital requirements)	Recovery or melodic inversion (music)	Write-offs or audit and	the rest flux	
of which the amount of bad debt provisions recovered or reversed during the period is significant:							
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable	549,639,418.47	549,639,418.47	32,622,140.59				582,261,559.06
4. Accounts receivable actually written off during the period							
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable							
(of a sum of money, etc)							
<input type="checkbox"/> receivable money in an account			76 / 264				
add up the total	549,639,418.47	549,639,418.47	32,622,140.59				582,261,559.06

## 5. Top five accounts receivable by party owed at the end of the period

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Name of unit	Closing balance		
	accounts receivable	As a percentage of total accounts receivable Proportion (%)	provision for bad debts
Jilin Double Coin Tyre Matching Co.	514,273,038.86	15.68	25,713,651.94
Shanghai DuPont Agrochemicals Co.	170,400,937.70	5.19	8,520,046.89
Xinjiang Pujia Technology Development Co., Ltd.	136,122,491.16	4.15	134,954,819.00
Receivables derecognised due to transfer of financial assets			
China Salt Kunshan Co.	126,707,941.53	3.86	6,335,397.08
Dongming Huayi Yuhuang New Material Co.	70,721,673.47	2.16	3,536,083.67
7. Amount of assets and liabilities resulting from the transfer of receivables and their add up	1,018,226,082.72	31.04	179,059,998.58
continued in the note			

□Applicable √Not Applicable

Other notes:

□Applicable √Not Applicable

### (vi) Receivables financing

√Applicable □Not applicable

#### 1. Receivables financing

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
notes receivable	1,700,853,760.39	2,230,385,670.28
accounts receivable		
add up the total	1,700,853,760.39	2,230,385,670.28

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

□Applicable √Not Applicable

If bad debt provisioning is based on the general model of expected credit losses, please refer to the disclosure of other receivables:

□Applicable √Not Applicable

Other notes:

√Applicable □Not applicable

#### 2. Classification of notes receivable

Unit: Yuan Currency: RMB

sports event	Closing balance	Prior year-end balance
banker's acceptance	1,565,828,880.57	2,158,943,429.68
commercial promissory note	135,024,879.82	71,442,240.60
add up the total	1,700,853,760.39	2,230,385,670.28

### 3. Notes receivable pledged by the Company at the end of the period

Unit: Yuan Currency: RMB

sports event	Amount pledged at the end of the period
banker's acceptance	39,278,170.38

### 4. Notes receivable endorsed or discounted by the Company at the end of the period, and not yet due at the balance sheet date

Unit: Yuan Currency: RMB

sports event	Amounts derecognised at the end of the period	Amounts not derecognised at the end of the period
banker's acceptance	1,298,378,259.54	
commercial promissory note		67,890,476.00
add up the total	1,298,378,259.54	67,890,476.00

### (vii) Prepayments

#### 1. Prepayments by age

√Applicable □Not

applicable Unit: Yuan Currency: RMB

age of accounts	Closing balance		Opening balance	
	sum of money	Proportion (%)	sum of money	Proportion (%)
Within 1 year	554,015,448.37	92.07	740,616,074.61	95.33
1 to 2 years	40,320,991.92	6.70	29,587,664.53	3.81
2 to 3 years	3,461,307.27	0.58	3,723,319.56	0.48
More than 3 years	3,929,962.96	0.65	2,927,296.12	0.38
add up the total	601,727,710.52	100.00	776,854,354.82	100.00

#### 2. Top five prepayments with closing balances, grouped by prepayment recipient

Prepayment recipient	Advance payment	Closing balance	Percentage of closing balance of prepayments
State Grid Shanghai Electric Power Company		88,581,928.41	14.72
Shenhua Sales Group East China Energy Co.		49,141,289.25	8.17
Tianjin Bohua Yongli Chemical Co.		34,445,403.78	5.72
PetroChina Company Limited East China Chemical Sales Branch		34,255,128.23	5.69
Other notes receivable		32,084,045.50	5.33
add up the total		238,507,795.17	39.63

(viii) Other  
receivables 1.

Item

presentation

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
Interest receivable		
Dividends receivable	3,791,750.00	24,335,999.20
Other receivables	102,856,936.93	103,927,779.54
add up the total	106,648,686.93	128,263,778.74

Other notes:

☐Applicable ☒Not Applicable

2. Interest receivable

(1) Classification of interest receivable

☐Applicable ☒Not Applicable

(2) Significant overdue interest

☐Applicable ☒Not Applicable

(3) Provision for bad debts

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

3. Dividends receivable

(1) Dividends receivable

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

project (or investee)	Closing balance	Opening balance
Shanghai Runhong Industrial Co.	576,000.00	576,000.00
BASF Shanghai Coatings Co.		23,759,999.20
Shanghai Huayi Group Financial Leasing Co.	3,215,750.00	
add up the total	3,791,750.00	24,335,999.20
(2) Significant dividend receivables aged over 1 year		
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable		

(3) Provision for bad debts

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

#### 4. Other receivables

##### (1) Disclosure

Unit: Yuan Currency: RMB

age of accounts by age √Applicable□N	Closing book balance	Prior year-end balance
Within 1 year		
Of which: within 1 year		
Within 1 year	103,323,021.62	92,626,355.43
Subtotal less than 1 year	103,323,021.62	92,626,355.43
1 to 2 years	4,187,806.95	6,642,372.38
2 to 3 years	53,773,508.97	80,835,788.84
More than 3 years	181,523,205.50	189,034,041.95
3 to 4 years		
4 to 5 years		
More than 5 years		
add up the total	342,807,543.04	369,138,558.60

##### (2) Disclosure by bad debt accrual method

Unit: Yuan Currency: RMB

form	Closing balance					Prior year- end balance				
	Carrying amount		provision for bad debts		book value	Carrying amount		provision for bad debts		book value
	sum of mon ey	proport ions (per cent)	sum of money	Percenta ge of accruals (per cent)		sum of money	proport ions (per cent)	sum of money	Percenta ge of accruals (per cent)	
Provision for bad debts on an individual basis	97,630,237.72	28.48	97,630,237.72	100.00		100,991,928.57	27.36	100,991,928.57	100.00	
Provision for bad debts by portfolio	245,177,305.32	71.52	142,320,368.39	58.05	807,186,936.93	268,146,630.03	72.64	164,218,850.49	61.24	103,927,779.54
Among them:										
Of which: other receivables portfolio 1	245,177,305.32	71.52	142,320,368.39	58.05	102,856,936.93	268,146,630.03	72.64	164,218,850.49	61.24	103,927,779.54

Provision for bad debts is made on an individual basis:

Unit: Yuan Currency: RMB

Name of the debtor	Closing balance			
	Carrying amount	provision for bad debts	Accrual ratio (%)	Reasons for the provision
Shanghai Juntong Trading Co.	25,300,000.00	25,300,000.00	100.00	Not expected to be recovered
Shanghai Qianli Industry (Group) Co.	19,050,000.00	19,050,000.00	100.00	Not expected to be recovered
Shanghai Tianyuan Resources Trading Co.	21,880,237.72	21,880,237.72	100.00	Not expected to be recovered
Shanghai Ushi Industry Co.	14,200,000.00	14,200,000.00	100.00	Not expected to be recovered
Dalian Ming Resources Group Limited	14,200,000.00	14,200,000.00	100.00	Not expected to be recovered
Other receivables	245,177,305.32	142,320,368.39		recovered 58.05%
Shanghai Baoshan District Housing Security and Housing Management Bureau	3,000,000.00	3,000,000.00	100.00	Not expected to be recovered
add up the total	110,741,028.54	97,630,237.72		
Balance at 1 January 2020				265,210,779.06
Balance at 1 January 2020 at the current period				
--Transfer to Phase II				
--Transferred to phase III				
--Transfer back to phase II				
--Return to phase I				
Provision for the current period	-21,393,345.65		-505,136.45	-21,898,482.10
Reversal during the period			3,361,690.85	3,361,690.85
Description of significant changes in the carrying amount of other receivables for which a change in the provision for losses has occurred during the period:				
Write-offs during the period				
Write-offs during the period				
The amount of provision for bad debts in the current period and the basis used to assess whether there is a significant increase in the credit risk of a financial instrument:				
Balance at 30 June 2020	89,347,682.89		150,602,923.22	239,950,606.11

#### (4) Provision for bad debts

√Applicable □Not applicable

Unit: Yuan Currency: RMB

		Amount of change during the period				Closing balance
form	Opening balance	make provision for (capital requirements)	Recovery or reversal	Write-offs or audit and write off	the rest	
Of these, the amount of provision for bad debts reversed or recovered during the period is significant: <input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable						
(5) Other receivables actually written off during the period						
Other receivables	265,210,779.06	-21,898,482.10	3,361,690.85			239,950,606.11
add up the total						
	265,210,779.06	-21,898,482.10	3,361,690.85			239,950,606.11

#### (6) Breakdown by nature of funds

Unit: Yuan Currency: RMB

Nature of payment	Closing book balance	Opening balance
Payment for land resumption	81,200,520.00	84,200,520.00
current account	203,494,988.14	198,356,598.21
Deposits and Guarantees	9,535,614.21	45,174,363.68
reserve fund	4,809,540.88	4,448,116.66
the rest	43,766,879.81	36,958,960.05
add up the total	342,807,543.04	369,138,558.60

#### (7) Top five other receivables with closing balances, by party owed to them

Unit: Yuan Currency: RMB

Name of unit	Nature of payments	Closing balance	age of accounts	Percentage of closing balance of other receivables Proportion of total amount (%)	provision for bad debts Closing balance
Yangpu Land Storage	Land disposal payments	37,707,520.00	5 years	11.00	37,707,520.00
Zhabei District Land Development Centre	Land compensation	25,737,800.00	More than 3 years	7.51	25,737,800.00
Shanghai Qianli Industry (Group) Co.	current account	25,300,000.00	More than 3 years	7.38	25,300,000.00
Shanghai Tianyuan Resources	current account	21,880,237.72	2-3 years	6.38	21,880,237.72
Shanghai Qianli Industry (Group) Co.	current account	19,050,000.00	More than 3 years	5.56	19,050,000.00
add up the total		129,682,557.72			129,682,557.72

#### (8) Receivables relating to government grants

□Applicable √Not Applicable

□Applicable √Not Applicable

□Applicable √Not Applicable

□Applicable √Not Applicable

Other notes:

☐Applicable ☒Not Applicable



## (ix) Inventories

## 1.

## Classification of

## inventories

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable even t	Closing balance			Opening balance		
	Carrying amount	Provision for inventory write-downs/contract performance Provision for impairment of costs	book value	Carrying amount	Provision for inventory write-downs/contract performance Provision for impairment of costs	book value
raw materials	1,598,512,305.20	64,957,032.27	1,533,555,272.93	1,660,995,878.68	75,422,441.88	1,585,573,436.80
in product	135,014,753.89	3,501,479.91	131,513,273.98	202,282,031.75	4,709,094.18	197,572,937.57
merchandise in stock	2,596,032,323.64	113,624,813.95	2,482,407,509.69	2,587,496,625.07	113,742,180.20	2,473,754,444.87
swing space	18,368,081.53	1,326,793.59	17,041,287.94	13,067,006.90	1,337,909.52	11,729,097.38
Expendable biological assets						
Contract performance costs						
Goods in transit				292,035.40		292,035.40
Commissioned materials	215,191.46		215,191.46	371,063.73		371,063.73
Issuance of goods				50,392,766.70		50,392,766.70
add	4,348,142,655.72	183,410,119.72	4,164,732,536.00	4,514,897,408.23	195,211,625.78	4,319,685,782.45

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable even t	Prior year-end balance	Opening balance	Increase during the period		Decrease during the period		Closing balance
			make provision for (capital requirements)	the rest	Reversal or cancellation	the rest	
raw materials	75,422,441.88	75,422,441.88			10,465,409.61		64,957,032.27

### 3. Explanation of the closing balance of inventories containing amounts capitalised for borrowing costs

☐Applicable ☒Not Applicable

### 4. Explanation of the current period's amortisation of contract performance costs

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

### (x) Contractual assets

#### 1. Status of contract assets

☐Applicable ☒Not Applicable

#### 2. Amounts and reasons for significant changes in book value during the reporting period

☐Applicable ☒Not Applicable

#### 3. Provision for impairment of contract assets during the period

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

### (xi) Assets held for sale

☐Applicable ☒Not Applicable

### (xii) Non-current assets due within one year

☐Applicable ☒Not Applicable

### (xiii) Other current assets

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
Contract acquisition costs		
Returns receivable cost		
VAT deductible input tax	390,707,783.01	443,119,065.78
Other taxes paid in advance	38,638,727.60	11,792,785.76
loan on commission	30,000,000.00	50,748,000.00
Interbank interest receivable	1,215,972.23	3,452,427.44
Interest receivable on time deposits	2,885,105.80	18,503,404.46
Interest receivable on bond investments	9,229,160.65	5,213,982.79
the rest	318,083.70	345,958.70
add up the total	472,994,832.99	533,175,624.93

(xiv) Granting of loans and advances

1. Distribution of loans and advances by mode of measurement

Unit: Yuan Currency: RMB

Measurement	Closing balance	Prior year-end balance
(1) Measured at amortised cost		
Business loans and advances	3,922,932,898.23	4,159,123,980.10
-Loan	3,776,586,717.44	3,624,690,317.15
-Discount	146,346,180.79	534,433,662.95
-Other		
Total loans and advances at amortised cost	3,922,932,898.23	4,159,123,980.10
Less: Provision for loan losses	138,670,141.92	108,446,884.65
Of which: individual accruals		
Portfolio accruals	138,670,141.92	108,446,884.65
Carrying value of loans and advances measured at amortised cost	3,784,262,756.31	4,050,677,095.45
Business loans and advances		
-Loan		
-Discount		
-Other		
Loans and advances measured at fair value through other comprehensive income and Total advances		
Less: Provision for loan losses		
Of which: individual accruals		
Portfolio accruals		
Loans and advances measured at fair value through other comprehensive income and Carrying value of advances		
Business loans and advances		
-Loan		
-Discount		
-Other		
Loans and advances at fair value through profit or loss book value		
Accrued interest on loans and advances issued	4,207,400.04	3,977,633.22
Carrying value of loans and advances by individuals and enterprises	4,207,400.04	4,054,654,728.67

Unit: Yuan Currency: RMB

Measurement	Closing balance	Prior year-end balance
Business loans and advances	3,922,932,898.23	4,159,123,980.10
-Loan	3,776,586,717.44	3,624,690,317.15
-Discount	146,346,180.79	534,433,662.95
-Other		
Total loans and advances	3,922,932,898.23	4,159,123,980.10

### 3. Distribution of loans disbursed by industry

Unit: Yuan Currency: RMB				
Industry Distribution	Closing balance	Proportion (%)	Prior year-end balance	Proportion (%)
service industry	3,553,509,065.73	90.58	3,585,322,282.45	86.20
commercial trade	149,833,864.30	3.82	450,980,443.88	10.84
Electricity, heat, gas and water	185,589,968.20	4.73	72,730,557.10	1.75
Production and supply industry				
real estate industry	14,000,000.00	0.36	30,000,000.00	0.72
Transport, storage and postal services	20,000,000.00	0.51	20,000,000.00	0.48
financial sector				
Information transmission, computer services and software industry			90,696.67	

### 4. Distribution of loans and advances by region

Unit: Yuan Currency: RMB				
Regional distribution	Closing balance	Proportion (%)	Prior year-end balance	Proportion (%)
Total loans and advances	3,922,932,898.23	100.00	4,159,123,980.10	100.00
Eastern China	2,449,346,180.79	62.44	3,372,177,662.95	81.08
Southern China	1,473,586,717.44	37.56	786,946,317.15	18.92
Total loans and advances	3,922,932,898.23	100.00	4,159,123,980.10	100.00

### 5. Distribution of loans and advances by type of security

Unit: Yuan Currency: RMB		
type of security	Closing balance	Prior year-end balance
credit loan	3,350,000,000.00	3,400,000,000.00
guarantee loan	187,996,749.26	71,959,760.05
collateralised loan	238,589,968.18	152,730,557.10
Of which: mortgages	238,589,968.18	152,730,557.10
mortgage loan		
bill discounting	146,346,180.79	534,433,662.95
(sth. or sb) else		
Total loans and advances	3,922,932,898.23	4,159,123,980.10

### 6. No overdue loans at the end of the period

### 7. Provision for loan losses

#### (1) Provision for loan losses analysed by measurement

Unit: Yuan Currency: RMB						
type of measurement	Closing balance			Prior year-end balance		
	monetary	combinatorial	add up the total	monetary	combinatorial	add up the total
			86 / 264			
Origination credits measured at amortised cost		138,670,141.92	138,670,141.92		108,446,884.65	108,446,884.65
Provision for losses on						

(2) Movement in the allowance for loan losses

Unit: Yuan Currency: RMB

sport s even t	Amount for the period			Prior period amount		
	mo no ter m (in a ma the ma tic al for mu la)	combinatorial	add up the total	mo no ter m (in a ma the ma tic al for mu la)	combinatorial	add up the total
Prior year-end balance		108,446,884.65	108,446,884.65		46,761,934.32	46,761,934.32
Balance at the beginning of the year		108,446,884.65	108,446,884.65		46,761,934.32	46,761,934.32
Provision for the current period		30,223,257.27	30,223,257.27		61,684,950.39	61,684,950.39
Transfers during the period	Expected letters for the next 12 months	Expected credit losses over the life of the programme	Expected credit losses over the life of the programme	Expected credit losses over the life of the programme		add up the total
Write-offs during the period	termination payment	Losses (no credit impairment)	Loss (credit impairment has occurred)			
Reversed during the period:						
-- Recovery of original resale loans and advances						
Reversal due to payment	3,922,932,898.23					3,922,932,898.23
Carrying amount						
Provision for losses	138,670,141.92					138,670,141.92
Reversal due to increase in value	138,670,141.92					138,670,141.92
Reversal due to increase in value	138,670,141.92					138,670,141.92
Carrying value of payments and other factors	Phase I	Phase II	Phase III			
-- Returns due to other factors	Expected letters for the next 12 months	Expected credit losses over the life of the programme	Expected credit losses over the life of the programme			add
Closing balance	108,446,884.65	108,446,884.65	108,446,884.65			108,446,884.65
Prior year-end balance	108,446,884.65					108,446,884.65
Balance at the beginning of the year	108,446,884.65					108,446,884.65
Balance at the beginning of the year in the current period						
--Transfer to Phase II						
--Transferred to phase III						
--Transfer back to phase II						
--Return to phase I						
Provision for the current period	30,223,257.27					30,223,257.27
Reversal during the period						
Write-offs during the period						
Write-offs during the period						
Other changes						
Closing balance	138,670,141.92					138,670,141.92

## 8. Classification of loans into five categories and provision for loan losses

Unit: Yuan Currency: RMB

five-tier classification	30 June 2020				31 December 2019			
	Amount of loans and advances	Percentage of total (per cent)	Allowance for loan losses ratio (per cent)	Amount of provision for loan losses	Amount of loans and advances	Percentage of total (per cent)	Allowance for loan losses ratio (per cent)	Amount of provision for loan losses
normalcy	3,922,932,898.23	100.00	3.53	138,670,141.92	4,159,123,980.10	100.00	2.61	108,446,884.65
focus								
separately								
1. Debt investments								
Investments in debt								
Applicable <input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/>								
2. Significant debt investments at period end								
Applicable <input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/>								
Subtotal	3,922,932,898.23	100.00	3.53	138,670,141.92	4,159,123,980.10	100.00	2.61	108,446,884.65

### 3. Provision for impairment

☐ Applicable ☒ Not Applicable

### (xvi) Other debt investments

#### 1. Other debt investments

☐ Applicable ☒ Not Applicable

#### 2. Significant other debt investments at the end of the period

☐ Applicable ☒ Not Applicable

#### 3. Provision for impairment

☐ Applicable ☒ Not Applicable

Other notes:

☐ Applicable ☒ Not Applicable

### (xvii) Long-term receivables

#### 1. Long-term receivables

☐ Applicable ☒ Not Applicable

#### 2. Provision for bad debts

☐ Applicable ☒ Not Applicable

#### 3. Long-term receivables derecognised due to transfer of financial assets

☐ Applicable ☒ Not Applicable

#### 4. Amount of assets and liabilities resulting from the transfer of long-term receivables and their continued involvement

☐ Applicable ☒ Not Applicable

Other notes:

☐ Applicable ☒ Not Applicable

(xviii) Long-term equity investments

√Applicable □Not applicable

Unit: Yuan Currency: RMB

investee (in finance)	Ope ning bala nce	Increase/decr ease during the period								Clos ing bala nce	Closing balance of provision for impairm ent
		Additional investments	declin e invest ors	Recognised under the equity method Investment gains and losses	Other consolida ted Earnings adjustme nts	Other rights change in profitab ility	Announceme nt of cash releases Dividends or profits	provisio n for impairm ent (accoun tancy) corresp onding reductio n in value	it (re fer s st h. pr ec ed in g it) (u se d for eit he r se x wh en th e se x is un kn ow n or un im po rta nt)		
				89 / 264							
I. Joint ventures											
Shanghai Troy Chemical Co.	2,073,311.25			31,435.53						2,104,746.78	
Shanghai Hualin Industrial Gases Co.	309,910,641.54			42,636,831.56						352,547,473.10	

Half-yearly report

2020

Fubo (Qinzhou) Terminal Co.	34,335,314.46	105,000,000.00	-14,307,783.71					125,027,530.75	
Dalian New Sunshine Material Technology Co.		18,425,000.00	-188,507.00					18,236,493.00	
Shanghai Dawei Li Shoes Company Limited (Note 2)	936,064.71							936,064.71	936,064.71
Zhejiang Huahong New Material Co.	188,778,352.17	35,000,000.00	192,660.50					223,971,012.67	
Guangxi Hongyi New Material Co.		2,500,000.00						2,500,000.00	
Etco China Ltd.	211,471,886.44		11,413,039.15					222,884,925.59	
Shanghai Jinfeng Oleochemical Industry Co.	1,780,086.86		205,891.75					1,985,978.61	
Shanghai Shenma Cordage Fabric Co.									
Subtotal	3,016,166,310.41	207,452,411.76	68,871,747.50			6,902,870.00		3,285,587,599.67	936,064.71
add up the total	3,346,029,005.41	207,452,411.76	111,678,070.91			6,902,870.00		3,658,256,618.08	936,064.71

Other notes

Note 1: Excess  
losses incurred

Note 2:  
Discontinued  
operations

(xix) Investments in other equity instruments

1. Investments in other equity instruments

☐Applicable ☒Not Applicable

2. Investments in non-trading equity instruments

☐Applicable

☒Not applicable

Other

description:

☐Applicable ☒Not Applicable

(xx) Other non-current financial assets



√Applicable □Not applicable

Unit: Yuan Currency: RMB

sport s even t	Closing balance	Opening balance
Financial assets at fair value through profit or loss	890,326,282.03	925,693,579.03
Of which: Investments in equity instruments	381,339,372.44	425,146,685.58
Fund Investments	508,986,909.59	500,546,893.45
add up the total	890,326,282.03	925,693,579.03

**(xxi) Investment****property Investment****property measurement****model****1. Investment property using the cost measurement model**

Unit: Yuan Currency: RMB

sports event	Houses, buildings	land use right	add up the total
I. Original book value			
1. Opening balance	183,352,108.77	9,520,126.00	192,872,234.77
2. Increase during the period			
(1) Outsourcing			
(2) Transfer of inventories\fixed assets\construction in progress			
(3) Increase in business combinations			
3. Decrease during the period			
(1) Disposal			
(2) Other transfers out			
4. Closing balance	183,352,108.77	9,520,126.00	192,872,234.77
II. Accumulated depreciation and accumulated amortisation			
1. Opening balances	89,340,335.70	2,845,300.92	92,185,636.62
2. Increase during the period	3,045,713.83	34,745.34	3,080,459.17
(1) Accrual or amortisation	3,045,713.83	34,745.34	3,080,459.17
3. Decrease during the period			
(1) Disposal			
(2) Other transfers out			
4. Closing balance	92,386,049.53	2,880,046.26	95,266,095.79
III. Provision for impairment			
1. Opening balances			
2. Increase during the period			
(1) Provision			
3. Decrease during the period			
(1) Disposal			
(2) Other transfers out			
4. Closing balance			
<b>IV. The status of investment property for which no certificate of title has been issued:</b>			
□Applicable			
√Not Applicable			
1. Closing book value	90,966,059.24	6,640,079.74	97,606,138.98
2. Opening book value	94,011,773.07	6,674,825.08	100,686,598.15

**Other Notes**

□Applicable √Not Applicable

**(xxii) Fixed****assets 1. Item****presentation**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
fixed assets	12,462,240,001.03	13,070,075,015.84
Fixed assets liquidation		
add up the total	12,462,240,001.03	13,070,075,015.84

## 2. Fixed assets

## (1) Fixed assets

√Applicable □Not applicable

sport s even t	Houses and buildings	Specialised equipment	carrier	General equipment	the rest	Unit: Yuan	Currency:
						RMB	add up the total
i. Original book value:							
1. Opening balances	8,213,921,646.71	16,230,785,404.86	100,353,148.39	2,229,881,406.15	802,589,224.66		27,577,530,830.77
2. Increase during the period	25,826,645.85	75,547,682.79	116,446.01	-24,083,904.08	9,595,339.51		87,002,210.08
(1) Acquisitions	19,780,454.86	54,503,769.04	116,446.01	11,090,623.23	9,595,339.51		95,086,632.65
(2) Transfer from construction in progress	15,746,399.79	21,043,913.75		890,421.02			37,680,734.56
(3) Increase in business combinations							
(4) Changes in fixed assets due to exchange rate changes	-9,700,208.80			-36,064,948.33			-45,765,157.13
3. Decrease during the period	4,804,009.10	31,656,800.52	134,079.91	2,145,684.41	243,654.25		38,984,228.19
(1) Disposal or scrapping	4,804,009.10	31,656,800.52	134,079.91	2,145,684.41	243,654.25		38,984,228.19
4. Closing balance	8,234,944,283.46	16,274,676,287.13	100,335,514.49	2,203,651,817.66	811,940,909.92		27,625,548,812.66
II. Accumulated depreciation							
1. Opening balances	3,038,824,984.69	9,640,989,420.40	88,988,397.81	722,276,246.21	658,291,972.50		14,149,371,021.61
2. Increase during the period	137,390,390.51	448,067,711.35	1,194,503.94	73,257,453.80	11,878,228.95		671,788,288.55
(1) Provision	137,474,624.69	448,067,711.35	1,194,503.94	82,904,022.87	11,878,228.95		681,519,091.80
(2) Changes in fixed assets due to exchange rate changes	-84,234.18			-9,646,569.07			-9,730,803.25
3. Decrease during the period	101,160.25	12,656,248.85		726,116.39	222,239.73		13,705,765.22
(1) Disposal or scrapping	101,160.25	12,656,248.85		726,116.39	222,239.73		13,705,765.22
4. Closing balance	3,176,114,214.95	10,076,400,882.90	90,182,901.75	794,807,583.62	669,947,961.72		14,807,453,544.94
III. Provision for impairment							
1. Opening balance	31,442,338.57	320,298,672.86	510,770.77	5,526,704.55	306,306.57		358,084,793.32
2. Increase during the period							
(1) Provision							
3. Decrease during the period	44,219.03	1,934,420.29		250,887.31			2,229,526.63
(1) Disposal or scrapping	44,219.03	1,934,420.29		250,887.31			2,229,526.63
4. Closing balance	31,398,119.54	318,364,252.57	510,770.77	5,275,817.24	306,306.57		355,855,266.69
IV. Carrying value							
1. Closing book value	5,027,431,948.97	5,879,911,151.66	9,641,841.97	1,403,568,416.80	141,686,641.63		12,462,240,001.03

**(2) Status of temporarily idle fixed assets**

☐Applicable ☒Not Applicable

**(3) Fixed assets leased through finance leases**

☐Applicable ☒Not Applicable

**(4) Fixed assets leased out through operating leases**

☐Applicable ☒Not Applicable

**3. Fixed assets for which certificates of title have not been issued**

☒Applicable ☐Not applicable

Unit:Yuan Currency:RMB

sports event	book value	Reasons for non-completion of title deeds
Evergrande University Building 15 Suites	12,871,068.81	In process
Shanghai Yipin Pigment Co.	12,745,052.23	Structures, appurtenances, etc. no Proceeding with the birth certificate in accordance with the law
Yixing Huayi Yipin Colouring Technology Co.	123,091,811.75	Land mortgages, not available at this time
Shanghai Trial 4 Hervey Chemical Co.	6,616,193.69	Not yet processed
Shanghai Huayi Fine Chemical Sales Co.	64,832.37	In process
Chongqing Tyre Plant	3,812,135.32	In process
One-to-one Headquarter Plant	324,692.09	No title deeds will be issued
Heavy Duty Plant	372,826.30	No title deeds will be issued
<b>4. Liquidation of fixed assets</b>		
Donghai Tyre Plant and Office	1,794,495.78	Separation of land and housing titles
Sinkun housing (xxiii)	226,752.47	No title deeds will be issued
Xinkun plant	152,114,811.98	In process
Xinjiang Engineering Housing	50,849,124.10	Incomplete formalities

**Presentation of items**

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
construction in progress	1,410,972,144.71	879,513,931.91
Engineering materials	162,455,552.44	7,790,438.22
add up the total	1,573,427,697.15	887,304,370.13

## 2. Construction

in progress

## (1) Status of

construction in progress	Closing balance			Opening balance		
	Carrying amount	provision for impairment	book value	Carrying amount	provision for impairment	book value
√Applicable even						
□Not applicable						
equipment assembly line	1,565,643,141.82	154,670,997.11	1,410,972,144.71	1,034,184,929.02	154,670,997.11	879,513,931.91
add up the total	1,565,643,141.82	154,670,997.11	1,410,972,144.71	1,034,184,929.02	154,670,997.11	879,513,931.91

Unit: Yuan Currency:

RMB

## 3. Changes in significant

construction projects in

Unit: Yuan												Currency:		
progress during the period		Project name	Budgeted number	Opening balance	Increase during the period	Amounts transferred to fixed assets during the period	Other decreases during the period	Closing balance	Cumulative investment in the project as a percentage of projected Calculation ratio (%)	project progress	Accumulated amount of interest capitalised	RMB:	Interest capital for the period Rate of conversion (%)	Source of funds
√Applicable	□Not applicable											Amount of interest capitalised during the period		
1.2 million sets production line		105,149.29 million		344,430,813.81	159,398,261.78		2,021,204.10	501,807,871.49	90.00	95.00 per cent	20,319,184.06	8,122,230.70	3.01	Self-financing and borrowings
Nissin Phase II Project		27.86 million		16,529,204.21	6,472,870.47		94 / 184	23,002,074.68	85.00	90.00 per cent				self-finance
350 tonnes/year of LDB production equipment		49.05 million		28,032,221.39	7,190,985.74			35,223,207.13	71.81	95.00 per cent				self-finance

#### 4. Provision for impairment of construction in progress during the period

☐Applicable ☒Not Applicable

Other notes

☐Applicable ☒Not Applicable

#### 5. Engineering materials

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance			Opening balance		
	Carrying amount	impairment s intended	book value	Carrying amount	impairment s intended	book value
Specialised materials	160,401,833.86		160,401,833.86	5,631,301.93		5,631,301.93
(xxiv) Productive biological assets	2,053,718.58		2,053,718.58	2,156,373.45		2,156,373.45
<b>1. Produced biological assets subject to the cost-measurement model</b>						
equipment						
work						
equipment				2,762.84		2,762.84
add up	162,455,552.44		162,455,552.44	7,790,438.22		7,790,438.22
<b>2. Produced biological assets using the fair-value measurement model</b>						
the total						

Other notes

☐Applicable ☒Not Applicable

#### (xxv) Oil and gas assets

☐Applicable ☒Not Applicable

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

☐Applicable ☒Not Applicable

(xxvii)

**Intangible**

assets 1.

**Intangible**

assets

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sports event	land use right	franchises	Non-patented technology	hard ware	trademark right	add up the total
I. Original book value						
1. Opening balances	2,254,741,611.00	58,004,146.07	158,730,312.24	57,815,213.97	44,393,756.79	2,573,685,040.07
2. Increase during the period	66,104,258.74			5,449,902.50		71,554,161.24
(1) Acquisition	66,104,258.74			5,449,902.50		71,554,161.24
(2) In-house R&D						
(3) Increase in business combinations						
3. Decrease during the period						
(1) Disposal						
4. Closing balance	2,320,845,869.74	58,004,146.07	158,730,312.24	63,265,116.47	44,393,756.79	2,645,239,201.31
II. Accumulated amortisation						
1. Opening balance	570,016,330.23	36,919,131.68	42,847,852.44	47,401,526.98	44,167,525.67	741,352,367.00
2. Increase during the period	36,966,931.42	1,086,608.51	5,433,821.18	2,021,823.71	109,412.08	45,618,596.90
(1) Provision	36,966,931.42	1,086,608.51	5,433,821.18	2,021,823.71	109,412.08	45,618,596.90
3. Decrease during the period						
(1) Disposal						
4. Closing balance	606,983,261.65	38,005,740.19	96 / 184 48,281,673.62	49,423,350.69	44,276,937.75	786,970,963.90
III. Provision for impairment						
1. Opening balance		1,338,329.07				1,338,329.07

## 2. Status of land use rights for which no title deeds have been issued

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB		
sports event	book value	Reasons for non-completion of title deeds
land use right	20,967,342.80	See note 14 for details

Other notes:

☐Applicable ☒Not Applicable

## (xxviii) Development expenditure

☐Applicable ☒Not Applicable

## (xxix) Goodwill

### 1. Original carrying amount of goodwill

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB				
Name or form of investee Matters that constitute goodwill	Opening balance	Increase during the period	Decrease during the period	Closing balance
		resulting from a business combination	take care of	
2. Provision for impairment of goodwill				
Double Coin Group	128,065,581.26			128,065,581.26
(Xiang) Kunlun Tyre Co.	Not Applicable			
add up the total	128,065,581.26			128,065,581.26

3. Information about the asset group or combination of asset groups in which the goodwill is located

☐Applicable ☒Not Applicable

4. Describe the process of goodwill impairment testing, key parameters (e.g. growth rate over the forecast period when the present value of future cash flows is expected, growth rate over the stabilisation period, profit margin, discount rate, forecast period, etc., as applicable) and the method of recognising goodwill impairment losses

☐Applicable ☒Not Applicable

### 5. Impact of goodwill impairment test

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable



(xxx) Long-term amortised expenses

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sports event	Opening balance	Increase during the period	Amortisation for the period	Other decreases	Closing balance
mould	102,077,530.94	13,740,757.74	8,599,944.15	8,114,505.13	99,103,839.40
refurbishment costs	52,938.19		13,809.96		39,128.23
Land lease payments	2,160,000.00		180,000.00		1,980,000.00
renovation cost	32,229,850.36	69,867.54	2,003,556.11		30,296,161.79
Right-to-use room renovation	38,883,281.77		3,888,328.18		34,994,953.59
(costs) Deferred income tax assets/deferred income tax liabilities	47,937,879.04		17,796,443.39		30,141,435.65
(sth. or sb) else	5,346,599.19	58,635.07	1,564,945.96		3,840,288.30
add up the total	228,688,079.49	13,869,260.35	34,047,027.75	8,114,505.13	200,395,806.96
assets not offset					

□Applicable √Not Applicable

2. Uncredited deferred tax liabilities

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sport s even t	Closing balance		Opening balance	
	Taxable temporary differences discriminate	Deferred income tax be in debt	Taxable temporary differences discriminate	Deferred income tax be in debt
Non-same control business combinations	38,074,126.13	6,161,535.86	38,074,126.13	6,161,535.86
Asset valuation appreciation				
Fair value of other debt investments				
change in value				
Investments in other equity instruments				
Change in fair value				
3. Deferred tax assets or liabilities, net of offsets				
Available-for-sale financial assets	345,016,471.55	115,387,321.54	472,673,035.80	118,034,758.96
Change in fair value				
4. Details of unrecognised deferred tax assets				
add	383,090,597.68	121,548,857.40	510,747,161.93	124,196,294.82
5. The deductible losses for which no deferred tax assets have been recognised will expire in the following years				

□Applicable √Not Applicable

Other notes:

□Applicable √Not Applicable

(xxxii) Other non-current assets

Unit: Yuan    Currency: RMB

Applicable		Closing balance		Opening balance		
applicable sport	Carrying amount	impairments intended	book value	Carrying amount	impairments intended	book value
Contract acquisition costs						
Contract performance costs						
(xxviii) Short-term receivables						
Contract borrowings						
Classification of assets				Unit: Yuan    Currency: RMB		
Prepayment for works	199,820,922.83		199,820,922.83	268,440,369.75		268,440,369.75
Loan on pledge			39,991,701.90			447,206,419.89
Secured loan	199,820,922.83		199,820,922.83	268,440,369.75		268,440,369.75
Guaranteed borrowing			494,599,013.20			610,481,825.34
credit loan			72,506,860.89			100,364,614.59
Entrusted Borrowing			2,716,271,261.35			3,072,445,988.77
add up the total			3,344,368,837.34			4,251,498,848.59

## 2. Short-term loans overdue for repayment

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

(xxxiv) Financial liabilities held for trading

☐Applicable ☒Not Applicable

**(xxxv) Derivative financial liabilities**

☐Applicable ☒Not Applicable

(xxxvi) Notes payable

√Applicable ☐Not applicable

Unit: Yuan Currency: RMB

kind	Closing balance	Opening balance
banker's acceptance	557,801,768.13	1,392,671,934.50
commercial promissory note	2,152,836.00	54,358,204.52
add up the total	559,954,604.13	1,447,030,139.02

(xxxvii)

## Accounts

### payable 1.

#### Presentation

Unit: Yuan Currency: RMB

of accounts event	Closing balance	Opening balance
payable		
accounts payable	3,470,440,568.35	3,327,255,000.45
add up the total	3,470,440,568.35	3,327,255,000.45

☐ Not applicable

## 2. Significant accounts

### payable aged over 1 year

Unit: Yuan Currency: RMB

√Applicable <input type="checkbox"/> Not applicable	Closing balance	Reasons for non-reimbursement or carry-over
s even t		
Beautiful Foods, Inc.	43,608,316.67	contacts over the years
Shanghai Wujing Chemical Co.	33,297,373.77	Unsettled balance of works
Soft Controls Corporation	31,057,913.13	Outstanding balance of works
Unilever	24,045,987.52	contacts over the years
Anhui Amada Import & Export Co.	10,937,374.33	Outstanding balance of works
Other notes:		
Qingdao Soft Control Mechanical & Electrical Engineering Co.	10,909,000.00	Outstanding balance of works
SAP (China) Co.	10,773,881.04	Not yet due for payment under the contract
add up the total	164,629,846.46	

#### 1. Presentation of receipts in advance

☐ Applicable ☒ Not Applicable

#### 2. Significant receipts in advance with an age of more than one year

☐ Applicable ☒ Not Applicable

Other notes:

☐ Applicable ☒ Not Applicable

(xxxix)

## Contract

### liabilities 1.

√Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
Contractual liabilities	440,926,261.17	435,918,378.58
add up the total	440,926,261.17	435,918,378.58

**2. Amounts and reasons for significant changes in book value during the reporting period**

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

(xl) Deposit-taking

Unit: Yuan Currency: RMB

item	Closing balance	Balance at the beginning of the year
demand deposit	4,273,077,296.41	5,643,005,201.38
fixed deposit	4,006,847,754.18	3,446,944,809.07
Remuneration payable to employees	8,279,925,050.59	9,089,950,010.45

1.

Unit: Yuan Currency: RMB

Presentation of remuneration payable to employees	Opening balance	Increase during the period	Decrease during the period	Closing balance
I. Short-term remuneration	94,761,426.45	792,227,214.33	814,594,381.11	72,394,259.67
II. Retirement benefits - defined contribution programme	5,647,317.11	60,851,575.02	58,758,135.07	7,740,757.06
III. Termination benefits	37,757,061.62	3,203,837.79	3,586,181.17	37,374,718.24
IV. Other benefits due within one year				
add up the total	138,165,805.18	856,282,627.14	876,938,697.35	117,509,734.97

2.

Presentation

Unit: Yuan Currency: RMB

of short-term remuneration	Opening balance	Increase during the period	Decrease during the period	Closing balance
I. Wages, salaries, allowances and subsidies	77,998,491.69	656,955,525.49	680,460,478.18	54,493,539.00
II. Employee benefit costs	67,926.14	23,048,913.02	23,060,208.02	56,631.14
III. Social security contributions	4,630,505.76	39,297,531.28	37,140,355.79	6,787,681.25
Of which: medical insurance premiums	2,574,233.95	34,166,421.42	31,923,809.27	4,816,846.10
Employment injury insurance premiums	1,760,675.49	2,134,225.76	2,600,138.02	1,294,763.23
Maternity insurance premiums	295,596.32	2,996,884.10	2,616,408.50	676,071.92
IV. Housing Provident Fund	80,291.00	46,922,564.48	44,122,305.49	2,880,549.99
V. Funds for trade unions and staff education	11,041,530.78	13,280,344.25	17,410,745.84	6,911,129.19
VI. Short-term paid absences				
VII. Short-term profit-sharing schemes				
VIII. Other short-term remuneration	942,681.08	12,722,335.81	12,400,287.79	1,264,729.10
add up the total	94,761,426.45	792,227,214.33	814,594,381.11	72,394,259.67

the defined contribution

plan

√Applicable □Not

Unit: Yuan Currency: RMB

applicables even t	Opening balance	Increase during the period	Decrease during the period	Closing balance
1. Basic pension insurance	5,041,125.59	43,893,797.14	41,984,691.37	6,950,231.36
2. Unemployment insurance premiums	606,191.52	1,413,590.42	1,373,934.34	645,847.60
3. Contributions to enterprise annuities		15,544,187.46	15,399,509.36	144,678.10
Other notes: Applicable √ Not Applicable				
add up the total	5,647,317.11	60,851,575.02	58,758,135.07	7,740,757.06

(XLII) Taxes

payable

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Closing balance	Opening balance
value-added tax (VAT)	39,938,789.50	30,155,715.62
sales tax	356,391.90	267,844.56
business tax		
corporate income tax	42,663,275.37	94,119,230.20
personal income tax	1,825,213.05	9,496,803.99
Urban maintenance and construction tax	2,199,897.61	949,324.75
property tax	4,157,309.64	4,424,157.13
Land Value Added Tax (LVAT)	97,402.00	
education surcharge	1,847,609.59	1,178,185.81
land use tax	3,622,914.05	3,534,061.60
environmental protection tax	101,887.51	110,916.29
non-residential property	10,290,433.91	12,907,488.00
the rest	562,020.92	4,638,297.59
add up the total	107,663,145.05	161,782,025.54

(XLIII) Other

accounts payable

1.

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Closing balance	Opening balance
interest due		
dividend payable	213,453,145.29	3,140,768.99
Other accounts payable	2,280,650,383.66	2,313,198,420.81
add up the total	2,494,103,528.95	2,316,339,189.80

2. Interest payable

☐Applicable ☒Not Applicable

3. Dividends payable

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sport s even t	Closing balance	Opening balance
ordinary share dividend		
Dividends on preference shares/perpetual bonds classified as equity instruments		
Shanghai Hetten High-Tech Co.	2,390,300.00	2,607,600.00
Shanghai Try4TestHua Investment Management Centre (Limited Partnership)	32,754.32	32,754.32
Corporate dividends	211,030,090.97	500,414.67
add up the total	213,453,145.29	3,140,768.99

#### 4. Other accounts payable

##### (1) Other accounts payable

by nature of payment

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable sports event	Closing balance	Opening balance
Other accounts payable	2,280,650,383.66	2,313,198,420.81
add up the total	2,280,650,383.66	2,313,198,420.81

##### (2) Significant other payables

aged over 1 year

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable sports event	Closing balance	Reasons for non-reimbursement or carry-over
Great Wall Asset Management Company (GWAMC)	15,897,703.99	Calendar year transactions
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable add up the total	15,897,703.99	/

##### (xlv) Liabilities held for sale

☐Applicable ☒Not Applicable

##### (xlv) Non-current liabilities

due within one year

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable sports event	Closing balance	Opening balance
Long-term loans due within 1 year	658,180,543.79	302,769,446.89
Bonds payable due within 1 year		
Long-term accounts payable due within 1 year		
Lease liabilities due within 1 year		
<b>(1) Long-term borrowings due within one year</b>		
<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable sports event	Closing balance 658,180,543.79	Balance at the beginning of the year 302,769,446.89
Guaranteed Borrowing credit loan	87,870,631.10	87,645,711.94
secured loan	555,254,352.22	190,802,194.79
Entrusted Borrowing	9,655,560.47	24,321,540.16
5,400,000.00	5,400,000.00	
Total figure	658,180,543.79	302,769,446.89



## (2) The top five amounts of long-term borrowings due within one year:

Unit: Yuan

lending unit	Borrowing start date	loan termination date	currency type	Interest rate (per cent)	Closing balance		Balance at the beginning of the year	
					Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Export-Import Bank	2019/3/8	2021/3/8	CNY	2.9150		400,000,000.00		
Bank of Communications Shanghai Baoshan Sub-branch	2014/12/22	2020/12/21	CNY	4.90		59,025,269.86		69,025,269.86
Bank of Communications Shanghai Baoshan Sub-branch	2014/12/30	2020/12/9	CNY	4.90		40,117,037.30		47,117,037.30
Bangkok Bank Public Company Limited	2017/8/25	2020/1/27	THB	3.2653			THB 120,000,000.00	28,135,454.10
Bangkok Bank Public Company Limited	2017/8/25	2020/6/29	THB	3.2653			THB 120,000,000.00	28,135,454.10
(3) Bank Public Company Limited	2017/8/25	2020/12/28	THB	3.2653		THB 120,000,000.00	28,135,454.10	THB 120,000,000.00
							Unit: Yuan	Currency: RMB
lending unit	loan amount	overdue since then		Annual interest rate (%)		Use of borrowed funds	Reasons for overdue reimbursement	expected repayment period
Bank of Communications Shanghai Baoshan Sub-branch	2015/10/29	2020/10/21	CNY	4.75		5,770,000.00		
Bank of Communications Shanghai Baoshan Sub-branch	2015/7/21	2020/7/16	CNY	4.75		4,988,373.80		
China Construction Bank, Shanghai Sub-branch	9,382,867.31	1999-12			cease	money in circulation	Failure to renew	not have
Total figure						538,036,135.06		200,548,669.46
China Construction Bank, Shanghai Fourth Sub-branch	1,788,830.71	2005-12			cease	money in circulation	Failure to renew	not have
add up the total	11,171,698.02							

**(xlvii) Other current liabilities**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
Short-term bonds payable		
Returns payable		
Interest payable on deposits taken	97,490,370.31	77,202,231.95
Interest payable on bonds payable	12,389,125.00	12,208,350.00
Increase or decrease in short-term bonds payable:		
add	109,879,495.31	89,410,581.95
□Applicable √Not Applicable		
add up the total		

Other notes:

□Applicable √Not Applicable

**(xlviii) Long-term****borrowings 1.****Classification of****long-term****borrowings**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
loan on pledge		
secured loan	98,720,663.63	103,754,020.42
Guaranteed Borrowing	1,127,688,060.44	1,305,796,001.99
credit loan	891,471,173.56	1,337,736,172.20
Entrusted Borrowing		5,400,000.00
add up the total	2,117,879,897.63	2,752,686,194.61

Other notes, including interest rate bands:

√Applicable □Not applicable

## 2. Top five long-term loans

Unit: Yuan

lending unit	Borrowing start date	loan termination date	currency type	Interest rate (per cent)	Closing balance		Balance at the beginning of the year	
					Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
China Development Bank	2016/7/28	2031/7/27	CNY	1.200		182,200,000.00		182,200,000.00
Bank of Communications Shanghai Baoshan sub-branch of a bank	2015/1/4	2020/12/21	CNY	4.750				69,025,269.86
Bank of Communications Shanghai Baoshan sub-branch of a bank	2016/1/19	2021/12/29	CNY	4.750				65,531,983.10
China Development Bank	2015/12/30	2031/12/30	CNY	1.200				83,200,000.00
Bank of China (Thai) Public Company Limited	2017/7/25	2022/6/30	USD	4.3690	USD 27,571,378.92	192,343,453.62	USD 27,571,378.92	192,343,453.62
Bank of China (Thai) Public Company Limited	2017/7/24	2022/6/30	THB	3.0056	THB 665,969,217.51	153,021,658.64	THB 665,969,217.51	153,021,658.64
Bangkok Bank Public Company Limited	2017/7/27	2022/6/27	USD	4.4093	USD 73,446,936.76	512,380,520.23	USD 73,446,936.76	512,380,520.23
Bangkok Bank Public Company Limited	2017/8/25	2022/6/27	THB	3.2653	THB 1,896,250,000.00	444,598,779.06	THB 1,896,250,000.00	444,598,779.06
Export-Import Bank	2019/3/8	2021/3/8	CNY	2.9150				400,000,000.00

(xlvi) Bonds payable 1.  
Bonds payable

√Applicable

Unit: Yuan Currency: RMB

<input type="checkbox"/> Not applicable	sports event	Closing balance	Opening balance
		2,455,690,732.56	2,417,749,133.42
		2,455,690,732.56	2,417,749,133.42
2. Increase or decrease in bonds payable (excluding other financial instruments such as preference shares and perpetual bonds classified as financial liabilities)			

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable	<input type="checkbox"/> Not applicable	<input type="checkbox"/> Not applicable	Bond maturity	Issue amount	Opening balance	Current interest	Interest at par	Amortisation of premiums and discounts	Current period reimbursement	Exchange differences	Closing balance
<p>Note: HUAYI FINANCE I LTD. a subsidiary of the Company, issued a five-year U.S. dollar-denominated debenture with a coupon amount of US\$350 million on 30 October 2019, with interest payable semi-annually at a fixed rate of 3.00% per annum. The five-year U.S. dollar bonds are due for repayment on October 30, 2024, unless the bonds have been repurchased, cancelled or redeemed prior to that date. The effective interest rate on the bonds payable is fixed at 3.25 per cent per annum.</p>											
3. Description of conversion conditions and conversion time of convertible bonds											
<input type="checkbox"/> Applicable	<input checked="" type="checkbox"/> Not Applicable										
Huayi Group (Hong Kong) Limited Company Bonds	100.00	30.10.2019	30.10.2019 - 2024.10.30	2,445,208,021.38	2,417,749,133.42		37,167,375.00	2,140,808.96	37,167,375.00	35,800,790.18	2,455,690,732.56
					107 / 264						
add up the	/	/	/	2,445,208,021.38	2,417,749,133.42		37,167,375.00	2,140,808.96	37,167,375.00	35,800,790.18	2,455,690,732.56

**4. Description of other financial instruments classified as financial liabilities**

Basic information on other financial instruments such as preferred shares and perpetual bonds issued and outstanding at the end of the period

☐Applicable ☒Not Applicable

Statement of changes in preferred shares, perpetual bonds and other financial instruments issued and outstanding at the end of the period

☐Applicable ☒Not Applicable

Description of the basis for classification of other financial instruments as financial liabilities

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

**(xlix) Lease liabilities**

☐Applicable ☒Not Applicable

**(v) Long-term**

**accounts**

**payable 1.**

☒Applicable

Unit: Yuan Currency: RMB

<input type="checkbox"/> Not applicable	Closing balance	Opening balance
Long-term accounts payable	47,143,795.21	47,143,795.21
Dedicated accounts payable	98,899,508.47	103,183,406.95
add up the total	146,043,303.68	150,327,202.16

**2. Long-term**

**accounts**

**payable**

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable	Closing balance	Opening balance
Government of Anhui Chaohu allocated to the project	25,732,922.40	25,732,922.40
Payment for land storage	9,256,084.19	9,256,084.19
Shanghai Huayi (Group) Company	10,266,457.06	10,266,457.06
Shanghai AIC Trust & Investment Co. Working capital borrowing for new product development)	1,599,684.88	1,599,684.88
Land exchange financing	288,646.68	288,646.68
add up the total	47,143,795.21	47,143,795.21

Unit: Yuan

Currency: RMB Sports Event	Opening balance	Increase during the period	Decrease during the period	Closing balance	form ation ration ale
Earmarked funds for research and development of military industry projects	86,440,749.45	3,086,115.55	7,130,014.03	82,396,850.97	milita ry indus try sport s event
Hazardous chemical speciality (Note 1)	15,182,657.50			15,182,657.50	finan ces (publi c) alloc ate funds

Shanghai New Coatings and Pigments Inspection Measurement Expertise Service Platform	1,500,000.00		240,000.00	1,260,000.00	finances (public) allocate funds
Putuo District Financial Science and Technology Innovation Special Programme Standard setting	60,000.00			60,000.00	finances (public) allocate funds
add up the total	103,183,406.95	3,086,115.55	7,370,014.03	98,899,508.47	

Other notes:

Note 1: Hazardous chemical special, mainly because according to the "Shanghai hazardous chemical enterprise adjustment special subsidy measures" and by the Shanghai industrial structure adjustment coordination and promotion joint conference office issued a document "Shanghai production adjustment office [2012] No. 32" agreed, the company's subsidiary Shanghai Zhenhua paint factory, subsidiary Shanghai Coating Research Institute Ltd. and subsidiary Shanghai test four Hervey Chemical Co. Ltd. met the conditions of subsidy and received special subsidies of RMB20,020,000.00, RMB840,000.00 and RMB5,887,000.00 respectively, and the corresponding expenditures were paid in the course of payment.

The remaining balance of \$14,342,657.50 and \$840,000.00 as at 30 June 2020 is for unsettled expenditure.

### (xxxii) Long-term

#### employee compensation

#### payable

√Applicable □Not

Unit: Yuan Currency: RMB

1. Statement of long-term employee compensation payable	Closing balance	Opening balance
I. Post-employment benefits -- net defined liability	334,193,658.92	337,520,000.00
II. Termination benefits	41,730,000.00	43,190,000.00
III. Other long-term benefits		
add up the total	375,923,658.92	380,710,000.00

### 2. Changes in defined

#### benefit plans

#### (1) Present value of defined benefit plan

#### obligations:

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sport s even t	Current period's incidence	Prior period's incidence
I. Opening balances	380,710,000.00	436,890,000.00
II. Defined benefit costs charged to current profit or loss		3,210,000.00
1. Current service costs		1,060,000.00
2. Past service costs		-70,000.00
3. Settlement gains (losses represented by "-")		-11,260,000.00
4. Net interest		13,480,000.00
III. Cost of defined benefit included in other comprehensive income		-31,230,000.00
1. Actuarial gains (losses expressed as "-")		-31,230,000.00
IV. Other changes	-4,786,341.08	-28,160,000.00
(2) Scheme assets:		
1. Consideration paid on settlement		
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable		
2. Benefits paid	-4,786,341.08	-28,160,000.00
V. Closing balance	375,923,658.92	380,710,000.00



**(3) Net liability (net assets) of defined benefit plans**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sport s even t	Current period's incidence	Prior period's incidence
I. Opening balances	380,710,000.00	436,890,000.00
II. Defined benefit costs charged to current profit or loss		3,210,000.00
III. Cost of defined benefit included in other comprehensive income		-31,230,000.00
A description of the content of the defined benefit plan and the risks associated with it, its impact on the company's future cash flows, timing and uncertainty:	-4,786,341.08	-28,160,000.00
Opening balance/Not Applicable	375,923,658.92	380,710,000.00

Statement of significant actuarial assumptions and sensitivity analysis results for defined benefit plans

□Applicable √Not Applicable

Other notes:

□Applicable √Not Applicable

**(viii) Projected liabilities**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sport s even t	Prior year-end balance	Opening balance	Increase during the period	Decrease during the period	Closing balance	Reasons for formation
Provision of guarantees to external parties						
Pending litigation						
Product Quality Assurance	210,000.00	210,000.00			210,000.00	
Reorganisation obligations						
Total losses to be implemented same						
Returns payable						
Other notes, including a description of significant assumptions, estimates related to significant projected liabilities: Note: See Note XII, (ii) Contingencies for details.						
anti-dumping duty	13,952,400.00	13,952,400.00	310,800.00		14,263,200.00	anti-dumping investigation
Off-balance sheet project expectation letters provision for compensatory losses	9,647,118.38	9,647,118.38		8,647,118.38	1,000,000.00	
add up the total	23,809,518.38	23,809,518.38	310,800.00	8,647,118.38	15,473,200.00	

## (viii) Deferred

## income

## Deferred income

					Unit: Yuan Currency
status sports event √Applicable □Not applicable	Opening balance	Increase during the period	Decrease during the period	Closing balance	RMB Reasons for formation
government grant	492,179,115.32	16,512,874.00	11,807,205.91	496,884,783.41	
add up the total	492,179,115.32	16,512,874.00	11,807,205.91	496,884,783.41	/

## Projects involving

## government grants:

√Applicable □Not

Unit: Yuan Currency:

applicable	Liability items	Opening balance	New grants for the period sum of money	Charged to current loss for the period Amount of benefit	Included in non- operating expenses for the period Amount of income	Included in other for the period proceeds	the rest flux	RMB balance	Related to assets/to Earnings Related
	Retaining wall subsidy	965,859.31		11,517.93				954,341.38	Asset-related
	Earmarked funding for military-industrial projects	3,200,000.00						3,200,000.00	Asset-related
	Chemical Industry Industrial Internet Platform Project	4,800,000.00						4,800,000.00	Asset-related
	Land refunds		15,482,874.00					15,482,874.00	Asset-related
	Zhangjiang Cloud Service Platform	2,870,000.00	410,000.00					3,280,000.00	revenue- related
	VOC Project	1,152,285.75		347,539.78				804,745.97	Asset-related
	Special Funding for Clean Energy Replacement of Boilers	1,331,667.70		75,377.42				1,256,290.28	Asset-related
	Land compensation	24,309,441.00		281,034.00				24,028,407.00	Asset-related
	Research and industrialisation of green synthesis process for efficient and environmentally friendly fungicides	1,684,163.36						1,684,163.36	revenue- related
	Key technology application and demonstration project for high concentration hydrochloric acid biodegradable industrial wastewater treatment	1,300,000.00	500,000.00					1,800,000.00	revenue- related
	Patent funding	139,741.18	120,000.00					259,741.18	revenue- related
	Performance evaluation of a microchannel reaction system based on an ultra-constrained microchemical reaction chip assembly and applied research	1,627,655.17	113 / 264					1,627,655.17	revenue- related
	Qcc64 Production unit technical renovation project	1,691,428.58		211,428.57				1,480,000.01	Asset-related
	Jinshan District Finance Bureau Technical Improvement Project	15,002,500.19		882,499.98				14,120,000.21	Asset-related

## Half-yearly report

2020

2016 Major Scientific and Technological Achievements Specialised Funding	2,000,000.00		66,666.66				1,933,333.34	Asset-related
Project Grant for the Development of a Force and Moment Characteristics Testing Machine for Car and Light Duty Vehicle Tyres (brief) (Called: Hexagonal Force Tester Project)	327,365.75		40,920.72				286,445.03	Asset-related
Project Grant for Rolling Resistance Tester for Duty Vehicle Tyres (Abbreviation: Rolling Resistance Tester) projects)	53,196.91		13,299.23				39,897.68	Asset-related
High-speed durability testing machine for car and light truck tyres with camber and side deflection in duplex position Project Grant (referred to as the High Speed Endurance Machine Project)	85,933.51		14,322.25				71,611.26	Asset-related
MDSC Heat Flow Differential Scanning Calorimeter Project Grant	15,345.25		3,836.32				11,508.93	Asset-related
High and low temperature universal material testing machine project grant (referred to as the high and low temperature tensile machine project)	11,662.44		2,915.60				8,746.84	Asset-related
Rubber Capillary Rheometer Project Grant (referred to as the Rheometer Project)	19,948.87		3,324.81				16,624.06	Asset-related
Project Grant for Laser Holographic Phase Shear Interference Nondestructive Testing of Tyres (referred to as Laser Holography) (Testing machine project)	133,810.77		11,150.90				122,659.87	Asset-related
Grant for a research platform project on tyre noise and vibration in collaboration with Tongji University	9,207.14		1,534.53				7,672.61	Asset-related
Collaboration with South China University of Technology on the research and development of powder-filled rubber utilisation project grants	57,288.97		7,161.12				50,127.85	Asset-related
Finite element analysis of tyres in cooperation with the Institute of Composite Materials and Structures, Harbin Institute of Technology. Subsidies for technology platform projects	9,207.14		1,534.52				7,672.62	Asset-related
Receive special funds for the development of Shanghai's informatisation	1,400,000.00						1,400,000.00	Asset-related
Pilot project grant for winding machines	100,000.00						100,000.00	Asset-related
New radial tyre development project grant	600,000.00						600,000.00	Asset-related
Kai Sing Programme - Radial Tyre R&D Grant	70,000.00						70,000.00	Asset-related
Shanghai Municipal Finance High Performance Tyre Development Project Grant	700,000.00						700,000.00	Asset-related
Chongqing Shuangqiao Township Government Land Rebate	79,210,036.43		1,029,690.45				78,180,345.98	Asset-related

## Half-yearly report

2020

Financial earmarked funds for Chongqing Tyre for the purchase of dual-mode fixed vulcanising machine equipment	600,000.36		50,000.00				550,000.36	Asset-related
Special Funds for Industrial Revitalisation in Chongqing, 2016	294,311.12		11,466.67				282,844.45	Asset-related
Xinjiang annual output of 600,000 all-steel radial tyres project technical transformation funds	26,351,330.70		707,667.96				25,643,662.74	Asset-related
Financial subsidies for fixed asset loans	27,469,332.89		700,000.02				26,769,332.87	Asset-related
Xinjiang Uygur Autonomous Region Department of Finance 150,000 Sets of Big Agricultural Machinery and Big Engineering Tyre Technological Improvement Project Finance government subsidy	799,999.85		33,333.36				766,666.49	Asset-related
Compensation for relocation from Kunyang Road	57,542,623.71		1,288,407.62				56,254,216.09	Asset-related
Compensation for relocation of Huoshan Road	50,128,786.78		1,193,542.56				48,935,244.22	Asset-related
Anhui Land Rebate	36,314,992.14		453,937.38				35,861,054.76	Asset-related
Special grant for giant fetuses	40,000,000.00						40,000,000.00	Asset-related
160,000 tonnes/year Acrylic Acid Green New Process Industrialisation Development Project	13,611,111.04		729,166.68				12,881,944.36	Asset-related
P&U Switching Station Project Engineering	13,311,712.40		713,127.45				12,598,584.95	Asset-related
Smart Factory Integration and Application Project	9,000,000.00						9,000,000.00	Asset-related
2017 Green Manufacturing Systems Integration	7,900,000.00						7,900,000.00	Asset-related
Acrylic acid and ester green production technology transformation project	12,300,000.00						12,300,000.00	Asset-related

Half-yearly report

2020

Subsidies for infrastructure development	19,567,346.94		208,163.27				19,359,183.67	Asset-related
Special Resin Preparation Technology for High Modulus Asphalt-based Carbon Fibre Composites	120,000.00						120,000.00	Asset-related
Development of high performance speciality resin matrix composites for space applications	2,044,000.00						2,044,000.00	Asset-related
Green synthesis of indene-containing structural epoxy curing agents	200,000.00		100,000.00				100,000.00	Asset-related
Design and green synthesis of hyperbranched speciality epoxy resin curing agents	200,000.00		100,000.00				100,000.00	Asset-related
Intelligent Service Platform for Remote Monitoring of Chemical Enterprises	440,000.00						440,000.00	revenue-related
Procurement of assets for military projects	972,556.82		714,147.14				258,409.68	Asset-related
Technical modification of polyimide moulded parts production line	5,866,411.52		328,957.68				5,537,453.84	Asset-related
Liner project	3,569,115.51		200,137.32				3,368,978.19	Asset-related
Earmarked funds for standardisation and revision	1,160,000.00						1,160,000.00	revenue-related
Shanghai Changning District Finance Bureau Zero Balance Account	950,000.00						950,000.00	revenue-related
Fiscal direct payment clearing account for municipal treasury collection and payment centres	650,000.00						650,000.00	revenue-related

Other notes:

☐Applicable ☒Not Applicable

**(54) Other non-current liabilities**

☐Applicable ☒Not Applicable

**(v) Share capital**

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

	Opening balance	Increase/decrease in current changes (+, i)					Closing balance
		issuance new share	a share grant	provident fund transfer stock	the rest	Subtotal	
(Fifty-six) Other equity instruments							
Total	2,106,290,768.00						2,106,290,768.00
From basic information, other financial instruments such as preferred shares and perpetual bonds issued and outstanding at the end of the period							

☐Applicable ☒Not Applicable

## 2. Statement of changes in preferred shares, perpetual bonds and other financial instruments issued and outstanding at the end of the period

☐Applicable ☒Not Applicable

Changes in other equity instruments during the period, a description of the reasons for such changes, and the basis for the related accounting treatment:

☐Applicable ☒Not Applicable

Other notes.

☐Applicable ☒Not Applicable

**(vii) Capital surplus**

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

	Opening balance	Increase during the period	Decrease during the period	Closing balance
Capital premium (equity premium)	7,744,142,642.31			7,744,142,642.31
Other capital surplus	1,282,679,138.64			1,282,679,138.64
(viii) Inventory Unit	9,026,821,780.95			9,026,821,780.95
UP the total				

☐Applicable ☒Not Applicable

## (xxxix) Other comprehensive income

√Applicable □Not applicable

sport s even t	Ope ning bala nce	Amount incurred during the period						Unit: Yuan	Currency:
		Incurring before income tax for the period horizontal tablet or inscribed board	Less: prior period included in other comprehensive income Transfer to profit or loss for the period	Less: prior period included in other comprehensive income Transfer to retained earnings for the period	Less: Income tax cost	Attributable to the parent company after tax department (under a ministry)	Attributable to minority shareholders after tax landlord	RMB	Clos ing bala nce
I. Not reclassifiable to profit or loss Other comprehensive income	-145,171,895.53								-145,171,895.53
Of which: remeasurement of defined benefit Planned changes	-145,171,895.53								-145,171,895.53
Not transferable to profit or loss under the equity method Other comprehensive income									
Fair value of investments in other equity instruments change in value									
Fairness of the enterprise's own credit risk change in value									
ii. reclassification to profit or loss of its Other comprehensive income	3,596,758.87	-31,654,200.14				-16,151,371.42	-15,502,828.72		-12,554,612.55
Of which: Gains and losses available for transfer under the equity method Other comprehensive income	7,404,780.39			115 / 184					7,404,780.39

## (vi) Earmarked

## reserves

Unit: Yuan Currency: RMB

√Applicable sports event □Not applicable	Opening balance	Increase during the period	Decrease during the period	Closing balance
safety production costs	10,374,762.30	3,151,811.58	2,313,755.63	11,212,818.25
(xxxii) Surplus add up the total	10,374,762.30	3,151,811.58	2,313,755.63	11,212,818.25

## reserves

Unit: Yuan Currency: RMB

√Applicable sports event □Not applicable	Prior year-end balance	Opening balance	Increase during the period	Decrease during the period	Closing balance
Statutory surplus	410,403,710.52	410,403,710.52			410,403,710.52
Arbitrary surplus reserves					
reserve fund					
Enterprise Development Fund (xxxiii)					
Undistributed profits add up the total	410,403,710.52	410,403,710.52			410,403,710.52
√Applicable sports event □Not applicable			the current period		previous year
Undistributed profit at the end of the previous period before adjustment			6,942,388,469.95		6,701,012,288.87
Adjustments to the total unallocated profit at the beginning of the period (upward +, downward -)					301,524,641.85
Adjustments to opening unallocated profit after the period			6,942,388,469.95		7,002,536,930.72
Add: Net profit attributable to owners of the parent company for the period			-89,482,821.71		624,982,289.93
Less: Withdrawal of statutory surplus reserves					137,753,592.32
Withdrawal of surplus surplus at will					
Provision for general risks					
Dividends payable on ordinary shares			210,529,676.30		547,377,158.38
Dividends on ordinary shares converted to equity					
Undistributed profit at the end of the period			6,642,375,971.94		6,942,388,469.95

## Operating revenues and

## operating costs

Unit: Yuan Currency: RMB

Current period's incidence		Prior period's incidence	
incomes	(manufacturing, production)	incomes	(manufacturing, production)



Other notes:

**2. Operating**

Unit: Yuan Currency: RMB

income by industry	Industry Name	Current period's incidence		Prior period's incidence	
		revenues	business costs	revenues	business costs
1. Revenue and cost of main operations		12,753,642,105.70	11,568,697,521.47	20,738,926,146.39	19,004,361,982.31
(1) Tyre manufacturing		3,765,654,950.39	3,333,111,236.06	4,306,766,264.51	3,759,185,476.34
①All-wire radial tyres for loads		3,498,615,503.44	3,080,546,674.77	3,956,832,144.98	3,454,284,544.33
② Semi-wire radial tyres		267,039,446.95	252,564,561.29	349,934,119.53	304,900,932.01
(2) Energy and Chemicals		3,061,487,399.03	2,921,455,653.30	3,829,661,570.39	3,172,470,205.38
①Methanol		640,067,955.93	780,445,770.39	887,394,017.58	851,508,163.84
②Acetic acid and esters		1,243,792,366.56	1,155,801,760.50	1,561,412,161.29	1,197,696,653.51
③Industrial gases		451,085,319.59	327,193,656.59	567,730,985.90	434,964,783.02
④Other energy chemicals		726,541,756.95	658,014,465.82	813,124,405.62	688,300,605.01
(3) Fine Chemicals		2,812,576,181.27	2,413,965,244.83	2,236,606,316.29	1,961,654,814.46
①Paints and resins		417,873,109.91	331,591,620.68	401,105,862.89	327,877,423.25
②Acrylic acid and esters		1,432,756,824.64	1,320,232,480.37	843,079,879.37	814,438,241.31
③Reagents and intermediates		670,754,576.09	538,570,324.79	597,487,069.29	497,481,815.59
④Pigment		174,116,642.57	151,381,480.52	205,319,398.14	192,165,744.32
⑤ Other fine chemicals		117,075,028.06	72,189,338.47	189,614,106.60	129,691,589.99
(4) Daily chemical products		358,160,155.98	287,585,316.77	425,985,830.72	348,598,755.00
(5) Chemical services		2,488,301,099.53	2,399,546,720.39	9,631,796,259.85	9,522,840,566.91
①Chemical trading		1,875,602,223.26	1,864,888,388.33	9,540,705,642.68	9,458,714,567.29
②Other chemical service business		612,698,876.27	534,658,332.06	91,090,617.17	64,125,999.62
(6) Other		267,462,319.50	213,033,350.12	308,109,904.63	239,612,164.22
3. Operating incomes of the company's top five customers		12,846,188,340.23	11,601,877,950.04	20,868,768,824.44	19,044,892,559.49
add up the total	Client Name		Total operating income	Unit: Yuan	Currency: RMB
first place			367,373,067.47	Percentage of the company's total operating revenue (%)	
second place			364,054,070.79	2.86	
third place			329,889,199.94	2.83	
fourth place			302,929,417.00	2.57	
fifth place			244,684,046.19	2.36	
Total figure			1,608,929,801.39	1.90	
				12.52	

**4. Status of income generated from contracts**☐Applicable ☒Not Applicable**5. Description of performance obligations**☐Applicable ☒Not Applicable**6. Description of assessment to remaining performance obligations**☐Applicable ☒Not Applicable

**(64) Net interest income**

Unit: Yuan Currency: RMB

item item	Current period's incidence	Prior period's incidence
Interest income	166,291,351.00	119,396,562.91
-Interbank deposits	88,944,247.55	77,961,731.89
-Deposits with the Central Bank	6,783,894.61	6,414,840.19
-Split funds		
-Loans and advances disbursed	70,563,208.84	35,019,990.83
Of which: corporate loans and advances	63,783,041.46	32,079,715.79
bill discounting	6,780,167.38	2,940,275.04
-Buy-sell-back financial assets		
-Bond investments		
-Other		
Of which: Interest income on impaired financial assets		
interest expense	80,828,140.41	70,635,923.72
-Interbank deposits		
-Borrowing from the Central Bank		
-Collateralisation of funds		
-Deposit taking	80,828,140.41	70,635,923.72
-Sale and repurchase of financial assets		
-Issues bonds		
-Rediscount		
Net interest income	85,463,210.59	48,760,639.19

**(65) Net fee and commission income**

Unit: Yuan Currency: RMB

item item	Current period's incidence	Prior period's incidence
Fee and commission income		
-Settlement and clearing fees		
-Agency business handling fee		
-Credit Commitment Fees and Commissions		
-Bank card fees		
-Consultancy and advisory fees		
-Commission on custodianship and other fiduciary services		
-Other		
Handling fee and commission expenses	194,663.93	178,141.74
-Handling fee expenses	194,663.93	178,141.74
-Commission expenses		
Net fee and commission income	-194,663.93	-178,141.74

**(vi) Taxes and surcharges**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sport s even t	Current period's incidence	Prior period's incidence
sales tax	2,874,303.63	1,857,014.08
business tax		
Urban maintenance and construction tax	9,065,697.99	14,773,093.48
education surcharge	7,700,562.21	12,415,405.57

Half-yearly report

2020

resource tax		
property tax	21,490,171.55	24,930,469.10
land use tax	19,775,650.98	21,834,293.91
vehicle usage tax (VUT)	36,904.36	170,227.00
non-residential property	7,241,154.60	10,605,529.92
River management fee		1,092,876.81
Land Value Added Tax (LVAT)	11,160.76	
environmental protection tax	1,748,767.01	1,717,973.16
the rest	1,211,944.69	20,207.66
add up the total	71,156,317.78	89,417,090.69

(xxvii) Cost of sales

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable sports event	Current period's incidence	Prior period's incidence
<input type="checkbox"/> Not applicable		
sales expense	491,062,812.78	433,731,493.84
add up the total	491,062,812.78	433,731,493.84

(xxviii)

Administrative

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable sports event	Current period's incidence	Prior period's incidence
<input type="checkbox"/> Not applicable		
overheads	485,362,582.15	542,258,582.30
add up the total	485,362,582.15	542,258,582.30

(xxix) Research

and

development

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable sports event	Current period's incidence	Prior period's incidence
<input type="checkbox"/> Not applicable		
R&D costs	203,307,294.17	196,346,435.55
add up the total	203,307,294.17	196,346,435.55

(vii) Finance

costs

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable sports event	Current period's incidence	Prior period's incidence
<input type="checkbox"/> Not applicable		
interest expense	119 / 264 159,705,741.89	225,219,624.14
Less: interest income	-13,703,815.83	-54,430,481.15
Currency exchange gains and losses	-3,464,289.86	-24,366,141.97
the rest	4,459,869.72	4,147,332.24
add up the total	146,007,505.92	150,570,332.26

## (viii) Other gains

Unit: Yuan Currency: RMB

✓Applicable sports event □Not applicable	Current period's incidence	Prior period's incidence
government grant	52,823,380.78	71,999,300.28
Input tax credits	669,474.35	
Handling fee for withholding personal income tax	552,437.70	
add up the total	54,045,292.83	71,999,300.28

Other notes:

## Government grants

## included in other gains

Unit: Yuan Currency: RMB

Subsidised projects	Amount for the period	Prior period amount	Asset-related/revenue-related
Application of Big Data Mining and Cloud Computing Technology in Fluorine Chemical Production Processes	600,000.00		revenue-related
19 Water-saving Society Construction Subsidy Fund	100,000.00		revenue-related
19 Corporate Assessment and Selection Awards	600,000.00		revenue-related
Major Scientific and Technological Achievements in 2015	266,666.66		Asset-related
2016 Major Scientific and Technological Achievements Specialised Funding	66,666.66		Asset-related
Special Funds for Industrial Revitalisation in Chongqing, 2016	11,466.67	11,466.66	Asset-related
2018 Science, Technology and Innovation Policy Grants	30,000.00		revenue-related
2019 Promoting the transformation and innovative development of foreign trade	654,394.00		revenue-related
2019 Municipal Foreign Trade Promotion Policy Funding	85,100.00		revenue-related
2020 First batch of specialised information technology development projects	600,000.00		revenue-related
VOC Project	347,539.78		Asset-related
Anhui Huayi Tax Rebate	21,519,966.76		revenue-related
Anhui Land Rebate	453,937.38	453,937.38	Asset-related
Baoshan Shipping	180,000.00		revenue-related
Disability insurance over-representation incentives	118,055.00	137,718.00	revenue-related
Design and green synthesis of hyperbranched speciality epoxy resin curing agents	100,000.00		Asset-related
Retaining wall subsidy	11,517.93		Asset-related
Electricity subsidy	25,418.00		revenue-related
Dongou Exhibition Subsidy	97,800.00		revenue-related
Re-employment allowance	4,264.00		revenue-related
Refund of port construction charges	1,820.80		revenue-related
Policy subsidies for strong industrial districts	6,500.00		revenue-related
Financial subsidies for fixed asset loans	700,000.02	707,667.96	Asset-related
Tax rebates for the Hanshan Economic Development Zone	2,112,297.00		revenue-related
Green synthesis of indene-containing structural epoxy curing agents	100,000.00		Asset-related
Subsidies for Hangzhou Bay Economic Park	254,200.00		revenue-related
Compensation for relocation of Huoshan Road	1,193,542.56	1,193,542.56	Asset-related
Subsidies for infrastructure development	208,163.27	208,163.27	Asset-related
Compensation for relocation of Huoshan Road	1,193,542.56		Asset-related

Subsidised projects	Amount for the period	Prior period amount	Asset-related/ revenue-related
P&U Switching Station Project Engineering	713,127.45	713,127.45	Asset-related
Enterprise Technology Innovation Fund Capacity Enhancement Project (160,000 tonnes of acrylic acid)	729,166.68	729,166.68	Asset-related
Grants for research on key technologies for automotive forums	60,000.00		revenue-related
Rugao 100,000 sets of engineering tyre project local matching funds	65,000.04	65,000.04	Asset-related
Rugao City Development and Reform Commission Energy Optimisation Project Special Funds	150,000.00	150,000.00	Asset-related
Reimbursement of third-generation handling fee, stable employment subsidy	67,260.35		revenue-related
Shanghai Business Council	97,800.00		revenue-related
Shanghai Employment Service Centre for the Disabled (Disability Insurance Over-Proportionate Bonus)	18,400.40		revenue-related
Shanghai Minhang District Labour Service Institute for the Disabled (19-year decentralised employment post)	7,660.86		revenue-related
Shanghai Municipal Commission of Commerce Small and Medium-sized Enterprises Funding	30,000.00		revenue-related
Shanghai Unemployment Insurance Rebate	1,241,698.50		revenue-related
Shanghai New Coatings and Pigment Testing Professional Technical Service Platform	240,000.00		revenue-related
Shanghai Employee Training Subsidy	12,188.25		revenue-related
Shanghai Xinghuo Development Zone Management Committee Tax Refund (Economic Park Tax Rebate)	293,000.00		revenue-related
Social security benefits	1,588,795.52		revenue-related
Reimbursement of unemployment insurance premiums	209,868.00		revenue-related
Unemployment Insurance Fund	2,091.00		revenue-related
Graphene Project Science and Technology Commission Project	287,729.33	1,142,572.65	Asset-related
Special funds for market diversification	137,451.14		revenue-related
Receipt of special funds for the development of the central foreign trade and economic cooperation	590,000.00		revenue-related
Tax rebates	245,250.44		revenue-related
Tax relief	79.63		revenue-related
Thailand all-wire radial tyre smart factory special funding	350,000.00		revenue-related
Conditions Construction Liner Project Grant	200,137.32	200,137.32	Asset-related
Land refunds	281,034.00	281,034.00	Asset-related
Refund of Property Tax and Land Value Added Tax for 2019	4,993,724.63		revenue-related
Foreign trade subsidies	40,000.00		revenue-related
Subsidies for special funds for foreign trade development	24,000.00		revenue-related
Xinjiang annual output of 600,000 all-steel radial tyres project technical transformation funds	707,667.96	700,000.02	Asset-related
Xinjiang Uygur Autonomous Region Department of Finance 150,000 sets of large agricultural machinery and large engineering tyre technology reform project Financial subsidies for programmes	33,333.36	33,333.36	Asset-related
medical insurance subsidy	2,060.00		revenue-

Half-yearly report

2020

			related
Township financial support	476,000.00		revenue-related
Government support subsidies	144,300.00		revenue-related
Equipment Financial Settlement Centre of the General Armaments Department of the Chinese People's Liberation Army	207,921.40		revenue-related
Financial earmarked funds for Chongqing Tyre for the purchase of dual-mode fixed vulcanising machine equipment	50,000.00	49,999.98	Asset-related
Chongqing Shuangqiao Township Government Land Rebate	1,029,690.45	1,029,690.48	Asset-related
Patent Awards	2,932.40		revenue-related
Qcc64 Production unit technical renovation project	211,428.57		Asset-related
Special Funding for Clean Energy Replacement of Boilers	75,377.42		Asset-related
Project grant for the development of tyre force and moment characteristics testing machines for cars and light-duty vehicles (Abbreviation: Hexagonal Force Tester Project)	40,920.72		Asset-related
Project Grant for Rolling Resistance Tester for Duty Vehicle Tyres (Abbreviation: Rolling Resistance Tester) (machine-testing project)	13,299.23		Asset-related
High-speed durability test of car and light truck tyres with camber and side deflection in duplex position Machine Project Grant (referred to as High Speed Endurance Machine Project)	14,322.25		Asset-related
MDSC Heat Flow Differential Scanning Calorimeter Project Grant	3,836.32		Asset-related
High and low temperature universal material testing machine project grant (referred to as the high and low temperature tensile machine project)	2,915.60		Asset-related
Rubber Capillary Rheometer Project Grant (referred to as the Rheometer Project)	3,324.81		Asset-related
Project Grant for Laser Holographic Phase Shear Interference Nondestructive Testing of Tyres (referred to as Laser) (Holographic Detection Machine Project)	11,150.90		Asset-related
Grant for a research platform project on tyre noise and vibration in collaboration with Tongji University	1,534.53		Asset-related
Cooperation with South China University of Technology in the research and development of powder-filled rubber utilisation project supplementation help	7,161.12		Asset-related
Collaboration with Institute of Composite Materials and Structures, Harbin Institute of Technology on Finite Element Fractionation of Tyres	1,534.52		Asset-related

Subsidised projects	Amount for the period	Prior period amount	Asset-related/ revenue-related
Subsidies for analytical technology platform projects			
Compensation for relocation from Kunyang Road	1,288,407.62	1,288,407.60	Asset-related
Procurement of assets for military projects	714,147.14		Asset-related
Advanced manufacturing subsidies	100,000.00		revenue-related
Incentives for upgrading small and micro enterprises in 2019	100,000.00		revenue-related
Social Security Premium Rebates for 2019	39,270.00		
Inputs plus credits		22,300.30	revenue-related
Tri-generation handling fee		14,160.44	revenue-related
Tax Handling Fee		21,798.42	revenue-related
Personal Tax Handling Fee		411,567.08	revenue-related
Budget revenue to be reported - Yangpu district-level financial direct payment internal account		4,400,000.00	revenue-related
SMEs received (booth subsidy fee)		60,000.00	revenue-related
Shanghai Xinghuo Development Zone Management Committee Park Tax Refund		638,500.00	revenue-related
Tax rebates for economic parks		171,900.00	revenue-related
Grants for scientific research projects		1,991,419.00	revenue-related
Subsidy for key projects for highly skilled personnel		50,000.00	revenue-related
Intellectual Property Office Awards		1,105.00	revenue-related
Minhang District Finance Bureau, Maqiao Township Enterprise Support Funds		170,000.00	revenue-related
Shuangqiao Economic Development Zone 2018 Industrial Development Bonus 5.15		400,000.00	revenue-related
Foreign trade subsidies		2,884,000.00	revenue-related
the rest		510.68	revenue-related
tax reduction		5.97	revenue-related
Government grants for purchased steam in FY2018		931,000.00	revenue-related
Shanghai Municipal Human Resources and Social Security Bureau Funding Fee		14,956.00	revenue-related
Urban land use tax incentives		35,861,828.52	revenue-related
Standardised secondary grants		20,000.00	revenue-related
Shanghai New Coatings and Pigment Testing Professional Technical Service Platform		501,000.00	revenue-related
Employment subsidy for persons with disabilities	11,509.40	103,223.41	revenue-related
Fiscal tax subsidies		801,000.00	revenue-related
Environmental Centre Environmental Incentives		100,000.00	revenue-related
Municipal Science and Technology Commission Project		1,000,000.00	revenue-related
Waterborne Coatings Section Committee Project		700,000.00	Asset-related
Project allocations (end of water-based projects)		205,000.00	revenue-

Half-yearly report

2020

			related
Social Security Rebate for Enterprises in Difficulty		74,900.20	revenue-related
STI Policy Grants 2018		10,000.00	revenue-related
tax control machine	280.00	1,120.00	revenue-related
Shanghai Minhang District Labour Service Institute for the Disabled (second batch of decentralised arrangements for enterprises in 17 years) Posting)		6,675.55	revenue-related
Specialised Intelligent Management Platform for the Chemical Industry		140,000.00	revenue-related
Reimbursement of 18 years of social insurance premiums for enterprises in difficulty		122,716.23	revenue-related
Research and Application Demonstration Project on Catalytic Purification of VOCs with Large Air Volume		5,700,000.00	revenue-related
Grant from the Shanghai Science and Technology Commission		400,000.00	revenue-related
Fourth Batch of Industrial Transformation and Development Subsidy 2019		1,000,000.00	revenue-related
Financial Support for Gaohang Town, Pudong New Area		1,405,000.00	revenue-related
Shanghai Employment Service Centre for the Disabled		16,956.10	revenue-related
Qinzhou Pension Insurance Subsidy		1,673.26	revenue-related
Social security trainee allowance		4,111.80	revenue-related
Property insurance premiums		89,379.64	revenue-related
add up the total	52,823,380.78	71,999,300.28	



√Applicable ☐Not applicable

Unit: Yuan    Currency: RMB

Unit: Yuan    Currency: RMB

## Unit: Yuan    Currency: RMB

Unit: Yuan    Currency: RMB

Unit: Yuan    Currency: RMB

**(viii) Impairment****losses on assets**

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	sports event	Current period's incidence	Prior period's incidence
I. Bad debt losses			
II. Loss on decline in value of inventories and impairment loss on contract performance costs		28,679,589.06	13,537,043.66
III. Impairment losses on long-term equity investments			
IV. Impairment losses on investment properties			
V. Impairment losses on fixed assets			
VI. Impairment losses on engineering materials			
VII. Impairment losses on construction in progress			
VIII. Impairment losses on productive biological assets			
IX. Impairment losses on oil and gas assets			
X. Impairment losses on intangible assets			
XI. Impairment loss on goodwill			
XII. Other			
<b>(viii) Gain on disposal of assets</b>	<b>add up the total</b>	<b>28,679,589.06</b>	<b>13,537,043.66</b>

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	sports event	Current period's incidence	Prior period's incidence	Amounts included in non-recurring gains and losses for the period
Gain on disposal of fixed assets		388,923.98	3,583,068.87	388,923.98
<b>add up the total</b>		<b>388,923.98</b>	<b>3,583,068.87</b>	<b>388,923.98</b>

Other notes:

☐Applicable ☒Not Applicable**(viii) Non-operating income**☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sports event	Current period's incidence	Prior period's incidence	Amounts included in non-recurring gains and losses for the period
Total gain on disposal of non-current assets			
Of which: Gain on disposal of fixed assets			
Gains on disposal of intangible assets			
Debt restructuring gains			
Gain on exchange of non-monetary assets			
Acceptance of donations			
government grant	389,805.40	1,561,475.00	389,805.40
Revenue from liquidated damages, penalties	1,451,939.99	258,653.72	1,451,939.99
the rest	5,842,144.95	8,911,139.27	5,842,144.95
<b>add up the</b>	<b>7,683,890.34</b>	<b>10,731,267.99</b>	<b>7,683,890.34</b>

Government grants recognised in profit or loss

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Subsidised projects	Amount incurred during the period	Amounts incurred in the prior period	Asset-related/revenue-related
Hat River District Finance Bureau special fund subsidy	239,805.40	1,145,315.00	revenue-related
Patent funding		9,660.00	revenue-related
Financial subsidies for strong industrial zones		20,000.00	revenue-related
Financial support funds		90,000.00	revenue-related
Enterprise development support funds		110,000.00	revenue-related
Other funds	40,000.00	180,000.00	revenue-related
Chengdu Inspection and Testing Company	110,000.00		revenue-related
Business Council Support Funding		6,500.00	revenue-related

operating

Unit: Yuan Currency: RMB

expenses sport √Applicable □Not applicable even t	Current period's incidence	Prior period's incidence	Amounts included in non-recurring gains and losses for the period
Total loss on disposal of non-current assets			
Of which: Loss on disposal of fixed assets			
Loss on disposal of intangible assets			
Debt restructuring losses			
Loss on exchange of non-monetary assets			
External donations	1,174,025.48	890,000.00	1,174,025.48
Expenditure on late payment of fines	3,664,980.27	1,082,177.06	3,664,980.27
Compensation expenditure		46,000.00	
extraordinary loss	124,738,149.84		96,570,837.42
Loss on destruction and retirement of non-current assets	320,008.69	2,321,338.14	320,008.69
Loss on disposal of non-current assets	5,742,417.82	45,105.70	33,909,730.24
Income tax expense	135,639,582.10	4,384,620.90	Unit: Yuan Currency: RMB
Current income tax expense		74,992,222.79	183,574,220.61
Deferred income tax expense		-2,417,884.90	11,145,305.39
add up the total		72,574,337.89	194,719,526.00

## **2. Process of adjusting accounting profit and income tax expense**

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

## (xxxi) Delegated operations

Unit: Yuan Currency: RMB		
sports event	Amount for the period	Prior period amount
Deposit on commission	20,000,000.00	67,148,000.00
Less: entrusted loans	20,000,000.00	67,148,000.00
Net entrusted deposits		

Entrusted loans are entrusted agreements entered into between the Company and the entrusted depositor, whereby the Company disburses loans on behalf of the entrusted party to borrowers designated by the entrusted party. The Company does not assume any risk.

Income from entrusted loan business is included in "Fee and commission income" in the financial statements, while principal of entrusted loans and entrusted deposits are not included in the financial statements.

## (82) Other comprehensive income

√Applicable □Not applicable

See note V, 59 for details

## (xxxiii) Cash flow statement items

## 1. Other cash received relating to operating activities

Unit: Yuan Currency: RMB		
sports event	Current period's incidence	Prior period's incidence
Rental income	6,919,640.78	5,377,814.23
Interest income	89,159,608.57	74,912,524.06
government grant	53,380,650.73	57,025,302.31
Corporate transactions	20,062,562.66	282,367,975.39
Recovery of deposits	40,155,534.96	3,393,279.73
the rest	37,371,129.47	94,213,079.34
add up the total	247,049,127.17	517,289,975.06

## 2. Other cash paid in relation to operating activities

Unit: Yuan Currency: RMB		
sports event	Current period's incidence	Prior period's incidence
cost	676,085,879.83	463,522,645.14
Refund of deposits	2,523,397.80	1,144,700.00
Corporate transactions	393,089,992.12	475,257,332.21
the rest	9,530,655.76	306,665,591.14
add up the total	1,081,229,925.51	1,246,590,268.49

## 3. Other cash received related to investing activities

Unit: Yuan Currency: RMB		
sports event	Current period's incidence	Prior period's incidence
loan on commission	50,748,000.00	50,748,000.00
Interest income on entrusted loans	1,413,750.00	1,863,271.27
add up the total	52,161,750.00	52,611,271.27

**4. Other cash paid in relation to investing activities**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

sports event	Current period's incidence	Prior period's incidence
loan on commission	30,000,000.00	50,748,000.00
add up the total	30,000,000.00	50,748,000.00

**5. Other cash received related to financing activities**

□Applicable √Not Applicable

**6. Other cash paid in connection with financing activities**

□Applicable √Not Applicable

**(84) Supplementary information to the statement of cash flows 1.****Supplementary information to the statement of cash flows**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Additional information	Amount for the period	Prior period amount
<b>1. Reconciliation of net profit to cash flows from operating activities:</b>		
net profit	-126,270,049.66	520,261,428.69
Add: Provision for impairment of assets	28,679,589.06	13,537,043.66
Credit impairment losses	28,938,106.53	47,773,790.46
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	684,599,550.97	696,697,202.95
Amortisation of right-of-use assets		
Amortisation of intangible assets	45,618,596.90	46,390,257.33
Amortisation of long-term amortised expenses	34,047,027.75	29,270,212.89
Losses (receipts) on disposal of fixed assets, intangible assets and other long-lived assets (Benefits are marked with a "--")	-388,923.98	-3,583,068.87
Loss on retirement of fixed assets (gains are recognised with a "--" sign)	320,008.69	2,321,338.14
Loss on fair value changes (gains are recognised with a "--" sign)	3,720,454.06	-76,177,682.32
Finance costs (gains are represented by a "--" sign)	123,761,490.11	240,248,903.20
Losses on investments (gains are represented by a "--" sign)	-148,788,044.86	-158,039,882.21
Decrease in deferred income tax assets (increase is represented by a "--" sign)		
Increase (decrease) in deferred income tax liabilities (recorded as a "--")	-2,647,437.42	11,145,305.39
Decrease in inventories (increase is indicated by a "--")	126,273,657.39	112,887,506.32
Decrease in loans (increase is indicated by a "--")	236,191,081.87	-209,646,862.77
Increase in deposits (decrease is indicated by a "--")	-810,024,959.86	-1,272,702,294.75

Less: opening balance of cash	8,227,677,100.50	9,527,377,616.35
Add: closing balance of cash equivalents	1,500,000,000.00	1,810,293,100.00
Less: opening balance of cash equivalents	2,500,000,000.00	1,909,741,100.00
Net increase in cash and cash equivalents	-2,156,302,972.79	-2,076,312,813.74

## 2. Net cash paid during the period for acquisition of subsidiaries

☐Applicable ☒Not Applicable

## 3. Net cash received for disposal of subsidiaries during the period

☐Applicable ☒Not Applicable

## 4. Composition of cash and cash equivalents

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
I. Cash	7,071,374,127.71	8,227,677,100.50
Of which: cash on hand	81,420.44	246,578.66
Bank deposits available for payment	1,975,021,868.20	2,011,591,983.67
Other monetary funds readily available for disbursement	6,760,162.50	6,593,850.76
Central bank deposits available for payment		
Interbank deposits	5,089,510,676.57	6,209,244,687.41
Interbank placings		
II. Cash equivalents	1,500,000,000.00	2,500,000,000.00
Of which: investments in bonds maturing within three months		
Regular interbank deposits	1,500,000,000.00	2,500,000,000.00
III. Cash and cash equivalents balance at end of period	8,571,374,127.71	10,727,677,100.50
(85) Notes to the Statement of Changes in Owners' Equity Items		
Indicate the name of the "other" item and the amount of adjustment to the closing balance of the previous year within the group uses the amount of the restricted cash		
Restricted cash and cash equivalents		

## (xxxvi) Assets subject to restrictions on ownership or use

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sports event	Closing book value	Reason for restriction
money funds	1,000,346,689.94	Reserves and deposits placed with the People's Bank of China
notes receivable	86,400,000.00	bill discounting
inventory (of material)		
fixed assets	186,352,928.75	collateral for borrowing
intangible asset		
add up the total	1,273,099,618.69	

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

√Applicable □Not applicable

Unit: Yuan

Item	Foreign currency balance at end of period	Converted exchange rates	Converted to RMB at the end of the period balances
money funds	-		527,615,012.55
Of which: United States dollars	60,163,463.78	7.0795	425,927,241.83
Euro (currency)	881,295.61	7.9610	7,015,994.35
Hong Kong dollar	2,869,897.87	0.9134	2,621,479.51
Thai baht	401,514,189.88	0.2293	92,050,296.86
accounts receivable	-		376,825,356.01
Of which: United States dollars	48,662,144.85	7.0795	344,503,654.45
Euro (currency)			
Hong Kong dollar	368,359.99	0.9134	336,474.75
Thai baht	139,516,360.83	0.2293	31,985,226.81
long term loan	-		88,088,378.12
Of which: United States dollars	9,080,157.68	7.0795	64,282,976.30
Euro (currency)	2,990,252.71	7.9610	23,805,401.82
Hong Kong dollar			
Other receivables			29,401,322.46
Of which: United States dollars	4,101,845.42	7.0795	29,039,014.65
Thai baht	1,580,350.42	0.2293	362,307.81
prepayments			8,177,474.95
Of which: United States dollars	1,155,092.16	7.0795	8,177,474.95
accounts receivable in advance			57,390,807.54
Of which: United States dollars	1,097,175.37	7.0795	7,767,453.03
Thai baht	216,452,110.05	0.2293	49,623,354.51
accounts payable			908,537,703.76
Of which: United States dollars	113,530,066.99	7.0795	803,736,109.26
Thai baht	457,134,075.03	0.2293	104,801,594.50
Other accounts payable			12,596,927.07
Of which: United States dollars	1,759,988.73	7.0795	12,459,840.21
Thai baht	597,959.18	0.2293	137,086.86
short term loan			259,698,134.61
Of which: United States dollars	1,122,772,299.95	0.2293	259,698,134.61
Non-current liabilities due within one year			1,649,115.65
Of which: United States dollars	232,942.39	7.0795	1,649,115.65

□Applicable √Not Applicable

**(viii) Hedging**



☐Applicable ☒Not Applicable

## (xxxix) Government grants

## 1. Basic information on government grants

√Applicable □Not applicable

Unit: Yuan Currency: RMB

kind	sum of mon ey	Presentat ion of items	Amounts recognise d in profit or loss for the period	Losses recognised in profit or loss or offset against related costs and expenses. Prior period amount	Charged to current profit or loss or offset against related costs and expenses Lost items
1. Asset-related government grants					
Major Scientific and Technological Achievements in 2015	8,000,000.00	Deferred income	266,666.66		Other gains
2016 Major Scientific and Technological Achievements Specialised Funding	2,000,000.00	Deferred income	66,666.66		Other gains
Special Funds for Industrial Revitalisation in Chongqing, 2016	344,000.00	Deferred income	11,466.67	11,466.66	Other gains
VOC Project	5,841,508.26	Deferred income	347,539.78		Other gains
Anhui Land Rebate	40,854,366.00	Deferred income	453,937.38	453,937.38	Other gains
Design and greening of hyperbranched speciality epoxy resin curing agents synthetics	200,000.00	Deferred income	100,000.00		Other gains
Retaining wall subsidy	1,102,060.00	Deferred income	11,517.93		Other gains
Financial subsidies for fixed asset loans	41,575,700.00	Deferred income	700,000.02	707,667.96	Other gains
Green synthesis of indene-containing structural epoxy curing agents	200,000.00	Deferred income	100,000.00		Other gains
Compensation for relocation of Huoshan Road	71,612,552.71	Deferred income	1,193,542.56	1,193,542.56	Other gains
Subsidies for infrastructure development	20,400,000.00	Deferred income	208,163.27	208,163.27	Other gains
Jiangsu Province financial allocation 100,000 sets of engineering tyre project government support capital	6,500,000.00	Deferred income	216,666.66	216,666.66	Other gains
Special Funds for the Transformation of Scientific and Technological Achievements in Jiangsu Province	6,500,000.00	Deferred income	216,666.66	216,666.66	Other gains
Special Funds Allocation for Independent Innovation in Jiangsu Province	2,000,000.00	Deferred income	66,666.66	66,666.66	Other gains
Jinshan District Finance Bureau Technical Improvement Project	21,180,000.00	Deferred income	882,499.98	882,499.98	Other gains
Grant for the technical transformation of the production line for polyimide parts (bushings)	6,579,153.16	Deferred income	328,957.68	328,957.68	Other gains
P&U Switching Station Project Engineering	19,443,200.00	Deferred income	713,127.45	713,127.45	Other gains
Enterprise Technology Innovation Fund Capacity Enhancement Project (160,000 tonnes of C-propylene) (enoic acid)	17,500,000.00	Deferred income	729,166.68	729,166.68	Other gains
Rugao 100,000 sets of engineering tyre project local matching funds	1,950,000.00	Deferred income	65,000.04	65,000.04	Other gains
Rugao City Development and Reform Commission Energy Optimisation Project Special Funds	4,500,000.00	Deferred income	150,000.00	150,000.00	Other gains
Graphene Project Science and Technology Commission Project	4,000,000.00	Deferred income	287,729.33	1,142,572.65	Other gains
Conditions Construction Liner Project Grant	4,002,746.37	Deferred income	200,137.32	200,137.32	Other gains

Laser holographic phase shear interferometry non-destructive testing of tyres project Grants (referred to as the laser holographic detector project)	334,526.85	Deferred income	11,150.90		Other gains
Research platform for tyre noise and vibration in cooperation with Tongji University Project grants	46,035.81	Deferred income	1,534.53		Other gains
Co-operation with South China University of Technology on the research and development of powder-filled rubber Development and use of project grants	214,833.76	Deferred income	7,161.12		Other gains
Co-operation with Institute of Composite Materials and Structures, Harbin Institute of Technology (HIT) Subsidy for the project on a technology platform for finite element analysis of tyres	46,035.81	Deferred income	1,534.52		Other gains
Compensation for relocation from Kunyang Road	77,304,463.20	Deferred income	1,288,407.62	1,288,407.60	Other gains
Procurement of assets for military projects	15,034,676.53	Deferred income	714,147.14		Other gains
Waterborne Coatings Section Committee Project	700,000.00	Deferred income		700,000.00	Other gains
Special grant for giant fetuses	40,000,000.00	Deferred income			
Receive special funds for the development of Shanghai's informatisation	1,400,000.00	Deferred income			
Pilot project grant for winding machines	100,000.00	Deferred income			
New radial tyre development project grant	600,000.00	Deferred income			
Kai Sing Programme - Radial Tyre R&D Grant	70,000.00	Deferred income			
Shanghai Municipal Finance High Performance Tyre Development Project Grant	700,000.00	Deferred income			
Smart Factory Integration and Application Project	9,000,000.00	Deferred income			
2017 Green Manufacturing Systems Integration	7,900,000.00	Deferred income			
Acrylic acid and ester green production technology transformation project	12,300,000.00	Deferred income			
Earmarked funding for military-industrial projects	3,200,000.00	Deferred income			
2. Government grants related to earnings					
Big Data Mining and Cloud Computing Technology in Fluorine Chemical Production Processes Applications in	600,000.00		600,000.00		Other gains
19 Water-saving Society Construction Subsidy Fund	100,000.00		100,000.00		Other gains
19 Corporate Assessment and Selection Awards	600,000.00		600,000.00		Other gains
2018 Science, Technology and Innovation Policy Grants	30,000.00		30,000.00		Other gains
2019 Promoting the transformation and innovative development of foreign trade	654,394.00		654,394.00		Other gains
2019 Municipal Foreign Trade Promotion Policy Funding	85,100.00		85,100.00		Other gains
2020 The first special programme for information technology development	600,000.00		600,000.00		Other gains
Anhui Huayi Tax Rebate	21,519,966.76		21,519,966.76		Other gains

Half-yearly report

2020

Baoshan Shipping	180,000.00		180,000.00		Other gains
Disability insurance over-representation incentives	118,055.00		118,055.00	137,718.00	Other gains
Electricity subsidy	25,418.00		25,418.00		Other gains
Dongou Exhibition Subsidy	97,800.00		97,800.00		Other gains
Re-employment allowance	4,264.00		4,264.00		Other gains
Refund of port construction charges	1,820.80		1,820.80		Other gains
Policy subsidies for strong industrial districts	6,500.00		6,500.00		Other gains
Tax rebates for the Hanshan Economic Development Zone	2,112,297.00		2,112,297.00		Other gains
Subsidies for Hangzhou Bay Economic Park	254,200.00		254,200.00		Other gains
Group allocations	8,400.00		8,400.00		Other gains
Skills training subsidies	48,000.00		48,000.00		Other gains
tax reduction	23.85		23.85		Other gains
Kunshan Settlement of Veterans' Benefits	7,500.00		7,500.00		Other gains
stable employment subsidy	1,563,100.78		1,563,100.78	745,069.63	Other gains
Employment subsidy for the employment of disabled persons	14,295.10		14,295.10		Other gains
Instant VAT refund for comprehensive energy utilisation	823,497.66		823,497.66		Other gains
Pudong business incubator subsidy	228,000.00		228,000.00		Other gains
Grants for research on key technologies for automotive forums	60,000.00		60,000.00		Other gains
Reimbursement of third-generation handling fee, stable employment subsidy	67,260.35		67,260.35		Other gains
Shanghai Business Council	97,800.00		97,800.00		Other gains
Shanghai Employment Service Centre for the Disabled (Disability Insurance Premium Excess) Bonus)	18,400.40		18,400.40		Other gains
Shanghai Minhang District Labour Service Institute for the Disabled (19 years of decentralisation) (Placement in employment post)	7,660.86		7,660.86		Other gains
Shanghai Municipal Commission of Commerce Small and Medium-sized Enterprises Funding	30,000.00		30,000.00		Other gains
Shanghai Unemployment Insurance Rebate	1,241,698.50		1,241,698.50		Other gains

Shanghai New Coatings and Pigment Testing Professional and Technical Service Platform classifier for heavy objects, such as machines, TVs, computers; theater performances	240,000.00		240,000.00		Other gains
Shanghai Employee Training Subsidy	12,188.25		12,188.25		Other gains
Shanghai Xinghuo Development Zone Management Committee Tax Refund (Economic Park) (District tax rebates)	293,000.00		293,000.00		Other gains
Social security benefits	1,588,795.52		1,588,795.52		Other gains
Reimbursement of unemployment insurance premiums	209,868.00		209,868.00		Other gains
Unemployment Insurance Fund	2,091.00		2,091.00		Other gains
Special funds for market diversification	137,451.14		137,451.14		Other gains
Receipt of special funds for the development of the central foreign trade and economic cooperation	590,000.00		590,000.00		Other gains
Tax rebates	245,250.44		245,250.44		Other gains
Tax relief	79.63		79.63		Other gains
Thailand all-wire radial tyre smart factory special funding	350,000.00		350,000.00		Other gains
Refund of Property Tax and Land Value Added Tax for 2019	4,993,724.63		4,993,724.63		Other gains
Foreign trade subsidies	40,000.00		40,000.00		Other gains
Subsidies for special funds for foreign trade development	24,000.00		24,000.00		Other gains
medical insurance subsidy	2,060.00		2,060.00		Other gains
Township financial support	476,000.00		476,000.00		Other gains
Government support subsidies	144,300.00		144,300.00		Other gains
Equipment Financial Settlement Centre of the General Armaments Department of the Chinese People's Liberation Army	207,921.40		207,921.40		Other gains
Patent Awards	2,932.40		2,932.40		Other gains
Advanced manufacturing subsidies	100,000.00		100,000.00		Other gains
Incentives for upgrading small and micro enterprises in 2019	100,000.00		100,000.00		Other gains
Social Security Premium Rebates for 2019	39,270.00		39,270.00		Other gains
Inputs plus credits				22,300.30	Other gains
Tri-generation handling fee				14,160.44	Other gains
Budgeted income to be reported - Yangpu district-level financial direct payment within ministry				4,400,000.00	Other gains
SMEs received (booth subsidy fee)				60,000.00	Other gains
Tax Handling Fee				21,798.42	Other gains
Shanghai Xinghuo Development Zone Management Committee Park Tax Refund				638,500.00	Other gains
Tax rebates for economic parks				171,900.00	Other gains
Grants for scientific research projects				1,991,419.00	Other gains
Subsidy for key projects for highly skilled personnel				50,000.00	Other gains
Intellectual Property Office Awards				1,105.00	Other gains
Minhang District Finance Bureau, Maqiao Township Enterprise Support Funds				170,000.00	Other gains
Shuangqiao Economic Development Zone 2018 Industrial Development Bonus 5.15				400,000.00	Other gains
Foreign trade subsidies				2,884,000.00	Other gains
the rest				510.68	Other gains
tax reduction				5.97	Other gains
Government grants for purchased steam in				931,000.00	Other gains

Half-yearly report

2020

FY2018					
Shanghai Municipal Human Resources and Social Security Bureau Funding Fee				14,956.00	Other gains
Urban land use tax incentives				35,861,828.52	Other gains
Standardised secondary grants				20,000.00	Other gains
Shanghai New Coatings and Pigment Testing Professional and Technical Service Centre classifier for heavy objects, such as machines, TVs, computers; theater performances				501,000.00	Other gains
Employment subsidy for persons with disabilities	11,509.40		11,509.40	103,223.41	Other gains
Fiscal tax subsidies				801,000.00	Other gains
Environmental Centre Environmental Incentives				100,000.00	Other gains
Municipal Science and Technology Commission Project				1,000,000.00	Other gains
Project allocations (end of water-based projects)				205,000.00	Other gains
Social Security Rebate for Enterprises in Difficulty				74,900.20	Other gains
STI Policy Grants 2018				10,000.00	Other gains
tax control machine	280.00		280.00	1,120.00	Other gains
Shanghai Minhang District Labour Service Institute for Persons with Disabilities (second session of 17 years) (b) Approval of decentralised job postings for enterprises)				6,675.55	Other gains
Personal Tax Handling Fee				411,567.08	Other gains

Specialised Intelligent Management Platform for the Chemical Industry				140,000.00	Other gains
Reimbursement of 18 years of social insurance premiums for enterprises in difficulty				122,716.23	Other gains
Research and Application Demonstration Project on Catalytic Purification of VOCs with Large Air Volume				5,700,000.00	Other gains
Grant from the Shanghai Science and Technology Commission				400,000.00	Other gains
Fourth Batch of Industrial Transformation and Development Subsidy 2019				1,000,000.00	Other gains
Financial Support for Gaohang Town, Pudong New Area				1,405,000.00	Other gains
Shanghai Employment Service Centre for the Disabled				16,956.10	Other gains
Qinzhou Pension Insurance Subsidy				1,673.26	Other gains
Social security trainee allowance				4,111.80	Other gains
Property insurance premiums				89,379.64	Other gains
Hat River District Finance Bureau special fund subsidy	239,805.40		239,805.40	1,145,315.00	non-operating income
Patent funding				9,660.00	non-operating income
Financial subsidies for strong industrial zones				20,000.00	non-operating income
Financial support funds				90,000.00	non-operating income
Enterprise development support funds				110,000.00	non-operating income
Enabling funds	40,000.00		40,000.00	180,000.00	non-operating income
Chemical Inspection and Testing Company	110,000.00		110,000.00		non-operating income

## 2. Return of government grants

☐Applicable ☒Not Applicable

### (ix) Other

☐Applicable ☒Not Applicable

## VI. Changes in the scope of consolidation

### 1. Business combinations not under the same control

☐Applicable ☒Not Applicable

### 2. Business combinations under the same control

☐Applicable ☒Not Applicable

### 3. Reverse purchases

☐Applicable ☒Not Applicable

**4. Disposal of subsidiaries**

Whether there is a single disposal of an investment in a subsidiary that results in a loss of control

☐ Applicable

☒ Not

applicable

Other

description:

☐ Applicable ☒ Not Applicable

Whether there is a step-by-step disposal of investments in subsidiaries through multiple transactions and loss of control during the period

☐ Applicable ☒ Not applicable

**5. Changes in the scope of consolidation for other reasons**

Describe changes in the scope of consolidation due to other reasons (e.g., establishment of new subsidiaries, liquidation of subsidiaries, etc.) and their related circumstances:

☐ Applicable ☒ Not Applicable

**6. Other**

☐ Applicable ☒ Not Applicable



## VII. Interests in other entities (i) Interests in subsidiaries

### 1. Composition of enterprise groups

√Applicable □Not applicable

associated company name (of a thing)	Principal place of business	registered office	Nature of business	Shareholding (%)		take out way (of life)
				direct	overhead	
Double Coin Tyre Group Limited	Shanghai	Shanghai	service industry	100		constitute
Double Coin Group Shanghai Tyre Research Institute Limited (Note 1)	Shanghai	Shanghai	Research, development		100	constitute
Double Coin Group (Jiangsu) Tyre Company Limited (Note 1)	Rugao prefecture level city in Shandong	Rugao prefecture level city in Shandong	service industry		66.12	constitute
Double Coin Group Shanghai Supply and Marketing Company Limited (Note 1) (Note 9)	Shanghai	Shanghai	wholesalers		100	constitute
Double Coin Group Shanghai Donghai Tyre Company Limited (Note 1)	Shanghai	Shanghai	service industry		65	constitute
Shanghai Rubber Machinery No. 1 Factory Limited (Note 1)	Shanghai	Shanghai	service industry		100	constitute
Double Coin Group (Anhui) Back Tyre Company Limited (Note 1)	Anhui	Anhui	service industry		66.1	constitute
Shanghai Tyre & Rubber Group Jinqiao Tyre Factory (Note 1)	Shanghai	Shanghai	service industry		77	constitute
Shanghai Jai-Alai Hotel Company Limited (Note 1)	Shanghai	Shanghai	services sector		100	constitute
China North American Tyre Joint Sales Corporation (Note 1)	United States of America	United States of America	wholesalers		52.4	constitute
Shanghai Double Coin Tyre Sales Company Limited (Note 1)	Shanghai	Shanghai 141 / 264	wholesalers		35.06	constitute
Double Coin Group (Chongqing) Tyre Company Limited (Note 1)	Chongqing	Chongqing	service industry		65.36	constitute
Huatai Rubber Company Limited (Note 1)	Thailand	Thailand	service industry		83	Non-same control business combinations

Anhui Huayi Rixin Technology Co.	Anhui	Anhui	service industry		60	constitute
Shanghai Huayi Energy Chemical Co.	Shanghai	Shanghai	service industry	100		Same-control business combinations
Wujiang Dianshan Lake Red Top Resort Company Limited (Note 3)	Jiangsu	Jiangsu	services sector		100	Same-control business combinations
Anhui Huayi Chemical Co.	Anhui	Anhui	service industry		94	Same-control business combinations
Shanghai Huayi New Energy Chemical Sales Co.	Shanghai	Shanghai	(commercial) trade		100	Same-control business combinations
Kunshan Baoyan Gas Company Limited (Note 3) (Note 11)	Jiangsu	Jiangsu	service industry		40	Non-same control business combinations
Shanghai Huayi Fine Chemical Co.	Shanghai	Shanghai	service industry	100		Same-control business combinations
Shanghai Yipin Pigment Company Limited (Note 4)	Shanghai	Shanghai	service industry		97.3	Same-control business combinations
Shanghai Huayi Fine Chemical Sales Company Limited (Note 4)	Shanghai	Shanghai	wholesalers		100	Same-control business combinations
Yixing Huayi Yipin Colouring Technology Company Limited (Note 4)	Yixing prefecture level city in Jiangxi	Yixing prefecture level city in Jiangxi	service industry		58.33	Same-control business combinations
Shanghai Trial 4 Chemicals Co.	Shanghai	Shanghai	service industry		78.82	Same-control business combinations
Shanghai Huayuan Industrial Company Limited (Note 4)	Shanghai	Shanghai	service industry		100	Same-control business combinations
Shanghai Huayi Group Huayuan Chemical Co.	Shanghai	Shanghai	service industry		88.52	Same-control business combinations
Shanghai Coating Research Institute Limited (Note 4)	Shanghai	Shanghai	service industry		100	Same-control business combinations
Shanghai Trial 4 Hervey Chemical Co.	Shanghai	Shanghai	service industry		78.82	Same-control business combinations
Shanghai Research Institute of Chemical Reagents (Note 4)	Shanghai	Shanghai	service industry		78.82	Same-control business combinations
Tiantong Fine Chemicals (Nantong) Co.	Jiangsu	Jiangsu	service industry		75	Same-control business combinations

Shanghai Huayi Coating Company Limited (Note 4)	Shanghai	Shanghai	service industry		53.73	Same-control business combinations
Shanghai Huayi Group Investment Co.	Shanghai	Shanghai	investors	100		Same-control business combinations
Shanghai Huayi Group International Trade Co.	Shanghai	Shanghai	(commercial) trade		68	Same-control business combinations
Shanghai Chemical Industry Inspection and Testing Company Limited (Note 5)	Shanghai	Shanghai	services sector		51	Same-control business combinations
Shanghai Chemical Engineering Supervision Company Limited (Note 5)	Shanghai	Shanghai	services sector		100	Same-control business combinations
Shanghai Plastics Research Institute Limited (Note 5)	Shanghai	Shanghai	service industry		100	Same-control business combinations
Shanghai Hui Li Shoes Company Limited (Note 5)	Shanghai	Shanghai	service industry		100	Same-control business combinations
Shanghai Rubber Products Research Institute Limited (Note 5)	Shanghai	Shanghai	service industry		100	Same-control business combinations
Shanghai Synthetic Resin Research Institute Co.	Shanghai	Shanghai	service industry		100	Same-control business combinations
Shanghai Huayi Resin Co.	Shanghai	Shanghai	service industry		51	Same-control business combinations
Shanghai Huayi Engineering Services Company Limited (Note 5)	Shanghai	Shanghai	services sector		51	Same-control business combinations
Shanghai Huayi Inspection and Testing Technology Company Limited (Note 5)	Shanghai	Shanghai	services sector		100	Same-control business combinations
Guangxi Hualing Terminal Company Limited (Note 5)	until 1959, Guangxi province	until 1959, Guangxi province	Transport, warehousing		90	constitute
Shanghai Tianyuan (Group) Co.	Shanghai	Shanghai	Industrial investment Domestic trade	100		Same-control business combinations
Yantai Tianyuan Shengde Material Technology Company Limited (Note 6)	Shandong	Shandong	Manufacture and sale of plastic products		100	Same-control business combinations

Shanghai Huayi Group Trading Company Limited (Note 6)	Shanghai	Shanghai	Domestic international trade		100	Same-control business combinations
Shanghai Tianyuan Group Shengde Plastics Company Limited (Note 6)	Shanghai	Shanghai	Production and marketing of plastic products		100	Same-control business combinations
Shanghai Chemical Supply and Marketing Company Limited (Note 6)	Shanghai	Shanghai	(commercial) trade		100	Same-control business combinations
Shanghai Resin Factory Limited (Note 6)	Shanghai	Shanghai	Resin production and sales		100	Same-control business combinations
Suzhou Tianyuan Logistics Company Limited (Note 6)	Jiangsu	Jiangsu	Warehousing services		74.25	Same-control business combinations
Zhejiang Tianyuan Medical Materials Company Limited (Note 6)	Zhejiang	Zhejiang	service industry		100	constitute
Fujian Huayi Shengde Material Technology Company Limited (Note 6)	Fujian	Fujian	wholesalers		100	constitute
Zhejiang Huayi Shengde Material Technology Co.	Zhejiang	Zhejiang	wholesalers		100	constitute
Shanghai Huayi New Material Co.	Shanghai	Shanghai	service industry	100		Same-control business combinations
Zhejiang Huayu Absorbent Material Company Limited (Note 7)	Zhejiang	Zhejiang	service industry		51	constitute
Shanghai Huayi New Materials Chemical Sales Co.	Shanghai	Shanghai	service industry		100	Same-control business combinations
Shanghai Huayi Information Technology Co.	Shanghai	Shanghai	technology development	64.71		Same-control business combinations
Shanghai Huayi Group Finance Co.	Shanghai	Shanghai	financial sector	64		Same-control business combinations
Huayi Group (Hong Kong) Limited	Mainland	Mainland	investment holding	51		Same-control business combinations
HUAYI FINANCE I LTD. (Note 8)	Virgin Islands	Virgin Islands	bonds		51	Same-control business combinations
Huayi Group (Thailand) Limited (Note 8) (Note 12)	Thailand	Thailand	service industry		43.35	Same-control business combinations
Huayi Tire Canada LLC (Note 8)	Canadian	Canadian	wholesalers		51	Same-control business combinations
Guangxi Huayi New Material Co.	until 1959,	until 1959,	service industry	60		constitute

	Guangxi province	Guangxi province				
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The basis for holding half or less of the voting rights but still controlling the investee, and for holding more than half of the voting rights but not controlling the investee:

(hereinafter referred to as "Double Coin Tire"; a subsidiary of the Company, holds 35.06% of the shares of Shanghai Double Coin Tire Sales Company Limited (hereinafter referred to as "Double Coin Sales"), and the remaining shares are held by dispersed minority shareholders, none of which individually holds more than 3.47% of the voting shares, and there is no collective decision-making agreement among the other shareholders. The remaining shares are held by dispersed minority shareholders, none of whom individually holds more than 3.47% of the voting shares, and no collective decision-making agreement has been reached among the other shareholders. At the same time, the chairman, general manager and financial controller of Double Coin Sales are all dispatched by Double Coin Tyre, which dominates the daily operation activities, financial decision-making and other major matters of Double Coin Sales, therefore, Double Coin Tyre controls Double Coin Sales.

Note 11: Shanghai Huayi Energy & Chemical Co., Ltd. (hereinafter referred to as "Energy & Chemical Company"; a subsidiary of the Company, holds 40% of the shares of Kunshan Baoyan Gas Co. (hereinafter referred to as "Kunshan Baoyan"). According to the Articles of Association of Kunshan Baoyan, the Board of Directors consists of 5 directors, of which 3 directors are dispatched by Energetic Company, and the general manager and financial controller of Kunshan Baoyan are dispatched by Energetic Company, which dominates the day-to-day operating activities, financial decision-making and other major matters of Kunshan Baoyan, and therefore Energetic Company controls Kunshan Baoyan.

## Other notes:

Note 1: Subsidiary of Double Coin Tyre Group Ltd.

Note 2: Subsidiary of Shanghai Soap Making

(Group) Co. Note 3: Subsidiary of Shanghai

Huayi Energy Chemical Co. Note 4:

Subsidiary of Shanghai Huayi Fine Chemical

Co. Note 5: Subsidiary of Shanghai Huayi

Group Investment Co. Note 6: Subsidiary of

Shanghai Tianyuan (Group) Co. Note 7:

Subsidiary of Shanghai Huayi New Materials

Co. Note 8: Subsidiary of Huayi Group (Hong

Kong) Co.

Note 10: The Company holds 60% equity interest in its subsidiary Shanghai Soap Making (Group) Co.

The Company controls Moltech Holdings Corporation and Moltech Power System Inc. because Moltech Holdings Corporation owns 70% of the shares of its subsidiary, Moltech Holdings Corporation, and Moltech Power System Inc. owns 100% of the shares of its subsidiary, Moltech Holdings Corporation. **Moltech Holdings Corporation and Moltech Power System Inc. are** indirectly owned by the Company. Based on the percentage of shareholding the Company indirectly owns 42% of Moltech Holdings Corporation and 42% of Moltech Power System Inc.

Note 12: The Company holds 51% equity interest in Huayi Group (Hong Kong) Co., Ltd. and Huayi Group (Hong Kong) Co., Ltd. holds 85% equity interest in Huayi Group (Thailand) Co., Ltd. so the Company controls Huayi Group (Thailand) Co., Ltd. and according to the proportion of shareholding, the Company indirectly owns 43.35% of equity interest in Huayi Group (Thailand) Co.

## 2. Significant non-wholly owned subsidiaries

√Applicable □Not applicable

Unit: Yuan

Name of Subsidiary	Minority shareholder's Proportion of shares (%)	Attributable to minorities for the period Shareholders' profit or loss	The current period was charged to minority shareholders. Dividends declared	Minority interests at end of period Balance of benefits
Double Coin Group (Jiangsu) Tyre Co.	33.88	-7,110,294.30		179,541,410.12
Double Coin Group (Anhui) Back Tyre Co.	33.90	-18,112,468.42		266,068,848.78
Shanghai Double Coin Tyre Sales Co.	64.94	-24,776,238.76		-428,626,467.95
China North American Tyre Joint Sales Corporation	47.60	-7,289,027.33		6,071,947.51
Huatai Rubber Co.	17.00	-311,875.55		8,137,453.84
Double Coin Group (Chongqing) Tyre Co.	34.64	-5,692,138.64		83,901,498.10
Double Coin Group (Xinjiang) Kunlun Tyre Co.	49.00	2,055,350.36		447,782,810.39
Shanghai Soap Making (Group) Co.	40.00	-4,516,781.41		364,557,443.59
Anhui Huayi Chemical Co.	6.00	4,424,831.62		129,865,850.60
Kunshan Baoyan Gas Co.	60.00	15,899,824.76		408,615,562.86
Shanghai Try 4 Hervey Chemical Co.	21.18	12,058,532.25	12,635,365.60	93,345,149.72
Shanghai Huayi Group International Trade Co.	32.00	1,597,673.05		27,816,330.91
Shanghai Huayi Resin Co.	49.00	1,187,157.72		24,917,114.52
Shanghai Huayi Information Technology Co.	35.29	-4,516,781.41		22,206,215.43
Shanghai Huayi Group Finance Co.	36.00	18,635,444.99		553,716,227.12
		137 / 184		

A statement that the percentage of minority shareholdings in subsidiaries is different from the percentage of voting rights:

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

Half-yearly report  
2020

### 3. Key financial information of significant non-wholly owned subsidiaries

√Applicable □Not applicable

Unit:Yuan

Name of Subsidiary	Closing balance						Opening balance						Currency:RM
	current asset	non-current asset	Total assets	current liability	non-current liability	Total liabilities	current asset	non-current asset	Total assets	current liability	non-current liability	Total liabilities	
Double Coin Group (Jiangsu) Wheel Tyre Co.	414,190,053.26	968,507,117.86	1,382,697,171.12	837,080,934.05	15,710,555.40	852,791,489.45	618,034,493.63	1,020,211,366.95	1,638,245,860.58	1,070,594,589.18	16,758,888.74	1,087,353,477.92	
Double Coin Group (Anhui) Power Tyre Co.	362,464,692.58	948,863,322.45	1,311,328,015.03	526,464,154.30		526,464,154.30	376,413,096.75	978,495,157.93	1,354,908,254.68	516,615,283.58		516,615,283.58	
Shanghai Double Coin Tyre Sales Co. limited company	1,049,450,336.62	90,164,754.78	1,139,615,091.40	1,748,444,890.22		1,748,444,890.22	723,625,563.13	39,109,862.39	762,735,425.52	1,384,617,515.43		1,384,617,515.43	
China North America Tyre Joint Sales sales company	782,151,388.86	96,685,117.52	878,836,506.38	814,433,327.02	64,756,052.51	879,189,379.53	716,760,429.51	92,770,630.77	809,531,060.28	709,755,364.99	71,706,420.42	781,461,785.41	
Huatai Rubber Co.	387,321,192.29	66,724,334.74	454,045,527.03	405,743,551.00		405,743,551.00	486,975,626.05	72,603,499.92	559,579,125.97	507,125,953.18		507,125,953.18	
Double Coin Group (Chongqing) Wheel Tyre Co.	508,658,013.30	847,049,743.17	1,355,707,756.47	1,034,492,164.53	79,013,190.79	1,113,505,355.32	417,129,176.31	886,295,224.98	1,303,424,401.29	964,685,381.34	80,104,347.91	1,044,789,729.25	
Double Coin Group (Xinjiang) Kun Lun Tyre Co.	1,041,808,025.46	1,514,668,165.79	2,556,476,191.25	1,583,292,523.11	59,341,197.96	1,642,633,721.07	971,199,251.36	1,452,174,553.05	2,423,373,804.41	1,452,943,727.50	60,782,199.30	1,513,725,926.80	
Shanghai Soap (Group) Co. limited company	897,559,048.41	264,485,166.09	1,162,044,214.50	226,883,028.23	23,767,577.30	250,650,605.53	923,924,171.46	268,237,150.30	1,192,161,321.76	245,076,909.20	24,398,850.06	269,475,759.26	
Anhui Huayi Chemical Co. department (under a ministry)	1,365,916,319.08	1,892,941,714.07	3,258,858,033.15	1,113,512,008.53		1,113,512,008.53	1,452,509,375.59	2,035,763,636.36	3,488,273,011.95	1,416,728,302.02		1,416,728,302.02	
Kunshan Baoyan Gas Co. department (under a ministry)	406,614,746.70	732,501,027.61	1,139,115,774.31	137,252,170.53	320,837,665.67	458,089,836.20	380,777,814.95	775,840,612.39	1,156,618,427.34	181,254,531.50	320,837,665.67	502,092,197.17	
Shanghai Trial 4 Hervey Chemical Co. limited company	597,741,537.56	263,548,211.64	861,289,749.20	344,929,667.10	26,930,358.95	371,860,026.05	576,144,393.98	262,573,997.99	838,718,391.97	333,620,741.08	26,620,592.82	360,241,333.90	
Shanghai Huayi Group International Trade Easy Company Limited	91,631,600.04	33,618,734.91	125,250,334.95	31,604,211.45	6,720,089.48	38,324,300.93	530,981,706.80	33,613,334.59	564,595,041.39	475,941,646.16	6,720,089.48	482,661,735.64	
Shanghai Huayi Resin Co. department (under a ministry)	52,553,883.19	3,243,108.89	55,796,992.08	2,581,737.98	2,364,000.00	4,945,737.98	51,470,441.43	3,429,507.76	54,899,949.19	3,907,465.94	2,564,000.00	6,471,465.94	
Shanghai Huayi Information Technology Co. limited company	138,872,926.95	23,994,329.58	162,867,256.53	96,459,646.11	3,490,000.00	99,949,646.11	139,163,444.52	26,455,416.02	165,618,860.54	100,926,359.23	3,080,000.00	104,006,359.23	
Shanghai Huayi Group Finance Co. limited liability company	8,603,175,438.12	7,376,006,334.92	15,979,181,773.04	14,440,077,142.18	1,004,000.00	14,441,081,142.18	10,637,577,821.99	7,315,956,633.53	17,953,534,455.52	16,456,096,615.19	11,102,334.43	16,467,198,949.62	
Huayi Group (Hong Kong) Ltd.	1,980,736,493.09	2,515,083,141.95	4,495,819,635.04	685,301,581.82	3,546,060,640.53	4,231,362,222.35	2,051,723,866.09	2,599,759,643.78	4,651,483,509.87	2,875,222,743.16	1,097,829,977.38	3,973,052,720.54	



Half-yearly report  
2020

Name of Subsidiary	Current period's incidence				Prior period's incidence			
	revenue	net profit	Total comprehensive income	Cash flows from operating activities	revenues	net profit	Total comprehensive income	Cash flows from operating activities
Double Coin Group (Jiangsu) Tyre Co.	1,111,493,726.76	-20,986,700.99	-20,986,700.99	133,298,370.86	1,224,884,246.05	26,547,291.62	26,547,291.62	98,707,326.89
Double Coin Group (Anhui) Back Tyre Co.	267,784,959.20	-53,429,110.37	-53,429,110.37	19,058,092.57	353,944,707.29	-14,053,993.83	-14,053,993.83	12,495,135.16
Shanghai Double Coin Tyre Sales Co.	1,329,690,835.59	-38,152,508.10	-38,152,508.10	3,910,494.04	1,355,055,444.29	-44,528,559.92	-44,528,559.92	4,494,776.37
China North American Tyre Joint Sales Corporation	367,201,822.29	-15,313,082.63	-28,422,148.02	52,698,656.34	420,887,327.39	1,804,210.96	-9,224,550.49	96,467,334.29
Huatai Rubber Co.	302,308,759.21	-1,834,562.08	-4,151,196.76	7,167,717.96	442,512,661.98	762,904.69	2,048,442.20	17,495,884.35
Double Coin Group (Chongqing) Tyre Co.	737,724,509.16	-16,432,270.89	-16,432,270.89	53,243,041.01	737,807,364.16	-24,350,597.56	-24,350,597.56	223,015,414.24
Double Coin Group (Xinjiang) Kunlun Tyre Co.	938,226,550.14	4,194,592.57	4,194,592.57	84,692,834.08	1,067,934,000.86	25,045,626.30	25,045,626.30	193,467,699.87
Shanghai Soap Making (Group) Co.	361,549,925.34	-11,291,953.53	-11,291,953.53	-29,466,345.83	427,200,685.22	11,620,337.14	11,620,337.14	-24,609,821.76
Anhui Huayi Chemical Co.	1,235,603,220.20	73,801,314.69	73,801,314.69	310,487,655.67	1,381,183,524.16	157,737,296.09	157,737,296.09	866,823,623.15
Kunshan Baoyan Gas Co.	357,230,112.65	26,499,707.94	26,499,707.94	113,785,085.49	384,726,327.12	27,856,659.15	27,856,659.15	115,991,195.95
Shanghai Try 4 Hervey Chemical Co.	802,238,446.22	59,049,025.69	59,049,025.69	55,090,760.27	468,692,517.21	6,895,298.74	6,895,298.74	20,129,607.45
Shanghai Huayi Group International Trade Co.	117,173,887.75	4,992,728.27	4,992,728.27	-23,604,954.78	5,629,366,716.19	1,872,296.89	1,872,296.89	-26,787,394.48
Shanghai Huayi Resin Co.	13,851,945.89	2,422,770.85	2,422,770.85	13,751.71	14,948,576.67	3,320,711.48	3,320,711.48	2,678,640.99
Shanghai Huayi Information Technology Co.	50,476,381.08	1,305,109.11	1,305,109.11	4,959,962.51	64,221,116.56	1,489,998.14	1,489,998.14	-41,333,562.96
Shanghai Huayi Group Finance Co.	221,958,281.23	51,765,124.96	51,765,124.96	-2,022,444,519.60	196,130,076.91	58,046,624.21	58,046,624.21	-2,152,702,373.85
Huayi Group (Hong Kong) Limited	345,554,287.97	-65,749,319.38	-81,977,819.45	60,181,220.28	348,443,394.20	-46,767,564.00	-35,662,292.49	-16,585,487.54
Guangxi Huayi New Material Co.		-119,783.66	-119,783.66	16,889,192.61		-1,580,721.65	-1,580,721.65	-1,924,956.37

**4. Significant limitations on the use of enterprise group assets and the discharge of enterprise group liabilities:**

☐Applicable ☒Not Applicable

**5. Financial or other support provided to structured subjects included in the scope of the consolidated financial statements:**

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

(ii) Transactions in which the share of ownership interest in a subsidiary changes and the subsidiary is still controlled

☐Applicable ☒Not Applicable

(iii) Interests in joint ventures or associates

☒Applicable ☐Not applicable

1. Significant joint ventures or associates

☒Applicable ☐Not applicable

Unit:Yuan Currency:RMB

Name of joint venture or consortium	Principal place of business	registered office	Nature of business	Shareholding (%)		Accounting for investments in joint ventures or associates methodology
				direct	overhead	
<b>(1) Shanghai Huayi Group Co.</b>						
associated company						
Shanghai Huayi Group Financial Leasing Co.	Shanghai	Shanghai	financial sector	24.00		equity method
<b>(2) Shanghai Huayi Energy Chemical Co.</b>						
a joint venture						
Shanghai Hualin Industrial Gases Co.	Shanghai	Shanghai	service industry	50.00		equity method
associated company						
Shanghai Arkema Hydrogen Peroxide Co.	Shanghai	Shanghai	service industry	33.33		equity method
Cabot Chemicals (Tianjin) Co.	Tianjin	Tianjin	service industry	30.00		equity method
Shanghai Cabot Chemical Co.	Shanghai	Shanghai	service industry	30.00		equity method
Shanghai Shenxing Chemical Co.	Shanghai	Shanghai	service industry	37.00		equity method
<b>(3) Shanghai Huayi Fine Chemical Co.</b>						
associated company						
BASF Shanghai Coatings Co.	Shanghai	Shanghai	service industry	40		equity method
Shanghai International Paint Co.	Shanghai	Shanghai	service industry	34		equity method
<b>(4) Shanghai Huayi Group Investment Co.</b>						
associated company						
Shanghai DuPont Agrochemicals Co.	Shanghai	Shanghai	service industry	20		equity method
East China University of Science and Technology Huachang Polymer Co.	Shanghai	Shanghai	service industry	30		equity method
Shanghai Xingyihui Culture Development Co.	Shanghai	Shanghai	the rest	29		equity method
SUEZ Environmental Technology (Qinzhou) Co.	until 1959, Guangxi province	until 1959, Guangxi province	services sector	49		equity method

## 2. Key financial information of significant joint ventures

√Applicable □Not applicable

### (1) Shanghai Huayi Energy Chemical Co.

Unit: Yuan Currency: RMB

	Closing balance/ current period's incidence	Opening balance/ prior period
	Shanghai Hualin Industrial Gases Co.	Shanghai Hualin Industrial Gases Co.
current asset	280,567,948.05	182,620,879.82
Of which: cash and cash equivalents		
non-current asset	514,036,716.69	562,804,545.34
Total assets	794,604,664.74	745,425,425.16
current liability	89,509,718.54	125,604,142.08
non-current liability		
Total liabilities	89,509,718.54	125,604,142.08
Minority interests		
Shareholders' equity attributable to the parent company	705,094,946.20	619,821,283.08
Share of net assets by shareholding	352,547,473.10	309,910,641.54
Adjustments		
-Goodwill		
-- Unrealised profit on internal transactions		
--Other		
Carrying value of equity investments in joint ventures	352,547,473.10	309,910,641.54
Presence of publicly quoted joint venture interest investments		
Fair value of capital		
revenue	568,218,987.55	597,776,860.89
financial cost		
Income tax expense		
net profit	85,273,663.12	112,982,055.56
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	85,273,663.12	112,982,055.56
Shares received from joint ventures during the year		
surname Li		

### 3. Key financial information of significant associates

√Applicable □Not applicable

#### (1) Shanghai Huayi Group Co.

Unit: Yuan Currency: RMB

	Closing balance/ current period's incidence	Opening balance/ prior period
	Shanghai Huayi Group Financial Leasing Co. limited company	Shanghai Huayi Group Financial Leasing Co. limited company
current asset	608,954,107.70	693,982,693.36
non-current asset	827,925,959.70	447,359,896.08
Total assets	1,436,880,067.40	1,141,342,589.44
current liability	394,210,600.64	98,555,586.05
non-current liability		
Total liabilities	394,210,600.64	98,555,586.05
Minority interests		
Shareholders' equity attributable to the parent company	1,042,669,466.76	1,042,787,003.39
Share of net assets by shareholding	250,240,672.02	250,268,880.81
Adjustments		
-Goodwill		
-- Unrealised profit on internal transactions		
--Other		
Carrying value of equity investments in associates	250,240,672.02	250,268,880.81
Presence of publicly quoted equity investments in associates in the public fair value		
revenues	16,345,387.74	8,638,773.97
net profit	12,745,463.37	12,472,731.44
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	12,745,463.37	12,472,731.44
Dividends received from associates during the year	3,087,120.00	

## (2) Shanghai Huayi Energy Chemical Co.

Unit: Yuan Currency: RMB

	Closing balance/ current period's incidence				Opening balance/ prior period			
	Shanghai Arkema Hydrogen Peroxide water company	Cabot Chemical (Tianjin) limited company	Shanghai Cabot Chemical limited company	Shanghai Shenxing Chemical Co. limited company	Shanghai Arkema Hydrogen Peroxide water company	Cabot Chemical (Tianjin) limited company	Shanghai Cabot Chemical limited company	Shanghai Shenxing Chemical Co. limited company
current asset	334,819,975.52	740,336,102.71	586,445,481.57	155,916,294.60	313,910,817.92	675,700,078.62	663,321,119.45	205,770,358.40
non-current asset	236,501,993.50	382,523,339.90	121,879,602.36	187,378,351.05	244,646,776.44	402,417,436.82	133,392,974.97	157,170,769.83
Total assets	571,321,969.02	1,122,859,442.61	708,325,083.93	343,294,645.65	558,557,594.36	1,078,117,515.44	796,714,094.42	362,941,128.23
current liability	40,426,318.00	184,389,476.21	109,743,390.33	127,128,945.38	43,333,399.45	163,094,676.57	198,960,664.02	159,877,974.48
non-current liability	884,399.75		0.00	0.00	1,252,465.40			
Total liabilities	41,310,717.75	184,389,476.21	109,743,390.33	127,128,945.38	44,585,864.85	163,094,676.57	198,960,664.02	159,877,974.48
Minority interests								
Shareholders' equity attributable to the parent company	530,011,251.27	938,469,966.40	598,581,693.60	216,165,700.27	513,971,729.51	915,022,838.87	597,753,430.40	203,063,153.75
Share of net assets by shareholding	176,670,417.09	281,540,989.92	179,574,508.08	79,981,309.10	171,306,777.45	274,506,851.66	179,326,029.12	75,133,366.89
Adjustments								
-Goodwill								
-- Unrealised profit on internal transactions								
--Other								
Carrying amount of equity investments in associates (be) worth	176,670,417.09	281,540,989.92	179,574,508.08	79,981,309.10	171,306,777.45	274,506,851.66	179,326,029.12	75,133,366.89
Existence of publicly quoted interests in associates Fair value of investments								
revenues	130,494,091.60	603,301,404.40	346,452,697.46	208,339,649.77	119,866,078.06	604,959,661.45	588,526,489.69	220,244,977.72
net profit	16,039,521.76	23,447,127.53	828,263.20	13,102,546.52	17,166,741.60	43,857,062.87	40,190,399.13	15,702,711.08
Net profit from discontinued operations								
Other comprehensive income								
Total comprehensive income	16,039,521.76	23,447,127.53	828,263.20	13,102,546.52	17,166,741.60	43,857,062.87	40,190,399.13	15,702,711.08

(3) Shanghai Huayi Fine Chemical Co.

Unit: Yuan Currency: RMB  
Opening balance/ prior period

	Closing balance/ current period's incidence		Opening balance/ prior period	
	BASF Shanghai Coating Co. limited company	Shanghai International Paint has limited company	BASF Shanghai Coating Co. limited company	Shanghai International Paint has limited company
current asset	1,836,688,068.03	428,355,078.76	2,003,627,266.71	472,695,631.75
non-current asset	968,208,563.62	132,035,804.03	1,004,875,831.95	123,511,334.23
Total assets	2,804,896,631.65	560,390,882.79	3,008,503,098.66	596,206,965.98
current liability	1,156,404,063.22	370,657,897.18	1,400,962,029.31	441,202,753.21
non-current liability	352,279,892.82	0.00	402,504,632.12	
Total liabilities	1,508,683,956.04	370,657,897.18	1,803,466,661.43	441,202,753.21
Minority interests				
Attributable to parent company shares proprietary rights	1,296,212,675.61	189,732,985.61	1,205,036,437.23	155,004,212.77
By shareholding Share of net assets of	518,485,070.24	64,509,215.11	482,014,574.89	52,701,432.34
Adjustments				
-Goodwill				
-- Insider transactions not materialised cash flow				
--Other				
Interests in associates Carrying value of investments	518,485,070.24	64,509,215.11	482,014,574.89	52,701,432.34
Existence of publicly quoted investments in interests in associates Fair value of capital				
revenues	1,576,995,829.83	323,934,361.72	1,767,462,966.39	383,846,789.25
net profit	91,176,238.38	34,728,772.85	6,306,433.08	26,409,244.73
Net profit from discontinued operations sleek				
Other comprehensive income	0.00	144 / 184 0.00		
Total	91,176,238.38	34,728,772.85	6,306,433.08	26,409,244.73

Half-yearly report

2020

(4) Shanghai Huayi Group Investment Co.

Unit: Yuan Currency: RMB

	Closing balance/ current period's incidence						Opening balance/ prior period					
	Shanghai DuPont Agrochemi cals Co.	East China University of Science and Technology Huachang Polymer Co. department (under a ministry)	Shanghai Xingyihui Culture Development Co.	SUEZ Environmental Technology (Qinzhou) Limited department (under a ministry)	Guangxi Tianyi Environmental Technology Co.	Fubo (Qinzhou) Terminal Co.	Shanghai DuPont Agrochemi cals Co.	East China University of Science and Technology Huachang Polymer Co. department (under a ministry)	Shanghai Xingyihui Culture Development Co.	SUEZ Environmental Technology (Qinzhou) Co. firms	Guangxi Tianyi Environmental Technology Co.	Fubo (Qinzhou) Terminal Co.
current asset	1,023,198,377.95	303,372,771.43	35,690,202.19	38,768,870.84	338,343,757.98	76,473,484.98	639,585,437.63	327,296,514.91	51,863,118.75	25,990,259.94	3,859,267.25	16,958,724.22
non-current asset	300,555,076.70	222,535,761.16	79,320,971.54	134,290,671.43	6,840,861.58	641,537,183.01	314,397,532.21	305,078,938.89	57,627,619.26	66,481,814.30	208,243,993.09	128,989,008.58
Total assets	1,323,753,454.65	525,908,532.59	115,011,173.73	173,059,542.27	345,184,619.56	718,010,667.99	953,982,969.84	632,375,453.80	109,490,738.01	92,472,074.24	212,103,260.34	145,947,732.80
current liability	774,447,069.02	174,128,511.81	24,595,916.10	733,932.63	169,845.34	266,405,156.00	442,757,914.10	239,726,647.73	18,747,451.56	622,451.65	58,713,736.41	61,846,835.28
non-current liability	0.00	72,184,976.41	0.00	60,000,000.00	185,589,968.18	94,383,995.55		71,312,345.12			14,783,078.89	
Total liabilities	774,447,069.02	246,313,488.22	24,595,916.10	60,733,932.63	185,759,813.52	360,789,151.55	442,757,914.10	311,038,992.85	18,747,451.56	622,451.65	73,496,815.30	61,846,835.28
Minority interests	0.00	14,262,601.50	0.00					15,324,133.63				
Attributable to shareholders of the parent company rights and benefits	549,306,385.63	265,332,442.87	90,415,257.63	112,325,609.64	159,424,806.04	357,221,516.44	511,225,055.74	306,012,327.32	90,743,286.45	91,849,622.59	138,607,082.54	84,100,897.52
by percentage of shareholding Share of net assets	109,861,277.13	83,878,513.31	26,220,424.71	55,039,548.72	78,118,154.96	125,027,530.75	102,245,011.15	91,803,698.19	26,315,553.07	45,006,315.07	67,917,158.07	29,435,314.13
Adjustments												
-Goodwill												
-- Internal transactions not realised margins												
--Other												
Investments in interests in associates Carrying value of funds	109,861,277.13	83,878,513.31	26,220,424.71	55,039,548.72	78,118,154.96	125,027,530.75	102,245,011.15	91,803,698.19	26,315,553.07	45,003,115.07	67,917,158.07	34,335,314.46
Existence of publicly quoted equity investments in associates fair value						145 / 184						
revenue	737,519,937.70	194,301,776.70	147,614.96				701,020,129.33	259,204,633.40				



## (5) Shanghai Tianyuan (Group) Co.

Unit: Yuan Currency: RMB

	Closing balance/ current period's incidence	Opening balance/ prior period
	Shanghai Huayi Tianyuan Chemical Logistics Co. limited company	Shanghai Huayi Tianyuan Chemical Logistics Co. limited company
current asset	80,751,028.06	84,450,040.33
non-current asset	485,477,971.64	489,801,638.48
Total assets	566,228,999.70	574,251,678.81
current liability	52,483,746.61	70,057,508.02
non-current liability	2,849,060.39	2,849,060.39
Total liabilities	55,332,807.00	72,906,568.41
Minority interests		
Shareholders' equity attributable to the parent company	510,896,192.70	501,345,110.40
Share of net assets by shareholding	170,434,969.88	167,248,728.83
Adjustments		
-Goodwill		
-- Unrealised profit on internal transactions		
--Other		
Carrying value of equity investments in associates	177,596,373.07	174,564,818.65
Presence of publicly quoted equity investments in associates in the public fair value	177,596,373.07	174,564,818.65
revenue	107,221,127.36	106,061,865.35
net profit	9,551,082.30	11,731,330.85

## (6) Etco China (Hong Kong) Limited

Other comprehensive income	0.00			
Total comprehensive income	9,551,082.30			
	Unit: Yuan Currency: RMB			
	Closing balance/ current period's incidence		Opening balance/ prior period	
	Shanghai Huayi Group Financing leasing company limited by guarantee	Etco China Ltd. department (under a ministry)	Shanghai Huayi Group Financing leasing company limited by guarantee	Etco China Ltd. department (under a ministry)
Dividends received from associates during the year				2,173,911.87
current asset	608,954,107.70	707,360,888.96	693,982,693.36	722,873,174.29
non-current asset	827,925,959.70	528,752,833.59	447,359,896.08	546,694,314.98
Total assets	1,436,880,067.40	1,236,113,722.55	1,141,342,589.44	1,269,567,489.27
current liability	394,210,600.64	344,574,020.20	98,555,586.05	413,093,036.79
non-current liability				10,586,906.72
Total liabilities	394,210,600.64	344,574,020.20	98,555,586.05	423,679,943.51
Minority interests				
Shareholders' equity attributable to the parent company	1,042,669,466.76	891,539,702.35	1,042,787,003.39	845,887,545.76

Half-yearly report

2020

Share of net assets by shareholding	260,667,366.69	222,884,925.59	260,696,750.85	211,471,886.44
Adjustments				
-Goodwill				
-- Unrealised profit on internal transactions				
--Other				
Carrying value of equity investments in associates	260,667,366.69	222,884,925.59	260,696,750.85	211,471,886.44
Existence of publicly quoted investments in interests in associates				
Fair value of capital				
revenue	16,345,387.74	314,385,242.79	8,638,773.97	380,634,561.77
net profit	12,745,463.37	47,398,790.53	12,472,731.44	40,285,539.23
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	12,745,463.37	47,398,790.53	12,472,731.44	40,285,539.23
Shares received from associates during the year				
surname Li				

(7) Shanghai Huayi New Material Co.

Unit: Yuan Currency: RMB

	Closing balance/ current period's incidence	Opening balance/ prior period
	Zhejiang Huahong New Material Co.	Zhejiang Huahong New Material Co.
current asset	169,281,542.78	150,340,603.20
non-current asset	1,741,285,402.91	1,742,061,967.25
Total assets	1,910,566,945.69	1,892,402,570.45
current liability	712,649,766.60	885,035,849.94
non-current liability	558,000,000.00	468,000,000.00
Total liabilities	1,270,649,766.60	1,353,035,849.94
Minority interests		
Shareholders' equity attributable to the parent company	639,917,179.09	539,366,720.51
Share of net assets by shareholding	223,971,012.67	188,778,352.17
Adjustments		
-Goodwill		
-- Unrealised profit on internal transactions		
--Other		
Carrying value of equity investments in associates	223,971,012.67	188,778,352.17
Presence of publicly quoted equity investments in associates in the public fair value		
revenue	147 / 264 47,339,449.52	
net profit	550,458.58	
Net profit from discontinued operations		
Other comprehensive income		

**4. Summarised financial information for immaterial joint ventures and associates**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

	Closing balance/ current period's incidence	Opening balance/ prior period
Joint ventures:		
Total carrying value of investments	20,121,545.31	19,952,053.46
Total of the following by percentage of shareholding		
-Net profit	169,491.85	-3,087,900.43
-- other comprehensive income		-1,372,132.67
-- total comprehensive income	169,491.85	-4,460,033.10
Associates:		
Total carrying value of investments	371,320,290.51	152,576,739.13
Total of the following by percentage of shareholding		
-Net profit	-839,448.62	3,166,616.04
5. other comprehensive income		
-- total comprehensive income	-839,448.62	3,166,616.04

5. Are there any significant restrictions on the ability of a joint venture or associate to transfer funds to the Company

□Applicable √Not Applicable

**6. Excess losses incurred in joint ventures or associates**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Joint ventures or associates trade name	Cumulative unrecognised prior period cumulative losses	Unrecognised losses for the period (or net profit shared during the period)	Cumulative unrecognised at the end of the period damages
Shanghai Shenma Cordage Fabrics Co. limited liability company	-16,967,072.51	-1,471,751.18	-18,438,823.69
7. Unrecognised commitments relating to investments in joint ventures			
Linde Carbon Dioxide (Wuhu) (Lake) Co.	4,965,093.80		

**8. Contingent liabilities relating to investments in joint ventures or associates**

□Applicable √Not Applicable

**(iv) Significant joint operations**

□Applicable √Not Applicable

**(v) Interests in structured entities not included in the scope of the consolidated financial**

statements Relevant notes on structured entities not included in the scope of the consolidated financial statements:

□Applicable √Not Applicable

**(vi) Other**

☐Applicable ☒Not Applicable

## VIII. Risks related to financial instruments

□Applicable √Not Applicable

## IX. Fair value disclosures

The inputs used in the fair value measurements are divided into three levels:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date. Level 2 inputs are inputs other than level 1 inputs that are observable for the underlying asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the underlying asset or liability.

The level within which a fair value measurement result belongs is determined by the lowest level within which the inputs that are significant to the fair value measurement as a whole belong.

## (i) Closing fair value of assets and liabilities measured at fair value

√Applicable □Not applicable

Unit: Yuan

Currency: RMB

sports event	Fair value at end of period			
	Level 1 fair value measurements measure word	Level 2 fairness Value measurement	Level 3 fair value measurements measure word	add up the total
<b>I. Ongoing fair value measurements</b>				
(i) Financial assets held for trading	1,802,626,280.84			1,802,626,280.84
1. Fair value through profit or loss Financial assets at fair value through profit or loss	1,802,626,280.84			1,802,626,280.84
(1) Investments in debt instruments	355,790,891.75			355,790,891.75
(2) Investments in equity instruments	268,678,113.62			268,678,113.62
(3) Derivative financial assets				
(4) Investment of funds	1,178,157,275.47			1,178,157,275.47
2. Designation of the fair value through profit or loss (FVTPL) of a financial asset Financial assets at fair value through profit or loss				
(1) Investments in debt instruments				
(2) Investments in equity instruments				
(ii) Other debt investments				
(iii) Investments in other equity instruments				
(iv) Investment property				
1. Land use rights for lease				
2. Rented buildings				
3. Land held and intended for transfer after appreciation in value. entitlement				
(v) Biological assets				
1. Expendable biological assets				
2. Productive biological assets				
(vi) Receivables financing			1,700,853,760.39	1,700,853,760.39
(vii) Other non-current financial assets			890,326,282.03	890,326,282.03
Changes in fair value through profit or loss are recognised in the current period.			890,326,282.03	890,326,282.03
Financial assets at fair value through profit or loss	150 / 264			
(1) Investments in equity instruments			381,339,372.44	381,339,372.44
(2) Investment of funds			508,986,909.59	508,986,909.59
<b>Total assets measured at fair value on an ongoing basis</b>	1,802,626,280.84		2,591,180,042.42	4,393,806,323.26

<b>II. Discontinued fair value measurements</b>				
(i) Assets held for sale				
Total assets not continuously measured at fair value				
Total liabilities not measured at fair value on an ongoing basis				

**(ii) Basis for determining the market value of items measured at fair value in the continuing and discontinued Level 1 fair value hierarchy**

☒Applicable ☐Not applicable

For listed equity instruments, debt equity instruments and fund investments, the Company determines the fair value based on the closing price of the stock exchange on the trading day closest to the balance sheet.

**(iii) Continuing and discontinued Level 2 fair value measurements, valuation techniques used and qualitative and quantitative information on significant parameters**

☐Applicable ☒Not Applicable

**(iv) Continuing and discontinued Level 3 fair value measurements, valuation techniques used and qualitative and quantitative information on significant parameters**

☒Applicable ☐Not applicable

- (1)** The receivables facilities are bankers' acceptances and commercial acceptances held by the Company, which can be approximated to have a fair value equal to the nominal value at the end of the period, given that their maturity is not more than one year and the time value of money factor does not have a significant impact on their fair value.
- (2)** For equity investments in unlisted companies and investments in funds, the Company uses valuation techniques to determine their fair value, including net asset value and market comparable methods. Its fair value measurements use significant unobservable parameters such as liquidity discounts, volatility, risk-adjusted discounts and market multipliers. The fair value of equity investments in unlisted companies and investments in funds is not materially sensitive to reasonable changes in these unobservable inputs.

**(v) Ongoing Level 3 fair value measurements, information on reconciliations between opening and closing book values and sensitivity analysis of unobservable parameters**

☐Applicable ☒Not Applicable

**(vi) Ongoing fair value measurement items that were converted between levels during the period, the reason for the conversion and the policy for determining the point of conversion**

☐Applicable ☒Not Applicable

**(vii) Changes in valuation techniques that occurred during the period and reasons for**

**the changes**

☐Applicable ☒Not Applicable

**(viii) Fair value of financial assets and financial liabilities not measured at fair value**

☐Applicable ☒Not Applicable

**(ix) Other**

☐Applicable ☒Not Applicable

**x. related parties and connected transactions****(i) Information on the parent company of the enterprise**

√Applicable □Not applicable

Unit:RMB 10,000

Parent company name	registered office	Nature of business	registered capital	Parent company's shareholding in the enterprise (%)	Proportion of voting rights of the parent company in the enterprise (%)
Shanghai Huayi (Group) Co., Ltd.	Shanghai	State-owned asset management and Management, investment	328,108.00	42.51	42.51
The ultimate controlling party of the enterprise is Shanghai Huayi (Group) Company. (ii) Information on the Company's subsidiaries Details of the Company's subsidiaries are set out in the notes					

√Applicable □Not applicable

"VII. Interests in other subjects".

**(iii) Joint ventures and associates of the enterprise**

Details of significant joint ventures or associates of the enterprise are set out in the notes

√Applicable □Not applicable

"VII. Interests in other subjects".

Other joint ventures or associates that had related party transactions with the Company during the period, or had balances arising from related party transactions with the Company in prior periods, are as follows

√Applicable □Not applicable

Name of joint venture or associate	Relationship with the enterprise
Shanghai Double Coin Tyre Sales (Jordan) Co.	Joint ventures of subsidiaries
Shanghai Troy Chemical Co.	Joint ventures of subsidiaries
Shanghai Hualin Industrial Gases Co.	Joint ventures of subsidiaries
Shanghai Huayi Group Financial Leasing Co.	associated company
Shanghai Minhang Huayi Microfinance Co.	Associates of subsidiaries
Shanghai Huayi Tianyuan Chemical Logistics Co.	Associates of subsidiaries
Shanghai Tianyuan Resources Trading Co.	Associates of subsidiaries
BASF Shanghai Coatings Co.	Associates of subsidiaries
Shanghai International Paint Co.	Associates of subsidiaries
Shanghai Runhong Industrial Co.	Associates of subsidiaries
Shanghai Fujikura Kasei Coating Co.	Associates of subsidiaries
Fujikura Kasei Coatings (Tianjin) Co.	Associates of subsidiaries
Fujikura Kasei (Foshan) Coatings Co.	Associates of subsidiaries
Shanghai Arkema Hydrogen Peroxide Co.	Associates of subsidiaries



Shanghai Shenma Cordage Fabrics Co.	Associates of subsidiaries
East China University of Science and Technology Huachang Polymer Co.	Associates of subsidiaries
Zhejiang Huahong New Material Co.	Associates of subsidiaries
Shanghai Xingyihui Culture Development Co.	Associates of subsidiaries
Guangxi Tianyi Environmental Technology Co.	Associates of subsidiaries
Praxair (Guangxi) Gas Co.	Associates of subsidiaries

Other notes

☐Applicable ☒Not Applicable**(iv) Other related parties**☒Applicable ☐Not applicable

Name of other related parties	Relationship between other related parties and the Company
Shanghai Xinshanghua Polymer Material Co.	Associates of controlling shareholders
Shanghai Jing'an Huayi Microfinance Co.	Associates of controlling shareholders
Shanghai Longtian Chemical Co.	Associates of controlling shareholders
Guoxin Culture Holding Co.	Participating companies of controlling shareholders
Shanghai Coking & Chemical 37 Petrol Filling Station Co.	Participating companies of subsidiaries
Cabot Performance Materials (Tianjin) Co.	Participating companies of subsidiaries
Shanghai Xintiandi Real Estate Development Co.	Participating companies of subsidiaries
Shanghai Shenbo Chemical Co.	Participating companies of subsidiaries
Shanghai Global Molecular Sieve Co.	Participating companies of subsidiaries
Shanghai Baosteel Gas Co.	Investors in subsidiaries
China Salt Kunshan Co.	Investors in subsidiaries
PICC Information Technology Co.	Investors in subsidiaries
Jiangsu Yuxing Industry & Trade Co.	Investors in subsidiaries
Shanghai Huayi Group Equity Investment Fund Management Co.	Ultimately controlled by the same controlling party
Shanghai Chlor-alkali Chemical Co.	Ultimately controlled by the same controlling party
Shanghai Pacific Chemical Equipment Engineering Co.	Ultimately controlled by the same controlling party
Changshu San'aifu Zhonghao New Chemical Materials Co.	Ultimately controlled by the same controlling party
Inner Mongolia San'aifu Wanhao Fluorine Chemical Co.	Ultimately controlled by the same controlling party

Shanghai Chlor-Alkali Venture Co.	Ultimately controlled by the same controlling party
Shanghai Chlor-Alkali Machinery Co.	Ultimately controlled by the same controlling party
Shanghai Meiyu Pharmaceutical Co.	Ultimately controlled by the same controlling party
Shanghai Dyestuff & Chemical Factory Co.	Ultimately controlled by the same controlling party
Shanghai Dyestuff & Chemical Sales Co.	Ultimately controlled by the same controlling party
Shanghai Dyestuff Research Institute Co.	Ultimately controlled by the same controlling party
Shanghai San Aisi Reagent Co.	Ultimately controlled by the same controlling party
Shanghai Tiantan Auxiliary Co.	Ultimately controlled by the same controlling party
Shanghai Wujing Chemical Industry Co.	Ultimately controlled by the same controlling party
Shanghai Wujing Chemical Transport Co.	Ultimately controlled by the same controlling party
Shanghai Xintianyuan Chemical Transportation Co.	Ultimately controlled by the same controlling party
Shanghai Pharmaceutical Industry Co.	Ultimately controlled by the same controlling party
Shanghai COSCO Chemical Co.	Ultimately controlled by the same controlling party
Zhongan Huayi New Material Co.	Ultimately controlled by the same controlling party
Shanghai Dyestuff Co.	Ultimately controlled by the same controlling party
Shanghai Pacific Chemical (Group) Huaian Yuanming Powder Co.	Ultimately controlled by the same controlling party
Shanghai Huayi Qifa Asset Management Co.	Ultimately controlled by the same controlling party
Shanghai Wujing Chemical Co.	Ultimately controlled by the same controlling party
Shanghai Huayi Acrylics Co.	Ultimately controlled by

	the same controlling party
Shanghai Chlor-alkali Chemical Co.	Ultimately controlled by the same controlling party
Shanghai Huayi Trading Co.	Ultimately controlled by the same controlling party
Shanghai Jinghua Chemical Factory Co.	Ultimately controlled by the same controlling party
Inner Mongolia San'aifu Fluorine Chemical Co.	Ultimately controlled by the same controlling party
Changshu San'aifu Fluorine Chemical Co.	Ultimately controlled by the same controlling party
Shanghai Dyestuff Research Institute Taopu Experimental Plant	Ultimately controlled by the same controlling party
Shanghai Huayi Group Equipment Engineering Co.	Ultimately controlled by the same controlling party
Shanghai Huayi Labour Service Co.	Ultimately controlled by the same controlling party
Shanghai Huayi Qifa Labour Service Co.	Ultimately controlled by the same controlling party
Shanghai Huahui Real Estate Development & Management Co.	Ultimately controlled by the same controlling party
Shanghai Huayi Jingrun Real Estate Co.	Ultimately controlled by the same controlling party
Shanghai Jinyuan Water Supply Co.	Ultimately controlled by the same controlling party
Shanghai Ruisheng Enterprise Co.	Ultimately controlled by the same controlling party
Shanghai Yicheng Real Estate Co.	Ultimately controlled by the same controlling party
Shanghai Forest Bay Property Management Co.	Ultimately controlled by the same controlling party
Shanghai Huayi (Group) Company Technology Centre	Ultimately controlled by the same controlling party
Shanghai Clover Plastic Co.	Ultimately controlled by the same controlling party
Shanghai Dyestuff Co.	Ultimately controlled by the same controlling party

	party
Shanghai Huayi Environmental Protection Technology Co.	Ultimately controlled by the same controlling party
Shanghai Hualu Real Estate Development & Management Co.	Ultimately controlled by the same controlling party
San Aifu (Changshu) New Materials Co.	Ultimately controlled by the same controlling party
Shanghai Chlor-Alkali New Material Trading Co.	Ultimately controlled by the same controlling party
Changshu San'aifu Fluorine Source New Material Co.	Ultimately controlled by the same controlling party
Dongming Huayi Yuhuang New Material Co.	Ultimately controlled by the same controlling party
Guangxi Huayi Energy Chemical Co.	Ultimately controlled by the same controlling party
Shanghai San'aifu New Material Technology Co.	Ultimately controlled by the same controlling party
Shanghai Tyre & Rubber (Group) Co.	Ultimately controlled by the same controlling party
Shanghai Shangxiang Auto Hose Co.	Ultimately controlled by the same controlling party
Shanghai Huayi Group Asset Management Co.	Ultimately controlled by the same controlling party
Huaian Chlor-alkali Real Estate Co.	Ultimately controlled by the same controlling party

Shanghai Jingdi Chemical Co.	Ultimately controlled by the same controlling party
Shanghai Dyestuff & Chemical Sales Co.	Ultimately controlled by the same controlling party
Shanghai Huayi Construction Co.	Ultimately controlled by the same controlling party
Guangxi Huayi Chlor-alkali Chemical Co.	Ultimately controlled by the same controlling party
Inner Mongolia Yili Chemical Industry Co.	Ultimately controlled by the same controlling party
Shanghai Huayi San Aifu Chemical Sales Co.	Ultimately controlled by the same controlling party
Shanghai Medical Branch Instrument Manufacturing Co.	Ultimately controlled by the same controlling party
Shanghai Shuangli Property Management Co.	Ultimately controlled by the same controlling party
Shanghai Double Coin Hotel Co.	Ultimately controlled by the same controlling party

## (v) Connected transactions

## 1. Purchase and sale of goods, provision and acceptance of labour related transactions

Statement of purchases of goods/acceptance of labour

√Applicable □Not applicable

Unit: Yuan Currency: RMB

related party	Contents of connected transactions	Current period's incidence	Prior period's incidence
East China University of Science and Technology Huachang Polymer Co.	Procurement of commodities	137,274.33	
East China University of Science and Technology Huachang Polymer Co.	Acceptance of labour	1,118,655.48	1,411,667.43
Jiangsu Yuxing Industry & Trade Co.	Procurement of commodities	7,096,989.59	4,139,313.62
Shanghai Huayi (Group) Company	Procurement of commodities	484,365.89	512,694.31
Shanghai Huayi (Group) Company	Acceptance of labour	2,565,616.21	1,350,000.00
Shanghai Huayi Engineering Co.	Procurement of commodities	173,817,923.19	158,576,306.81
Shanghai Huayi Engineering Co.	Acceptance of labour	26,599,861.56	615,369.71
Shanghai Huayi Environmental Protection Technology Co.	Procurement of commodities	94,789,320.83	89,224,956.99
Shanghai Huayi Environmental Protection Technology Co.	Acceptance of labour		2,251,693.80

Shanghai Jingteng Chemical Co.	Procurement of commodities		5,186,016.27
Shanghai Tyre & Rubber (Group) Co.	Procurement of commodities		85,714.28
Shanghai Chlor-alkali Chemical Co.	Acceptance of labour		477,610.76
Shanghai Ruisheng Enterprise Co.	Procurement of commodities		3,389,066.52
Shanghai Shuangli Property Management Co.	Acceptance of labour		290,485.70
Guoxin Culture Holding Co.	Procurement of commodities		51,800.00

## Statement of sale of goods/provision of labour

√Applicable □Not applicable

Unit: Yuan Currency: RMB

related party	Contents of connected transactions	Current period's incidence	Prior period's incidence
BASF Shanghai Coatings Co.	labour		35,173.55
BASF Shanghai Coatings Co.	Sales of goods		12,260,297.36
Changshu San'aifu Fluorine Source New Material Co.	Sales of goods	17,925.14	76,817.81
Changshu San'aifu Fluorine Source New Material Co.	labour		117,150.00
Dongming Huayi Yuhuang New Material Co.	labour	1,878,756.13	33,680,324.27
Dongming Huayi Yuhuang New Material Co.	Sales of goods	73,061.94	35,408,583.31
Guangxi Huayi Energy Chemical Co.	labour	1,810,391.52	3,305,027.62
Guangxi Huayi Energy Chemical Co.	Sales of goods	2,623,697.75	1,602,757.82
East China University of Science and Technology Huachang Polymer Co.	Sales of goods	57,654.86	1,345.00
Jiangsu Yuxing Industry & Trade Co.	Sales of goods	1,724,283.24	
Cabot Chemicals (Tianjin) Co.	labour	727,026.00	706,536.50
Linde Carbon Dioxide (Wuhu) Co.	labour		45,861.12
Linde Carbon Dioxide (Wuhu) Co.	Sales of goods		2,292,420.98
Inner Mongolia San'aifu Wanhao Fluorine Chemical Co.	labour	503,683.96	955,049.48
Inner Mongolia San'aifu Wanhao Fluorine Chemical Co.	Sales of goods	380,076.90	134,974.13
Inner Mongolia Yili Chemical Industry Co.	labour		1,413,156.01
San Aifu (Changshu) New Materials Co.	labour	8,550.00	52,963.21
San Aifu (Changshu) New Materials Co.	Sales of goods	29,609.74	
Shanghai Arkema Hydrogen Peroxide Co.	Sales of goods	32,616,601.80	28,706,136.88
Shanghai Arkema Hydrogen Peroxide Co.	labour		87,200.00
Shanghai Baosteel Gas Co.	Sales of goods	22,901,348.96	19,176,091.65
Shanghai International Paint Co.	Sales of goods	9,244,647.14	13,411,775.63

Shanghai Huayi Group Asset Management Co.	labour	1,174,065.57	1,643,783.02
Shanghai Huayi Construction Co.	labour		2,300.00
Shanghai Huayi Jingrun Real Estate Co.	Sales of goods		132,831.86
Shanghai Huayi Qifa Economic and Trade Co.	Sales of goods	21,821,049.35	53,090,504.88
Shanghai Huayi Qifa Labour Service Co.	labour	1,200.00	16,935.19
Shanghai Huayi Qifa Labour Service Co.	Sales of goods	50,458.72	
Shanghai Huayi San Aifu Chemical Sales Co.	labour	1,762.08	
Shanghai Huayi Tianyuan Chemical Logistics Co.	labour	354,716.98	758,039.96
Shanghai Huayi Tianyuan Chemical Logistics Co.	Sales of goods	193,571.60	16,149.65
Shanghai Coking & Chemical Storage & Transportation Port Co.	labour		3,962.26
Shanghai Coking & Chemical Development Corporation	Sales of goods	1,583,042.68	768,687.83
Shanghai Jingdi Chemical Co.	labour		1,634.90
Shanghai Jinghua Chemical Factory Co.	labour	28,796.40	12,735.85
Shanghai Jinghua Chemical Factory Co.	Sales of goods	2,337,587.05	1,410,489.21
Shanghai Jingteng Chemical Co.	Sales of goods	71,684.23	3,743,258.82
Shanghai Jingteng Chemical Co.	labour		58,845.00
Shanghai Jingxing Chemical Co.	Sales of goods	25,780,169.47	41,426,551.36
Shanghai Jingxing Chemical Co.	labour		37,444.64
Shanghai Jing'an Huayi Microfinance Co.	labour	566,037.74	
Shanghai Cabot Chemical Co.	labour		13,175.00
Shanghai Linde Carbon Dioxide Co.	Sales of goods	6,930,007.56	7,432,800.04
Shanghai Linde Carbon Dioxide Co.	labour		34,019.15
Shanghai Tyre & Rubber (Group) Co.	labour	528,781.50	1,867.92
Shanghai Tyre & Rubber (Group) Co.	Sales of goods	4,895,714.02	6,080,825.92
Shanghai Chlor-alkali Chemical Co.	labour	1,220,319.56	8,002,944.94
Shanghai Chlor-alkali Chemical Co.	Sales of goods	445,848.83	401,470.63
Shanghai Chlor-Alkali New Material Trading Co.	labour	8,196.35	6,382.28
Shanghai Chlor-Alkali New Material Trading Co.	Sales of goods		1,637.92
Shanghai Meiyu Pharmaceutical Co.	Sales of goods	16,110.62	9,968.97
Shanghai Minhang Huayi Microfinance Co.	labour	33,298.11	
Shanghai Dyestuff & Chemical Sales Co.	Sales of goods	25,643,055.31	19,424,173.75
Shanghai Dyestuff Research Institute Co.	labour	142,655.66	2,760.00
Shanghai Runhong Industrial Co.	Sales of goods		81,375.00
Shanghai San Aifu New Material Technology	labour	782,738.78	1,596,404.05

## Half-yearly report

2020

Co.			
Shanghai San Aifu New Material Technology Co.	Sales of goods	8,044.25	2,758.61
Shanghai San Aisi Reagent Co.	Sales of goods	2,064,266.37	
Shanghai San Aisi Reagent Co.	labour		15,433.01
Shanghai Shenbo Chemical Co.	Sales of goods	31,929,663.72	
Shanghai Shenxing Chemical Co.	Sales of goods	96,918,698.98	112,002,994.50
Shanghai Shenxing Chemical Co.	labour		64,573.40
Shanghai Shuangli Property Management Co.	labour	34,650.00	7,415.09
Shanghai Double Coin Hotel Co.	labour	52,367.92	
Shanghai Pacific Chemical (Group) Huaian Yuanming Powder Co.	labour	496,054.72	574,271.70
Shanghai Pacific Chemical Equipment Engineering Co.	labour	562,340.88	587,706.17
Shanghai Troy Chemical Co.	Sales of goods	132,743.36	
Shanghai Fujikura Kasei Coating Co.	Sales of goods	2,186,864.04	2,949,648.66
Shanghai Wujing Chemical Co.	labour	202,567.79	132,552.67
Shanghai Wujing Chemical Co.	Sales of goods	19,115.04	
Shanghai Pharmaceutical Industry Co.	Sales of goods	87,345.12	88,695.63



Shanghai Pharmaceutical Industry Co.	labour		483,676.07
Shanghai Ideco Chemical Co.	Sales of goods		182,464.19
Shanghai Yicheng Real Estate Co.	labour	884,650.77	
Fujikura Kasei (Foshan) Coatings Co.	Sales of goods	17,142.86	16,981.13
Fujikura Kasei Coatings (Tianjin) Co.	Sales of goods		16,981.13
China Salt Kunshan Co.	Sales of goods	392,239,857.64	343,350,590.88

Description of connected transactions for the purchase and sale of goods and the provision and acceptance of services

☐Applicable ☒Not Applicable

## 2. Interest income on loans

Unit: Yuan Currency: RMB

related party	Current period's incidence	Prior period's incidence
Shanghai Tiantan Auxiliary Co.	610,915.08	
Shanghai San Aifu New Material Technology Co.	7,103,754.53	7,347,749.60
Shanghai Huayi Tianyuan Chemical Logistics Co.	367,146.17	
Inner Mongolia San'aifu Wanhao Fluorine Chemical Co.	475,104.82	
Shanghai Huayi (Group) Company	24,416,597.88	16,520,253.54
Guangxi Huayi Energy Chemical Co.	20,595,671.81	660,593.55
Zhejiang Huahong New Material Co.	6,846,462.25	
Guangxi Tianyi Environmental Technology Co.	2,730,138.04	
Shanghai Yicheng Real Estate Co.	475,104.82	825,348.53
Praxair (Guangxi) Gas Co.	1,105,143.60	
Shanghai Huayi Engineering Co.	588,441.29	6,730,055.56
Shanghai Huayi Engineering Co.		9,288.17
related party	Current period's incidence	Prior period's incidence
Shanghai Huayi (Group) Company	29,980,095.60	14,469,547.36
Shanghai Dyestuff Co.	1,601.25	69,508.82
Shanghai Dyestuff & Chemical Sales Co.	163,128.96	107,988.59
Shanghai Dacor Dyestuffs Co.	71,677.94	121,339.08
Changshu San'aifu Fluorine Chemical Co.	5,165.30	192.27
Changshu San'aifu Zhonghao New Chemical Materials Co.	43,682.14	758.44
Inner Mongolia San'aifu Wanhao Fluorine Chemical Co.	29,363.34	21,954.16
Shanghai COSCO Chemical Co.	128,809.34	162,599.55
Shanghai Chlor-Alkali Venture Co.	278,111.55	288,261.80
Shanghai Huayi Tianyuan Chemical Logistics Co.	164,099.98	299,632.70
Shanghai Jinghua Chemical Factory Co.	448,905.03	267,657.81
Shanghai Pacific Chemical Equipment Engineering Co.	16.67	18.70
Shanghai Coking & Chemical Storage & Transportation Port Co.	45,491.31	38,347.29
Shanghai Dyestuff Research Institute Co.	839,797.43	355,341.98
Shanghai Dyestuff Research Institute Taopu Experimental Plant		715,294.28

Shanghai Huahui Real Estate Development & Management Co.	344.52	40,168.81
Shanghai Huayi Group Real Estate Co.	359,421.49	322,181.51
Shanghai Huayi Acrylics Co.	23,995,494.99	24,713,116.36
Shanghai Chlor-alkali Chemical Co.	3,046,425.59	1,972,750.63
Shanghai Ruisheng Enterprise Co.	98,322.21	110,068.81
Shanghai Dakai Plastic Co.	171,716.20	89,439.80
Shanghai Clover Plastic Co.	1.43	159.50
Shanghai Jinyuan Water Supply Co.	2,950.23	16,878.13
Shanghai Tiantan Auxiliary Co.	18,929.83	
Shanghai Tyre & Rubber (Group) Co.	51.22	38.61
Shanghai Huayi Polymer Co.	14.06	13.92
Shanghai Huayi Group Chemical Industry Co.	49,184.38	174,753.61
Shanghai Huayi Property Leasing Management Co.	84,184.28	70,693.82
Shanghai Huayi Qifa Labour Service Co.	96,151.31	82,442.43
Shanghai Huayi Qifa Asset Management Co.	115,548.98	394,683.23
Shanghai Huayi Qifa Economic and Trade Co.	53,742.90	20,998.40
Shanghai Wujing Chemical Co.	565,881.56	352,647.14
Shanghai Jingteng Chemical Co.	85,427.35	133,094.67
Shanghai Huayi Engineering Co.	2,723,700.64	661,682.32
Shanghai Huayi Group Equipment Engineering Co.	3,826.34	7,922.53
Shanghai Huayi (Group) Company Technology Centre		219,546.85
Linde Carbon Dioxide (Wuhu) Co.	8.13	
Shanghai Huayi Engineering Technology Co.	53,165.55	79,799.27
Shanghai Hualu Real Estate Development & Management Co.	70,836.51	58,070.20
Shanghai Minhang Huayi Microfinance Co.	43,920.96	36,703.16
Shanghai Huayi Environmental Protection Technology Co.	60,205.90	81,644.56
Shanghai Chlor-Alkali New Material Trading Co.	2,883,911.98	1,787,681.76
Shanghai Huayi Group Financial Leasing Co.	1,147,147.27	921,445.43
Guangxi Huayi Energy Chemical Co.	2,690,874.33	1,377,103.63
Shanghai Dyestuff & Chemical Factory Co.	716.23	2,422.64
Shanghai San'aifu New Material Technology Co.	747,298.20	106,905.07
Shanghai Yicheng Real Estate Co.	269,168.17	201,501.44
Changshu San'aifu Fluorine Source New Material Co.	26,508.27	0.44
Shanghai Huayi Group Equity Investment Fund Management Co.	94,599.19	93,616.62
Zhejiang Huahong New Material Co.	23,352.66	
Guangxi Tianyi Environmental Technology Co.	23,180.91	
Praxair (Guangxi) Gas Co.	2,519.55	
Guangxi Huayi Chlor-alkali Chemical Co.	200,226.31	
Inner Mongolia San'aifu Fluorine Chemical Co.		179.90
Shanghai Pacific Chemical (Group) Huaian Yuanming Powder Co.		60,628.80
Shanghai Wujing Chemical Transport Co.		15,937.83

Shanghai Wujing Chemical Industry Co.		146,564.43
Shanghai Polyester Factory Co.		12,115.81
Shanghai Huayi Group Asset Management Co.		2,092,925.84
Shanghai Huayi Trading Co.		0.02
Shanghai Huayi Labour Service Co.		13,760.65
Shanghai Forest Bay Property Management Co.		77,467.81
Shanghai Dyestuff Co.		42,842.07

#### 4. Affiliated fiduciary management/contracting and delegated management/contracting

The Company's fiduciary management/contracting table:

☐Applicable ☒Not Applicable

Affiliated hosting/contracting statement

☐Applicable ☒Not Applicable

The Company's delegated management/contracting schedule:

☐Applicable ☒Not Applicable

Affiliated management/contracting statement

☐Applicable ☒Not Applicable

#### 5. Related leases

The Company acts

as the lessor:

☒Applicable ☐Not

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Name of lessee	Types of leased assets	Lease income recognised in the period	Lease income recognised in prior period
	Shanghai Coking & Chemical 37 Petrol Filling Station Co.	house		60,000.00
	Shanghai Coking & Chemical Development Corporation	house	26,700.00	160,200.00
	Shanghai Huayi Group Real Estate Co.	house	4,816,000.00	4,816,000.00
	Shanghai Huayi Group Chemical Industry Co.	house	6,547,564.22	
	Shanghai Huayi Chemical Co.	house		39,449.54
	Shanghai Shenbo Chemical Co.	house		26,146.79
	Shanghai Baoshan Coatings Co.	a building used as a factory		123,354.00
<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Name of lessor	Types of leased assets	Lease payments recognised during the period	Lease payments recognised in prior period
	Shanghai Polyester Factory Co.	housing	110,000.00	220,000.00
	Shanghai Huayi (Group) Company	Office buildings, plants	558,673.40	10,880,000.00
	Shanghai Huayi (Group) Company	land lease	950,929.36	
	Shanghai Huayi (Group) Company	rent an apartment	279,336.70	
	Shanghai Huayi (Group) Company	fixed assets	1,500,000.00	
	Shanghai Huayi (Group) Company	building	58,210.00	
	Shanghai Huayi Engineering Co.	office development		49,857.25
	Shanghai Jinghua Chemical Factory Co.	the property market (e.g. houses)	1,882,484.40	286,981.14
	Shanghai Tyre & Rubber (Group) Co.	office development		85,714.28
	Shanghai Chlor-alkali Chemical Co.	fixed assets		227,272.73
	Shanghai Dyestuff & Chemical Factory Co.	house		45,000.00
	Shanghai Dyestuff Research Institute	house	150,000.00	150,000.00

Description of related leases

☐Applicable ☒Not Applicable

## 6. Related

guarantees The

Company as a

guarantor

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	secured party	Amount of guarantee	Guarantee start date	warranty expiry date	Has the guarantee been run out
	Shanghai Huayi (Group) Company	USD 178,500,000.00	2019/10/30	2024/10/30	clogged
	Praxair (Guangxi) Gas Co.	79,497,000.00	2019/10/28	2028/10/28	clogged
	Guangxi Tianyi Environmental Technology Co.	49,932,000.00	2019/12/5	2031/12/5	clogged
	Guangxi Tianyi Environmental Technology Co.	66,472,000.00	2020/6/11	2031/6/10	clogged
	Zhejiang Huahong New Material Co.	65,100,000.00	2019/8/8	2025/12/25	clogged
	Zhejiang Huahong New Material Co.	65,100,000.00	2019/8/7	2025/12/25	clogged
	Zhejiang Huahong New Material Co.	32,550,000.00	2019/2/26	2026/12/31	clogged
	Zhejiang Huahong New Material Co.	32,550,000.00	2019/8/23	2025/12/25	clogged
	Guaranteed Party: Shanghai International Paint Co.	23,800,000.00	2020/6/1	2021/5/31	clogged
	Shanghai International Paint Co.	40,800,000.00	2019/5/30	2020/5/29	clogged
	Shanghai International Paint Co.	6,800,000.00	2019/6/1	2020/6/1	clogged
	Shanghai Huayi (Group) Company	EUR 3,384,503.93	1993/5/13	2023/5/13	clogged
	Shanghai Huayi (Group) Company	350,000,000.00	2019/10/30	2024/10/30	clogged
	Shanghai Huayi (Group) Company	198,783,116.00	2017/9/25	2022/6/30	clogged

Description of related guarantees

☐Applicable ☒Not Applicable

## 7. Related party borrowings

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

related party	amount of money on loan	starting date	maturity (of an investment bond)	clarification
tear into				
Shanghai Huayi (Group) Company	300,000,000.00	2019/4/4	2022/3/23	Intra-group borrowings
Shanghai Huayi (Group) Company	99,171,581.34	2019/12/31	2020/1/3	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	8,000,000.00	2019/12/17	2020/12/18	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	100,000,000.00	2019/8/6	2024/8/5	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	80,000,000.00	2019/8/30	2024/8/29	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	100,000,000.00	2019/5/22	2020/5/22	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	100,000,000.00	2019/12/18	2020/12/18	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	50,000,000.00	2019/1/24	2020/1/24	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	50,000,000.00	2019/3/27	2020/3/26	Intra-group borrowings

Half-yearly report

2020

Shanghai Huayi Group Financial Leasing Co.	7,066,396.50	2019/11/18	2024/11/17	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	2,066,396.50	2019/11/21	2024/11/20	Intra-group borrowings
Shanghai Huayi Group Financial Leasing Co.	5,000,000.00	2019/11/29	2024/11/28	Intra-group borrowings
dismantle				
Linde Carbon Dioxide (Wuhu) Co.	7,980,000.00	2019/5/17	2020/5/17	loan on commission
Linde Carbon Dioxide (Wuhu) Co.	12,768,000.00	2019/6/12	2020/6/12	loan on commission
Cabot Performance Materials (Tianjin) Co.	30,000,000.00	2019/6/28	2020/6/25	loan on commission
Cabot Performance Materials (Tianjin) Co.	30,000,000.00	2020/6/28	2021/6/27	loan on commission

## 8. Transfer of assets and debt restructuring by related parties

☐Applicable ☒Not Applicable

## 9. Key management compensation

☐Applicable ☒Not Applicable

## 10. Other connected transactions

☐Applicable ☒Not Applicable

### (vi) Receivables and payables from related parties

#### 1. Items receivable

☒Applicable ☐Not applicable

Unit:Yuan Currency:RMB

Project name	related party	Closing balance		Opening balance	
		Carrying amount	provision for bad debts	Carrying amount	provision for bad debts
accounts receivable	BASF Shanghai Coatings Co.	453,347.14	22,667.36	121,383.64	6,069.18
accounts receivable	Changshu San'aifu Fluorine Chemical Co. department (under a ministry)	700,000.00	35,000.00	800,000.00	40,000.00
accounts receivable	Changshu San'aifu Fluorine Source New Material Co. department (under a ministry)	9,988.00	499.40	15,963.40	798.17
accounts receivable	Changshu San'aifu Zhonghao New Chemical Materials Co. limited company	1,000,000.00	50,000.00	1,300,000.00	65,000.00
accounts receivable	Dongming Huayi Yuhuang New Material Co.	70,866,966.47	3,543,348.32	69,162,584.31	3,458,129.22
accounts receivable	Guangxi Huayi Energy Chemical Co.	2,207,681.82	115,898.01	1,770,791.10	94,053.48
accounts receivable	Inner Mongolia San'aifu Wanhao Fluorine Chemical Co. firms	538,899.81	29,569.99	743,970.81	37,806.04
accounts receivable	San Aifu (Changshu) New Material Co. department (under a ministry)	15,691.00	784.55	38,324.00	1,916.20
accounts receivable	Shanghai Arkema Hydrogen Peroxide Co.	5,782,802.79	289,140.14	6,549,571.05	327,478.55
accounts receivable	Shanghai Baosteel Gas Co.	7,279,890.54	363,994.53	10,684,394.14	534,219.71
accounts	Shanghai DuPont	170,400,937.70	8,520,046.89	145,122,456.75	7,256,122.84

## Half-yearly report

2020

accounts receivable	Shanghai Huayi Jingrun Real Estate Co.	7,900.00	395.00		
accounts receivable	Shanghai Huayi Qifa Economic and Trade Co.	4,171,148.16	208,557.41	2,982,935.06	149,146.75
accounts receivable	Shanghai Huayi Tianyuan Chemical Logistics Co. department (under a ministry)	516,560.00	25,828.00	2,945,719.77	147,285.99
accounts receivable	Shanghai Huifeng Resin Co.	6,269,001.23	6,269,001.23	7,326,001.23	2,213,302.62
accounts receivable	Shanghai Jinghua Chemical Factory Co.	226,000.00	11,300.00		
accounts receivable	Shanghai Cabot Chemical Co.	898,402.77	44,920.14	951,812.81	47,590.64
accounts receivable	Shanghai Linde Carbon Dioxide Co.	1,203,206.79	60,160.34	1,749,623.20	87,481.16
accounts receivable	Shanghai Chlor-alkali Chemical Co.	1,004,527.80	50,226.39	7,854,624.62	392,731.23
accounts receivable	Shanghai Meiyu Pharmaceutical Co.	650.00	32.50		
accounts receivable	Shanghai Dyestuff & Chemical Sales Co.	19,968,038.28	998,401.91	9,869,210.78	493,460.54
accounts receivable	Shanghai Dyestuff Co.	6,666.00	333.30	6,666.00	333.30
accounts receivable	Shanghai Runhong Industrial Co.	12,750.00	637.50		
accounts receivable	Shanghai San Aifu New Material Technology Co. department (under a ministry)	3,100,000.00	155,000.00	3,500,000.00	175,000.00
accounts receivable	Shanghai Fujikura Kasei Coating Co.	567,866.29	28,393.31	1,012,145.72	50,607.29
accounts receivable	Shanghai Wujing Chemical Co.	8,043.10	402.16	3,409.44	170.47
accounts receivable	Shanghai Pharmaceutical Industry Co.	77,994.03	3,899.70	7,594.03	3,797.02
accounts receivable	China Salt Kunshan Co.	126,707,941.53	6,335,397.08	114,130,497.31	5,706,524.87
accounts receivable	Shanghai Coking & Chemical Storage & Transportation Port Co.			6,667.00	333.35
accounts receivable	Linde Carbon Dioxide (Wuhu) Co. department (under a ministry)			1,463,705.42	73,185.27
accounts receivable	Shanghai Huayi Acrylics Co.			490,000.00	24,500.00
accounts receivable	Shanghai San Aisi Reagent Co.			740.00	37.00
accounts receivable	Shanghai Troy Chemical Co.			80,000.00	4,000.00
accounts receivable	Zhongan Huayi New Material Co.			171,100.00	171,100.00
accounts receivable	Shanghai Double Coin Tyre Sales (Jordan) Co. limited company			38,669.85	1,933.49
accounts receivable	Shanghai Tyre & Rubber (Group) Co. department (under a ministry)			6,662,756.18	1,998,826.85
accounts receivable	Shanghai Shenxing Chemical Co.			2,080.00	104.00
accounts receivable	Hainan Hui Li Industry & Trade Co.	831,744.16	831,744.16	831,744.16	831,744.16
accounts receivable	East China University of Science and Technology Huachang Polymer Co.			140,000.00	7,000.00



Half-yearly report

2020

	firms				
accounts receivable	Xiamen Hui Li Industry & Trade Co.	319,105.60	319,105.60	319,105.60	319,105.60
accounts receivable	PICC Information Technology Co. department (under a ministry)			1,658,903.71	507,523.61
Dividends receivable	Shanghai Runhong Industrial Co.	576,000.00		576,000.00	
Dividends receivable	BASF Shanghai Coatings Co.			23,759,999.20	
Dividends receivable	Shanghai Huayi Group Financial Leasing Co. department (under a ministry)	3,215,750.00			
Prepayments	East China University of Science and Technology Huachang Polymer Co. firms	7,192,000.00		8,472,300.00	
Prepayments	Shanghai Huayi Engineering Co.	5,217,086.52		7,403,515.30	
Prepayments	Shanghai Chlor-alkali Chemical Co.	9,172.80		82,875.03	
Prepayments	Shanghai Huayi (Group) Company			830.00	
Prepayments	Inner Mongolia San'aifu Wanhao Fluorine Chemical Co. firms			31,000.00	
Prepayments	Shanghai Dyestuff Research Institute Co.	18,000.00		18,000.00	
Prepayments	Shanghai Pacific Chemical Equipment Engineering Co. firms			3,025,758.73	
Prepayments	Shanghai Huayi Construction Co.			540,049.60	
Other receivables	Dongming Huayi Yuhuang New Material Co.			28,300.00	13,800.00
Other receivables	Linde Carbon Dioxide (Wuhu) Co. department (under a ministry)			3,312,690.85	3,312,690.85
Other receivables	Shanghai Arkema Hydrogen Peroxide Co.	400,000.00	20,000.00		
Other receivables	Shanghai Huayi Engineering Co.	2,600,000.00	2,600,000.00	2,760,020.04	2,644,760.02

## Half-yearly report

2020

Other receivables	Shanghai Huayi Group Real Estate Co.	278,709.81	278,709.81	294,887.81	279,518.71
Other receivables	Shanghai Huayi Group Chemical Industry Co. department (under a ministry)	7,136,845.00	356,842.25		
Other receivables	Shanghai Huayi Qifa Labour Service Co. department (under a ministry)	60,252.00	60,252.00	60,252.00	60,252.00
Other receivables	Shanghai Huifeng Resin Co.	1,319,411.61	1,319,411.61	1,319,411.61	1,319,411.61
Other receivables	Shanghai Jinghua Chemical Factory Co.	15,143.80	757.19		
Other receivables	Shanghai Tyre & Rubber (Group) Co. department (under a ministry)	825,458.77	41,272.94	30,000.00	30,000.00
Other receivables	Shanghai Chlor-alkali Chemical Co.	13,173.17	5,153.92	11,456.00	3,436.80
Other receivables	Shanghai Dyestuff & Chemical Factory Co.	88,000.00	4,400.00	88,000.00	4,400.00
Other receivables	Shanghai San Aifu New Material Technology Co. department (under a ministry)	850,272.50	42,513.63		
Other receivables	Hainan Hui Li Industry & Trade Co.	100,946.83	100,946.83	100,946.83	100,946.83
Other receivables	Xiamen Hui Li Industry & Trade Co.	3,688.30	3,688.30	3,688.30	3,688.30
Other receivables	Shanghai Huayi Environmental Protection Technology Co.			34,668.00	1,733.40
Other receivables	Shanghai Huayi Group Equipment Engineering Co. department (under a ministry)			622,997.30	31,149.86
Other receivables	Shanghai Huayi Qifa Asset Management Co. department (under a ministry)			31,426.50	31,426.50
Other receivables	Shanghai Coking & Chemical Development Corporation			31,954.45	8,123.84
Other receivables	Shanghai Coking & Chemical 37 Gas Station Co. department (under a ministry)			60,000.00	3,000.00
Other receivables	Shanghai Jingdi Chemical Co.			5,688.00	284.40
Other receivables	Shanghai Shangxiang Auto Hose Co.			36,419.90	36,419.90
Other receivables	Shanghai Shenbo Chemical Co.			4,779,960.00	238,998.00
Other receivables	Shanghai Shenxing Chemical Co.			15,120.00	756.00
Other receivables	Shanghai Shenma Cordage Fabrics Co.	128,599.50	128,599.50	128,599.50	128,599.50
Other receivables	Shanghai Tianyuan Resources Trading Co.	21,880,237.72	21,880,237.72	21,880,237.72	21,880,237.72
Other receivables	Shanghai Wujing Chemical Co.			98,462.00	36,423.10
Other liquidity estate	Cabot Performance Materials (Tianjin) Co. limited company	30,000,000.00		30,000,000.00	
Other liquidity estate	Linde Carbon Dioxide (Wuhu) Co. department (under a ministry)			20,748,000.00	
Other liquidity	Shanghai Huayi Group Asset Management Co.	260,870.00			

## Half-yearly report

2020

estate	department (under a ministry)				
raise a loan (from e.g. a bank)	Shanghai Huayi (Group) Company	1,451,576,875.00	37,700,000.00	2,001,957,500.00	52,148,906.92
raise a loan (from e.g. a bank)	Inner Mongolia San'aifu Wanhao Fluorine Chemical Co. firms	100,102,777.78	2,600,000.00		
raise a loan (from e.g. a bank)	Shanghai Huayi Tianyuan Chemical Logistics Co. department (under a ministry)	20,022,958.33	520,000.00	20,025,254.17	521,489.07
raise a loan (from e.g. a bank)	Shanghai Tiantan Auxiliary Co.	19,025,254.16	494,000.00	30,043,862.51	782,233.60
raise a loan (from e.g. a bank)	Guangxi Huayi Energy Chemical Co.	1,209,790,674.29	31,421,000.00	700,820,756.95	18,252,117.42
raise a loan (from e.g. a bank)	Shanghai San Aifu New Material Technology Co. department (under a ministry)	400,399,152.78	10,400,000.00	458,297,090.01	11,935,424.62
raise a loan (from e.g. a bank)	Shanghai Yicheng Real Estate Co.	14,019,055.56	364,000.00	30,044,916.67	782,233.60
raise a loan (from e.g. a bank)	Zhejiang Huahong New Material Co.	300,398,749.99	44,473,886.57	300,438,625.01	7,822,336.04
raise a loan (from e.g. a bank)	Guangxi Tianyi Environmental Technology Co.	185,853,666.43	4,825,339.17	72,803,892.63	1,896,409.53
raise a loan (from e.g. a bank)	Praxair (Guangxi) Gas Co. department (under a ministry)	79,604,953.16	2,066,915.48	14,236,052.42	370,668.17
raise a loan (from e.g. a bank)	Shanghai Chlor-alkali Chemical Co.			83,362,522.40	2,173,632.21

## 2. Items payable

√Applicable □Not applicable

Unit:Yuan Currency:RMB

Project name	related party	Closing book balance	Opening balance
accounts payable	East China University of Science and Technology Huachang Polymer Co.	598,258.59	702,500.00
accounts payable	Jiangsu Yuxing Industry & Trade Co.	2,129,796.83	6,040,448.96
accounts payable	Shanghai Huayi (Group) Company	9,071,618.62	8,507,095.62
accounts payable	Shanghai Huayi Engineering Co.	53,282,953.15	220,536,179.74
accounts payable	Shanghai Huayi Environmental Protection Technology Co.	3,761,530.44	9,323,760.74
accounts payable	Shanghai Huayi Group Equipment Engineering Co.	184,088.00	250,579.59
accounts payable	Shanghai Huayi Construction Co.	2,606,267.47	14,620,985.17
accounts payable	Shanghai Huayi Qifa Labour Service Co.	197,583.67	197,583.67
accounts payable	Shanghai Huayi Tianyuan Chemical Logistics Co.	906,958.60	1,051,998.39
accounts payable	Shanghai Coking & Chemical Development Corporation	57,000.00	60,000.00
accounts payable	Shanghai Jinghua Chemical Factory Co.	599,163.41	2,935,743.80
accounts payable	Shanghai Jingxing Chemical Co.	154,049.70	308,328.30
accounts payable	Shanghai Cabot Chemical Co.	6,156,257.70	12,320,836.08
accounts payable	Shanghai Chlor-alkali Chemical Co.	313,398.00	9,623,027.60
accounts payable	Shanghai Dyestuff & Chemical Sales Co.	424,000.00	
accounts payable	Shanghai Dyestuff Research Institute Co.	5,030,946.79	3,887,112.58
accounts payable	Shanghai Ruisheng Enterprise Co.	140,000.00	493,293.25
accounts payable	Shanghai Pacific Chemical Equipment Engineering Co.	236,147.58	10,764.00
accounts payable	Shanghai Troy Chemical Co.	456,800.00	263,000.00
accounts payable	Shanghai Wujing Chemical Co.	33,297,373.77	33,297,373.77
accounts payable	Shanghai Xintianyuan Chemical Transportation Co.	2,025.00	2,025.00
accounts payable	Shanghai Huayi Group Real Estate Co.		257,535.00
accounts payable	Shanghai Baosteel Gas Co.		300,000.00
accounts payable	Shanghai COSCO Chemical Co.		22,499.10
accounts payable	Shanghai Tiantan Auxiliary Co.		3,500.00
accounts payable	Zhejiang Huahong New Material Co.		50,000.00

accounts payable	PICC Information Technology Co.		1,103,655.18
banknote payable	Shanghai Huayi Acrylics Co.	28,603,862.72	51,639,962.72
banknote payable	Shanghai Dyestuff & Chemical Sales Co.	310,000.00	
banknote payable	Shanghai Huayi Engineering Co.		57,505,634.69
Other accounts payable	Jiangsu Yuxing Industry & Trade Co.	28,581.00	28,581.00
Other accounts payable	Shanghai Huayi (Group) Company	357,319,176.53	476,903,207.89
Other accounts payable	Shanghai Huayi Engineering Co.	4,252,182.00	6,655,890.00
Other accounts payable	Shanghai Huayi Environmental Protection Technology Co.	266,900.00	275,000.00
Other accounts payable	Shanghai Huayi Group Financial Leasing Co.	430,146,250.00	489,315,276.65
Other accounts payable	Shanghai Huayi Construction Co.	3,309,983.90	3,250,568.80
Other accounts payable	Shanghai Coking & Chemical Development Corporation	20,030.00	20,030.00
Other accounts payable	Shanghai Cabot Chemical Co.	60.00	60.00
Other accounts payable	Shanghai Tyre & Rubber (Group) Co.	123,706,551.70	131,042,387.88
Other accounts payable	Shanghai Chlor-alkali Chemical Co.		67,723.23
Other accounts payable	Shanghai Dyestuff & Chemical Sales Co.	32,481.24	
Other accounts payable	Shanghai Dyestuff Research Institute Co.	33,021.24	
Other accounts payable	Shanghai Ruisheng Enterprise Co.	355,198.29	437,194.14
Other accounts payable	Shanghai San Aisi Reagent Co.	49,109.10	
Other accounts payable	Shanghai Pacific Chemical Equipment Engineering Co.	5,260.00	5,260.00
Other accounts payable	Shanghai Fujikura Kasei Coating Co.	345,000.00	270,000.00
Other accounts payable	Shanghai Wujing Chemical Co.	165,000.00	
Other accounts payable	Fujikura Kasei (Foshan) Coatings Co.	360,000.00	270,000.00

Other accounts payable	Fujikura Kasei Coatings (Tianjin) Co.	360,000.00	270,000.00
Other accounts payable	Shanghai Huayi Tianyuan Chemical Logistics Co.		600.00
Other accounts payable	Shanghai Linde Carbon Dioxide Co.		10,000.00
Other accounts payable	Shanghai Huayi Qifa Labour Service Co.		2,813,552.50
Other accounts payable	Shanghai Huayi Qifa Economic and Trade Co.		1,285,442.00
Other accounts payable	Shanghai Xintiandi Real Estate Development Co.		9,037,594.50
Other accounts payable	Shanghai Huayi Group Asset Management Co.		112,630.00
Advance receipts	Shanghai Huayi (Group) Company	157,515.35	145,257.00
Advance receipts	Shanghai Coking & Chemical Development Corporation	94,363.98	143,610.00
Advance receipts	Shanghai Jingteng Chemical Co.	190,789.25	270,647.69
Advance receipts	Shanghai Jingxing Chemical Co.	185,285.60	184,264.64
Advance receipts	Shanghai Clover Plastic Co.	170.00	
Advance receipts	Shanghai San Aifu New Material Technology Co.	15,000.00	
Advance receipts	Shanghai Shenxing Chemical Co.	281,194.10	286,118.17
Advance receipts	Shanghai Pacific Chemical Equipment Engineering Co.	22,129.42	18,635.48
Advance receipts	Shanghai Fujikura Kasei Coating Co.	4,800.00	
Advance receipts	East China University of Science and Technology Huachang Polymer Co.		12,296.47
Advance receipts	Shanghai Huayi Group Real Estate Co.		1,961.08
Advance receipts	Shanghai Coking & Chemical 37 Petrol Filling Station Co.		8,173.49
Advance receipts	Shanghai Jingdi Chemical Co.		84,269.26
Advance receipts	Shanghai Jinghua Chemical Factory Co.		54,300.00
Advance receipts	Shanghai Huayi Construction Co.		40,466.45
Advance receipts	Shanghai Wujing Chemical Co.		28.00
Advance receipts	Shanghai Tiantan Auxiliary Co.		6,280.00
Advance receipts	Shanghai Pharmaceutical Industry Co.		3,186.60
deposit-taking	Changshu San'aifu Fluorine Chemical Co.	10,096,556.39	20,091,380.02
deposit-taking	Changshu San'aifu Fluorine Source New Material Co.	26,665,355.53	432.01
deposit-taking	Changshu San'aifu Zhonghao New	58,985,449.99	100,368,816.07

	Chemical Materials Co.		
deposit-taking	Guangxi Huayi Chlor-alkali Chemical Co.	83,169,345.00	
deposit-taking	Guangxi Huayi Energy Chemical Co.	327,683,716.88	97,855,135.34
deposit-taking	Guangxi Tianyi Environmental Technology Co.	3,482,223.28	3,280,238.97
deposit-taking	Linde Carbon Dioxide (Wuhu) Co.	4,587.75	4,582.88
deposit-taking	Inner Mongolia San'aifu Fluorine Chemical Co.		85,502.61
deposit-taking	Inner Mongolia San'aifu Wanhao Fluorine Chemical Co.	35,885,431.46	18,830.44
deposit-taking	Praxair (Guangxi) Gas Co.	6,647.10	9,958.69
deposit-taking	Shanghai Dakai Plastic Co.	30,640,134.07	23,980,599.01
deposit-taking	Shanghai Dacor Dyestuffs Co.		19,968,320.08
deposit-taking	Shanghai Huahui Real Estate Development & Management Co.		347,385.44
deposit-taking	Shanghai Hualu Real Estate Development & Management Co.	12,184,056.61	
deposit-taking	Shanghai Huayi Real Estate Development & Management Co.	91,592.58	91,557.08
deposit-taking	Shanghai Huayi (Group) Company	3,592,243,732.34	4,248,754,260.15
deposit-taking	Shanghai Huayi (Group) Company Technology Centre		32,920,826.75
deposit-taking	Shanghai Huayi Acrylics Co.	1,311,302,329.49	1,540,311,480.10
deposit-taking	Shanghai Huayi Property Leasing Management Co.	12,670,170.97	12,511,686.56
deposit-taking	Shanghai Huayi Engineering Technology Co.	6,933,924.30	9,479,492.70
deposit-taking	Shanghai Huayi Engineering Co.	273,721,571.25	264,409,768.59
deposit-taking	Shanghai Huayi Environmental Protection Technology Co.	15,537,983.76	11,260,851.59
deposit-taking	Shanghai Huayi Group Real Estate Co.	380,710,421.59	583,008,157.60
deposit-taking	Shanghai Huayi Group Equity Investment Fund Management Co.	9,902,208.77	9,902,204.06

deposit-taking	Shanghai Huayi Group Chemical Industry Co.	12,242,066.16	22,147,965.33
deposit-taking	Shanghai Huayi Group Financial Leasing Co.	215,939,590.37	127,998,332.36
deposit-taking	Shanghai Huayi Group Shangshi Chemical Co.	0.99	0.99
deposit-taking	Shanghai Huayi Group Real Estate Co.	40,092,503.14	38,281,342.95
deposit-taking	Shanghai Huayi Group Equipment Engineering Co.	829,018.46	2,320,796.86
deposit-taking	Shanghai Huayi Group Asset Management Co.		250,719,434.01
deposit-taking	Shanghai Huayi Jingrun Real Estate Co.	1,319.88	311,419.94
deposit-taking	Shanghai Huayi Polymer Co.	6,632.62	6,618.48
deposit-taking	Shanghai Huayi Labour Service Co.		43,986,736.59
deposit-taking	Shanghai Huayi Qifa Economic and Trade Co.	27,246,418.47	30,897,964.98
deposit-taking	Shanghai Huayi Qifa Labour Service Co.	5,118,808.15	
deposit-taking	Shanghai Huayi Qifa Asset Management Co.	1,485,437.72	40,162,590.07
deposit-taking	Shanghai Huayi Tianyuan Chemical Logistics Co.	22,130,363.64	40,274,058.09
deposit-taking	Shanghai Coking & Chemical Storage & Transportation Port Co.	9,257,433.48	9,115,432.17
deposit-taking	Shanghai Jinyuan Water Supply Co.	2,525,795.60	13,604.00
deposit-taking	Shanghai Jinghua Chemical Factory Co.	84,733,516.73	57,109,258.45
deposit-taking	Shanghai Jingteng Chemical Co.	10,341,627.54	15,253,745.81
deposit-taking	Shanghai Tyre & Rubber (Group) Co.	28,337.77	18,287.51
deposit-taking	Shanghai Chlor-Alkali Venture Co.	29,879,864.46	31,286,826.70
deposit-taking	Shanghai Chlor-alkali Chemical Co.	296,545,297.66	354,794,239.06
deposit-taking	Shanghai Chlor-Alkali New Material Trading Co.	400,057,056.54	231,699,202.45
deposit-taking	Shanghai Clover Plastic Co.	1,079.80	0.50
deposit-taking	Shanghai Minhang Huayi Microfinance Co.	5,091,694.28	
deposit-taking	Shanghai Dyestuff & Chemical Factory Co.	333,310.52	541,126.74
deposit-taking	Shanghai Dyestuff & Chemical Sales Co.	21,490,919.79	24,981,305.45
deposit-taking	Shanghai Dyestuff Research Institute Co.	100,181,938.40	103,655,014.63
deposit-taking	Shanghai Dyestuff Co.	1,325,478.69	1,410,791.66
deposit-taking	Shanghai Ruisheng Enterprise Co.	18,045,850.76	12,998,503.42
deposit-taking	Shanghai San Aifu New Material Technology Co.	59,530,220.71	212,632,635.55
deposit-taking	Shanghai San Aisi Reagent Co.	29,239,661.61	28,699,009.90
deposit-taking	Shanghai Pacific Chemical (Group) Huaian Yuanming Powder Co. department (under a ministry)	9,341,238.14	19,926,850.71
deposit-taking	Shanghai Pacific Chemical Equipment Engineering Co.	7,634.32	8,117.50
deposit-taking	Shanghai Tiantan Auxiliary Co.	3,486,659.69	8,997,137.89
deposit-taking	Shanghai Wujing Chemical Co.	61,143,990.57	65,534,368.50
deposit-taking	Shanghai Yicheng Real Estate Co.	33,951,985.49	42,703,257.63
deposit-taking	Shanghai COSCO Chemical Co.	19,549,502.51	19,411,700.98
deposit-taking	Zhejiang Huahong New Material Co.	388,592.59	10,311,231.42
Other current	Changshu San'aifu Fluorine Chemical Co.	756.42	767.49



liabilities			
Other current liabilities	Changshu San'aifu Fluorine Source New Material Co.	2,670.89	0.06
Other current liabilities	Changshu San'aifu Zhonghao New Chemical Materials Co.	4,723.74	7,675.52
Other current liabilities	Guangxi Huayi Chlor-alkali Chemical Co.	30,731.31	
Other current liabilities	Guangxi Huayi Energy Chemical Co.	1,609,078.51	48,832.91
Other current liabilities	Guangxi Tianyi Environmental Technology Co.	1,263.33	1,240.04
Other current liabilities	Linde Carbon Dioxide (Wuhu) Co.	3.85	0.59
Other current liabilities	Inner Mongolia San'aifu Fluorine Chemical Co.		10.97
Other current liabilities	Inner Mongolia San'aifu Wanhao Fluorine Chemical Co.	2,916.65	2.42
Other current liabilities	Praxair (Guangxi) Gas Co.	0.81	113.52
Other current liabilities	Shanghai Dakai Plastic Co.	23,960.34	11,779.20

Other current liabilities	Shanghai Dacor Dyestuffs Co.		8,273.31
Other current liabilities	Shanghai Polyester Factory Co.		
Other current liabilities	Shanghai Huahui Real Estate Development & Management Co.		44.58
Other current liabilities	Shanghai Hualu Real Estate Development & Management Co.	4,537.22	
Other current liabilities	Shanghai Huayi Real Estate Development & Management Co.	10.69	11.75
Other current liabilities	Shanghai Huayi (Group) Company	1,930,660.71	2,020,870.67
Other current liabilities	Shanghai Huayi (Group) Company Technology Centre		736,218.25
Other current liabilities	Shanghai Huayi Acrylics Co.	77,143,296.56	57,540,575.02
Other current liabilities	Shanghai Huayi Property Leasing Management Co.	4,626.47	4,887.60
Other current liabilities	Shanghai Huayi Engineering Technology Co.	2,524.67	3,790.72
Other current liabilities	Shanghai Huayi Engineering Co.	2,571,312.11	112,078.27
Other current liabilities	Shanghai Huayi Environmental Protection Technology Co.	3,602.34	2,865.53
Other current liabilities	Shanghai Huayi Group Real Estate Co.	3,908,338.58	1,099,543.60
Other current liabilities	Shanghai Huayi Group Equity Investment Fund Management Co.	282,744.26	188,149.78
Other current liabilities	Shanghai Huayi Group Chemical Industry Co.	2,899.39	13,904.67
Other current liabilities	Shanghai Huayi Group Financial Leasing Co.	201,425.01	17,794.86
Other current liabilities	Shanghai Huayi Group Real Estate Co.	648,212.61	447,342.49
Other current liabilities	Shanghai Huayi Group Equipment Engineering Co.	59.93	572.48
Other current liabilities	Shanghai Huayi Group Asset Management Co.		85,372.15
Other current liabilities	Shanghai Huayi Jingrun Real Estate Co.	0.15	39.97
Other current liabilities	Shanghai Huayi Polymer Co.	0.77	0.85
Other current liabilities	Shanghai Huayi Labour Service Co.		6,569.72
Other current liabilities	Shanghai Huayi Qifa Economic and Trade Co.	1,035.99	7,706.98
Other current liabilities	Shanghai Huayi Qifa Labour Service Co.	310.87	
Other current liabilities	Shanghai Huayi Qifa Asset Management Co.	436.08	53,523.75
Other current liabilities	Shanghai Huayi Tianyuan Chemical Logistics Co.	49,063.18	13,138.11
Other current liabilities	Shanghai Coking & Chemical Storage & Transportation Port Co.	6,538.68	3,198.68

Other current liabilities	Shanghai Jinyuan Water Supply Co.	455.38	1.75
Other current liabilities	Shanghai Jinghua Chemical Factory Co.	382,579.07	178,616.35
Other current liabilities	Shanghai Jingteng Chemical Co.	3,830.95	6,285.33
Other current liabilities	Shanghai Tyre & Rubber (Group) Co.	3.31	2.35
Other current liabilities	Shanghai Chlor-Alkali Venture Co.	338,221.11	119,970.78
Other current liabilities	Shanghai Chlor-alkali Chemical Co.	2,251,053.66	2,544,244.67
Other current liabilities	Shanghai Chlor-Alkali New Material Trading Co.	1,005,408.26	2,406,158.96
Other current liabilities	Shanghai Clover Plastic Co.	0.13	
Other current liabilities	Shanghai Minhang Huayi Microfinance Co.	32,823.20	
Other current liabilities	Shanghai Dyestuff & Chemical Factory Co.	39.43	47.63
Other current liabilities	Shanghai Dyestuff & Chemical Sales Co.	6,045.57	6,821.88
Other current liabilities	Shanghai Dyestuff Research Institute Co.	308,436.34	15,688.17
Other current liabilities	Shanghai Dyestuff Co.	334.66	119.38
Other current liabilities	Shanghai Dyestuff Co.		
Other current liabilities	Shanghai Ruisheng Enterprise Co.	382,484.24	331,664.37
Other current liabilities	Shanghai San Aifu New Material Technology Co.	26,802.07	58,629.89
Other current liabilities	Shanghai San Aisi Reagent Co.	155,179.46	172,199.50
Other current liabilities	Shanghai Dyestuff Research Institute Taopu Experimental Plant		
Other current liabilities	Shanghai Pacific Chemical (Group) Huaian Yuanming Powder Co. department (under a ministry)		55,594.16
Other current liabilities	Shanghai Pacific Chemical Equipment Engineering Co.	0.89	1.04
Other current liabilities	Shanghai Tiantan Auxiliary Co.	155.67	2,044.30

Other current liabilities	Shanghai Wujing Chemical Industry Co.		
Other current liabilities	Shanghai Wujing Chemical Co.	500,561.09	52,400.58
Other current liabilities	Shanghai Wujing Chemical Transport Co.		
Other current liabilities	Shanghai Yicheng Real Estate Co.	566,661.08	464,876.24
Other current liabilities	Shanghai COSCO Chemical Co.	147,750.64	156,742.83
Other current liabilities	Zhejiang Huahong New Material Co.	45.34	7,684.92
dividend payable	Shanghai Huayi (Group) Company	89,494,982.50	
dividend payable	Shanghai Hetten High-Tech Co.	2,390,300.00	2,607,600.00
dividend payable	Shanghai Try4TestHua Investment Management Centre (Limited Partnership)	32,754.32	32,754.32
Long-term accounts payable	Shanghai Huayi (Group) Company	10,266,457.06	10,266,457.06

**(vii) Related party commitments**

☐Applicable ☒Not Applicable

**(viii) Other**

☐Applicable ☒Not Applicable

**XI. Share-based payment****(i) Share-based payment in general**

☐Applicable ☒Not Applicable

**(ii) Equity-settled share-based payments**

☐Applicable ☒Not Applicable

**(iii) Cash-settled share-based payments**

☐Applicable ☒Not Applicable

**(iv) Modification and termination of share-based payment**

☐Applicable ☒Not Applicable

**(v) Other**

☐Applicable ☒Not Applicable

**XII.**  
**COMMITMENTS**  
**AND**  
**CONTINGENCIES (I)**  
**Material**  
**commitments**

√Applicable ☐Not applicable

Existence, nature and amount of significant external commitments at the balance sheet date

Unit: Yuan

Nature of borrowing	Amount (foreign currency)	Amount (local currency)	borrowing date	repayment date	note
short term loan		39,273,170.38			pledge of notes

Half-yearly report

2020

short term loan		100,000,000.00	2019/9/19	2020/9/19	secured loan
short term loan	THB 1,106,303,619.66	253,628,835.98			secured loan
short term loan	USD 19,864,999.02	140,634,260.55			secured loan
Long-term due within one year loan		2,012,871.14	2014/10/31	2020/10/30	secured loan
Long-term due within one year loan		6,000,000.00	2017/6/6	2023/4/25	secured loan
Long-term due within one year loan	USD 234,656.68	1,661,251.95			secured loan
Long-term due within one year loan		1,788,830.71	1989.12	2005.12	Overdue, not extended formalities
Long-term due within one year loan		9,382,867.31		1992.12	Overdue, not extended formalities
long term loan		34,000,000.00	2017/6/6	2023/4/25	secured loan
long term loan	USD 9,146,981.07	64,756,052.51			secured loan
long term loan		6,915,174.53			Overdue, not extended formalities
Total		660,053,315.06			

(ii) Contingencies

Significant contingencies existing at the balance sheet date

√Applicable □Not applicable

1. Contingent liabilities arising from guarantees of obligations provided to other entities and their financial impact

Unit: Yuan Currency: RMB

secured entity	Amount of guarantee	debt maturity	Financial impact on the Company
Within the scope of the merger:			
Yixing Huayi Yipin Colouring Technology Co.	1,006,435.57	2022/10/30	Ability to repay when due, no material adverse effect on the Company
Yixing Huayi Yipin Colouring Technology Co.	167,672.17	2022/10/30	Ability to repay when due, no material adverse effect on the Company
Double Coin Group (Jiangsu) Tyre Co.	50,000,000.00	2020/9/1	Ability to repay when due, no material adverse effect on the Company
Double Coin Group (Xinjiang) Kunlun Tyre Co. firms	200,000,000.00	2024/10/15	Ability to repay when due, no material adverse effect on the Company
Subtotal	251,174,107.74		
Related parties:			
Praxair (Guangxi) Gas Co.	79,497,000.00	2028/10/28	Ability to repay when due, no material adverse effect on the Company
Guangxi Tianyi Environmental Technology Co.	49,932,000.00	2031/12/5	Ability to repay when due, no material adverse effect on the Company
Guangxi Tianyi Environmental Technology Co.	66,472,000.00	2031/6/10	Ability to repay when due, no material adverse effect on the Company
Zhejiang Huahong New Material Co.	65,100,000.00	2025/12/25	Ability to repay when due, no material adverse effect on the Company
Zhejiang Huahong New Material Co.	65,100,000.00	2025/12/25	Ability to repay when due, no material adverse effect on the Company
Zhejiang Huahong New Material Co.	32,550,000.00	2026/12/31	Ability to repay when due, no material adverse effect on the Company
Zhejiang Huahong New Material Co.	32,550,000.00	2025/12/25	Ability to repay when due, no material adverse effect on the Company
Shanghai International Paint Co.	23,800,000.00	2021/5/31	Ability to repay when due, no material adverse effect on the Company
Shanghai Huayi (Group) Company	USD 178,500,000.00	2024/10/30	Ability to repay when due, no material adverse effect on the Company
Subtotal	1,678,691,750.00		

2. Contingent liabilities arising from pending litigation or arbitration and their financial impact

The U.S. Department of Commerce conducted an anti-dumping investigation against the

Company's subsidiary, China North American Tire Joint Sales Company, in 2014, and proposed to impose anti-dumping duties on its imports of OTR (off-the-road tyres) from China, and China North American Tire Joint Sales Company reasonably recognised a projected liability of US\$2,000,000.00 for the losses it may incur. on 6 February 2017, the Court of International Trade made a ruling in favour of the China On 6 February 2017, the Court of International Trade ruled in favour of China in the case of anti-dumping duties on load carrying tyres, however, the US Department of Commerce still has the right to file an appeal under the laws of the United States of America, **and** therefore the impact of this matter has not yet been eliminated.

**3. The company has no material contingencies that need to be disclosed, which should also be stated:**

☐Applicable ☒Not Applicable

**(iii) Other**

☐Applicable ☒Not Applicable

**XIII. Events after the  
balance sheet date (i)  
Significant non-  
adjusting events**

☐Applicable ☒Not Applicable

**(ii) Distribution of profits**

☐Applicable ☒Not Applicable

**(iii) Sales returns**

☐Applicable ☒Not Applicable

**(iv) Description of other post-balance sheet events**

☐Applicable ☒Not Applicable

**XIV. Other important matters**

**(i) Correction of  
prior period  
accounting errors 1.  
Retrospective  
restatement  
method**

☐Applicable ☒Not Applicable

**2. The law of prospective application**

☐Applicable ☒Not Applicable

**(ii) Debt restructuring**

☐Applicable ☒Not Applicable

**(iii) Asset replacement**

**1. Non-monetary exchange of assets**

☐Applicable ☒Not Applicable

**2. Other asset replacement**

☐Applicable ☒Not Applicable

**(iv) Annuity schemes**



☐Applicable ☒Not Applicable

**(v) Termination of operations**

☐Applicable ☒Not Applicable

**(vi) Other**

☒Applicable ☐Not applicable

According to the resolution of the first extraordinary shareholders' meeting in 2003, the Company exchanged the receivable claim of RMB152,297,800 with the land use rights actually used by Double Coin Load Tyre Company and Greater China Chengtai Tyre Company under the name of Shanghai Huayi (Group) Company (land area of 268,600 sq.m. and 69,685 sq.m., appraisal price of RMB151,109,400) for RMB152,297,800, the relevant taxes and land premiums involved in the exchange shall be borne by the Company as agreed. (land area 268,600 square metres, land area 69,685 square metres) were exchanged at a consideration of RMB152,297,800, and it was agreed that the Company should bear the relevant taxes and land premiums involved in the exchange, and the Company paid the land premium of RMB59,793,500 and the corresponding deed tax, etc., in October 2007, and obtained the licence of Shanghai Real Estate and Land Min Zi (2008) No. 000489 in January 2008, which was issued by Shanghai Housing and Land Development Bureau. The actual land area is 248,829 square metres and the period of use is from 31 August 2007 to 31 August 2057.

The Company carried forward the land cost of RMB12,092.52 million based on the area recorded in the original replacement agreement. The Company carried forward land costs of RMB120,925,200 based on the area stated in the original replacement agreement. Greater China Astronergy Tyres  
The land occupied by the Company was put on hold due to its inclusion in the development plan of the People's Government of Minhang District, Shanghai, and was carried forward to "intangible assets" in 2009.

Assets . Land use right". The original cost of the land as at 30 June 2020 was RMB 31,372,600,000, with a book value of 20,967,342.80, for which no title has yet been issued.

**(vii) Divisional information**

**1. Basis for determining reportable segments and accounting policies**

☒Applicable ☐Not applicable

Each of the Company's reportable segments offers different business segments. As the various businesses require different technologies and market strategies, the Group manages the production and operating activities of each reportable segment independently and evaluates its results of operations separately in order to decide on the allocation of resources to it and to evaluate its performance. The Company has five reportable segments, namely: energy chemicals segment, tyre segment, advanced materials segment, fine chemicals segment and management services segment. Segment reporting information is disclosed in accordance with the accounting policies and measurement criteria used by the segments in reporting to management, and these measurement bases are consistent with the accounting and measurement bases used in the preparation of the financial statements.

## 2. Financial information on reportable segments

√Applicable □Not applicable

	Unit: Yuan Currency: RMB						
sport s even t	Energy & Chemicals	advanced material	Green tyres	fine chemicals	the rest	Inter-segment set-off	add up the total
Revenue from external transactions	4,524,448,152.51	1,532,772,404.72	3,784,894,305.68	2,964,680,782.84	39,392,694.48		12,846,188,340.23
Of which: total trade income	1,435,902,191.59	71,217,076.45		365,550,770.29	2,932,184.93		1,875,602,223.26
Revenue from inter-segment transactions	9,369,143.82		4,720,303.68	219,835,010.08	9,675,314.40	243,599,771.98	
Income from investments in associates and joint ventures	58,729,360.87	192,660.50	14,737,461.31	34,959,677.02	3,058,911.21		111,678,070.91
Net profit (net loss)	20,388,214.37	-43,089,390.89	-217,606,719.28	169,217,916.04	-53,853,577.33	1,326,492.57	-126,270,049.66
Total assets	10,350,542,720.73	5,799,859,887.66	17,600,559,400.24	8,533,378,582.55	31,958,860,924.38	28,240,131,058.82	46,003,070,456.74
Total liabilities	2,449,368,675.87	2,800,206,333.20	13,756,547,407.63	2,079,701,016.80	15,906,897,433.53	11,680,324,663.78	25,312,396,203.25
Long-term equity investments in associates and joint ventures	14,505,589.50	220,411,012.67	99,569,090.34	5,529,111,191.14	250,240,672.02		3,637,522,553.37
3. If the company has no reportable segments or cannot disclose the total assets and total liabilities of each reportable segment, it should explain the reasons.							
Non-current other than long-term equity investments	225,009,069.14	394,216,991.38	-119,014,637.77	-80,281,911.62	-233,142,323.37	34,089,220.87	-297,320,171.39
Increase in assets							

## 4. Other notes

□Applicable √Not Applicable

(viii) Other significant transactions and events that have an impact on investors' decision-making

□Applicable √Not Applicable

## Unit: Yuan    Currency: RMB

Age of accounts	Closing book balance	Prior year-end balance
√ Applicable = Not applicable		
Within 1 year		
Of which: within 1 year		
Within 1 year	126,231,385.46	175,132,918.73
Subtotal less than 1 year	126,231,385.46	175,132,918.73
1 to 2 years	328,541.76	2,355,813.69
2 to 3 years	80,137.67	96,244,800.81
More than 3 years	7,236,865.61	3,984,251.23
3 to 4 years		
4 to 5 years		
More than 5 years		
add up the total	133,876,930.50	277,717,784.46

## Unit: Yuan    Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Closing balance					Opening balance				
form	Carrying amount		provision for bad debts		book value	Carrying amount		provision for bad debts		book value
	sum of money	Proportion (%)	sum of money	Percentage of accruals (%)		sum of money	Proportion (%)	sum of money	Percentage of accruals (%)	
Provision for bad debts on an individual basis					<b>189 / 264</b>					
Among them:										
Provision for bad debts by portfolio	133,876,930.50	100.00	13,687,066.25	10.22	120,189,864.25	277,717,784.46	100.00	61,570,041.69	22.17	216,147,742.77
Among them:										

Provision for bad debts is made on an individual basis:

☐Applicable ☒Not Applicable

Provision for bad debts is made on a portfolio basis:

☒Applicable ☐Not applicable

Portfolio accruals: accounts receivable portfolio 1

Unit: Yuan Currency: RMB

name (of a thing)	Closing balance		
	accounts receivable	provision for bad debts	Accrual ratio (%)
Criteria and description of recognition of bad debts by portfolio:			
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable			
Accounts receivable	133,876,930.50	13,687,066.25	10.22
For bad debt provisioning is based on the general model of expected credit losses, please refer to the disclosure of other receivables.			
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable	133,876,930.50	13,687,066.25	
add up the total			

### 3. Provision for bad debts

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

form	Prior year-end balance	Opening balance	Amount of change during the period				Closing balance
			make provision for (capital requirements)	Recovery or melodic on (in music)	Write-offs or audit and off	other variables act	
of which the amount of bad debt provisions recovered or reversed during the period is significant: <input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable							
4. Accounts receivable actually written off during the period <input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable							
5. Top five accounts receivable by party owed at the end of the period <input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable							
account s	61,570,041.69	61,570,041.69	-47,882,975.44		Unit: Yuan		Currency: RMB
receiva ble paragr aph	Name of unit			Closing balance			
			accounts receivable	Percentage of total accounts receivable			provision for bad debts
add up the total	61,570,041.69	61,570,041.69	-47,882,975.44		Proportion of counts (%)		13,687,066.25
china managers alliance, ltd.			119,443,905.20	89.22		5,595,278.59	
Shanghai Huayi Group Chemical Industry Co.			7,136,845.00	5.33		356,842.25	
DC 2000 (BRAZIL) LTDA.			3,253,986.83	2.43		3,253,986.83	
al howail company for trading&			1,914,424.23	1.43		1,914,424.23	
Shanghai Huayi Energy Chemical Co.			190,879,465.00	1.40		93,773.25	
add up the total			133,624,626.26	99.81		11,214,305.15	

## 6. Receivables derecognised due to transfer of financial assets

☐Applicable ☒Not Applicable

## 7. Amount of assets and liabilities resulting from the transfer of accounts receivable and continuing involvement

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

### (ii) Other receivables 1.

#### Item

#### presentation

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sports event	Closing balance	Opening balance
Interest receivable		
Dividends receivable		
Other receivables	2,666,737,769.04	2,399,513,575.40
add up the total	2,666,737,769.04	2,399,513,575.40

Other notes:

☐Applicable ☒Not Applicable

### 2. Interest receivable

#### (1) Classification of interest receivable

☐Applicable ☒Not Applicable

#### (2) Significant overdue interest

☐Applicable ☒Not Applicable

#### (3) Provision for bad debts

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

### 3. Dividends receivable

☐Applicable ☒Not Applicable

#### (1) Significant dividend receivables aged over 1 year

☐Applicable ☒Not Applicable

#### (2) Provision for bad debts

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

**4. Other receivables****(1) Disclosure by age**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

age of accounts	Closing book balance	Prior year-end balance
Within 1 year		
Of which: within 1 year		
Within 1 year	2,501,687,129.57	1,282,413,748.26
Subtotal less than 1 year	2,501,687,129.57	1,282,413,748.26
1 to 2 years		40,200,000.00
2 to 3 years	40,200,000.00	150,000,000.00
More than 3 years	138,181,732.55	963,230,748.74
3 to 4 years		
4 to 5 years		
More than 5 years		
add up the total	2,680,068,862.12	2,435,844,497.00



## (2) Disclosure by bad debt accrual method

Unit: Yuan Currency: RMB

form	Closing balance					Prior year-end balance				
	Carrying amount		provision for bad debts		book value	Carrying amount		provision for bad debts		book value
	sum of money	Proportion (%)	sum of money	Percentage of accruals (per cent)		sum of money	Proportion (%)	sum of money	Percentage of accruals (per cent)	
Provision of bad debts on individual items allowance										
Provision of bad debts by portfolio allowance	2,680,068,862.12	100.00	13,331,093.08	0.50	2,666,737,769.04	2,435,844,497.00	100.00	36,330,921.60	1.49	2,399,513,575.40
Provision for bad debts by portfolio: portfolio accruals:										
Among them:										
Other receivables group Hop 1	14,368,942.97	0.54	13,331,093.08	92.78	1,037,849.89	60,165,513.49	2.47	36,330,921.60	60.38	23,834,591.89
Other receivables group Total 2	2,665,699,919.15	99.46			2,665,699,919.15	2,375,678,983.51	97.53			2,375,678,983.51
Other receivables portfolio 1	2,680,068,862.12	100.00	13,331,093.08	14,368,942.97	2,666,737,769.04	2,435,844,497.00	13,331,093.08	36,330,921.60		2,399,513,575.40
Other receivables portfolio 2				2,665,699,919.15						
up the total	add			2,680,068,862.12			13,331,093.08			
up the total										

Unit: Yuan Currency: RMB

**(3) Provision for bad debts**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

provision for bad debts	Phase I	Phase II	Phase III	add up the total
	Expected credit losses for the next 12 months	Expected credit losses (unissued) over the life of the programme (credit impairment)	Expected credit losses over lifetime (issued) (credit impairment)	
Balance at 1 January 2020	23,149,189.05		13,181,732.55	36,330,921.60
Balance at 1 January 2020 at the current period				
--Transfer to Phase II				
--Transferred to phase III				
--Transfer back to phase II				
--Return to phase I				
Provision for losses has occurred during the period:	22,999,828.52			22,999,828.52
Reversal during the period	□Applicable √Not Applicable			
Write-offs during the period				
Write-offs during the period				
Other changes				
Balance at 30 June 2020	49,360.53		13,181,732.55	13,331,093.08

√Applicable □Not applicable

Unit: Yuan Currency: RMB

form	Opening balance	Amount of change during the period				Closing balance
		make provision for (capital requirements)	Recovery or reversal	Write-offs or cancellations	the rest flux	
Of these, the amount of provision for bad debts reversed or recovered during the period is significant:						
□Applicable √Not Applicable						
Other receivables	36,330,921.60	-22,999,828.52				13,331,093.08
(3) Other receivables actually written off during the period	36,330,921.60	-22,999,828.52				13,331,093.08
□Applicable √Not Applicable						

Note on write-off of other receivables:

□Applicable √Not Applicable

## (6) Breakdown by nature of

Unit: Yuan Currency: RMB

payment	Closing book balance	Opening balance
√Applicable <input type="checkbox"/> Not applicable		
current account	2,679,866,862.12	2,388,945,261.77
Deposits and Guarantees	200,000.00	35,200,000.00
reserve fund	2,000.00	435,550.00
the rest		11,263,685.23
add up the total	2,680,068,862.12	2,435,844,497.00

## (7) Top five other receivables with closing balances, by party owed to them

Unit: Yuan Currency: RMB

√Applicable <input type="checkbox"/> Not applicable	Name of unit	Nature of payments	Closing balance	age of accounts	Percentage of closing balance of other receivables Proportion of total amount (%)	provision for bad debts Closing balance
	Double Coin Tyre Group Limited	internal communication	1,561,081,019.15	Within 1 year	58.25	
	Shanghai Huayi New Material Co.	internal communication	939,618,900.00	Within 1 year	35.06	
	Shanghai Huayi Group Investment Co.	internal communication	165,000,000.00	2-3 years, 3 years more than a year	6.16	
	Shanghai Pengpu Industrial Co.	current account	470,286.00	Within 1 year	0.02	23,514.30
	Payables by troops	current account	200,000.00	2-3 years	0.01	100,000.00
	add up the total		2,666,370,205.15	/	99.50	123,514.30

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

## (iii) Long-term equity investments

√Applicable ☐Not applicable

Unit: Yuan Currency: RMB

sport s even t	Closing balance			Opening balance		
	Carrying amount	impairments intended	book value	Carrying amount	impairments intended	book value
Investments in subsidiaries	16,621,204,681.87		16,621,204,681.87	16,231,204,681.87		16,231,204,681.87
Investments in associates, joint ventures	250,240,672.02		250,240,672.02	250,268,880.81		250,268,880.81
add up	16,871,445,353.89		16,871,445,353.89	16,481,473,562.68		16,481,473,562.68

Unit: Yuan      Currency: RMB						
Investee (in RMB)	Opening balance	Increase during the period	Decrease during the period	Closing balance	Provision for impairment for the period	Closing balance of provision for impairment
Shanghai Huayi Energy Chemical Co.	5,673,433,343.54			5,673,433,343.54		
Shanghai Huayi Fine Chemical Co.	1,852,173,345.30			1,852,173,345.30		
Shanghai Tianyuan (Group) Co.	798,932,140.99			798,932,140.99		
Shanghai Huayi Group Investment Co.	1,504,738,576.32			1,504,738,576.32		
Shanghai Huayi Information Technology Co.	20,427,779.64			20,427,779.64		
Shanghai Huayi New Material Co.	2,052,548,453.72			2,052,548,453.72		
Shanghai Huayi Group Finance Co.	746,629,799.83			746,629,799.83		
Double Coin Tyre Group Limited	2,965,219,437.12			2,965,219,437.12		
Shanghai Soap Making (Group) Co.	154,731,014.69			154,731,014.69		
Huayi Group (Hong Kong) Limited	210,370,790.72			210,370,790.72		
Guangxi Huayi New Material Co.	252,000,000.00	390,000,000.00		642,000,000.00		
<b>2. Investments in associates and joint ventures</b>	16,231,204,681.87	390,000,000.00		16,621,204,681.87		
<b>Total</b>						

ventures		Increase/decrease during the period								Closing balance	Closing balance of provision for impairment
√Applicable	□Not applicable	Opening balance	an additional posthumous title investors	decline investors	Investments recognised under the equity method increase and decrease	Other comprehensive income benefit adjustment	Other interests flux	Declare a cash dividend or margins	make provision for impairment intend	it (refers sth. preceding it) (used for either sex when	
						180 / 184					

Other notes:

☐Applicable ☒Not Applicable**(iv) Operating income and operating costs****1. Operating revenues and****operating costs**

Unit: Yuan Currency: RMB

operating costs <input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable s even t	Current period's incidence		Prior period's incidence	
	incomes	(ma nufa cturi ng, prod uctio n etc) cost	incomes	(ma nufa cturi ng, prod uctio n etc) cost
<b>2. Operating income by industry</b>				
	2020 Semi-annual	2020 Semi-annual	2019 Semi-annual	2019 Semi-annual
Main business	33,408,419.43	30,696,820.50	334,844,829.57	307,937,019.89
Other business	11,021,910.09	917,733.08	37,142.86	917,733.08
add	44,430,329.52	31,614,553.58	334,881,972.43	308,854,752.97
1. Revenue and cost of main operations	33,408,419.43	30,696,820.50	334,844,829.57	307,937,019.89
(1) Tyre manufacturing	33,408,419.43	30,696,820.50	334,844,829.57	307,937,019.89
①All-wire radial tyres for loads	33,408,419.43	30,696,820.50	334,844,829.57	307,937,019.89
23. Operating incomes of the company's top five customers and costs			37,142.86	917,733.08
add up the total	44,430,329.52	31,614,553.58	334,881,972.43	308,854,752.97
Client Name	Total operating income		Percentage of the company's total operating revenue (%)	
first place	9,895,847.08		22.27	
second place	7,136,845.00		16.06	
third place	6,233,532.81		14.03	
fourth place	5,281,077.01		11.89	
fifth place	3,986,481.67		8.97	
add up the total	32,533,783.57		73.22	

**4. Revenue generated from contracts**☐Applicable ☒Not Applicable**5. Description of performance obligations**☐Applicable ☒Not Applicable**6. Description of assessment to remaining performance obligations**☐Applicable ☒Not Applicable

## (v) Investment income

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Investment income	Current period's incidence	Prior period's incidence
Income from long-term equity investments accounted for under the cost method		785,000,000.00
Income from long-term equity investments accounted for by the equity method	3,058,911.21	2,993,455.55
Investment income from disposal of long-term equity investments		
Investment income during the period in which the financial assets held for trading are held		2,828,933.00
Investment income from disposal of financial assets held for trading	-196,047.63	
Dividend income earned on investments in other equity instruments during the holding period		
Interest income earned on debt investments during the holding period		
Interest income earned on other debt investments during the holding period		
Investment gains on disposal of investments in other equity instruments		
Investment income on disposal of debt investments		
Investment income on disposal of other debt investments		
the rest		
add up the total	2,862,863.58	sum of money 791,875,913.95
Gains and losses on disposal of non-current assets		68,915.29
Tax rebates, exemptions and reductions that exceed the authority to approve or are not accompanied by official approval documents		
Government grants recognised in profit or loss (closely related to the business of the enterprise, in accordance with the national standard) (except for quasi-fixed or rationed government grants)	53,213,186.18	
Occupancy fees charged to non-financial corporations included in profit or loss for the period		
The cost of investments in subsidiaries, associates and joint ventures acquired by an enterprise is less than the cost of the investment at the time of acquisition. Entitlement to gains arising from the fair value of the identifiable net assets of the investee		
Gains and losses on exchange of non-monetary assets		
Gains and losses on entrusted investments or management of assets		
Provision for impairment of individual assets due to force majeure factors, such as natural disasters		
Debt restructuring gains and losses	31,675.00	
Business restructuring costs, e.g., expenses for relocating employees, integration costs, etc.		
Gains and losses in excess of fair value arising from transactions at significantly unfair prices		
Net profit or loss for the period from the beginning of the period to the date of consolidation of subsidiaries resulting from business combinations under the same control		

loss or gain arising from		
A one-time adjustment to current profit or loss in accordance with tax, accounting and other laws and regulations is made for Effect of current period's profit or loss		
Custodian fee income earned on trusteeship	1,886,792.46	
Non-operating income and expenses other than those listed above	-128,025,488.47	
Other items of profit or loss that meet the definition of non-recurring profit or loss	1,221,912.05	
Income tax effect	-2,156,562.22	
Effect of minority interests	33,155,970.95	
add up the total	-39,250,655.70	

For non-recurring gains and losses as defined by the Company in accordance with "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Public Securities - Non-Recurring Gains and Losses

Recurring profit and loss items, as well as items defined as recurring profit and loss items listed in "Interpretative Announcement No. 1 on Information Disclosure of Companies Issuing Public Securities - Non-Recurring Profit and Loss" shall be explained.

☐Applicable ☒Not Applicable

## (ii) Return on net assets and earnings per share

☒Applicable ☐Not applicable

Profit for the reporting period	Weighted average return on net assets (%)	earnings per share	
		basic earnings per share	diluted earnings per share
Net attributable to ordinary shareholders of the Company margins	-0.49	-0.04	-0.04
Attributable to after extraordinary gains and losses	-0.28	-0.02	-0.02
Net profit of the Company's ordinary shareholders			

(iii) Differences in accounting data under domestic and foreign accounting standards

☐Applicable ☒Not Applicable

## (iv) Other

☐Applicable ☒Not Applicable

## Section XI. Catalogue of documents on file

Catalogue of documents available for review	A copy of the half-yearly report containing the signature of the Chairman of the Board of Directors;
	containing the signatures and seals of the legal representative, the person in charge of accounting work and the head of the accounting organisation
	Accounting statements;
	The originals and copies of all corporate documents that have been publicly disclosed in newspapers designated by the China Securities Regulatory Commission during the reporting period.
	Original draft announcement;
	The original copies of the above pro forma documents are available in their entirety at the office of the Secretary of the Board of Directors of the Company.

Chairman: Liu  
Xunfeng Board of Directors Approval Date  
of Submission: 21 August 2020