

Zhejiang Hailiang Co., Ltd.

ZHE JIANG HAI LIANG CO., LTD

Annual Report 2020

Stock code: 002203

Stock abbreviation: Hailiang shares

Date of Disclosure: April 2021

Section Important, catalogs and Interpretation

The company's board of directors, board of supervisors, directors, supervisors, and senior management ensure that the content of the annual report is true

True, accurate, and complete, there are no false records, misleading statements or major omissions, and the

The legal responsibility.

Company principal Zhu Zhangquan, person in charge of accounting work Sun Hongjun, and person in charge of accounting organization (accounting chief

Tube staff) Chen Dong statement: to ensure that this year's report, financial report is true, accurate and complete.

All directors have attended the board meeting for reviewing this report.

The company has described the main risks in this report in detail. For details, please refer to the " Section 4 " of this report .

Operation Discussion and Analysis " of " Nine, look to the future development of the company , " the " risk (b), Factors " .

Profit distribution plan by the Board of Directors of this review were as follows: **2020 Nian 12 Yue 31** daily total shares

The **capital of 1,952,112,385** shares, deducting the **number of** shares after the company repurchased **36,661,544** shares, namely

1,915,450,841 shares are the base, and a cash dividend of RMB 0.75 (tax included) will be distributed to all shareholders for every 10 shares . Bonus shares are 0 shares (tax included), and capital reserves are not converted into share capital.

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Paraphrase

Paraphrase

refer to

Paraphrase content

The company, company, Hailiang shares

Refers to Zhejiang Hailiang Co., Ltd.

Hailiang Group, controlling shareholder

Refers to Hailiang Group Co., Ltd.
Z&P Company
Refers to Z&P ENTERPRISES LLC
Copper Processing Research Institute
Refers to Zhejiang Copper Processing Research Institute Co., Ltd.
Keyu
Refers to Zhejiang Keyu Metal Material Co., Ltd.
Shanghai Hailiang
Refers to Shanghai Hailiang Copper Co., Ltd.
Hong Kong Hailiang
Refers to Hong Kong Hailiang Copper Trading Co., Ltd.
Hong Kong Metal
Refers to Hong Kong Hailiang Metal Materials Co., Ltd.
Hailiang International Trade
Refers to Zhejiang Hailiang International Trade Co., Ltd.
American Hailiang
Refers to Hailiang America
Vietnam Hailiang
Refers to Vietnam Hailiang Metal Products Co., Ltd.
Anhui Hailiang
Refers to Hailiang (Anhui) Copper Industry Co., Ltd.
Hailiang (Vietnam) Copper
Refers to Hailiang (Vietnam) Copper Co., Ltd.
Guangdong Hailiang
Refers to Guangdong Hailiang Copper Industry Co., Ltd.
Haibo Microfinance
Refers to Zhejiang Haibo Microfinance Co., Ltd.
Finance Company
Refers to Hailiang Group Finance Co., Ltd.
Bank of Ningxia
Refers to Bank of Ningxia Co., Ltd.
Jinchuan Group
Refers to Jinchuan Group Co., Ltd.
Hailiang Ring
Refers to Zhejiang Hailiang Environmental Materials Co., Ltd.
Zhengmao Ventures
Refers to Zhejiang Zhengmao Venture Capital Co., Ltd.
JMF
Refers to JMF Company
Singapore Hailiang
Refers to HAILIANG (SINGAPORE) PTE. LTD.
Thailand Hailiang
refer to
Hailiang Otto Copper Pipe (Thailand) Co., Ltd., LOYAL HAILIANG COPPER
(THAILAND)CO.,LTD.,
Hailiang Otto
Refers to Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
Equity incentive
Refers to the first phase of restricted stock incentive plan of Zhejiang Hailiang Co., Ltd.
Hailiang Holdings
Refers to Hong Kong Hailiang Holding Limited (香港海亮控股有限公司)
Texas Hailiang
Refers to Hailiang Copper Texas Inc (Hailiang Copper Texas Inc)
HMMB Company
Refers to Hailiang Metal Messing Beteiligungs GmbH

Holland
Refers to Hailiang Netherlands Holding BV (Hailiang Netherlands Holding BV)
HME Brass France
Refers to HME Brass France SAS
HME Brass Germany
Refers to HME Brass Germany GmbH
HME Brass Italy
Refers to HME Brass Italy SpA
HME Ibertubos
Refers to HME Ibertubos SAU

Hailiang
Refers to HME Copper Germany GmbH (HME Copper Germany GmbH)
company policy
Refers to the articles of association of Zhejiang Hailiang Co., Ltd.
China Securities Regulatory Commission, China Securities Regulatory Commission
Refers to China Securities Regulatory Commission
Shenzhen Stock Exchange
Refers to Shenzhen Stock Exchange
Yuan
Refers to Renminbi
Company law
Refers to the "Company Law of the People's Republic of China"
Securities Law
Refers to the "Securities Law of the People's Republic of China"

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Section 2 Company Profile and Main Financial Indicators

1. Company Information

Stock abbreviation
Hailiang shares
Stock code
002203
Stock exchange
Shenzhen Stock Exchange
Chinese name of the company
Zhejiang Hailiang Co., Ltd.
Chinese abbreviation of the company
Hailiang shares
The foreign name of the company (if any) ZHE JIANG HAI LIANG CO., LTD
The legal representative of the company
Zhu Zhangquan
Registered address
Diankou Town Industrial Zone, Zhuji City, Zhejiang Province
Postal code of registered address
311835
office address
386 Jiefang Road, Diankou Town, Zhuji City, Zhejiang Province
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311814
company website
<http://www.hailiangstock.com>
email
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2. Contact person and contact information

Board secretary
Securities Affairs Representative
Name
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Lin ZHU
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3. Information Disclosure and Place of Preparation

The name of the information disclosure media selected by the company

Securities Daily, Securities Times, China Securities News, Shanghai Securities News
The URL of the website designated by the China Securities Regulatory Commission that publishes the annual report
<http://www.cninfo.com.cn>
Place where the company's annual report is prepared
Office of the Board of Directors of the Company

Four, registration changes

Organization Code
91330000724510604K

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Changes in the company's main business since its listing (such as Have)

On August 27, 2015, the Company's 2015 Second Extraordinary General Meeting of Shareholders reviewed and approved the "Proposal on Business Scope" and "Proposal on Amending the Articles of Association of the Company", the company's business scope is defined by "manufacturing, processing Copper tubes, copper strips, copper foils and related copper products. "Change to" copper tubes, copper strips, copper foils and other copper products,

Manufacturing and processing of aluminum and aluminum alloy pipe profiles, related aluminum products, and copper-aluminum composite materials. "Company in 2015

The above-mentioned industrial and commercial change registration was completed on November 30.

On July 20, 2020, the company's 2020 first extraordinary general meeting of shareholders reviewed and approved the Business Scope and the Proposal to Amend the "Articles of Association", the company's business scope consists of "copper tubes, copper strips, copper foils and their

Manufacturing and processing of other copper products, aluminum and aluminum alloy pipe profiles and related aluminum products, and copper-aluminum composite materials. "change

"General projects: non-ferrous metal alloy manufacturing; non-ferrous metal rolling processing; metal material manufacturing; metal cutting

Processing services; sales of high-performance non-ferrous metals and alloy materials; sales of non-ferrous metal alloys; refrigeration and air-conditioning equipment

Equipment manufacturing; sales of home appliances parts and accessories; sales of refrigeration and air-conditioning equipment; technical services of solar power generation;

Low-voltage power generation equipment leasing; general cargo warehousing services (excluding hazardous chemicals and other items that require approval). (remove

Except for projects that must be approved in accordance with the law, the business license shall be used to carry out business activities independently in accordance with the law). "The company will

The above-mentioned industrial and commercial change registration was completed on 30th.

Previous changes in controlling shareholders (if any)

No change

5. Other relevant information

Accounting firm hired by the company

Accounting firm name

Daxin Certified Public Accountants (Special General Partnership)

Office address of accounting firm

No. 1504, 15th Floor, Xueyuan International Building, No. 1 Zhichun Road, Haidian District, Beijing

Signing accountant name

Guo Yixi Liu Tao

Sponsor institutions engaged by the company to perform continuous supervision duties during the reporting period

Applicable Not applicable

Sponsor name

Sponsor's office address

Name of sponsor representative

Continuous supervision period

GF Securities Co., Ltd.

No. 26, Machang Road, Tianhe District, Guangzhou

Fat Securities Building 41st Floor

Mao Jianmin

December 16, 2019-2020 December

31st (due to the company's non-public issuance of shares)

Proceedings of bills and convertible bonds

Not yet used up, the current sponsor

Still deposit and use the company's raised funds

The user has the duty of continuous supervision)

A financial consultant engaged by the company to perform continuous supervision duties during the reporting period

Applicable Not applicable

6. Main accounting data and financial indicators

Does the company need to retrospectively adjust or restate the accounting data of previous years

Yes No

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2020 year

2019 year

Increase or decrease this year from the previous year

2018 year

Operating income (yuan)

46,409,661,488.50

41,152,704,337.81

12.77%

40,596,819,452.50

Net profit attributable to shareholders of listed companies

(Yuan)

677,774,124.60

1,063,402,787.98

-36.26%

908,442,464.75

Deductions attributable to shareholders of listed companies

Net profit from recurring gains and losses (yuan)

429,683,766.53

934,474,056.71

-54.02%

801,133,480.87

Net cash flow from operating activities

(Yuan)

703,055,486.91

1,130,293,731.91

-37.80%

2,599,701,477.53

Basic earnings per share (yuan/share)

0.3472

0.5567

-37.63%

0.5214

Diluted earnings per share (yuan/share)

0.3267

0.5391

-39.40%

0.5162

Weighted average return on equity

7.01%

12.77%

-5.76%

14.85%

End of 2020

End of 2019

Increase or decrease at the end of this year compared to the end of the previous year

End of 2018

Total assets (yuan)

26,119,603,605.23

24,522,263,320.16

6.51%

19,226,956,205.04

Net assets attributable to shareholders of listed companies

(Yuan)

9,837,821,955.45

9,395,897,663.63

4.70%

8,038,101,483.64

The lower of the company's net profit before and after deduction of non-recurring gains and losses in the most recent three fiscal years are all negative, and the company has been audited in the most recent year

The report shows that the company's ability to continue operations is uncertain

Yes No

The lower of the net profit before and after non-recurring gains and losses is negative

Yes No

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

1. Differences in net profit and net assets in financial reports disclosed in accordance with international accounting standards and Chinese accounting standards at the same time

Applicable Not applicable

During the reporting period of the company, there was no net profit and net profit in the financial report disclosed in accordance with international accounting standards and Chinese accounting standards.

Asset differences.

2. Differences in net profit and net assets in financial reports disclosed in accordance with overseas accounting standards and Chinese accounting standards at the same time

Applicable Not applicable

During the reporting period, there was no net profit and net profit in the financial report disclosed in accordance with overseas accounting standards and Chinese accounting standards.

Asset differences.

8. Main financial indicators by quarter

unit: yuan

the first season

Second quarter

the third quarter

Fourth quarter

Operating income

11,454,785,942.77

11,892,956,450.45

11,089,202,682.25

11,972,716,413.03

Net profit attributable to shareholders of listed companies

168,513,630.71

195,058,855.01

178,825,173.55

135,376,465.33

Deductions attributable to shareholders of listed companies

Net profit from recurring profit and loss

97,281,506.14

134,324,358.16

170,673,159.81

27,404,742.42

Net cash flow from operating activities

585,196,776.25

905,659,780.60

-698,303,751.83

-89,497,318.11

Whether the above financial indicators or their totals are significant to the company's disclosed quarterly reports and semi-annual reports related financial indicators.

Big difference

Yes No

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

Applicable Not applicable

unit: yuan

project

2020 amount

2019 amount

2018 amount

illustrate

Non-current assets disposal gains and losses (including accrued assets minus

Offset part of value preparation)

4,733,742.59

-696,359.57

-4,465,351.31

Government subsidies included in the current profit and loss (closed to corporate business

All relevant, in accordance with the national unified standard for fixed or quantitative sharing

Except for government subsidies received)

119,301,428.85

114,860,560.62

58,729,589.10

Subsidiaries arising from a business combination under the same control

Net profit and loss for the current period on the merger date

1,491,792.64

In addition to the effective hedging related to the company's normal business operations

In addition to value business, holding transactional financial assets, derivative funds

Financial assets, transactional financial liabilities, derivative financial liabilities

Gains and losses arising from changes in fair value, and disposal transactions

Financial assets, derivative financial assets, transactional finance

Obtaining of liabilities, derivative financial liabilities and other debt investments

Investment income

150,287,680.30

27,580,613.44

61,682,842.89

Other non-operating income and expenses other than the above

1,166,623.67

13,887,574.50

13,507,572.48

Less: the impact of income tax

27,382,800.78

28,124,506.79

23,154,404.86

Amount of influence of minority shareholders' equity (after tax)

16,316.56

70,943.57

-1,008,735.58

total

248,090,358.07

128,928,731.27

107,308,983.88

-

The definition of the company according to the "Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities-Non-recurring Profits and Losses"

Defined non-recurring profit and loss items, and the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities

The non-recurring gains and losses listed in "Recurring Gains and Losses" are defined as recurring gains and losses, and the reasons should be explained.

Applicable Not applicable

During the reporting period, the company does not have an explanatory notice based on the "Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities-Non-recurring

The non-recurring profit and loss items defined and listed in the "Profits and Loss" are defined as the circumstances in which the items of recurring gains and losses are defined.

Section 3 Company Business Overview

1. The company's main business during the reporting period

(1) Company business and business model

The company is mainly engaged in the research and development, production and manufacturing of copper pipes, copper rods, copper pipe connectors, copper-aluminum composite conductors, and aluminum profiles.

And sales. The company's products are widely used in air conditioning and refrigerator refrigeration, construction water pipes, seawater desalination, ship manufacturing, nuclear power facilities,

Equipment manufacturing, automobile industry, electronic communication, transportation, hardware machinery, electric power and other industries.

The company is one of the world's largest and most competitive international copper processing enterprises (in Zhejiang, Shanghai, Anhui, Guangdong, Four Sichuan, Chongqing and other domestic provinces and cities, and overseas countries such as the United States, Germany, France, Italy, Spain, Vietnam, and Thailand have ten Nine production bases covering vast areas of Asia, America and Europe), one of the largest export enterprises of copper pipes and copper pipe fittings in China

1. It is a benchmark enterprise for refined management in the copper processing industry.

The company adopts the business model of "production based on sales" and the sales pricing model of "raw material prices + processing fees" to achieve "earnings

The company has accumulated a large number of high-quality and stable customers at home and abroad, and cooperated with 124 countries or regions.

Of more than 8,000 customers have established long-term business relationships and become strategic partners of many industry brand companies.

The company has set up stations for national-level post-doctoral research workstations, provincial-level innovative enterprises, provincial-level "three-name" demonstration enterprises, and provincial-level

-Level standard innovative enterprises, provincial-level green enterprises, provincial-level industrial circular economy demonstration enterprises, with a national enterprise technology center,

Zhejiang's first batch of provincial enterprise research institutes, provincial high-tech R&D centers, and key laboratories of the Ministry of Education "Hailiang Copper Processing Technology Development

Development laboratory", provincial key innovation team.

(2) The development status and prospects of the industry in which the company is located

1. The development status of the industry in which the company is located

The copper product manufacturing industry (copper processing industry) is one of the important sectors of the national economy. Copper and copper alloys as human history The earliest metal materials used in the world have many valuable physical and chemical properties such as electrical conductivity, heat conduction, corrosion resistance, etc., and have been widely used in

Electricity, household appliances, automobiles, construction, electronic instrumentation, national defense, transportation, marine engineering and other industries. Copper products

The manufacturing industry can be subdivided into copper pipes, copper strips, copper foils, copper rods, copper profiles, copper wires, etc. according to the shape of the product.

Among the industries, copper pipes and copper bars belong to the fast-developing sub-industries in the copper product manufacturing industry.

The upstream of the company's copper processing industry is the copper smelting industry. After more than 70 years of development, my country's refined copper output has increased Thousands of tons in the early days of the founding of the People's Republic of China increased to 10.03 million tons in 2020, accounting for more than 40% of the world's total (data quoted from the National Bureau of Statistics, ICSG); my country's copper processing industry has generally shown a steady growth in recent years. According to Antaike's statistics, in 2020, domestic copper processing

The apparent consumption of copper materials reached 18.371 million tons, a year-on-year increase of 1.3%; the downstream application areas of copper materials are extensive, supporting industrial and economic growth.

As an important basic material for quality development, my country has become the world's largest producer and consumer of refined copper and copper materials.

2. The development trend of the industry in which the company is located

1) The impact of the epidemic is expected to accelerate the industry reshuffle

After decades of rapid development, my country's copper processing industry has made great progress and has

Potential; but also faced with unreasonable industrial structure, weak independent innovation capabilities, frequent environmental pollution incidents, and energy-saving and emission-reduction tasks

Onerous and other issues. As my country's macro-economy enters the new normal development stage of "growth shifting and structural optimization", early driving

The traditional factor dividends such as the fast-growing cheap labor in the industry have gradually faded. Downstream customers are

The demand for products is increasing, and the copper processing industry has entered a new development of "from extensive to intensive, from traditional processing to modern manufacturing".

Exhibition stage. The process of industry transformation and upgrading is bound to be accompanied by the elimination of excess capacity and low-end products. The new crown epidemic will undoubtedly increase

Speed up this process—the shrinking of global (especially overseas) demand in 2020 will further intensify the competition of domestic manufacturers, although

In the short term, the industry's prosperity will decline and the overall profitability will be under pressure, but it is also an innovation-oriented focus on high value-added products

The leading companies with R&D and scale and cost advantages have created favorable conditions for winning in this round of industry reshuffle.

2) Downstream demand is expected to maintain long-term growth

With the economic development and consumption upgrade process, copper demand is expected to maintain a long-term growth trend; some strategic emerging

The rapid growth of downstream industries will also promote the upward trend of the industry's prosperity.

In the field of home appliances, following the "Energy Efficiency Limits and Energy Efficiency Ratings of Room Air Conditioners" (GB 21455-2019), "Green High

New national standards and new policies, such as the Action Plan for Refrigeration Efficiency, are successively introduced, and my country's air-conditioning energy efficiency ratio standards will be greatly improved;

After the epidemic, the economy has bottomed out, the industry has shuffled, the urbanization rate has been steadily increased, and the demand for renewal is increasing.

With the convergence of elements, it is expected that my country's refrigeration and air-conditioning industry will enter a new round of high-quality development cycle, and the industry's prosperity will also show an upward trend.

The demand for high-quality precision copper pipes, which are the core component of the radiator, is driven by the pulling action.

In the field of construction, copper pipes have long been established due to their safety, reliability, durability, health and sterilization, and ease of installation.

It is the preferred material for water supply pipeline construction in economically developed areas (according to statistics from China Nonferrous Metal Processing Industry Association, the British

The proportion of copper pipes used as water supply pipes in buildings in China is as high as 95%, and the proportion in the United States, Canada, Australia and other countries is as high as 85%.

Europe, Southeast Asia, Hong Kong and other regions also account for more than 75%), while the domestic

The industry penetration rate of copper water pipes in construction has always been maintained at a very low level (except for some high-end commercial buildings).

In addition, there are few cases of using copper water pipes in civil buildings). On March 13, 2019, the Ministry of Housing and Urban-Rural Development released a new version of the "Green

"Evaluation Standard for Colored Buildings" (GB/T50378-2019), for the first time it is recommended to use copper pipes for indoor water supply systems in civil construction projects.

The standard has been officially implemented on August 1, 2019. It is a milestone in the promotion and application of domestic copper water pipes for construction.

The development of the industry has a positive and far-reaching impact. In addition, copper pipes are also widely used in the field of gas transportation and can be used as medical and health care facilities

Medical gas pipelines in China (during the epidemic, the oxygen pipelines of Huoshenshan and Leishenshan hospitals all used copper pipes). With the domestic

The economy continues to develop with high quality, and the impact of the epidemic is superimposed. Domestic consumers and related industries' perceptions of copper pipes for construction

And acceptance is expected to increase steadily, and the broad industry space will also give rise to new development opportunities for copper water pipes and copper gas pipes.

In addition, as one of the most mature conductor materials, copper will play an increasingly important role in the development of the new energy industry.

Play an important role in the creation, transmission, storage of electricity, electrification and intelligent transformation of travel modes and other fields.

effect. It is expected that the vigorous development of new energy, electronics, communications and other industries and the continuous advancement of new infrastructure will further drive copper processing

Steady growth of the industry.

3) Industrial upgrading is expected to receive policy assistance

2021 is the first year of the "14th Five-Year Plan", and the manufacturing industry represented by the copper processing industry is also at the starting point of a new round of development.

Above. According to the "14th Five-Year Plan and 2035 Long-Term Goals Outline", in the new era, my country will deeply implement the strategy of making a strong country.

Efforts will be made to advance the advancement of the industrial base and modernize the industrial chain, enhance the competitive advantage of the manufacturing industry, and promote the high-quality development of the manufacturing industry. 2021

On April 14, 2016, the Ministry of Industry and Information Technology issued the "Fourteenth Five-Year Plan for Intelligent Manufacturing Development" (Draft for Solicitation of Comments), taking smart manufacturing as a system

One of the main directions of the strategy of building a strong country, and through a series of supporting policies to help enterprises integrate the new generation of information technology and advanced manufacturing technology

Technology is deeply integrated into many manufacturing activities such as design, production, management, and service. In recent years, industry policies have been introduced one after another,

Encourage the copper processing industry to accelerate the adjustment, optimization and upgrading of the industrial structure, vigorously develop a circular economy, and realize the sustainable development of the industry,

Meet the growing demand for copper products from the development of the national economy. On October 20, 2020, four ministries including the Ministry of Ecology and Environment issued

"Announcement on Regulating the Import Management of Recycled Brass Raw Materials, Recycled Copper Raw Materials and Recycled Cast Aluminum Alloy Raw Materials" and It is stipulated that from November 1, 2020, the recycled copper that meets the standards will not be classified as solid waste and can be imported freely. The new regulations have ended With the previous approval system for scrap copper imports, companies can flexibly carry out recycling in a market-oriented way according to their own business needs.

Copper raw material import business; with the help of policies and the market, it is expected that the total amount of recycled copper raw material imports will increase year by year.

This will further optimize the raw material structure of relevant copper processing enterprises and enhance their cost competitiveness, and will also become a practice for enterprises in the industry.

A vivid example of the concept of "carbon neutrality and carbon peak". In this context, the main business of manufacturing is solid, the production is scaled, and the R&D capability Strong industrial entities with a sound logistics system are expected to seize the opportunities of the times and usher in leap-forward development.

2. Major changes in major assets

1. Major changes in major assets

Main assets

Description of major changes

Equity assets

Mainly due to the adoption of equity method accounting for associates.

Fixed assets

The main reason was the increase in the implementation of related copper processing construction and technological transformation projects.

Intangible assets

No major changes.

Construction in progress

The main reason was the increase in the implementation of related copper processing construction and technological transformation projects.

2. Main overseas assets

Applicable Not applicable

Asset specific content

Cause of formation

Asset size

location

Operating model

Safeguard assets

Total control

measure

Income status

Foreign assets accounted for

Company net assets

The proportion of

Is there a heavy

Significant impairment risk

Hong Kong Hailiang Copper

Trading Co., Ltd.

manage

business expansion

Total assets

4,301,174,400

Yuan

China Hong Kong

Distribution of metal materials

Materials and products

Adopt a subsidiary

Management Mode

Net profit during the reporting period

Run-18,052.08

Ten thousand yuan

8.08% No

Hailiang (Vietnam)

Copper Industry Co., Ltd.

manage

business expansion

Total assets

205,448.67

Ten thousand yuan

Vietnam

Copper or copper alloy

Product production; gold

Recycling waste

Production

Adopt a subsidiary

Management Mode

Net profit during the reporting period

Run 15,303.07

Ten thousand yuan

8.19% No

LOYAL

HAILIANG

COPPER

(THAILAND

) CO., LTD.

Equity acquisition

Total assets

18,6557.79

Ten thousand yuan

Thailand

Manufactured for empty
Gas and refrigeration
Seamless Phosphorus Deoxidation
(DHP) Copper pipe
Adopt a subsidiary
Management Mode
Net profit during the reporting period
Run 4,279.17
Ten thousand yuan
4.52% No
In other cases
bright

During the reporting period, the main reason for the net profit loss of Hong Kong Hailiang Copper Trading Co., Ltd. was the hedging loss of the company's overseas raw materials.

3. Analysis of core competitiveness

1. Excellent ability to gather elites

An outstanding team of elite talents is the core element for Hailiang to achieve sustained and rapid development. Company with an inclusive culture

Gather excellent teams, cultivate and introduce first-class excellent management and technical talents; build a career platform with development and innovation to provide management

Talents provide a career platform and a technological innovation platform for technical personnel; drive team development with perfect incentives,

The company's incentive system (short-term, mid-term, long-term) stimulates the team's enthusiasm and

Key factors of the development strategy.

2. Leading refined management capabilities

Hailiang shares "innovation as the foundation of business, refined management as the treasure of success, and precise budget as the first development".

Set up a comprehensive system of modern production management. The company achieves high performance of personnel through an efficient organizational operation model, and through refined

The production management mechanism realizes the high performance of the production line, and is regarded as a benchmark enterprise of "refined management" by the industry.

Indicators are ahead of peers.

3. A sound risk management and control system

Hailiang Co., Ltd. adheres to a prudent business philosophy and has a complete set of systematic risk control system. The company adopts a complete net library

Maintain a risk control system to protect the company's profitability; through a sound exchange rate risk control system, effectively reduce exchange rate risk;

Through the scientific accounts receivable management and control system, the loss of bad debts is minimized. The system has experienced significant fluctuations in copper prices and exchange rates many times.

It has been verified in dynamic events, effectively avoiding the risks of copper prices and exchange rate fluctuations to business operations, and maintaining the company's stability.

Performance growth and healthy development.

4. Powerful equipment and process research and development capabilities

Hailiang Co., Ltd. adheres to the concept of "both manufacturing and research and development", and has a national "enterprise technology center" and a national doctoral degree.

Post-research workstations and other qualified technical platforms; and market demand-oriented, engineering and technical personnel as the core, and global A research and development system with advanced enterprises, technologies, equipment and patents as the benchmark and scientific and technological projects as the carrier.

5. Strong upstream and downstream bargaining power

Hailiang shares rely on global production bases and economies of scale, with strong global procurement and supply chain resource allocation

And the advantages of integration. The company's control of resource channels from the global market can greatly reduce the cost of raw material procurement and increase the original

The degree of assurance of material supply; at the same time, as the company's scale and product competitiveness increase, downstream customers rely on the company.

The degree of reliance has increased, and the relative premium ability has increased.

Section 4 Discussion and Analysis of Operation

I. Overview

In 2020, the novel coronavirus pneumonia epidemic will sweep the world. In response to this public health emergency, countries are forced to adopt

Take extensive blockade measures and cause severe shocks to its economic activities

(according to IMF statistics, the global GDP that year was the same

Compared with a decrease of 3.27%, setting a record for the worst annual economic recession since the "Great Depression"), the domestic economy has experienced

The momentum of recovery was suddenly interrupted in the first quarter, and overseas economies experienced a more protracted recession.

The epidemic has suppressed terminal consumer demand in many fields and caused international and inter-regional trade, investment, and personnel exchange activities.

Seriously affected, production activities are suppressed, and the industrial chain shows a fragile side. The global copper processing industry is under pressure throughout the year.

According to

Antaike's statistics show that the total global output of copper processing materials in 2020 will be 32.27 million tons, a year-on-year decrease of more than 10%;

Thanks to appropriate epidemic control measures, the resumption of work and production has proceeded smoothly since the second quarter, and the operation of the industry has shown a low

High characteristics. According to data from the China Nonferrous Metals Processing Industry Association, my country will achieve 18.97 million tons of copper output in 2020 (its

China Copper pipes were 2.05 million tons and copper rods were 2 million tons), a year-on-year increase of 4.5%. In recent years, the global influence of China's copper processing industry

The influence is growing day by day, the equipment level in some fields has entered the international advanced ranks, and the development of new alloys and processing and forming technologies have been continuously obtained

With breakthroughs, the soft power of standards, patents, and brands has gradually increased.

During the reporting period, the company's business activities were inevitably affected by the epidemic—on the one hand, the long-term downturn in overseas demand

It directly affected the number of overseas orders and led to a decline in the proportion of this relatively high level of profitability in the past.

Negative feedback on the company's business is formed indirectly through downstream transmission; competition in the domestic market has therefore become fierce.

The processing fee of the company's products sold to some customers fluctuates. In addition, the sharp rise in ocean freight rates and the weaker exchange rate of the US dollar

Factors such as industry have also largely limited the company's performance space. In a more unfavorable situation, the company actively responded to and

Actively take the initiative to do a good job in epidemic prevention and control and production and operation, strategic positioning is becoming clearer, smart manufacturing and globalization

The layout advantage is more prominent; continuously optimize the product structure, vigorously promote the work of improving quality and efficiency, go against the current, and further strengthen

The leading position in the industry.

During the reporting period, the company achieved sales of 836,100 tons of non-ferrous metal processing materials such as copper and copper alloys, a year-on-year increase 10.38%; realized operating income of 46.520 billion yuan, a year-on-year increase of 12.75%; realized total profit of 895 million yuan, a year-on-year decrease 28.13%; net profit attributable to shareholders of listed companies was 678 million yuan, a year-on-year decrease of 36.26%.

During the reporting period, the company's key tasks are as follows:

1. Strictly control epidemic prevention and control to ensure production and operation

In the face of the sudden outbreak of new crown pneumonia, the company issued an emergency notification of the epidemic on January 22, 2020, and established a command team

And the special class for prevention and control, combined with the actual needs of production and operation, issued the "Public Health Incident Emergency Plan 2020-Novel Coronavirus Lung

"Inflammation Prevention and Control Measures" and guide all units to fully respond to the epidemic; according to changes in the epidemic situation at home and abroad, fully rely on multi-base layout

Advantages, to achieve efficient coordination of the procurement, deployment and distribution of epidemic prevention materials, and create favorable conditions for the resumption of work and production-Cheng

Dubeide took the lead in resuming work on February 4, and on February 13 the company's bases fully resumed work. During the reporting period, the company produced

The activities were carried out in a normal and orderly manner, and the business objectives set at the beginning of the year were basically achieved, and the production and sales volume of each major product reached a new high; the other party

In the most strenuous stage of domestic epidemic prevention and control, the country's various epidemic prevention items are still well protected.

Project emergency medical copper pipe demand (the annual supply exceeds 1,000 tons, which basically covers the key epidemic prevention projects in all provinces across the country), in order to implement

Action has contributed a unique force to winning the fight against the epidemic.

2. Firm global layout and promote integration and common progress

In recent years, the company has set up 19 production bases around the world through a combination of self-construction and mergers and acquisitions (all over the country).

East China, Central China, South China, Southwest China and overseas Southeast Asia, Europe, North America and other places). The increasingly perfect global layout has been realized

The company's own supply capacity is well matched with external market demand in terms of location, which is conducive to the full use and deployment of production factors and capital.

Resources, effectively enhance the ability to deal with potential challenges such as global trade protectionism, and further stabilize the company's leading position in the industry. During the reporting period, the company overcame the impact of the epidemic and disturbances in international relations and continued to promote the construction of overseas projects. Thailand's annual output of 30,000

The intelligent manufacturing project of high-efficiency, energy-saving and environmentally-friendly precision copper pipes per ton" is progressing as scheduled; Texas, the United States, "produces 60,000 tons of air-conditioning refrigeration pipes per year

The main construction of the "Intelligent Production Line Project" workshop was basically completed at the end of October, and the equipment foundation construction is proceeding in an orderly manner, and it is completed and put into operation

Later, it will further increase the market share of the company's products in overseas developed countries. On the basis of previous mergers and acquisitions, the company has steadily advanced

The European HME company's integrated transformation and efficiency improvement project has promoted the familiarity and understanding of the Chinese and European management teams through various methods.

The European side exports Chinese management experience, explores and enhances the brand influence and value creativity of European entities; grasps Vietnam and the European Union The opportunity of the free trade agreement to come into effect will realize the joint operation of the company's base in Vietnam and Europe, and give play to the advantages of synergy.

3. Promote project construction and consolidate manufacturing advantages

During the reporting period, the company made every effort to do a good job in the construction of key projects. In addition to overseas projects, the third phase of coil management in the domestic Zhejiang headquarters

The project (ie "Intelligent Manufacturing Project of Copper and Copper Alloy Precision Seamless Pipe with Annual Production of 70,000 Tons for Air-conditioning and Refrigeration") is also speeding up.

The project will be put into production in the middle of 2021; the project adopts the latest continuous casting process independently developed by the company, which can achieve production efficiency

The existing production line has been greatly improved, and the comprehensive production cost per ton has been significantly reduced. During the same period, "an annual output of 170,000 tons of copper and copper alloy rods

Construction project (Phase I project)", "High-precision environmental protection type copper and copper alloy pipe fittings intelligent manufacturing technology transformation project" and other key projects

Progressing well. Over the years, the company has implemented a series of new production expansion and stock transformation projects with a series of process technologies in the industry's leading position.

With the gradual launch of new production capacity, the company's manufacturing capacity has been enhanced, its scale advantages have become more prominent, and high value-added products (such as

High-end copper pipe fittings, high-efficiency internally threaded copper pipes, new copper alloy pipes, environmentally friendly lead-free precision copper rods, micro-channel aluminum flat pipes, etc.)

The category and proportion are expected to continue to increase.

4. Focus on R&D and innovation, and increase smart manufacturing

The company adheres to the policy of strengthening the enterprise by science and technology, and continuously enhances the research and development capabilities of new processes, new equipment and new products, and makes manufacturing intelligent

Highly integrated with management information, accelerate the upgrading of automated production lines and the construction of management

The implementation of the manufacturing strategy. Most of the key construction projects implemented by the company in recent years have adopted independent patented research and development technology, and newly built production

Line equipment technology, process design and product quality have reached the international leading level, in line with the national non-ferrous metal processing industry development strategy

Strategies and low-carbon and low-energy development requirements. In addition, through the use of intelligent equipment, logistics, warehousing, intelligent equipment such as ERP and MES

Energy and chemical control systems are integrated with each other to build intelligent factories and form intelligence based on automation equipment and industrial interconnection networks.

The new factory model realizes the leap-forward upgrade of the production process in the copper processing industry, and comprehensively improves the company's core competition in the international market

force. During the reporting period, the company was awarded the highest award in my country's industrial sector—the 6th China Industrial Awards Commendation

The only copper processing company on the list in the second selection activity; in addition, it was also awarded the "Outstanding Contribution Team in China's Copper Tube Industry", "Prepared for internationally influential Chinese copper enterprises", "China's top ten copper rod (row) materials enterprises" and other honors. During the reporting period, the company applied for a total of

154 patents, including 34 invention patents, completed the preparation of 6 national industry standards discussion drafts. As of this reporting period

At the end, the company had a total of 474 patent certificates (including 88 overseas patent certificates), including 146 invention patents and utility model

There are 314 patents and 14 design patents.

5. Deepen lean management to help reduce costs and increase efficiency

During the reporting period, the company strengthened its cost accounting work and demanded benefits from management—the main and auxiliary costs of the products produced were

Different calibers and types are calculated and collected, and are disassembled according to specific subjects in multiple processes to establish a standardized comparative evaluation

The price system and consolidated budget management provide scientific support for the continuous promotion of cost reduction and efficiency enhancement. Vigorously implement "blue collar positions

Ecosystem Engineering", based on cultivating blue-collar workers to become specialized "craftsmen", and extends the lean management tentacles to

Each front-line employee carries out differentiated design and promotion according to the actual situation of different bases to further improve management efficiency

Rate and corporate efficiency; during the reporting period, the company assessed 1,016 blue-collar employees, and continued to explore and improve in practice to build a manufacturing company

A beneficial model for the core competitiveness of the industry foundation management. In addition, the company combines its own business characteristics, scientific research and full demonstration

On the basis of this, it explores the organic integration of photovoltaic power generation and the main manufacturing business, through the

Deployed photovoltaic power stations and independently operated to optimize the energy supply structure; during the reporting period, the company was located in Zhejiang, Shanghai, Anhui,

Photovoltaic projects in Chongqing, Guangdong and other bases have been completed and connected to the grid (annual power generation can reach 50 million KWh). This move further explores

This has effectively reduced the company's resource element potential and effectively reduced the comprehensive electricity cost.

6. Integrate the logistics platform and optimize the marketing network

In recent years, the company has further extended and improved the company's

The integrated industrial chain of non-ferrous metal raw material procurement, manufacturing, and product sales optimizes the allocation of resources in the global supply chain and achieves

This increase in efficiency will enhance the company's competitiveness and voice in the upstream and downstream of the industrial chain. During the reporting period, in Singapore, Hong Kong and other domestic and overseas

The region develops bulk commodity trading business mainly based on non-ferrous metals, and integrates logistics, storage and transportation and other businesses to build a more complete

Integrate the industrial ecology and enhance the ability to resist market risks. In addition, the company is effectively integrating domestic and foreign brands, channels, R&D

On the basis of strength and customer resources, focus on improving the quality of marketing work, and build a more three-dimensional and rich sales network and data

Analyze the system to make the horizontal coverage wider and the vertical sink deeper. During the reporting period, the company's overseas sales company settled in Australia,

In Japan and other places, domestic terminal sales channels such as building materials have been further strengthened, and after-sales

Continue to implement; at the same time, flexibly adjust and optimize marketing models and strategies in accordance with market changes and customer needs to achieve the highest operating performance

Dahua.

2. Main business analysis

1. Overview

See "I. Overview" related content in "Discussion and Analysis of Business Conditions".

2. Income and cost

(1) Composition of operating income

unit: yuan

2020 year

2019 year

Year-on-year increase and decrease

Amount

Proportion of operating income

Amount

Proportion of operating income

Total operating income

46,409,661,488.50

100% 41,152,704,337.81

100%

12.77%

sector

Copper processing industry

31,939,709,449.47

68.82% 30,772,553,591.74

74.78%

3.79%

other industry

322,967,712.23

0.70%

262,567,776.57

0.64%

23.00%

Raw materials and other trade

14,146,984,326.80

30.48% 10,117,582,969.50

24.58%

39.83%

Sub-product

Copper tube

25,629,575,751.31

55.22% 25,717,706,465.75

62.49%

-0.34%

Copper rod

5,076,730,894.82

10.94%

4,063,216,496.32

9.87%

24.94%

Copper bar

1,233,402,803.34

2.66%

991,630,629.67

2.41%

24.38%

other

322,967,712.23

0.70%

262,567,776.57

0.64%

23.00%

Raw materials, etc.

14,146,984,326.80

30.48% 10,117,582,969.50

24.59%

39.83%
Sub-region
Domestic sales
29,224,463,742.25
62.97% 25,154,672,083.57
61.13%
16.18%
Overseas sales
17,185,197,746.25
37.03% 15,998,032,254.24
38.87%
7.42%

(2) Situation of industries, products or regions that account for more than 10% of the company's operating income or operating profit

Applicable Not applicable

unit: yuan

Operating income

Operating costs

Gross margin

Operating income compared to the previous year

Increase and decrease over the same period

Operating cost compared with the previous year

Increase and decrease over the same period

The gross profit margin is the same as the previous year

Period increase and decrease

sector

Copper processing industry

31,939,709,449.47 30,388,807,976.31

4.86%

3.79%

8.31%

-3.97%

Sub-product

Copper tube

25,629,575,751.31 24,335,170,064.60

+5.05%

-0.34%

4.16%

-4.11%

Copper rod

5,076,730,894.82 4,846,895,036.80

4.53%

24.94%

30.03%

-3.73%

Copper bar

1,233,402,803.34 1,206,742,874.91

2.16%

24.38%

24.90%

-0.41%

Sub-region

Domestic sales

18,844,608,497.45 18,195,025,964.20

3.45%

0.67%

3.98%

-3.06%

Overseas sales

13,095,100,952.02 12,193,782,012.11

6.88%

8.64%

15.50%

-5.54%

When the statistical caliber of the company's main business data is adjusted during the reporting period, the

Adjusted main business data

Applicable Not applicable

(3) Whether the company's physical sales income is greater than the labor income

Yes No

Category

project

unit

2020 year

2019 year

Year-on-year increase and decrease

Copper processing industry

Sales volume

Ton

831,410.26

753,202.32

10.38%

Production

Ton

818,976.53

760,840.59

7.64%

inventory

Ton

34,278.28

46,712.01

-26.62%

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Explanation of the reason why the relevant data has changed by more than 30% year-on-year

Applicable Not applicable

(4) The performance of the major sales contracts signed by the company as of the reporting period

Applicable Not applicable

(5) Composition of operating costs

Industry and product classification

unit: yuan

Category

project

2020 year

2019 year

Year-on-year increase and decrease

Amount

Proportion of operating cost

Amount

Proportion of operating cost

Copper processing industry

Raw materials

28,311,225,079.60

93.16% 26,021,064,902.38

92.86%

0.30%

Copper processing industry

Labor wages

536,149,189.36

1.76%

484,828,714.36

1.73%

0.03%

Copper processing industry

Manufacturing costs

1,541,433,707.34

5.07% 1,517,420,482.57

5.41%

-0.34%

unit: yuan

product category

project

2020 year

2019 year

Year-on-year increase and decrease Amount Proportion of operating cost Amount Proportion of operating cost

Copper tube Raw materials	22,782,584,599.73	93.62%	21,783,340,999.79	93.37%	0.25%
Copper tube Labor wages	300,683,678.92	1.24%	301,307,393.51	1.29%	-0.05%
Copper tube Manufacturing costs	1,251,901,785.94	5.14%	1,244,932,608.18	5.34%	-0.20%

Copper rod
Raw materials
4,378,431,791.21
90.33% 3,321,904,999.72
89.12%
1.21%

Copper rod
Labor wages
223,908,728.44
4.62%
173,881,352.33
4.66%

-0.04%
Copper rod
Manufacturing costs
244,554,517.15
5.05%
231,770,821.53
6.22%
-1.17%

Copper bar
Raw materials
1,150,208,688.66
95.32%
915,818,902.87
94.79%
0.53%

Copper bar
Labor wages
11,556,782.00
0.96%
9,639,968.52
1.00%
-0.04%

Copper bar
Manufacturing costs
44,977,404.25
3.73%
40,717,052.86
4.21%
-0.48%

illustrate
without.

(6) Whether there was any change in the scope of consolidation during the reporting period
 Yes No

During the reporting period, the company established five wholly-owned subsidiaries: Anhui Hailiang New Energy Technology Co., Ltd., Hailiang (Chongqing) New

(7) Major changes or adjustments to the company's business, products or services during the reporting period

Applicable Not applicable

(8) Main sales customers and main suppliers

The company's main sales customers

Total sales amount of the top five customers (yuan)

8,018,598,544.63

The total sales amount of the top five customers accounted for the proportion of the total annual sales

17.28%

Percentage of sales from related parties to total annual sales among the top five customer sales

0.00%

Profile of the company's top 5 customers

Serial number

client's name

Sales (yuan)

Percentage of total annual sales

1

First place

2,246,774,367.18

4.84%

2

Second place

1,794,378,623.11

3.87%

3

Third place

1,425,589,571.83

3.07%

4

fourth place

1,410,022,527.96

3.04%

5

the fifth place

1,141,833,454.55

2.46%

total

-

8,018,598,544.63

17.28%

Other information of major customers

Applicable Not applicable

Company's main suppliers

Total purchase amount of the top five suppliers (yuan)

15,395,812,153.90

Proportion of the total purchase amount of the top five suppliers to the total annual purchase

28.45%

Among the top five suppliers, the purchase amount of related parties accounted for the total annual purchase amount

Proportion

0.00%

Information of the company's top 5 suppliers

Serial number

Supplier name

Purchase amount (yuan)

Percentage of total annual purchases

1

First place

6,234,833,855.92

11.52%

2

Second place

2,782,930,118.27

5.14%

4.35%
4
fourth place
2,297,704,506.62

4.25%
5
the fifth place
1,727,275,472.59

3.19%
total
-

15,395,812,153.90

28.45%

Other information of major suppliers

Applicable Not applicable

3. Expenses

unit: yuan

2020 year

2019 year

Year-on-year increase and decrease

Description of major changes

sales expense

113,572,562.01

534,801,761.70

-78.76%

The main reason is that the new revenue standard was implemented during the reporting period,

Loss of product quality, transportation costs, insurance premiums, sales

Sales commission, packing and finishing, loading and unloading and custody in business expenses are divided

Do not adjust to operating income and operating costs.

Management costs

774,105,080.09

686,641,813.27

12.74%

The main reason was the inclusion of the consolidated European KME project period during the reporting period

The period was 12 months, while the period of the same period last year was only 9 months;

Financial expenses

-59,336,947.48

302,019,301.01

-119.65%

The main reason is that the appreciation of RMB during the reporting period generated exchange gains.

To.

R&D expenses

213,237,785.72

212,360,781.69

0.41%

4. R&D investment

Applicable Not applicable

Through independent research and development of intelligent production equipment with independent intellectual property rights, digital product design, and optimization of process technology

Technology, using intelligent logistics, warehousing and other control systems to integrate ERP and MES technologies to build an intelligent factory,

Form a new smart factory model based on automation equipment and industrial interconnection networks, and realize the cross-cutting of the production process in the copper processing industry

The more sexual upgrading, the overall improvement of the company's comprehensive competitiveness and leadership in the international market.

During the reporting period, the company applied for a total of 154 patents, including 34 invention patents, and completed discussions on 6 national industry standards.

Discussion draft preparation work. As of the end of the reporting period, the company has a total of 474 patent certificates (including 88 overseas patent certificates).

There are 146 invention patents, 314 utility model patents, and 14 design patents.

The company's R&D investment

2020 year

2019 year
Change ratio
Number of R&D personnel (person)
578
483
19.67%

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Proportion of R&D personnel

7.21%

5.76%

1.45%

R&D investment amount (yuan)

619,123,659.88

622,776,730.30

-0.59%

R&D investment as a percentage of operating income

1.33%

1.51%

-0.18%

Capitalized amount of R&D investment (yuan)

0.00

0.00

Capitalized R&D investment accounts for R&D investment

proportion

0.00%

0.00%

Reasons for the significant change in the proportion of total R&D investment in operating income from the previous year

Applicable Not applicable

Reasons for the substantial changes in the capitalization rate of R&D investment and its rationality

Applicable Not applicable

5. Cash flow

unit: yuan

project

2020 year

2019 year

Year-on-year increase and decrease

Subtotal of cash inflow from operating activities

53,395,999.67

46,552,920,978.94

18.02%

Subtotal of cash outflows from operating activities

54,240,340,512.76

45,422,627,247.03

19.41%

Net cash flow from operating activities

Forehead

703,055,486.91

1,130,293,731.91

-37.80%

Subtotal of cash inflows from investing activities

1,144,696,731.58

872,590,291.27

31.18%

Subtotal of cash outflows from investing activities

1,863,524,562.73

3,503,657,045.15

-46.81%

Net cash flow from investing activities

Forehead

-718,827,831.15

-2,631,066,753.88

72.68%

Subtotal of cash inflows from financing activities

15,449,391,997.51

14,245,137,035.62

8.45%

Subtotal of cash outflows from financing activities

15,669,839,981.34

11,247,008,491.69

39.32%

Net cash flow from financing activities

Forehead

-220,447,983.83

2,998,128,543.93

-107.35%

Net increase in cash and cash equivalents

-139,891,884.09

1,502,602,692.92

-109.31%

Explanation of the main influencing factors of significant year-on-year changes in relevant data

Applicable Not applicable

1. During the reporting period, the net inflow of net cash flows from operating activities was 703 million yuan, a decrease of 427 million yuan over the same period of the previous year. The main reason is that the company's production and operation scale has expanded, sales volume has increased, and the company's corresponding inventory and other current assets have increased, and accounts payable have increased.

Due to the decrease in payment;

2. The net cash flow from investment activities during the reporting period was a net outflow of 719 million yuan, a decrease of 19.12 compared with the same period of the previous year. 100 million yuan, mainly due to the return of purchase of structured deposits in 2019 and the decrease in investment expenditures for comparative projects during the same period;

3. The net cash flow from financing activities during the reporting period was a net outflow of 220 million yuan, a decrease of 107.35% from the same period last year.

The main reason was the net inflow caused by the company's issuance of RMB 3.150 billion of convertible bonds in the same period last year.

Explanation of the reason for the significant difference between the company's net cash flow generated from operating activities during the reporting period and the current year's net profit

Applicable Not applicable

3. Analysis of non-main business

Applicable Not applicable

unit: yuan

Amount

Percentage of total profit

Reasons for formation

Is it sustainable

Investment income

115,623,628.25

12.92%

Mainly for the equity method of accounting for associates

Investment income, disposal of foreign exchange derivatives

Investment losses and discounting of acceptance bills expenditure

Equity method is used for associates

Accounting for investment income, acceptance bills

The discounted expenditure is sustainable

Adopt equity method of accounting for associates

Investment income, discount of acceptance bills

Sustainable expenditure

Changes in fair value gains and losses

42,176,176.86

4.71%
 Mainly for the company generated by foreign exchange derivative financial instruments
 Income from changes in fair value
 No sustainability
 Asset impairment
 -38,429,848.75
 -4.29% Mainly due to continuous bad debt provision, loan impairment losses, etc.
 Non-operating income
 11,921,363.04
 1.33% Mainly because the income from various government subsidies and liquidated damages is not sustainable
 Operating expenses
 8,415,156.16
 0.94%
 Mainly for sponsorship and asset reporting of vocational schools
 Abolish
 No sustainability

4. Analysis of assets and liabilities

1. Major changes in asset composition

The company will implement the new revenue standard or the new lease standard for the first time from 2020 and adjust and implement the relevant items in the financial statement at the beginning of the year

Item

Be applicable

11.17% 2,247,072,526.95

9.16%

2.01%

The main reason is the company's related construction project equipment

Reached the standard of conversion due to conversion

Construction in progress

1,323,967,094.85

5.07% 1,501,536,260.51

6.12% -1.05%

The main reason is the company's related construction project equipment

Reached the standard of conversion due to conversion

short-term loan

3,228,900,408.42

12.36% 4,520,194,227.13

18.43% -6.07%

The main reason is that the company returned short-term bank loans

Caused by

Long term loan

1,907,534,734.09

7.30% 357,448,300.64

1.46%

5.84%

The main reason is that the company adjusted its debt time structure.

Increased by long-term policy borrowing

Transactional financial assets 455,558,702.52

1.74% 826,968,475.30

3.37% -1.63%

The main reason is that the company recovers its structured deposits

Due to

Prepayments

1,092,809,895.35

4.18% 741,628,515.55

3.02%

1.16%

The main reason is the expansion of the company's production and operation scale.

Due to the increase in unsettled material purchases

Other current assets

922,041,646.53

3.53% 493,373,324.66

2.01%

1.52%

The main reason is that the company's

Due to debt reverse repurchase investment

Bills payable

2,330,845,714.00

8.92% 1,785,028,734.29

7.28%

1.64%

The main reason is that the company increased bank acceptance

Due to the purchase of materials by the settlement method of the ticket

2. Assets and liabilities measured at fair value

Applicable Not applicable

unit: yuan

project

Opening number

Current fair price

Value change gains and losses

Included in equity

Accumulated fair value

Value change

Withdrawal for the current period

Impairment

Current purchase price

Forehead

Current sale gold

Forehead

Other changes

Ending number

monetary assets

1. Transactional finance 811,877,722.2 5,397,277.78

1,142,900,000 1,642,900,000
300,000,000

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Assets (excluding development

Financial assets)

2

.00

.00

.00

2. Derivative financing

Produce

15,090,753.08

146,338,624.3

2

-5,870,674.88

155,558,702

.52

Small financial assets

count

826,968,475.3

0

151,735,902.1

0

-5,870,674.88

1,142,900,000

.00

1,642,900,000

.00

455,558,702

.52

Total of the above

826,968,475.3

0

151,735,902.1

0

-5,870,674.88

1,142,900,000

.00

1,642,900,000

.00

455,558,702

.52

Financial liabilities

9,806,277.28

-109,559,725.

twenty four

4,080,645.41

103,132,831

.51

Other changes

During the reporting period, whether the measurement attributes of the company's main assets have changed significantly

Yes No

3. Restrictions on asset rights as of the end of the reporting period

project

Book value at the end of the period

Reason for restriction

Money funds

1,642,701,473.37 L/C margin, acceptance bill margin, futures margin, etc.

Receivables financing

40,000,000.00 is used to pledge to issue bank acceptance drafts

total

1,682,701,473.37

V. Analysis of investment status

1. Overall situation

Applicable Not applicable

Investment amount during the reporting period (yuan)

Investment in the same period last year (yuan)

Variation

328,629,619.75

2,520,658,834.97

-86.96%

2. Major equity investments obtained during the reporting period

Applicable Not applicable

3. Significant non-equity investment in progress during the reporting period

Applicable Not applicable

4. Financial asset investment

(1) Securities investment

Applicable Not applicable

There was no securities investment in the company during the reporting period.

(2) Investment in derivatives

Applicable Not applicable

Unit: ten thousand yuan

Derivatives

Investment practice

Party name

say

Association

Tie

Whether off

Joint transaction

Derivatives

Investment

type

Derivatives

Initial investment

Initial investment

Amount

Starting date

Expect

Expiry date

Expect

Initial investment

Amount of funds

Reporting period

In-app purchase

Amount

Reporting period

Sold within

Amount

Accrual deduction

Value ready

Amount (e.g.

Have)

End-of-term investment

Amount of funds

End-of-term investment

Amount of funds

Accounted for company

Reporting period

Net capital

Production ratio

report

Period

Interim loss

Benefit money

Forehead
Bank
without
no
Out of date
Foreign exchange
11,86
2.65
total
0 -
-
0
0
0
0
0 0.00%
11,86
2.65
Sources of funds for derivatives investment
private capital.
Litigation involved (if applicable)
without.
Disclosure date of the announcement of the board of directors for the approval of derivatives investment
Period (if any)
April 29, 2019
April 29, 2020
Disclosure Date of the Announcement of the Shareholders Meeting for the Approval of Derivative Investment
Period (if any)
May 21, 2019
May 20, 2020
Risk analysis and control of derivatives holdings during the reporting period
Control measures (including but not limited to market trends)
Risk, liquidity risk, credit risk, operation
Risk, legal risk, etc.)
1. Risk analysis of derivatives investment 1. Market risk: The company develops financial derivatives industry related to its main business
When the international and domestic economic situation changes, the corresponding exchange rate, interest rate and other market price fluctuations may affect
The company's financial derivatives transactions have adverse effects, but under the current situation of greater pressure on RMB appreciation,
The development of hedging financial derivatives business will effectively resist the risk of market fluctuations and ensure the company's reasonable and stable profitability.
Profit level; 2. Liquidity risk: Because the derivatives business carried out are all over-the-counter transactions operated by financial institutions, the deposit
The risk of having to pay fees to the bank for losses during liquidation; the nature of the financial derivatives business that the company intends to carry out is simple,
The transaction period is based on the company's future collection and payment budget, which is basically within one year.
No effect. 3. Credit risk: When the company develops derivatives trading business, there is a party that fails to perform the contract at the expiration of the contract
4. Operational risk: When the company develops derivatives trading business, if the operator fails to follow the prescribed procedures
Filing and approval, or failure to accurately, timely and completely record financial derivatives business information, may lead to derivatives
Business loss or loss of trading opportunities; 5. Legal risk: When the company conducts derivatives trading business, there are traders
Failure to fully understand the terms of the transaction contract and product information, resulting in business activities that do not comply with legal regulations or external laws

Transaction loss caused by the incident. 2. Risk management measures 1. The selection structure is simple, liquidity is strong, and risks are controllable
Carry out the hedging business of financial derivatives, and strictly control the transaction scale of financial derivatives; 2. Strictly control the financial
For the transaction scale of financial derivatives, the company can only conduct derivatives with the objective of hedging within the limit authorized by the board of directors.
Produce transactions; 3. Carefully select counterparties and financial derivatives to minimize credit risk; 4. Formulate

Standardized business operation process and authorization management system, equipped with full-time personnel, clarified job responsibilities, strictly in the authorization range
Engaged in derivatives trading business within the surrounding area; at the same time, strengthen the business training and professional ethics of relevant personnel, and improve relevant personnel
Quality, and establish a timely reporting system for abnormal situations to avoid the occurrence of operational risks to the greatest extent; 5. Strengthen
Management of bank accounts and funds, and strict approval procedures for fund allocation and use; 6. Choose an appropriate risk assessment model
And monitoring system, continue to monitor and report various risks, and increase the
Report frequency, and formulate response plans in time; 7. The company regularly hedges the financial derivatives business's standardization and internal control
Supervise and inspect the effectiveness of the mechanism and the authenticity of information disclosure.
The market price of invested derivatives during the reporting period or
The change in the fair value of the product, the derivative
The analysis of the fair value of the product should disclose the specific use
The method and related assumptions and parameter settings
Determined based on the transaction situation from January to December 2020.
Accounting policies and meetings of the company's derivatives during the reporting period
Compared with the previous reporting period, the specific principles of calculation and accounting
Description of whether major changes have occurred
without.

Independent directors' investment in the company's derivatives and risks

Special opinion on control situation

1. In order to ensure the steady development of the company's main business, the company and its holding subsidiaries develop financial services for the purpose of hedging.

Derivatives investment business mainly invests in financial derivative products closely related to main business operations. The company passes a reasonable amount of money

Financing derivatives to lock in transaction costs is conducive to avoiding the risk of exchange rate fluctuations and improving the company's competitiveness. 2. The company has

Established the "Financial Derivatives Investment Management System", which can effectively regulate derivatives investment behavior and control derivatives investment

risk. 3. The above investment matters have been reviewed and approved by the company's board of directors and approved by the shareholders' meeting.

The order is legal and valid, and it is agreed that the contract volume of the company and its holding subsidiaries shall not exceed US\$3 billion each in 2020.

Financial derivatives investment business.

5. Use of raised funds

Applicable Not applicable

(1) Overall use of raised funds

Applicable Not applicable

Unit: ten thousand yuan

Recruitment year Recruitment method

Fund raising

lump sum

This issue has been used

Fundraising

Total gold

Has accumulated

Fundraising

Total gold

During the reporting period

Change of purpose

Fundraising

Total gold

Cumulative changes

Recruitment of purposes

Collecting funds

Forehead

Cumulative changes

Recruitment of purposes

Collecting funds

Amount ratio

Unused

Fund raising

lump sum

Unused

Fund raising

Use and go

Towards

Idle for two years

Raised above
 Amount of funds
 2018 year
 Non-public development
 Stocks
 204,958.57 2,463.89 193,859.84
 10,435.84
 Unused
 Fundraising
 The gold balance is
 0

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30
 10,435.84
 Ten thousand yuan, of which
 90 million yuan
 Has been used temporarily
 Time replenishment flow
 Capital, its
 Yu Jun
 Fundraising
 Gold account
 Household. Raised above
 Fund surplus
 Amount will be used for
 Fund raising
 project.
 2019 year
 IPO
 Convertible
 Company bond
 312,841.14 30,399.07 188,695.43
 124,410.52
 Unused
 Fundraising
 The gold balance is
 124,410.52
 Ten thousand yuan, of which
 1.078 million
 Yuan has been used
 Temporary supplement
 Working capital,
 Keep the rest
 Put in the solicitation
 Funds dedicated
 Account. above
 Fund raising
 Balance will be used
 Fundraising
 Gold project.
 0
 total
 -
 517,799.71 32,862.96 382,555.27
 0
 0
 0.00% 134,846.36
 -
 0

Description of the overall use of raised funds

(1) Non-public offering of stocks in 2018

Approved by the China Securities Regulatory Commission's "Approval of the Approval of the Non-public Issuance of Shares by Zhejiang Hailiang Co., Ltd." (China Securities Regulatory Commission [2018] No. 616),

The company issued 256,860,319 RMB ordinary shares (A shares) by way of non-public issuance of shares to the public, at an issue price of RMB 8.09 per share. As of 2018

On September 19, 2009, the company has actually non-publicly issued 256,860,319 RMB ordinary shares (A shares) to the public, raising a total of 2,077,999,980.71 yuan.

After deducting 28,414,267.70 yuan of issuance expenses such as underwriting fees, sponsor fees, audit fees, attorney fees, and information disclosure, the actual net proceeds raised are RMB 2,049,585,713.01 yuan. The above-mentioned fund availability has been verified by Daxin Certified Public Accountants (special general partnership), and Daxin Verification [2018] No. 4-00034 has been issued. No. "Capital Verification Report". As of the end of the year, each fundraising project has used 1,913,959,437.93 yuan of raised funds to temporarily supplement the working capital of 90,000,000 yuan. The special account for raised funds received deposit interest of RMB 578,237.44 and unused raised funds of RMB 14,358,434.06, which was consistent with the ending balance of the account for raised funds.
(2) Public issuance of convertible corporate bonds in 2019

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Approved by the China Securities Regulatory Commission on Approval of the Public Issuance of Convertible Bonds by Zhejiang Hailiang Co., Ltd. (China Securities Regulatory Commission [2019] No.1043

Approved, the company publicly issued convertible corporate bonds with a total face value of RMB 3.150 million to the public. As of November 27, 2019, the company has actually

The development bank's convertible corporate bonds with a total face value of 3.150 million yuan, with a total raised capital of 3,150,000,000.00 yuan, deducting underwriting and sponsorship fees, audit and verification fees,

After attorney fees, credit rating fees, issuance handling fees, material production fees, and information disclosure fees of RMB 21,588,601.60 (including tax), the actual net amount of funds raised is

3,128,411,398.40 yuan. The above-mentioned fund availability has been verified by Daxin Certified Public Accountants (special general partnership), and Daxin Special Examination [2019] No. 4-00133 has been issued.

No. "Verification Report". As of the end of the year, each fundraising project has used the raised funds of 1,886,954,251.38 yuan to temporarily supplement the working capital of 1,078,000,000 yuan.

Each special account for raised funds received deposit interest of 1,650,400.10 yuan, financial management income of 824,771.78 yuan, handling fee expenditure of 31,519.76 yuan, and unused raised funds

166,105,211.96 yuan, consistent with the ending balance of the raised funds account.

(2) The situation of the pledged projects with raised funds

Applicable Not applicable

Unit: ten thousand yuan

Commitment to investment projects and super fundraising

Investment direction

Has it changed

More items

(Including part

change)

Fund raising

Committed investment

lump sum

Adjusted cast

Total capital

(1)

This reporting period

Investment amount

As of the end of the period

Cumulative investment

Amount (2)

As of the end of the period

Investment progress

(3)=

(2)/(1)

Project reached

Scheduled to make

Use status day

Expect

This reporting period

Effect achieved

beneficial

Whether to reach

Expected benefit

Project feasible

Sex

Major changes

change

Commitment to investment projects

Acquired the three target companies of Luvata

The company's 100% equity project

no

88,800 88,800
88,800 100.00%
Not applicable
Guangdong Hailiang has an annual output of 75,000 tons
High-efficiency, energy-saving and environmentally friendly precision copper
Management information production line project
no
30,000 30,000 1,712.41 29,190.19 97.30%
Yes
no
Anhui Hailiang has an annual output of 90,000 tons
High-efficiency, energy-saving and environmentally friendly precision copper
Management information production line project
no
37,000 37,000 320.48 30,918.62 83.56%
Yes
no
High-precision environmentally friendly copper and copper
Intelligent manufacturing of alloy pipe fittings
Technological Transformation Project
no
5,400
5,400 394.66 1,875.59 34.73%
Yes
no
Annual output of 10,000 tons of new high
High-efficiency parallel flow heat exchanger with precision
Dense microchannel aluminum alloy flat tube
construction project
no
6,000
6,000
36.34 5,305.33 88.42%
677 Yes
no
Copper and copper alloy pipe intelligence
Manufacturing project
no
4,600
4,600
4,611.54 100.25%
Not applicable
Supplementary liquidity project
no
33,158.57 33,158.57
33,158.57 100.00%
Not applicable
Annual output of 170,000 tons of copper and copper alloy
Gold Bar Construction Project (Phase I
project)
no
57,200 57,200
3,394 40,330.5 70.51%
Not applicable
Annual output of 70,000 tons of air-conditioning and refrigeration
32,800 32,800 2,948.56 10,116.37 30.84%
Not applicable

Non-ferrous materials deep (fine)
 Processing project (Phase I)
 no
 21,000 21,000 242.29 21,000.18 100.00%
 Not applicable
 Annual output of 60,000 tons of air-conditioning and refrigeration
 Intelligent production line project
 no
 115,000 115,000 11,167.9 43,809.65 38.10%
 Not applicable
 High efficiency and energy saving with an annual output of 30,000 tons
 Environmental protection precision copper tube intelligent system
 Project
 no
 21,013 21,013 11,869.16 11,869.16 56.48%
 Not applicable
 Replenishment loan repayment project
 no
 42,328.14 42,328.14
 0 42,327.98 100.00%
 Not applicable
 Subtotal of committed investment projects
 -
 517,799.7
 1
 517,799.7
 1
 32,862.96
 382,555.2
 7
 -
 -
 677
 -
 -
 Over-raised funds to invest
 not applicable
 total
 -
 517,799.7
 1
 517,799.7
 1
 32,862.96
 382,555.2
 7
 -
 -
 677
 -
 -
 Did not reach the planned schedule or
 Circumstances and reasons for calculating income
 (Divided into specific projects)
 not applicable
 The feasibility of the project is significant
 Description of changes
 not applicable
 The amount and purpose of over-raised funds
 And use progress
 not applicable
 Fund-raising investment projects
 Change of construction site
 not applicable
 Fund-raising investment projects
 Implementation method adjustment
 not applicable
 Raised funds for investment projects first
 Periodic investment and replacement situation
 Be applicable
 (1) Non-public offering of stocks in 2018

As of August 31, 2018, the company's initial investment in fundraising projects was RMB 1,302,281,500. Daxin Accountant Office (Special General Partnership) on the company's
The "Special Description of Self-raised Funds" was reviewed, and the audit report of Daxin Zhuanzhang [2018] No. 4-00093 was issued. Company at
The 22nd meeting of the sixth board of directors was held on September 27, 2018, and the

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Proposal for the "Proposal of Entering Private Funds of Raised Investment Projects", the company uses raised funds to replace its own funds invested in advance investment projects with raised funds

130,228.15 million yuan. As of the end of 2018, the replacement has been completed.

(2) Public issuance of convertible corporate bonds in 2019

As of October 31, 2019, the company's initial investment in fundraising projects was RMB 1,026,270,800. Daxin Accountant Office (Special General Partnership) on the company's

The "Special Description of Self-raised Funds" was reviewed, and Daxin Zhanzi [2019] No. 4-00134 audit report was issued. Company at

The fourth meeting of the seventh board of directors was held on November 28, 2019.

Proposal to invest in the project's own funds", the company uses raised funds to replace its own funds invested in projects with raised funds in advance 102,627.08

Ten thousand yuan. As of December 31, 2020, the company's actual replacement amount was RMB 1,026,270,800.

Use idle raised funds temporarily

Supplementary liquidity situation

Be applicable

(1) Non-public offering of stocks in 2018

The 22nd meeting of the sixth board of directors of the company held on September 27, 2018 reviewed and approved the Proposal on Temporary Supplement of Working Capital with Idle Raised Funds", it is agreed that the company will use no more than 200 million yuan of idle raised funds to temporarily supplement

The use period of working capital shall not exceed 12 months from the date of approval by the board of directors. In 2018, the company will raise RMB 160 million

Raised funds are used to supplement working capital. According to the progress of the company's fundraising projects and funding requirements, the company will use it in advance on June 3, 2019

The 160 million yuan of funds raised for the temporary supplement of working capital shall be returned to the company's special account for raised funds, and the use period shall not exceed 12

Months.

The thirty-sixth meeting of the sixth board of directors of the company held on June 4, 2019 reviewed and approved the "Proposal on Temporary Use of Funds to Supplement Working Capital", agreeing that the company uses no more than 150 million yuan of idle raised funds to temporarily supplement working capital

gold. The use period shall not exceed 12 months from the date of approval by the board of directors. In 2019, the company will raise funds of 149 million yuan

Used to supplement working capital. According to the company's fundraising project progress and funding requirements, the company will use it for temporary use on November 28, 2019 in advance.

The 149 million yuan of funds raised for the supplementary working capital shall be returned to the company's special account for raised funds, and the use period shall not exceed 12

months.

At the fourth meeting of the seventh board of directors held on November 28, 2019, the company reviewed and passed the

"Regarding the use of some idle

The Proposal on Temporary Supplement of Working Capital with Raised Funds", it is agreed that the company shall use no more than 140 million yuan of idle raised funds to temporarily supplement the liquidity

funds. The use period shall not exceed 12 months from the date of approval by the board of directors. As of the end of 2019, the company still has 106 million yuan

The raised funds are used to supplement working capital. According to the company's fundraising project progress and funding requirements, the company will advance

The 106 million yuan of raised funds used to temporarily supplement working capital will be returned to the company's special account for raised funds, and the use period has not exceeded

After 12 months.

The ninth meeting of the seventh board of directors of the company held on September 11, 2020 reviewed and approved the

"Regarding the use of some idle

The Proposal on Temporary Supplement of Working Capital with Raised Funds", agreeing that the company uses no more than RMB 120 million of idle raised funds to temporarily supplement the liquidity

funds. The use period shall not exceed 12 months from the date of approval by the board of directors. As of December 31, 2020, the company still has 9,000

The proceeds from the non-public offering of shares of RMB 10,000 were used to supplement working capital.

(2) Public issuance of convertible corporate bonds in 2019

At the fourth meeting of the seventh board of directors held on November 28, 2019, the company reviewed and passed the

"Regarding the use of some idle

The Proposal on Temporary Supplement of Working Capital with Raised Funds", agreed that the company should use no more than 120 million yuan (including the amount) of idle raised funds for the time being

Replenish working capital at the same time. The use period shall not exceed 12 months from the date of approval by the board of directors. As of December 31, 2019, the company used the proceeds of RMB 1.170 million to supplement working capital. According to the company's fundraising project progress and funding needs, the company will On September 10, 2010, all the proceeds of 1.170 million yuan used to temporarily supplement working capital were returned to the company's exclusive use of raised funds. Account, the use period does not exceed 12 months. The ninth meeting of the seventh board of directors of the company held on September 11, 2020 reviewed and approved the Proposal on Temporary Supplement of Working Capital with Raised Funds", it is agreed that the company shall use no more than RMB 120 million of idle raised funds to temporarily supplement working capital

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gold. The use period shall not exceed 12 months from the date of approval by the board of directors. As of December 31, 2020, the company still has 107,800

The raised funds of 10,000 yuan convertible bonds are used to supplement working capital.

Fund-raising for project implementation

The amount and reason of the gold balance

Be applicable

On April 28, 2020, the sixth meeting of the seventh board of directors of Zhejiang Hailiang Co., Ltd., the sixth meeting of the seventh board of supervisors and

On May 19, 2020, the company's 2019 annual general meeting of shareholders reviewed and approved the

The Proposal of Permanently Supplementing Liquidity with Raised Funds, agreed to the company's non-public issuance of shares in the

Company's 100% equity project ""Precise micro-channel aluminum alloy flat tube construction project with an annual output of 10,000 tons of new high-efficiency parallel flow heat exchangers", "Copper

The "Intelligent Manufacturing Project of Copper Alloy Pipes" and the "Supplementary Liquidity Project" will be closed, and the surplus funds raised from the four projects will be permanently supplemented.

Replenish working capital for the company's daily operations and business development. As of June 2, 2020, the company has "acquired three

100% Equity Project of Target Company", "Construction Project of Precision Micro-channel Aluminum Alloy Flat Tube with Annual Production of 10,000 Tons of New High-efficiency Parallel Flow Heat Exchanger

The balance of the special account of "Project", "Intelligent Manufacturing Project of Copper and Copper Alloy Pipes" and "Supplementary Liquidity Project" shall be transferred to the company's own capital account,

And the account cancellation procedures have been completed. Among them, "Construction of precision micro-channel aluminum alloy flat tubes with an annual output of 10,000 tons of new high-efficiency parallel flow heat exchangers

"Project" supplemented permanent working capital of 71,116,500 yuan; "Copper and copper alloy pipe intelligent manufacturing project" supplemented permanent working capital of 46,500 yuan

Yuan; "Supplementary Liquidity Project" supplementary permanent liquidity project of RMB 5,600; "Acquisition of 100% equity of three Norva Target companies

"Project" supplement permanent working capital of 38,400 yuan.

Unused funds raised

Purpose and destination

(1) Non-public offering of stocks in 2018

The unused balance of raised funds is 104,358,400 yuan, of which 90 million yuan has been used to temporarily supplement working capital, and the rest are deposited

In the special account for raised funds. The balance of the above raised funds will be used for fund-raising projects.

(2) Public issuance of convertible corporate bonds in 2019

The unused balance of raised funds is RMB 1,244,105,200, of which RMB 1,078 million has been used to temporarily supplement working capital, and the rest are

Deposited in a special account for raised funds. The balance of the above raised funds will be used for fund-raising projects.

Use and disclosure of raised funds

Problems or other

Condition

not applicable

(3) Changes in raised funds

Applicable Not applicable

During the reporting period, the company did not have any changes to raised funds.

6. Major assets and equity sales

1. Sales of major assets

Applicable Not applicable

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

2. The sale of major equity

Applicable Not applicable

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7. Analysis of major holding companies

√ Applicable □ Not applicable

Major subsidiaries and shareholding companies that have an impact on the company's net profit by more than 10%

unit: yuan

Company Name

Type of company

Main business

Registered capital

Total assets

Net assets

Operating income

operating profit

Net profit

Hailiang (Vietnam)

Copper Industry Co., Ltd.

manage

Subsidiary

Copper casting plus

Work and copper or copper

Alloy product production

Production, metal scrap

Recycling production

USD40 million

Yuan

2,054,486,70

1.55

836,091,244.

11

3,371,583,43

8.58

164,213,058.

64

153,030,664.

29

Zhejiang Keyujin

Limited materials

company

Subsidiary

Non-ferrous metal materials

Production of raw materials

Production management

RMB32,000

Ten thousand yuan

820,670,909.

33

687,583,271.

84

2,348,097,43

4.63

103,125,057.

66

87,441,353.4

1

Hong Kong Hailiang Copper

Trading Co., Ltd.

manage

Subsidiary

Metal materials and

The advancement of its products

Export business

USD10,491.

877,509 million yuan

4,301,174,43

4.68

825,584,272.
 94
 17,524,139,6
 00.35
 -181,797,557
 .41
 -180,520,828
 .72
 Guangdong Hailiang Copper
 Industry Co., Ltd.
 Subsidiary
 Production and sales:
 Copper and copper alloys
 Pipes, fittings,
 Copper rods, copper bars
 And other colored
 made from metal;
 Renewable resources
 Receiving and processing
 RMB50,000
 Ten thousand yuan
 2,644,094,16
 4.30
 863,642,272.
 42
 3,803,670,57
 2.04
 146,495,903.
 79
 129,850,672.
 71
 Zhejiang Hailiang Ring
 Limited environmental materials
 company
 Subsidiary
 Engaged in various types of rings
 Research of environmental materials
 Hair, manufacturing,
 Sales
 RMB88,000
 Ten thousand yuan
 1,572,236,62
 5.95
 1,512,712,14
 3.06
 181,038,086.
 80
 123,721,247.
 97
 113,369,692.
 01
 Hailiang Group Finance
 Limited liability
 company
 Participating company
 Financial Services
 RMB150,000
 Ten thousand yuan
 12,542,953,7
 60.54
 2,533,057,35
 9.98
 354,818,960.
 52
 291,174,697.
 94
 221,175,941.
 40
 Acquisition and disposal of subsidiaries during the reporting period
 Applicable Not applicable
 Company Name

Methods of acquiring and disposing of subsidiaries during the reporting period
Impact on overall production operations and performance
Anhui Hailiang New Energy Technology Co., Ltd.
Investment establishment formation
During the reporting period, the company's overall production and operation and performance were not
huge influence
Hailiang (Chongqing) New Energy Technology Co., Ltd.
Investment establishment formation
During the reporting period, the company's overall production and operation and performance were not

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huge influence
Guangdong Keyu Metal Material Co., Ltd.
Investment establishment formation
During the reporting period, the company's overall production and operation and performance were not
huge influence
Guangdong Hailiang Sales Co., Ltd.
Investment establishment formation
During the reporting period, the company's overall production and operation and performance were not
huge influence
Hailiang (Zhongshan) New Energy Technology Co., Ltd.
Investment establishment formation
During the reporting period, the company's overall production and operation and performance were not
huge influence
Moral Top Enterprise Limited
Logout
During the reporting period, the company's overall production and operation and performance were not
huge influence

Description of the main holding and shareholding companies

During the reporting period, the main reason for the net profit loss of Hong Kong Hailiang
Copper Trading Co., Ltd.
Caused by hedging losses.

8. The situation of the structured entities controlled by the company

Applicable Not applicable

9. Prospects for the company's future development

(1) Business plan for 2021

In 2021, the company will continue to be guided by the 2025 development strategy, while
doing a good job in the normalization of the epidemic prevention and control work,
Combining the status quo of the industry and the market, we will seize development
opportunities, respond to various challenges, and ensure the realization of the company's
annual goals.

1. Increase investment in scientific research and empower leapfrog development

The company will further increase investment in scientific and technological innovation
under the guidance of the goal of "intelligent manufacturing of non-ferrous materials to
achieve leapfrog development".

Based on the existing R&D system, focus on alloying research, preparation technology
research, equipment technology research and other fields, fully

Mobilize and bring into play the enthusiasm and creativity of R&D personnel, and promote
innovative R&D projects such as equipment manufacturing, process technology and high-end
new products

Project landing. The company will improve the strategic top-level design, firmly grasp key
process nodes, empower industry development with digitalization, and use intelligent systems
Develop competitive advantages in the forging industry; further improve the level of
automation, informatization and generalization in the production and management process,
and drive

Deep-level changes in the company's development and management, driving the company's leapfrog development with innovation and moving towards becoming a leader in the copper-based new material industry

The goal of the person struggling forward.

2. Conform to industry trends and capture external opportunities

At present, the domestic copper processing and metal products industry has moved from the early stage of rapid development to the stage of high-quality development.

The upgrading process not only brings challenges to the original industry structure, but also contains new strategic opportunities-the industry does not have scale,

Companies with advantages in capital, technology, cost, etc. will further lose their competitiveness and development space, and outdated production capacity will also accelerate the clearing and

Withdraw from the market; correspondingly, leading companies continue to increase market share by virtue of their comprehensive advantages, and their strong risk resistance

Ability can also enable companies to maintain stable business operations in unfavorable

market environments, and have more opportunities to participate in industry integration and

The structure is being reshaped to further strengthen the leading position and industry

competitiveness, and the positive margins of the main body of the enterprise and the industry

Changes have also brought opportunities for a second take-off. The company will follow the

general trend and gain from participating in previous rounds of industry reshuffle.

The industry's leading advantage, while cultivating and stimulating endogenous growth

momentum, actively seeks

To further expand the industry's territory by means of purchases and other means to complement business shortcomings while forming synergies with existing sectors, driving the

company

Sustained, rapid, and high-quality development, and in this way, contributes to the benign transformation of the industry.

3. Pay close attention to project implementation and optimize product structure

In recent years, the company has successively launched a number of copper processing and production intelligent projects, and successively implemented a number of copper pipes and copper rods.

Construction and renovation project of production line. The company will gather various resources and form an excellent project team to ensure

The various key construction projects within the project are progressing as scheduled. Among

them, overseas (U.S., Thailand) projects are still

The storage of variables and the difficulty of implementation are higher than those in China, which have become the key points. The company will fully consider the various possibilities of investment and construction, and prepare

Complete pre-plans, respond to demands in a timely manner, actively organize and arrange basic construction, equipment installation, and put into production, etc., to ensure

The project landed smoothly as planned. The company will continue to resolutely implement the smart manufacturing strategy, taking the smart projects currently being implemented as Benchmarking, promote new technologies and new processes within the company; on the other hand, strive to achieve mass production of research and development

It will greatly expand the downstream demand areas of military industry, electronics, construction, new energy, etc., further optimize the company's product structure, and increase high additional

Percentage of value products.

4. Build a strategic platform to strengthen operational control

Focusing on the strategic goal of "optimizing supply chain resources and channel allocation efficiency, and enhancing the competitiveness of the industry chain and the right to speak", the company

On the basis of the established non-ferrous metal manufacturing platform, we will focus on promoting and improving the construction of a large logistics platform. On the one hand The raw material trading business and the copper processing business are vertically integrated to link the industry chain, so that the two complement each other under the company's overall management

In 2021, the company will seize the new opportunities for the implementation of the new policy on the import of renewable raw materials, and expand the renewable raw materials according to production needs.

Import and use of raw materials, strive to achieve a significant increase on the basis of this reporting period, and further enhance the company's cost competitiveness;

On the other hand, it will further unite the current resources, channels and business strength of procurement, manufacturing, processing, and sales to integrate upstream and downstream Supply, production, and sales industry chain, and create companies with optimized management and control models, innovative business models, highly integrated industries, and excellent profitability

The comprehensive service platform for the non-ferrous metal industry realizes a high degree of unification and integration of business flow, logistics, information flow, and capital flow, and forms a more complete

The whole industrial ecology. At the same time, further establish and improve various management systems, strengthen the management and control of platform construction and operation,

Effectively prevent financial, procurement and sales risks, improve overall anti-risk capabilities and comprehensive operating efficiency, and consolidate the company's presence in the industry

Leading edge.

(2) Possible risk factors

1. Copper price fluctuation risk

As a copper processing enterprise, the company's main raw material is electrolytic copper, and the main product pricing model is "raw material price + processing Fee", the main profit model is to obtain gross profit through relatively stable processing fees. From the perspective of the pricing mechanism and profit model, the company can In order to pass the risk of high or fluctuating electrolytic copper prices to downstream customers, but in the short term, large fluctuations in copper prices will bring depreciation of current assets

Value of risk.

The company insists on determining production based on sales, continuously improving the level of management, shortening the turnover period of production and operation, and accelerating the accounts receivable

To improve the efficiency of asset utilization. At the same time, the company practices prudent business philosophy and stays away from copper speculation. company Strictly implement the "Raw Material Purchasing and Net Inventory Risk Control Management System", and rationally use hedging tools to reduce the impact of copper price fluctuations

The company's influence ensures that the company's inventory risk is effectively controlled.

2. Exchange rate risk

With the further deepening of the company's internationalization process, exchange rate fluctuations will have a certain impact on the company's profitability. on the one hand, The exchange rate will affect the price of the company's export products, thereby affecting the competitiveness of the company's products. On the other hand, the company's foreign currency (USD)

The valued liabilities and assets cannot be completely matched in amount and time. Exchange rate fluctuations will cause exchange gains and losses to the company, which will directly affect the company.

Affect company profits. In recent years, the exchange rate of RMB has fluctuated greatly. The company will pay close attention to the dynamics of the international financial market and the foreign exchange market.

Through establishing risk aversion awareness, improving risk identification and response mechanisms, establishing risk decision-making and operating procedures, and through external

Financial instruments such as foreign exchange forwards, spot and arbitrage, solve currency mismatches and lock-in exchange rate interest rate risks, and effectively control exchange rate fluctuations risk.

3. Market risk

The copper processing industry is a basic industry and is closely related to the development of the national economy. In recent years, the global market has remained sluggish Weak, the domestic economic growth rate has slowed down, which has intensified market competition in the copper processing industry, and impaired the company's global resource integration and development management

Ability puts forward higher requirements. The company always adheres to the concept of "providing customers with surpassing value", and implements customer and service Oriented marketing strategy, with high-quality products, good after-sales service quality, to provide customers with excess value, and

Internal and downstream customers maintain a long-term stable supply and marketing relationship to ensure the company's stable and orderly development of production and operation activities. Although as

Therefore, if the overall market is down for a long time, it may still have an adverse impact on the company's healthy development.

4. Bad debt risk of accounts receivable

With the slowdown of domestic economic growth, the external operating risks of enterprises continue to increase, capital crises occur frequently, and large-scale enterprises The business has closed down, and the business environment has deteriorated day by day. The company and its holding subsidiaries attach great importance to the risks of accounts receivable and continue to strengthen

Awareness of management and control, effective measures have been taken to control the risks of accounts receivable, and the "Company Credit Management System" and "Company Credit Rating

Assessment Management Measures”, “Company Product Sales and Payment Recovery Management System”, “Company Accounts Receivable Collection Management Measures”, “Major

Receivables Risk Quick Response Mechanism" and other systems, further improve the sales customer’s credit evaluation system, standardize business activities, and Accounts receivable implements dynamic tracking management throughout the whole process, and collects the overdue client units of accounts receivable to carry out effective external risk

Risk management and control to reduce business risks.

5. Human resources risks

In recent years, there has been a "labor shortage" phenomenon in many areas in China. Due to labor shortages, labor costs have continued to rise.

Especially in developed manufacturing areas (such as Guangdong, Zhejiang, Jiangsu and other provinces). Although the company optimizes the product structure

Measures, such as increasing the degree of equipment automation, and optimizing technological processes, have partially offset labor shortages and rising labor costs.

Adversely affect the company, but if labor shortages and labor price increases continue to exist, it will further affect the company.

The step-by-step expansion of the scale of operations poses greater constraints.

6. M&A integration risks

In 2019, the company has completed the delivery and integration of the copper alloy rod and copper tube business of the KME Group. Can the company and the target

Whether the enterprise integrates in corporate culture, management model, technology research and development, sales channels and customer resources, can it pass the integration In order to realize the company’s effective control over the target company, while ensuring that the target company continues to play its original advantages, all are inaccurate.

Qualitative. If this integration fails to achieve the expected results, it may have an adverse impact on the company's operations and the interests of shareholders.

7. Repeated risks of the new crown epidemic

Although the global epidemic situation has been under control since 2021, it still breaks out repeatedly in some areas abroad from time to time, resulting in

Potential impact on the company's overseas business. In order to effectively prevent various risks and impacts that may be caused by future epidemics, the company

Strictly implement the anti-epidemic deployment in the business development process, while strengthening management and control, and strengthening risk resistance in the financial, procurement and sales links

Ability: Strictly control the pace of investment, do a good job of fund and capital reserves, and prevent the adverse effects of market changes on the company's development.

On the other hand, give full play to the company’s existing advantages, flexibly respond to various emergencies, and actively grasp the favorable factors in each risk.

White. By insisting on intelligent manufacturing, strengthen the company’s comprehensive capabilities in production and manufacturing, and reduce various risks and failures in the production process.

Certainty, enhance the company’s advantage and position on the manufacturing side of the industry; by adhering to a global layout, strengthen the company’s global

Supply capacity, prevent global industrial chain changes and single market fluctuations, and enhance the company's advantage and position on the supply side of the industry.

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10. Reception of research, communication, interviews and other activities

1. Registration form for reception of research, communication, interviews and other activities during the reporting period

Applicable Not applicable

Reception time Reception location Reception method

Reception object

type

Reception object

The main content of the discussion and mention

Provided information

The basics of research

Situation Index

2020 06

On the 11th

Company meeting

room

Field research agency

Haitong Securities: Zheng Jingyi

Company business model, production

Product structure and production location, external

Investment, company development strategy

Juchao Information Network

www.cninfo.

com.cn

2020 06

December 12

Company meeting

room

Field research agency

CICC: Jaobo

Company business model, production

Product structure and production location, external

Investment, company development strategy

2020 November

Month 02

Company meeting

room

Field research agency

Great Wall Securities: Wu Xuan; Great Wall Securities: Sun Zhixuan; Yi

Fangda Fund: Hu Wenbo

Company business model, production

Product structure and production location, external

Investment, company development strategy

2020 November

Month 13

Company meeting

room

Telephone communication agency

Guotai Junan Securities Co., Ltd.: Wu Huayu, Zhu

Min; Zheshang Securities: Chen Baxin; Sanya Guoruichang Rongtou

Capital Fund Management Co., Ltd.: Ye Shuang; Xu Zhijia; West

Cangyuancheng Investment Management Co., Ltd.: Liu Jianzhong; Yang Wen

Red; CCB Fund: Zhu Yun; China International Finance Securities Co., Ltd.

Company: Li Wenjie; CITIC Securities Co., Ltd.:

Guo Yu; China CICC Fortune Securities Co., Ltd.: Wang Chen;

ICBC Credit Suisse Fund: Hu Zhiyuan; Jiangsu Ruihua Investment Holdings

Shares Group Co., Ltd.: Huang Litu; Jiangsu Ruihua Investment

Holding Group Co., Ltd.: Xiao Qun; Shenzhen Fengling Capital

Management Co., Ltd.: Luo Pengwei; Shenzhen Qianhai Jingshitou

Capital Management Co., Ltd.: Zhang Qiang

Company business model, production

Product structure and production location, 2020

The situation and exchange rate of the third quarter report

Fluctuations and raw material price fluctuations

The impact of the move on the company, the company development strategy
2020 November
Month 18
Company meeting room
Telephone communication agency
Tianhong Fund: Du Guang; Cinda Securities: Lou Yonggang, Huang Li Heng, Dong Mingbin
Company business model, production
Product structure and production location, 2020
The situation and exchange rate of the third quarter report
Fluctuations and raw material price fluctuations
The impact of the move on the company, the company development strategy
2020 November
Month 18
Company meeting room
Telephone communication agency
Founder Securities: Sun Yuxiang, Wu Jiang; China Life Pension Insurance Co., Ltd.: Zhu Pei; Western Profit Fund Management Co., Ltd.: Xu Juan; Ruijun Xingju: Ding Chenxia; Kaiyan Capital: Wang Qi; Everyone Assets: Zhang Luhan; Big Cheng Fund: Mao Wenjie; Peking University Founder Life: Xu Biao; CICC Asset Management: Wang Chen; Nanjing Securities: Zhang Qi; Nanhua Fund: Xu Lei
Company business model, production
Product structure and production location, 2020
The situation and exchange rate of the third quarter report
Fluctuations and raw material price fluctuations
The impact of the move on the company, the company development strategy

Section 5 Important Matters

1. The company's common stock profit distribution and capitalization of capital reserves
During the reporting period, the common stock profit distribution policy, especially the formulation, implementation or adjustment of the cash dividend policy

Applicable Not applicable

On May 19, 2020, the company's 2019 Annual General Meeting of Shareholders reviewed and approved the "2019 Profit Distribution Plan" to

The total share capital of 1,952,107,432 shares as of December 31, 2019, after deducting the number of shares after the company repurchased 36,661,544 shares, is

1,915,445,888 shares are the base, and RMB 0.75 (tax included) will be distributed to all shareholders for every 10 shares, and cash will be distributed

143,658,441.60 yuan. On June 12, 2020, the company implemented the 2019 profit distribution plan.

Special description of cash dividend policy

Whether it meets the requirements of the company's articles of association or the requirements of the resolutions of the general meeting of shareholders:

Yes

Whether the dividend standard and ratio are clear and clear:

Yes

Whether the relevant decision-making procedures and mechanisms are complete:

Yes

Whether independent directors have performed their duties due diligence and played their due role:

Yes

Whether small and medium shareholders have sufficient opportunities to express their opinions and appeals, their legitimate rights and interests are

Is it adequately protected:

Yes

If the cash dividend policy is adjusted or changed, the conditions and Whether the procedure is compliant and transparent:
not applicable.

The company's common stock dividend distribution plan (preplan) for the past 3 years (including this reporting period), and the capital reserve conversion plan (Plan) situation

On June 12, 2019, the company implemented the 2018 profit distribution plan. Specifically: based on the company's existing total share capital

1,952,107,432 shares, after deducting the 36,661,544 shares repurchased by the company, that is 1,915,445,888 shares as the base,

Distributed 0.713397 yuan in cash (including tax) for every 10 shares to all shareholders, and distributed a total of 136,647,202.77 yuan in cash dividends.

The capital reserve shall not be converted into share capital.

On June 12, 2020, the company implemented the 2019 profit distribution plan. Based on the company's existing total share capital 1,952,108,260

Shares, after deducting the 36,661,544 shares repurchased by the company, that is, 1,915,446,716 shares as the base number, all shareholders are

A total of RMB 143,658,441.60 in cash dividends of RMB 143,658,441.60 will be distributed for 10 shares of RMB 0.749999. The capital reserve will not be converted into share capital.

On April 28, 2021, the thirteenth meeting of the seventh board of directors of the company reviewed and approved the "2020 Profit Distribution Plan".

Based on the total share capital of 1,952,112,385 shares as of December 31, 2020, the number of shares after deducting the 36,661,544 shares repurchased by the company, namely 1,915,450,841 shares are the base, and RMB 0.75 (tax included) will be distributed to all shareholders for every 10 shares, and cash is expected to be distributed

143,658,813.08 yuan. This profit distribution will not be converted into shares from the capital public reserve, and no bonus shares will be given. If the company's total share capital reaches

During the implementation of the plan, if the total equity changes due to the conversion of convertible bonds to equity, etc., the equity base will be implemented according to the future distribution plan

The total share capital on the equity registration date deducts the number of shares repurchased by the company, and the company divides it according to the principle of the same amount of dividends per share

The total allocation is adjusted.

The company's cash dividends of common shares in the past three years (including this reporting period)

unit: yuan

Dividend year

Cash dividend amount

(Tax included)

Consolidated Annual Dividend Report

Attributable to the listing in the table

Company's common shareholders

Net profit

Cash dividend

Consolidated report

Attributable to

Listed company

Stockholders

Ratio of net profit
Rate
In other ways
(E.g. share repurchase
Copies) cash dividends
Amount of
Present in other ways
The amount of gold dividends accounted for
In the consolidated statement
Belonging to a listed company
Common shareholders
Percentage of net profit
Total cash dividend
(Including other parties
Mode)
Total cash dividend
(Including other parties
Formula) accounted for the consolidated report
Attributable to the above
City company common stock
Shareholder's net profit
The ratio
2020 year
143,658,813.08 677,774,124.60
21.20%
143,658,813.08
21.20%
2019 year
143,658,441.60 1,063,402,787.98
13.51% 214,487,678.21
20.17% 358,146,119.81
33.68%
2018 year
136,647,202.77 908,442,464.75
15.04% 79,723,434.17
8.78% 216,370,636.94
23.82%

The company was profitable during the reporting period and the parent company's profit available for distribution to ordinary shareholders was positive, but no cash dividend distribution of ordinary shares was proposed

Plan

Applicable Not applicable

2. Profit distribution and capitalization of capital reserve during the reporting period

Applicable Not applicable

Number of bonus shares for every 10 shares (shares)

0

Dividend per 10 shares (yuan) (tax included)

0.75

The share capital base of the distribution plan (shares)

1,915,450,841

Cash dividend amount (yuan) (tax included)

143,658,813.08

Cash dividend amount in other ways (such as share repurchase) (yuan)

0.00

Total cash dividends (including other methods) (yuan)

143,658,813.08

Distributable profit (yuan)

5,028,820,094.81

Total cash dividends (including other methods) accounted for the total profit distribution

Proportion

100

If the company's development stage is not easy to distinguish but there is a major capital expenditure arrangement, when the profit is distributed, the proportion of cash dividends in this profit distribution should be at least 20%

Detailed explanation of the profit distribution or capital reserve transfer plan

On April 28, 2021, the thirteenth meeting of the seventh board of directors of the company reviewed and approved the "2020 Profit Distribution Plan".

Based on the total share capital of 1,952,112,385 shares on December 31, 2020, the number of shares after deducting 36,661,544 shares repurchased by the company,

That is to say 1,915,450,841 shares as the base number, and RMB 0.75 (tax included) will be distributed to all shareholders for every 10 shares, and cash is expected to be distributed 143,658,813.08 yuan. This profit distribution will not be converted into shares from the capital public reserve, and no bonus shares will be given. If the company's total share capital reaches

During the implementation of the plan, if the total equity changes due to the conversion of convertible bonds to equity, etc., the equity base will be implemented according to the future distribution plan

The total share capital on the equity registration date deducts the number of shares repurchased by the company, and the company divides it according to the principle of the same amount of dividends per share

The total allocation is adjusted.

3. Implementation of Commitments

1. The company's actual controllers, shareholders, related parties, acquirers, and the company and other relevant parties have fulfilled their commitments during the reporting period and as of the end of the reporting period

Unfulfilled commitments

Applicable Not applicable

Commitment reason

Promise party

Commitment type

Promise content

Committed time

Performance of the commitment period

Initial public offering

Or when refinancing

Make a promise

Hailiang Group Co., Ltd.

Company, Zhejiang Zhengmao

Venture capital is limited

company

Avoid competition

Struggling promise

According to the "Letter of Commitment on Avoiding Horizontal Competition",

Hailiang Group and Zhengmao Venture Capital Commitment: 1. Commitment

People and affiliated companies will not directly or

Indirectly added new shares with Hailiang outside the existing business

Share the same or similar businesses of its subsidiaries,

Including not through investment, acquisition, joint venture, merger,

Entrusted management and other methods to engage in cooperation with Hailiang shares and its

The same or similar businesses of subordinate companies. 2. Such as

Hailiang shares and its affiliated companies from any third

Any business opportunities

There is competition or potential competition in the company's main business

Dispute, the company and its subsidiaries will immediately notify

Hailiang shares, after obtaining a third party's

Efforts to give this business opportunity to Hailiang shares.

2015 06

Month 29

long

Normal performance

middle

Hailiang Group Co., Ltd.

Company, Zhejiang Zhengmao

Venture capital is limited

company

Reduce and standardize

Related transaction

promise

According to the "Reduction and Standardization of Related Party Transactions Letter of Promise", Hailiang Group and Zhengmao Venture Capital promised: 1.

After the transaction is completed, the promiser will continue to be strict

In accordance with the "Company Law" and other laws, regulations, and rules

And other regulatory documents and Hailiang shares

The relevant provisions of the "Articles of Association", exercise shareholders

Right or urge directors to exercise their directorships in accordance with the law

2015 06

Month 29

long

Normal performance

middle

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Benefit, in the general meeting of shareholders and the board of directors

Related transactions with the company and its subsidiaries

When voting, fulfill the obligation to avoid voting. 2,

After the transaction is completed, the promiser and its affiliated companies

And Hailiang shares will try to minimize related transactions

easy. In the process of carrying out necessary and unavoidable

During the joint transaction, ensure that it is based on market principles and fairness

Prices are operated fairly and in accordance with relevant laws,

Implementation of regulations, rules and other normative documents

Transaction procedures and information disclosure obligations. No guarantee

Damaged Hailiang shares and other shareholders through connected transactions

Legal rights. 3. The promiser and Hailiang shares

Interrelated affairs and any transactions made by the exchange

Agreements and arrangements do not prevent the other party from acting for themselves

Interests, compete with any

The third party conducts business dealings or transactions.

Hailiang Group Co., Ltd.

company

Avoid competition

Struggling promise

The company's controlling shareholder Hailiang Group Co., Ltd.

On May 16, 2007, the "Regarding Avoidance

"The Commitment Letter of Horizontal Competition", the commitment will not be directly or

Indirectly engage in composition and shareholding through other means

The company's business has competitive business activities, and is willing to

The intention is to violate the above commitments and cause the joint-stock company

The economic loss shall be liable for compensation.

2007 05

Month 16

long

Normal performance

middle

Z&P

ENTERPRISES

LLC

Avoid competition

Struggling promise

Company shareholder Z&P ENTERPRISES LLC

On May 18, 2007, the "Regarding Avoidance

Letter of Commitment to Avoid Competition in the Industry", the commitment will not be direct

Or indirectly engage in composition and shareholding through other means

The company's business has competitive business activities, and

Willing to make a joint-stock company in violation of the above commitments

Sustained economic losses shall be liable for compensation.

2007 05

Month 18

long

Normal performance

middle

Feng Hailiang

Avoid competition

Struggling promise

The actual controller of the company, Mr. Feng Hailiang, in 2007

On May 16, 2005, the "Regarding Avoiding Competitiveness in the Same Industry

"Letter of Commitment", the promise will not be directly or through its

Indirectly engages in composition and joint-stock company business in other ways

There are business activities that compete in the same industry and are willing to oppose violations

The economy caused by the above-mentioned promises to the joint-stock company

Liability for damages.

2007 05

Month 16

long

Normal performance

middle

Hailiang Group Co., Ltd.

company

Share-locked

promise

Zhejiang Hailiang Co., Ltd. This non-public development

Bank's shares will not be transferred within 36 months from the date of listing

The shares subscribed by the company.

November 2018

Month 09

November 2018

9th to

November 2021

9th

Normal performance

middle

Whether the promise is on time

fulfill

Yes

Zhejiang Hailiang Co., Ltd. 2020 Annual Report Full Text

45

If the promise is overdue

After the performance is completed, it shall be

When the details are not

Fulfillment tool

The reason and the next

Step-by-step work plan

not applicable

2. The company's assets or projects have profit forecasts, and the reporting period is still in the profit forecast period, the company's assets or projects have reached the original profit forecast and

Explain the reason

Applicable Not applicable

4. The non-operating capital occupation of the listed company by the controlling shareholder and its related parties

Applicable Not applicable

During the reporting period of the company, there was no non-operating capital occupation of the listed company by the controlling shareholder and its related parties.

5. Explanations of the board of directors, the board of supervisors, and independent directors (if any) on the " non-standard audit report " of the accounting firm during the reporting period

Applicable Not applicable

6. Compared with the financial report of the previous year, the explanation of the changes in accounting policies, accounting estimates and accounting methods

Applicable Not applicable

1. Changes and basis of accounting policies

In July 2017, the Ministry of Finance issued the "Notice on Revising and Issuing the "Accounting Standards for Business Enterprises No. 14-Revenue" (Financial

Meeting [2017] No. 22), the notice requires domestic listed companies to implement the new standards from January 1, 2020. The guidelines stipulate that for the first Enterprises that implement this standard for the first time should adjust the The initial retained earnings and the amount of other related items in the financial statements will not be adjusted for comparable period information.

Under the original revenue standard, the company uses the transfer of risk rewards as the judgment standard for revenue recognition, and the company's sellers Product income is recognized when the following conditions are met at the same time, that is: the main risks and rewards of the ownership of the product have been transferred to the purchase

Parties; the amount of revenue and related costs can be reliably measured; the relevant economic benefits are likely to flow into the company; the company has neither It retains the right to continue management that is usually related to ownership, and it does not implement effective control over the goods that have been sold.

Under the new revenue standard, the company uses the transfer of control as the criterion for determining the timing of revenue: the company has performed The performance obligation in the contract is to recognize revenue when the customer obtains control of the relevant goods or services. Meet certain conditions

At the time, the company is to perform its performance obligations within a certain period of time, otherwise, it is to perform its performance obligations at a certain point in time. contract If two or more performance obligations are included in the contract, the company will use the goods or services promised in accordance with the single performance obligation on the date of contract commencement.

The relative proportion of the stand-alone selling price, the transaction price is allocated to each individual performance obligation, in accordance with the allocation to each individual performance obligation

The transaction price measures revenue. The transaction price is the amount of consideration that the company expects to be entitled to receive due to the transfer of goods or services to customers.

Does not include payments collected on behalf of third parties. The transaction price confirmed by the company does not exceed

It is believed that the amount of income that is unlikely to have a significant reversal. If there is a major financing component in the contract, the company will assume

When obtaining control of goods or services, the transaction price shall be determined by the amount payable in cash. The transaction price and the contract price

The difference between the two will be amortized using the actual interest rate method during the contract period.

The company adjusted relevant accounting policies in accordance with the specific provisions of the new revenue standards on specific matters or transactions,

The relationship between performance obligations and customer payments is presented in the balance sheet as contract liabilities. Adopt the new revenue standard to divide the company There is no impact other than the presentation of the financial statements.

2. The impact of changes in accounting policies

Consolidated statement items

December 31, 2019

Affected amount

January 1, 2020

Advance receipts

405,021,694.89
-405,021,694.89
Contract liabilities
366,824,544.82
366,824,544.82
Other current liabilities
26,124,332.15
38,197,150.07
64,321,482.22
Parent company report item
December 31, 2019
Affected amount
January 1, 2020
Advance receipts
520,866,446.58
-520,866,446.58
Contract liabilities
461,819,016.17
461,819,016.17
Other current liabilities
1,194,474.01
59,047,430.41
60,241,904.42

VII. Explanation of the situation where the correction of major accounting errors occurred during the reporting period and needs to be retrospectively restated

Applicable Not applicable

During the reporting period, the company had no major accounting error corrections requiring retrospective restatement.

8. Compared with the financial report of the previous year, the explanation of the changes in the scope of the consolidated statement

Applicable Not applicable

During the reporting period, the company established five wholly-owned subsidiaries: Anhui Hailiang New Energy Technology Co., Ltd., Hailiang (Chongqing) New Energy Technology Co., Ltd., Guangdong Keyu Metal Material Co., Ltd., Guangdong Hailiang Sales Co., Ltd., Hailiang (Zhongshan) New Energy Technology Co., Ltd.; canceled a subsidiary: Moral Top Enterprise Limited.

9. Appointment and dismissal of accounting firms

Currently employed accounting firm

Name of domestic accounting firm

Daxin Certified Public Accountants (Special General Partnership)

Remuneration of domestic accounting firm (ten thousand yuan)

200

Consecutive years of audit services of domestic accounting firms

18

Name of CPA in domestic accounting firm

Guo Yixi Liu Tao

Consecutive years of CPA audit services of domestic accounting firms

2 years and 1 year

Whether to reappoint an accounting firm in the current period

Yes No

Employment of internal control auditing accounting firms, financial consultants or sponsors

Applicable Not applicable

10. Faced with delisting after the disclosure of the annual report

Applicable Not applicable

11. Matters related to bankruptcy and reorganization

Applicable Not applicable

During the reporting period, the company did not have any bankruptcy and reorganization related matters.

12. Major litigation and arbitration matters

Applicable Not applicable

The company had no major litigation or arbitration during the reporting period.

13. Penalties and rectification

Applicable Not applicable

There were no penalties and rectifications during the reporting period.

14. The integrity of the company and its controlling shareholders and actual controllers

Applicable Not applicable

15. Implementation of the company's equity incentive plan, employee stock ownership plan or other employee incentive measures

Applicable Not applicable

(1) The first phase of restricted stock incentive plan of Zhejiang Hailiang Co., Ltd.

1. On August 5, 2016, the company held the 22nd meeting of the fifth board of directors and the 10th meeting of the fifth board of supervisors.

In three meetings, the "Regarding the First Phase Restricted Stock Incentive Plan of Zhejiang Hailiang Co., Ltd. (Draft)" was reviewed and approved

Proposal and its summary" and "On the formulation of the implementation assessment of the first phase of restricted stock incentive plan of Zhejiang Hailiang Co., Ltd.

Management Measures>Proposal", the independent directors of the company expressed independent opinions on this.

2. On August 6, 2016, the company disclosed the "Zhejiang Hailiang Co., Ltd." on www.cninfo.com.cn.

The Company's First Restricted Stock Incentive Plan (Draft) and its summary, Zhejiang Hailiang Co., Ltd. Restricted

Measures for the Evaluation and Management of the Implementation of Stock Incentive Plans and the List of Personnel in the First Period of Restricted Stock Incentive Plans. On the same day, the company

Through the combination of the office automation system announcement and the factory publicity board announcement, the names of the incentive objects are publicized within the company

And position, the publicity time is from August 6, 2016 to August 15, 2016. As of August 15, 2016, the company's director

The office of the board of directors and the human resources center did not receive any questions from anyone about the incentive objects this time. The company's board of supervisors

The personnel who awarded the list of incentive objects for the second time checked and issued audit opinions.

3. On August 25, 2016, the company held the first extraordinary general meeting of shareholders in 2016 to deliberate and approve the

Bright Co., Ltd.'s first phase of restricted stock incentive plan (draft)> and its summary proposal", "About the formulation of the "Zhejiang Hai

Bright Co., Ltd.'s Proposal for the Implementation Evaluation and Management Measures of the First Phase Restricted Stock Incentive Plan> and

Will authorize the board of directors to handle the company's first-phase restricted stock incentive plan related matters."

4. On September 1, 2016, the company held the second meeting of the sixth board of directors and the second meeting of the sixth board of supervisors.

Deliberated and approved the "Proposal on Adjusting the First Restricted Stock Incentive Plan (Draft)" and

Proposal to grant the first phase of restricted stocks for the first time by the incentive object." The number of incentive objects granted by this restricted stock incentive plan is determined by

195 were adjusted to 193, and the total number of restricted shares granted was adjusted from 21 million shares to 20.98 million shares. Reserved grant part 400

Ten thousand shares remain unchanged. Independent directors expressed their independent opinions on related matters and believed that the

The adjustment of this equity incentive plan and the determined grant date comply with relevant regulations.

5. On November 9, 2016, the company announced that the restricted stock incentive plan was first granted partial registration, and the listing date

It is November 10, 2016. Since 3 people gave up their subscription for restricted stocks, the restricted stock incentive plan actually granted

The number of incentive recipients has been adjusted from 193 to 190, and the total number of restricted stocks granted has been adjusted from 20.98 million shares to 20.716 million share. The reserved 4 million shares remain unchanged.

6. On July 24, 2017, the company held the eleventh meeting of the sixth board of directors and the seventh meeting of the sixth board of supervisors.

The "Proposal on Granting Reserved Restricted Stocks to Incentive Objects" was reviewed and approved. According to the "Equity Incentive Management Office of Listed Companies Law", "Zhejiang Hailiang Co., Ltd. First Phase Restricted Stock Incentive Plan (Draft)" and the company's 2016

Authorized by the 2016 First Extraordinary General Meeting of Shareholders held on August 25

The company's board of directors believes that the conditions for granting reserved restricted stocks as stipulated in the company's restricted stock incentive plan have been fulfilled.

It is agreed that the company will grant 4 million reserved restricted shares to 175 incentive objects on July 24, 2017. male

The independent director of the company issued an independent opinion, and Guohao Lawyers (Hangzhou) Law Firm issued a legal opinion.

7. On September 19, 2017, the company announced that the reserved part of the restricted stock incentive plan completed the registration and listing procedures. Depend on

After 12 people gave up the subscription of reserved restricted stocks, the reserved part of the restricted stock incentive plan was actually granted to incentive objects

The number of people has been adjusted from 175 to 163, and the total number of reserved restricted stocks granted has been adjusted from 4 million shares to 3.9 million shares.

8. On October 27, 2017, the 14th meeting of the 6th Board of Directors and the 10th meeting of the 6th Board of Supervisors,

The "Proposal on Adjusting the Price of Repurchase of Restricted Shares Granted for the First Time" and "Regarding the Repurchase and Cancellation of Certain Restricted

"Proposal on Voting" and "Proposal on the First Grant of Part of the Restricted Stock Incentive Plan to Lift the Restricted Sales by Lifting the Restricted Period."

Independent directors of the company issued independent opinions, and Guohao Lawyers (Hangzhou) Law Firm issued a legal opinion.

9. On November 10, 2017, the first phase of the company's restricted stock incentive plan was the first to release the restricted sales period.

A total of 6,136,200 restricted stocks of the Company were released from the restricted stock market and circulated.

10. On December 27, 2017, 419,000 shares of equity incentive shares repurchased and cancelled by the company were registered and settled in China

The Shenzhen Branch of the Co., Ltd. completed the procedures for the repurchase and deregistration of restricted stocks.

11. On October 31, 2018, the 25th meeting of the 6th Board of Directors and the 18th meeting of the 6th Board of Supervisors

Deliberated and approved the "Regarding the second period of lifting of the restricted sale period (reserved grant

Proposal to release the first restriction period of stocks). The independent director of the company issued an independent opinion, and Guohao Lawyer (Hangzhou) State) firm issued a legal opinion.

12. On November 16, 2018, the first phase of the company's restricted stock incentive plan granted shares to the company for the first time and the second to lift restrictions on sales During the period (the first period to release the restricted sale of shares reserved), a total of 7,859,200 shares of the restricted shares were listed for trading.

13. On November 16, 2018, the 26th meeting of the 6th Board of Directors and the 19th meeting of the 6th Board of Supervisors

Deliberated and passed the "Proposal on Adjusting the Repurchase Price of Some Restricted Stocks for Initial Grants and Reserved Grants" and the "Relevant

"Repurchase and Cancellation of Certain Restricted Stocks". Independent directors of the company issued independent opinions, Guoco Lawyers (Hangzhou) Affairs

The company issued a legal opinion.

14. On December 6, 2018, the Company's 2018 Fourth Extraordinary Shareholders' Meeting deliberated and approved the

The Proposal on Restricted Stocks, and the Proposal on the Company's Change of Registered Capital and Amendment to the Articles of Association.

15. On January 21, 2019, the company's repurchased and cancelled equity incentive shares totaling 351,000 shares were registered in China Depository and Clearing.

The Shenzhen branch of the limited company completed the procedures for the repurchase and deregistration of restricted stocks.

16. On October 30, 2020, the eleventh meeting of the seventh board of directors and the ninth meeting of the seventh board of supervisors,

Deliberated and approved the "Regarding the third release of the restricted sale period for the first grant of the first restricted stock incentive plan (reserved grant shares

The second ticket release restriction period) the motion to lift the restriction on sales". The independent director of the company issued an independent opinion, Guohao Lawyer (Hangzhou)

The firm issued a legal opinion.

17. On November 10, 2020, the company's first phase of restricted stock incentive plan granted for the first time part of the third release of restrictions on sales

During the period (the second period to release the restricted sale of stocks reserved for the grant of stocks), a total of 9,674,200 shares of the restricted stocks were listed for trading.

(2) Matters concerning the first phase of employee stock ownership plan

On August 15, 2018, the 21st meeting of the sixth board of directors of the company reviewed and approved the

Company's first phase of employee stock ownership plan (draft) and its summary proposal", the proposal has been the company's second interim proposal in 2018.

The general meeting of shareholders deliberated and approved. Agreed to use the total capital of the asset management plan of 120 million yuan and the company's stock closing on August 15, 2018

Calculated at the price of 8.33 yuan/share, the number of target stocks involved in the employee stock ownership plan in this period is about 14.4 million shares, and the number of shares involved is about 14.4 million shares.

Accounts for 0.85% of the company's total equity, and the cumulative total does not exceed 10% of the company's total equity. The employee shareholding held by any holder is calculated

The number of stocks corresponding to the allocated shares shall not exceed 1% of the total share capital of the company.

On November 13, 2018, the company received the completion of the first phase of employee shareholding by GF Securities Asset Management (Guangdong) Co., Ltd.

Notice of planned stock purchases, the company's first phase of employee stock ownership plan through the secondary market has accumulated 12,519,688 purchases of company stocks Shares, accounting for 0.6412% of the company's total share capital, the total transaction amount is 93,410,401.85 yuan, and the average transaction price is about 7.4611

Yuan/share. So far, the "Guangfa Yuanchi Hailiang Stock No. 1 Targeted Asset Management Plan" has completed the purchase of stocks, and the purchased stocks are locked

The period is from November 13, 2018 to November 12, 2019.

As of the end of the reporting period, the company's first-phase employee stock ownership plan has sold a total of 7,511,798 shares, and the remaining positions

5,007,890 shares.

16. Significant related transactions

1. Related party transactions related to daily operations

Applicable Not applicable

During the reporting period, the company did not have any related transactions related to daily operations.

2. Related transactions in the acquisition or sale of assets or equity

Applicable Not applicable

During the reporting period, there were no related transactions involving the acquisition or sale of assets or equity.

3. Related-party transactions for joint foreign investment

Applicable Not applicable

During the reporting period, there was no related party transaction involving joint external investment.

4. Related credit and debt transactions

Applicable Not applicable

During the reporting period, the company did not have associated credit and debt transactions.

5. Other major related transactions

√ Applicable □ Not applicable

1. Related guarantees

guarantor

Guaranteed party

Guaranteed amount

Guarantee start date

Is the guarantee on the guarantee expiry date?

Fulfilled

Hailiang Group Co., Ltd.

Zhejiang Hailiang Environmental Materials Co., Ltd.

22.23 million yuan

2020-01-01

2020-12-31

no

Hailiang Group Co., Ltd.

Hongkong Hailiang Copper Trading Co., Ltd.

10 million USD

2018-05-22

2021-01-15

no

Hailiang Group Co., Ltd.

Hongkong Hailiang Copper Trading Co., Ltd.

300 million yuan

2020-12-15

2021-12-14

no

Hailiang Group Co., Ltd.

Zhejiang Keyu Metal Material Co., Ltd.

166.67 million yuan

2020-01-01

2020-12-31

no

Hailiang Group Co., Ltd.

Hailiang Otto Copper Tube (Guangdong) Co., Ltd.

manage

250 million yuan

2020-12-14

2021-12-31

no

Hailiang Group Co., Ltd.

Hailiang Otto Copper Tube (Guangdong) Co., Ltd.

manage

11.72 million euros

2019-11-22

2021-11-22

no

Hailiang Group Co., Ltd.

Hailiang Otto Copper Tube (Guangdong) Co., Ltd.

manage

36.07 million USD

2020-10-21

2021-11-22

no

Hailiang Group Co., Ltd.

Guangdong Hailiang Copper Industry Co., Ltd.

50 million USD

2019-12-23

2021-12-23

no

Hailiang Group Co., Ltd.

Guangdong Hailiang Copper Industry Co., Ltd.

100 million yuan

2020-04-29

2021-04-29

no

Hailiang Group Co., Ltd.

Hailiang (Vietnam) Copper Industry Co., Ltd.
\$12 million
2020-12-02
2022-12-02
no
Hailiang Group Co., Ltd.
Hailiang (Vietnam) Copper Industry Co., Ltd.
35 million USD
2018-05-31
2021-05-30
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
987.3 million yuan
2020-09-08
2021-09-08
no

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Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
880 million yuan
2020-04-20
2021-02-18
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
700 million yuan
2020-06-29
2021-07-28
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
1.2 billion yuan
2020-07-23
2021-07-22
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
850 million yuan
2020-10-28
2021-10-28
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
222.23 million yuan
2020-01-01
2020-12-31
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
100 million yuan
2020-12-01
2021-05-21
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
300 million yuan
2020-01-09
2021-01-09
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
35 million USD
2019-04-15 Credit change date
end
no

Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
300 million yuan
2020-12-21
2021-12-20
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
1.740 million yuan
2017-06-26
2022-12-31
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
308 million yuan
2019-07-24
2021-07-24
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
Shanghai Hailiang Copper Industry Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
93.5 million USD
2019-07-24 Credit change date
end
no
Feng Hailiang
Zhejiang Hailiang Co., Ltd.
Shanghai Hailiang Copper Industry Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
US\$46.2 million
2011-08-30
2021-03-26
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
USD 33.15 million
2019-02-15
2024-02-14
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
100 million yuan
2020-02-19
2021-02-18
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
400 million yuan
2020-05-14
2023-05-13
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
20 million yuan
2020-04-27
2021-07-26
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
50 million yuan
2020-12-16
2021-12-15
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
165 million yuan
2020-06-29
2025-06-29
no
Hailiang Real Estate Holdings Group Co., Ltd.

company
 Zhejiang Hailiang Co., Ltd.
 1.2 billion yuan
 2020-07-23
 2021-07-22
 no
 Zhejiang Hailiang Co., Ltd. Hailiang Group Co., Ltd.
 400 million yuan
 2020-12-11
 2021-12-10
 no
 Zhejiang Hailiang Co., Ltd. Hailiang Group Co., Ltd.
 400 million yuan
 2020-09-17
 2021-09-16
 no
 Zhejiang Hailiang Co., Ltd. Hailiang Group Co., Ltd.
 20 million yuan
 2020-12-21
 2022-03-20
 no
 Zhejiang Hailiang Co., Ltd. Hailiang Group Co., Ltd.
 242 million yuan
 2020-10-13
 2021-10-13
 no

2. Other related transactions

The company signed the "Financial Service Agreement" with Hailiang Group Finance Co., Ltd. According to the content of the agreement, Hailiang Group Finance Financial Services Co., Ltd. will handle relevant financial services for the company within the scope permitted by its business scope, including but not limited to Receiving deposits, providing loans, payment and settlement, handling financial and financing consultants, credit verification and related consulting and agency services Wait.

Deposit monetary funds of related parties
 Ending balance
 Amount at the beginning of the period
 Amount
 Proportion%
 Amount
 Proportion%
 Hailiang Group Finance Co., Ltd.
 1,804,590,643.89
 43.00
 2,113,956,722.26
 51.73

RMB loans borrowed from related parties

currency: RMB

Related party
 Loan amount
 Starting date
 expiry date
 Amount paid
 Amount not returned
 Hailiang Group Finance Co., Ltd.
 50,000,000.00
 2020/1/6
 2021/1/5 50,000,000.00

Foreign currency loans borrowed from related parties

Unit: USD

Related party

Loan amount
Starting date
expiry date
Amount paid
Amount not returned
Hailiang Group Finance Co., Ltd.
13,000,000.00
2019/7/17
2020/7/16
13,000,000.00
Hailiang Group Finance Co., Ltd.
3,550,000.00
2019/7/22
2020/7/21
3,550,000.00
Hailiang Group Finance Co., Ltd.
11,676,017.04
2019/12/12 2020/12/11
11,676,017.04
Hailiang Group Finance Co., Ltd.
9,323,982.96
2019/12/16 2020/12/15
9,323,982.96
Hailiang Group Finance Co., Ltd.
8,254,810.56
2020/7/17
2021/7/16
8,254,810.56
Hailiang Group Finance Co., Ltd.
8,295,189.44
2020/8/3
2021/8/2
8,295,189.44
total
54,100,000.00
54,100,000.00

Major related party transaction interim report disclosure website related inquiries

Temporary announcement name
Temporary announcement disclosure date
Temporary announcement to disclose the name of the website
Regarding the provision of responsibility for the controlling shareholder Hailiang Group Co., Ltd.
Announcement
April 29, 2019
Juchao Information Network www.cninfo.com.cn
Regarding the provision of responsibility for the controlling shareholder Hailiang Group Co., Ltd.
Announcement
April 29, 2020
Juchao Information Network www.cninfo.com.cn
About Hailiang Group Finance Co., Ltd.
Announcement for Financial Services
April 29, 2019
Juchao Information Network www.cninfo.com.cn

17. Major contracts and their performance

1. Situation of custody, contracting and leasing matters

(1) Custody situation

Applicable Not applicable

There was no custody in the company during the reporting period.

(2) Contracting situation

Applicable Not applicable

There was no contracting situation during the reporting period of the company.

(3) Lease situation

Applicable Not applicable

During the reporting period, the company did not have any leases.

2. Major guarantee

Applicable Not applicable

(1) Guarantee

Unit: ten thousand yuan

The company and its subsidiaries' external guarantees (excluding guarantees to subsidiaries)

Name of guarantee object

Guarantee limit

Related announcements

Disclosure date

The actual date of the guarantee amount

Actual deposit

Forehead

Type of guarantee

Guarantee period

Whether to fulfill

complete

Is it off?

Joint guarantee

Hailiang Group Co., Ltd.

2020 05

Month 20

40,000

December 11, 2020

day

40,000

Joint liability insurance

certificate

2020.12.11-2

021.12.10

no

Yes

Hailiang Group Co., Ltd.

2020 05

Month 20

40,000

September 17, 2020

day

40,000

Joint liability insurance

certificate

2020.9.17-20

21.9.16

no

Yes

Hailiang Group Co., Ltd.

2020 05

Month 20

20,000

December 21, 2020

day

20,000

Joint liability insurance

certificate

2020.12.21-2

022.3.20

no

Yes

Hailiang Group Co., Ltd.

2020 05

Month 20

24,200

October 13, 2020

day

10,000

Joint liability insurance

certificate

2020.10.13-2

021.10.13

no

Yes
 The total amount of external guarantees approved during the reporting period
 Meter (A1)
 200,000
 The actual issuance of external guarantees during the reporting period
 Total number of students (A2)
 110,000
 External guarantee quota approved at the end of the reporting period
 Total (A3)
 200,000
 The actual external guarantee balance at the end of the reporting period
 Total amount (A4)
 110,000
 The company's guarantees to subsidiaries
 Name of guarantee object
 Guarantee limit
 Related announcements
 Disclosure date
 The actual date of the guarantee amount
 Actual deposit
 Forehead
 Type of guarantee
 Guarantee period
 Whether to fulfill
 complete
 Is it off?
 Joint guarantee
 Hailiang (Anhui) Copper has 2020 05
 10,000 December 31, 2020
 10,000 Joint and several liability insurance 2020.12.31-2 No
 no

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 Limited company
 Month 20
 day
 certificate
 022.3.31
 Hailiang (Anhui) Copper has
 Limited company
 2020 05
 Month 20
 10,000
 December 29, 2020
 day
 9,800
 Joint liability insurance
 certificate
 2020.12.29-2
 021.12.28
 no
 no
 Hailiang (Anhui) Copper has
 Limited company
 2020 05
 Month 20
 10,000
 September 04, 2020
 day
 10,000
 Joint liability insurance
 certificate
 2020.9.4-202
 1.8.17
 no
 no
 Chongqing Hailiang Copper Industry Co., Ltd.

manage
2020 05
Month 20
10,000
May 20, 2020
day
8,000
Joint liability insurance
certificate
2020.5.20-20
21.5.14
no
no
Chongqing Hailiang Copper Industry Co., Ltd.
manage
2020 05
Month 20
10,000
September 25, 2020
day
5,000
Joint liability insurance
certificate
2020.9.25-20
21.10.25
no
no
Shanghai Hailiang Copper Co., Ltd.
manage
2020 05
Month 20
35,886.95
01 January 2017
day
26,748.9
Joint liability insurance
certificate
2017.1.1-202
1.2.28
no
no
Shanghai Hailiang Copper Co., Ltd.
manage
2020 05
Month 20
21,630.04
February 15, 2019
day
0
Joint liability insurance
certificate
2019.2.15-20
24.2.14
no
no
Shanghai Hailiang Copper Co., Ltd.
manage
2020 05
Month 20
7,000
March 27, 2020
day
0
Joint liability insurance
certificate
2020.3.27-20
21.3.26
no
no
Guangdong Hailiang Copper Co., Ltd.
manage

2020 05
Month 20
30,000
December 31, 2019
day
29,969.5
Joint liability insurance
certificate
2019.12.31-2
020.12.31
no
no
Guangdong Hailiang Copper Co., Ltd.
manage
2020 05
Month 20
15,000
08 January 2020
day
15,000
Joint liability insurance
certificate
2020.1.8-202
1.1.8
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05
Month 20
26,099.6
June 10, 2019
day
12,673.1
Joint liability insurance
certificate
2019.6.10-20
21.6.15
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05
Month 20
6,420
June 10, 2019
day
0
Joint liability insurance
certificate
2019.6.10-20
21.6.15
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05
Month 20
18,269.72
06 August 2020
day
5,984.62
Joint liability insurance
certificate
2020.8.6-202
3.9.18
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05

Month 20
16,312.25
June 28, 2018
day
0
Joint liability insurance
certificate
2018.6.28-20
22.11.16
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05
Month 20
6,524.9
June 25, 2018
day
0
Joint liability insurance
certificate
2018.6.25-20
22.11.16
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05
Month 20
19,574.7
October 11, 2019
day
0
Joint liability insurance
certificate
2019.10.11-2
022.2.20
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05
Month 20
30,000
December 15, 2020
day
30,000
Joint liability insurance
certificate
2020.12.15-2
021.12.14
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05
Month 20
14,468.19
06 August 2020
day
13,163.21
Joint liability insurance
certificate
2020.8.6-202
6.8.30
no
no
Hong Kong Hailiang Copper Trading Co., Ltd.
company
2020 05
Month 20

13,049.8
05 June 2020
day
9,602.01
Joint liability insurance
certificate
2020.6.5-202
3.6.5
no
no
Hong Kong Hailiang Holdings Co., Ltd.
manage
2020 05
Month 20
72,225
February 03, 2020
day
71,422.5
Joint liability insurance
certificate
2020.2.3-202
3.8.3
no
no

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Hailiang Otto Copper Pipe (Guangdong)

Limited company

2020 05

Month 20

1,100

April 13, 2020

day

10

Joint liability insurance

certificate

2020.4.13-20

21.4.30

no

no

Hailiang Otto Copper Pipe (Guangdong)

Limited company

2020 05

Month 20

15,000

October 10, 2020

day

9,800

Joint liability insurance

certificate

2020.10.10-2

021.10.10

no

no

Approval of guarantees for subsidiaries during the reporting period

Total (B1)

670,000

During the reporting period, the guarantees to the subsidiaries were

Total inter-current amount (B2)

616,201.24

Guarantees to subsidiaries approved at the end of the reporting period

Total quota (B3)

670,000

Actual commitments to subsidiaries at the end of the reporting period

Total guaranteed balance (B4)

267,173.84

Subsidiary guarantees to subsidiaries

Name of guarantee object
 Guarantee limit
 Related announcements
 Disclosure date
 The actual date of the guarantee amount
 Actual deposit
 Forehead
 Type of guarantee
 Guarantee period
 Whether to fulfill
 complete
 Is it off?
 Joint guarantee
 The total amount of company guarantees (that is, the total of the first three items)
 Total approved guarantee quota during the reporting period
 (A1+B1+C1)
 870,000
 The actual amount of guarantee during the reporting period
 Total (A2+B2+C2)
 726,201.24
 The total amount of approved guarantees at the end of the reporting period
 (A3+B3+C3)
 870,000
 The actual guarantee balance at the end of the reporting period
 Meter (A4+B4+C4)
 377,173.84
 The total amount of actual guarantees (ie A4+B4+C4) as a percentage of the company's net assets
 38.34%
 in:
 The balance of guarantees provided for shareholders, actual controllers and their related parties (D)
 110,000
 Debt provided directly or indirectly to a guaranteed object whose asset-liability ratio exceeds 70%
 Guaranteed balance (E)
 85,498.74
 The amount of the total guarantee exceeding 50% of the net assets (F)
 0
 The total amount of the above three guarantees (D+E+F)
 195,498.74
 For unexpired guarantees, the guarantee liability has occurred during the reporting period or may be jointly paid off
 Description of responsibilities (if any)
 The above guarantees are all guarantees provided to the controlling shareholders and the company's holding subsidiaries.
 The above-mentioned guaranteed parties are in good operating conditions, have strong solvency, and the guaranteed financial
 The risk is within the control of the company.
 Instructions for providing external guarantees in violation of prescribed procedures (if any)
 without.
Description of the specific circumstances of the use of composite guarantees
 without.
(2) Violation of external guarantees
 Applicable Not applicable
During the reporting period, the company had no violations of external guarantees.

3. Entrust others to manage cash assets

(1) Entrusted financial management

Applicable Not applicable

Overview of entrusted financial management during the reporting period

Unit: ten thousand yuan

Specific type

Sources of funds for entrusted financial management

Amount of entrusted financial management

Unexpired balance

Amount not recovered after the due date

Bank wealth management products

Idle funds raised by convertible bonds

24,290

0

0

Bank wealth management products

private capital

30,000

30,000

0

total

54,290

30,000

0

The specific situation of high-risk entrusted financial management with a large single amount or low security, poor liquidity, and no capital protection

Applicable Not applicable

Entrusted financial management is expected to be unable to recover the principal or there are other situations that may cause impairment

Applicable Not applicable

The company's cash management during the reporting period:

Unit: ten thousand yuan

sequence

sequence

No

unit

account

Financial product

name

Financial management

Amount

Investment

First day

Expected

Expiration date

Expected year

Profit

Rate

whether

maturity

Financial income

Funds come

source

1

Bank of China

Limited shares

Company Zhuji

Branch

3100007851

1871585

BOC Guaranteed

Financial management

1500

2020/1/

twenty one

2020/2/

25

2.90%

Yes

4.171233

Fundraising

gold

2

3100007851

1871585

BOC Guaranteed

Financial management

2490

2020/1/

twenty one

2020/3/
twenty four
3.00%
Yes
12.89342
5
Fundraising
gold
3
3100007851
1871585
BOC Guaranteed
Financial management
900
2020/1/
twenty two
2020/2/
3
1.70%
Yes
0.503014
Fundraising
gold
4
China Industry and Commerce
Bank shares
Limited company
Zhuji Sub-branch
1211025329
201906043
ICBC Capital Guarantee
Type* as you wish E
1000
2020/1/
twenty three
2020/4/
twenty three
3.15%
Yes
7.561644
Fundraising
gold
5
1211025329
201906043
ICBC Capital Guarantee
Type* as you wish E
1000
2020/1/
twenty three
2020/3/
31
2.95%
Yes
4.449315
Fundraising
gold
6
1211025329
201906043
ICBC Capital Guarantee
Type* as you wish E
1000
2020/1/
twenty three
2020/2/
28
2.80%
Yes
2.147945
Fundraising

gold
7
1211025329
201906043
ICBC Capital Guarantee
Type* as you wish E
1200
2020/4/
30
2020/8/
3
2.75%
Yes
7.841096
Fundraising
gold
8
1211025329
201906043
ICBC Capital Guarantee
Type* as you wish E
1000
2020/4/
30
2020/7/
8
2.65%
Yes
4.646575
Fundraising
gold
9
1211025329
201906043
ICBC Capital Guarantee
Type* as you wish E
1000
2020/4/
30
2020/6/
5
2.50%
Yes
2.260274
Fundraising
gold

58
10
1211025329
201906043
ICBC Capital Guarantee
Type* as you wish E
1000
2020/7/
8
2020/8/
13
2.7%
Yes
2.465753
Fundraising
gold
11
1211025329
201906043
ICBC Capital Guarantee

Type* as you wish E
1000
2020/8/
14
2020/9/
twenty one
2.5%
Yes
2.071233
Fundraising
gold
12
1211025329
201925352
ICBC Capital Guarantee
Type* as you wish E
1500
2020/9/
15
2020/10
/20
2.1%
Yes
3.020548
Fundraising
gold
13
Bank of China
Limited shares
Company Zhuji
Branch
3100007851
1871585
BOC Guaranteed
Financial management
2000
2020/5/
7
2020/6/
11
2.40%
Yes
4.602740
Fundraising
gold
14
3100007851
1871585
BOC Guaranteed
Financial management
1000
2020/5/
7
2020/7/
9
2.40%
Yes
4.142466
Fundraising
gold
15
3100007851
1871585
BOC Guaranteed
Financial management
900
2020/5/
7
2020/8/
6
2.50%

Yes
5.609589
Fundraising
gold
16
3100007851
1871585
BOC Guaranteed
Financial management
1600
2020/7/
7
2020/8/
11
2.30%
Yes
3.528767
Fundraising
gold
17
3100007851
1871585
BOC Guaranteed
Financial management
900
2020/7/
twenty three
2020/8/
04
3.01%
Yes
0.593753
Fundraising
gold
18
3100007851
1871585
BOC Guaranteed
Financial management
2000
2020/8/
12
2020/9/
18
3.15%
Yes
6.041096
Fundraising
gold
19
3100007851
1871585
BOC Guaranteed
Financial management
1300
2020/9/
twenty two
2020/10
/29
3.15%
Yes
3.926712
Fundraising
gold
20
GF Securities
Zhuji City
East Road Business
Department
1704000456
75

Treasury debt reversal
purchase
1450
2020/12
/30
2021/1/
13
3.17%
no
End of reporting period
Not expired
Self-owned
gold
twenty one
1704000456
75
Treasury debt reversal
purchase
10000
2020/12
/30
2021/1/
13
3.11%
no
End of reporting period
Not expired
Self-owned
gold
twenty two
1704000456
75
Treasury debt reversal
purchase
1020
2020/12
/30
2021/1/
13
3.16%
no
End of reporting period
Not expired
Self-owned
gold
twenty three
1704000456
75
Treasury debt reversal
purchase
5000
2020/12
/30
2021/1/
13
3.26%
no
End of reporting period
Not expired
Self-owned
gold
twenty four
1704000456
75
Treasury debt reversal
purchase
2530
2020/12
/30
2021/1/
13

3.30%
no
End of reporting period
Not expired
Self-owned
gold
25
1704000456
75
Treasury debt reversal
purchase
10000
2020/12
/30
2021/1/
6
4.21%
no
End of reporting period
Not expired
Self-owned
gold
26
1704000456
75
Treasury debt reversal
purchase
6630
2020/12
/30
2021/1/
6
4.23%
no
End of reporting period
Not expired
Self-owned
gold
27
1704000456
75
Treasury debt reversal
purchase
3370
2020/12
/30
2021/1/
6
4.225%
no
End of reporting period
Not expired
Self-owned
gold
28
China Construction
Bank of Zhuji
Meichi Sub-branch
3300165634
6053003548
Qian Yuan-Private
Xiangjingxinjing
Profit (cash
Management-Press
Day) net worth
product
5000
2020/12
/30
current
2.30%

no
End of reporting period
Not expired
Self-owned
gold
29
China Construction Bank
Bank shares
Limited company
3305 0165
6344 0000
0071
Qian Yuan-Private
Xiangjingxinjing
Profit (cash
Management-Press
5000
2020/12
/30
current
2.30%
no
End of reporting period
Not expired
Self-owned
gold

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Zhujidiankou

Branch

Day) net worth

product

30

China Industry and Commerce

Bank of Zhuji

Diankou Sub-branch

1211025319

201077767

ICBC

Cai Corporate

"Tiny

Net worth

Type property

Taste

20000

2020/12

/30

current

2.60%

no

End of reporting period

Not expired

Self-owned

gold

(2) Entrusted loans

Applicable Not applicable

The company did not have entrusted loans during the reporting period.

4. Major contracts for daily operations

Applicable Not applicable

5. Other major contracts

Applicable Not applicable

There were no other major contracts during the reporting period.

18. Social Responsibility

1. Fulfillment of social responsibilities

The company adheres to the mission of "gathering talents and prospering businesses, and benefiting all families", and always adheres to the values of "people-oriented, honesty and win-win".

Give full play to the enterprise spirit of "integrity, stability, pragmatism, efficiency and excellence", devote itself to the intelligent manufacturing of non-ferrous metals, and contribute to the country and return

Report to society. For details, please refer to the company's "2020 Annual Social Responsibility Report.

2. Fulfillment of social responsibility for targeted poverty alleviation

During the reporting period, the company has not yet carried out targeted poverty alleviation work, and there is no follow-up targeted poverty alleviation plan.

3. Situation related to environmental protection

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

Yes No

Company or son

Division name

Main pollutants

And characteristic pollution

The name of the thing

Number of discharge outlets

Discharge outlet distribution

Condition

Emission concentration

Pollution of execution

Emission standards

Total emissions

Approved emissions

Total

Excessive emissions

condition

Hailiang Co., Ltd. COD

Take care of

1

In the factory

50mg/L

GB8978-19

96 "Sewage Comprehensive

Compliance with emission standards

allow"

2.699 tons

5.47 tons

without

Hailiang Ammonia Nitrogen

Take care of

1

In the factory

5mg/L

DB33/887-2

013 "Zhejiang Province

Local Standards

0.270 t

0.547 tons

without

Keyu company COD

Take care of

1

In the factory

50mg/L

GB8978-19

96 "Sewage Comprehensive
Compliance with emission standards
allow"
0.874 t
0.945 tons
without
Keyu Ammonia Nitrogen
Take care of
1
In the factory
5mg/L
DB33/887-2
013 "Zhejiang Province
Local Standards
0.087 t
0.095 t
without

Construction and operation of pollution prevention facilities

The pollution prevention facilities of the Zhejiang base mainly include a set of 500 tons/day sewage treatment facilities and a set of 400 tons/day sewage treatment facilities.

Facilities, 13 sets of 60,000m³/h waste gas treatment facilities, and a soundproof wall is set up at the northwest corner of the plant

Residents' impact; pollution prevention facilities in the Shanghai base mainly include a set of 200 tons/day sewage treatment facilities and 3 sets of 50000 m³/h

Waste gas treatment facilities in Vietnam; pollution prevention facilities in the Vietnam base mainly include one set of sewage treatment facilities with a capacity of 980 tons/day and two sets of 40,000

m³/h waste gas treatment facility; Zhejiang Hailiang Environmental Material Co., Ltd.

mainly has a set of wastewater equipment with a treatment capacity of 240 tons/day;

Two sets of ammonia absorption equipment are used to absorb process waste gas, with a processing capacity of 12000m³/h and 18000m³/h respectively; one set of wet electric dust removal

The equipment is used to process sintering waste gas, with a designed processing capacity of 30000m³/h; two sets of filter element dust collectors, each with a processing capacity of 5500m³/h;

The pollution prevention facilities of Taishan Base in Guangdong mainly include a set of 400 tons/day sewage treatment facilities, two sets of 17000m³/h, and one set of 40,000

m³/h, 1 set of 60000 m³/h, 1 set of 10800 m³/h waste gas treatment facilities; the main

pollution prevention facilities of Guangdong Zhongshan Base

There are 2 sets of waste gas treatment facilities with a capacity of 40,000 m³/h; pollution prevention facilities in the Anhui base mainly have a set of sewage treatment facilities with a capacity of 550 tons/day

Facilities, 3 sets of waste gas treatment facilities with 40000m³/h, 20000m³/h and

15000m³/h; the host of pollution prevention facilities in Chongqing base

There must be a set of 35 tons/day sewage treatment facilities and a set of 45,000 m³/h waste gas treatment facilities;

All production facilities have been equipped with pollution control facilities in accordance with the requirements of the environmental assessment report or approval document, and all of them will be stable in 2020

In operation, all kinds of pollutants are discharged up to standards, and zero accidents of safety and environmental protection of environmental protection treatment facilities are realized.

Environmental impact assessment of construction projects and other environmental protection administrative permits

On April 24, 2020, it obtained the acceptance of the completion and acceptance of the copper and copper alloy pipe intelligent manufacturing project of Zhejiang Hailiang Co., Ltd.

See.

Emergency plan for environmental emergencies

The company is based on the "Administrative Measures for the Recordation of Emergency Response Plans of Enterprises and Institutions in Zhejiang Province (for Trial Implementation)" (Zhehuan Letter)

[2015] No. 195), combined with the implementation of the environmental emergency plan, the environmental risks and environmental emergency preparedness

A retrospective evaluation of the case, combined with the latest requirements, on the basis of the original separate emergency plan for environmental emergencies,

Through the environmental risk assessment and emergency material survey, the emergency plan, risk assessment report, and emergency material survey were re-compiled.

The investigation report, after being reviewed by relevant environmental protection experts, is reported to the Zhuji Environmental Protection Bureau of Shaoxing City for the record. At the same time, the company filed according to the emergency plan

The environmental emergency plan shall be revised and filed in a timely manner based on the actual situation in accordance with the relevant requirements of the case management measures. Complete Zhejiang Province in 2018

Jiang Hailiang Co., Ltd. and Zhejiang Keyu Metal Material Co., Ltd. have filed the emergency response plan for environmental emergencies, and followed

Carry out emergency drills smoothly in accordance with the content of the emergency plan. In November 2018, the Anhui base was conducted by a professional organization on the company's environmental status.

The "Emergency Plan for Environmental Incidents of Hailiang (Anhui) Copper Co., Ltd." was re-compiled and reported to the Tongguan District Environmental Protection Bureau for the record.

Record number 340705-2018-009-L. Guangdong Zhongshan Base completed the emergency environment of the first and second parks on September 26, 2018

Incident emergency response plan filing, the filing numbers are 4420002018164L and 4420002018165L respectively.

Environmental self-monitoring program

The company and its related subsidiaries strictly follow the "Measures for the Self-Monitoring and Information Disclosure of Key National Monitoring Companies" (Huanfa [2013]

No. 81) and the "General Rules of the Technical Guidelines for Self-monitoring of Pollutant Dischargers" (issued on April 25, 2017, implemented on June 2017) and other requirements

The company's environmental self-monitoring plan was established, and the company's pollutant emission monitoring indicators, monitoring points, monitoring frequency, monitoring methods,

The implementation of emission standards and standard limits have been clearly stipulated, and they have been carried out on the self-monitoring information disclosure platform public.

Other environmental information that should be disclosed

without

Other environmental related information

Since 2010, Hailiang has hired qualified units to prepare the company's "Environmental Report" every year, and take the initiative to submit

The information disclosure website designated by e-commerce conducts external disclosure of environmental matters, and integrates the company's environmental information system transparently and truthfully

Communicate to the public, further uphold and deepen the company's environmental and social responsibilities, and let all stakeholders understand and support

Adhere to the company's environmental protection concepts and actions to promote the sustainable development of the company's green business.

The company's "2020 Annual Environmental Report" was published on www.cninfo.com.cn on April 30, 2021

([Http://www.cninfo.com.cn/](http://www.cninfo.com.cn/)).

19. Explanation of other important matters

Applicable Not applicable

During the reporting period, the company did not have other major matters that need to be explained.

Twenty. Major matters of the company's subsidiaries

Applicable Not applicable

Section 6 Changes in Shares and Shareholders

1. Share changes

1. Changes in shares

Unit: share

Before this change

Increase or decrease of this change (+, -)

After this change

quantity

Proportion

Issue new shares

Bonus shares

Provident fund transfer

share

other

Subtotal

quantity

Proportion

1. Restricted shares

126,551,2

45

6.48%

-21,775,5

81

-21,775,5

81

104,775,6

64

5.37%

1. State shareholding

2. State-owned legal person holdings

3. Other domestic shares

126,551,2

45
 6.48%
 -21,775,5
 81
 -21,775,5
 81
 104,775,6
 64
 5.37%
 Of which: domestic legal person holdings
 61,804,69
 7
 3.17%
 61,804,69
 7
 3.17%
 Domestic natural person holdings
 64,746,54
 8
 3.32%
 -21,775,5
 81
 -21,775,5
 81
 42,970,96
 7
 2.20%
 4. Foreign holdings
 Including: foreign legal person holdings
 Foreign natural person holdings
 2. Unrestricted shares
 1,825,556,
 187
 93.52%
 21,780,53
 4
 21,780,53
 4
 1,847,336
 ,721
 94.63%
 1. RMB ordinary shares
 1,825,556,
 187
 93.52%
 21,780,53
 4
 21,780,53
 4
 1,847,336
 ,721
 94.63%
 2. Domestically listed foreign shares
 3. Foreign shares listed overseas
 4. Other
 3. Total number of shares
 1,952,107,
 432
 100.00%
 4,953
 4,953
 1,952,112
 ,385
 100.00%

Reasons for changes in shares

Applicable Not applicable

1. The senior executives of the company's outgoing directors locked their shares and unlocked them, so the company's restricted shares changed accordingly.

2. On November 10, 2020, the company's first phase of restricted stock incentive plan granted for the first time part of the third release of restricted sales

Period (the second period for the release of the restricted sale of shares reserved for the grant of stocks) A total of 9,674,200 shares of the restricted sale of shares were released for trading, and a corresponding increase

Executives lock in stocks.

3. The "Hailiang Convertible Bonds" issued by the company will enter the conversion period starting on May 27, 2020. During the reporting period, "Hai Liang transferred

The cumulative number of shares converted from "debt" was 4,953 shares, and the company's total share capital increased from 1,952,107,432 shares to 1,952,112,385 shares.

Approval of changes in shares

Applicable Not applicable

Transfer of share changes

Applicable Not applicable

Hailiang Group, the controlling shareholder of the company, donated 100 million shares of the company held by him to Zhejiang Hailiang Charity Foundation for free

The transfer of tradable shares was completed at the Shenzhen Branch of China Securities Depository and Clearing Co., Ltd. on January 14, 2020.

Let the transfer procedures.

Implementation progress of share repurchase

Applicable Not applicable

1. On December 20, 2018, the company implemented share repurchase for the first time. For details, please refer to the company's December 2018

Published on the 21st in "Securities Times", "Shanghai Securities News", "Securities Daily", "China Securities News" and www.cninfo.com

"Announcement on the Initial Repurchase of Company Shares" (Announcement No.: 2018-090) on (www.cninfo.com.cn)

January 3, 2019, February 2, 2019, March 2, 2019, April 1, 2019, May 2019

The "Announcement on the Progress of Repurchasing Company Shares" (Announcement No.: 2019-001,

2019-008, 2019-016, 2019-021, 2019-048, 2019-053), on February 15 disclosed the

"Regarding the repurchase of company shares

Announcement on the share of 1% and the progress of repurchase (Announcement No.: 2019-009) For details, please refer to Securities Times, China Securities

Newspaper, Shanghai Securities News, Securities Daily and Juchao Information Network (www.cninfo.com.cn).

2. The actual implementation period for this repurchase of some public shares is from December 6, 2018 to June 2019

On the 6th, as of June 6, 2019, the implementation period for this repurchase of shares expired, the implementation of the repurchase plan was completed, and the company's cumulative repurchase

Purchase 36,661,544 shares, accounting for 1.8780% of the total share capital. The highest transaction price is 9.5 yuan per share, and the lowest transaction price is 7.599

Yuan/share, the total transaction amount is 294,211,112.38 Yuan (including transaction costs).

Progress in the implementation of the centralized bidding method to reduce the shareholding of the repurchase

Applicable Not applicable

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Share changes affect the basic earnings per share and diluted earnings per share in the most recent year and the most recent period, attributable to the company's common shareholders
The impact of financial indicators such as net assets per share

Applicable Not applicable

Other content that the company deems necessary or required by the securities regulatory agency to disclose

Applicable Not applicable

2. Changes in restricted shares

Applicable Not applicable

Unit: share

Shareholder name

Number of restricted shares at the beginning of the period

Increase of restricted shares in the current period
number

Lifting of restricted shares in the current period
number

Number of restricted shares at the end of the period

Reasons for restricted sale

Release date

Feng Luming, Jiang Shaojun

13,210,000

0

13,210,000

0 executives lock stocks

March 17, 2020

day

Equity incentive restricted shares

9,850,600

0

9,674,200

176,400 Equity incentives

November 10, 2020

day

Zhu Zhangquan, Chen Dong,

King Kong, Qian Ziqiang,

Jiang Limin, Wang Sheng

41,613,667

1,180,900

0

42,794,567

Equity incentives lifted

Later, executives locked stocks

Increase

Executives lock stocks in accordance with

"Shenzhen Stock Exchange

Shareholders of the listed company

And directors, supervisors,

Senior management staff reduction

Shareholding implementation details

Regulations stipulate that every year

According to the stock held at the end of the previous year

25% of the quantity solution

Except for restricted sale

total

64,674,267

1,180,900

22,884,200

42,970,967

-

-

2. Securities issuance and listing

1. Securities issuance (excluding preferred shares) during the reporting period

Applicable Not applicable

2. Description of changes in the company's total shares and shareholder structure, as well as changes in the company's assets and liabilities structure

Applicable Not applicable

The "Hailiang Convertible Bonds" issued by the company will enter the conversion period starting on May 27, 2020. During the reporting period, "Hailiang Convertible Bonds"

The cumulative number of shares converted was 4,953 shares, and the company's total share capital increased from 1,952,107,432 shares to 1,952,112,385 shares.

3. Existing internal employee shares

Applicable Not applicable

3. Shareholders and actual controllers

1. Number of shareholders and shareholding of the company

Unit: share

Ordinary at the end of the reporting period

Total number of shareholders

24,427

Annual report disclosure date

Normal at the end of the previous month

Total number of shareholders

20,742

Voting rights at the end of the reporting period

Resumed preferred stocks

East total (if any) (see

See note 8)

0

Annual report disclosure date

Vote at the end of the previous month

Reinstated preferred stock

Total number of shareholders (if any)

(See note 8)

0

Shareholding of shareholders holding more than 5% of shares or the top 10 shareholders

Shareholder name

Nature of shareholders

Shareholding ratio

At the end of the reporting period

Number of shares

Increase during the reporting period

Less changes

Hold limited sale

Conditional shares

quantity

Hold unlimited sale

Conditional shares

quantity

Pledge or freeze situation

Share status

quantity

Hailiang Group Co., Ltd.

manage

Domestic non-state legal person

40.01% 781,026,875

-100,000,00

0

61,804,697 590,126,875 pledge

360,300,000

Z&P

ENTERPRISES

LLC

Foreign legal person
10.92% 213,213,964 0
0 213,213,964
Zhejiang Hailiang Charity Foundation
Jinhui
Domestic non-state legal person
5.14% 100,408,200 100,000,000
0 100,408,200
Feng Hailiang
Domestic natural person
3.07% 59,840,466 0
0 59,840,466
Hui'an Fund-Cathay Pacific
Junan Securities-Hui'an
Fund-Huixin 22
Asset Management Plan
Domestic non-state legal person
2.64% 51,585,436 -4,221,929
0 51,585,436
Huaneng Trustworthy Trust
Limited company-Huanengxin
To Anwen Collection No. 1
Fund trust plan
Domestic non-state legal person
2.36% 46,000,000 46,000,000
0 46,000,000
Chen Dong
Domestic natural person
1.75% 34,090,938 0
25,568,203 34,090,938
Yang Lin
Domestic natural person
1.30% 25,474,216 0
0 25,474,216
Zhu Zhangquan
Domestic natural person
1.13% 22,148,160 0
16,611,120 22,148,160
Huarong Ruitong equity investment in domestic non-state-owned legal persons
1.12% 21,880,560 0
0 21,880,560

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Asset Management Co., Ltd.

Strategic investors or general legal persons due to allotment of new shares

Become the top 10 shareholders (if any) (see

See note 3)

without

The above-mentioned shareholder relationship or concerted action

bright

Mr. Feng Hailiang is the actual controller of the company, Hailiang Group is the controlling shareholder of the company, and Mr.

Yang Lin is a member of Mr. Feng Hailiang.

The nephew and Mr. Zhu Zhangquan are the younger brothers of Mr. Feng Hailiang's spouse; the other shareholders are not related.

The above shareholders involve entrusted/entrusted voting rights,

Explanation of abstentions

not applicable

Shareholdings of the top 10 shareholders with unrestricted sales conditions

Shareholder name

Number of unrestricted shares held at the end of the reporting period

Types of shares

Types of shares

quantity

Hailiang Group Co., Ltd.

719,222,178 RMB ordinary shares

719,222,178

Z&P ENTERPRISES LLC

213,213,964 RMB ordinary shares

213,213,964
 Zhejiang Hailiang Charity Foundation
 100,408,200 RMB ordinary shares
 100,408,200
 Feng Hailiang
 59,840,466 RMB ordinary shares
 59,840,466
 Hui'an Fund-Guotai Junan Securities-Hui'an Fund
 Jin-Huixin No. 22 Asset Management Plan
 51,585,436 RMB ordinary shares
 51,585,436
 Huaneng Guicheng Trust Co., Ltd.-Huanengxin
 Tuo Anwen No. 1 Accumulative Fund Trust Plan
 46,000,000 RMB ordinary shares
 46,000,000
 Yang Lin
 25,474,216 RMB ordinary shares
 25,474,216
 Huarong Ruitong Equity Investment Management Co., Ltd.
 21,880,560 RMB ordinary shares
 21,880,560
 Shaanxi International Trust Co., Ltd.-Shaanxi
 SDIC Fortune 87 Single Fund Trust
 17,808,700 RMB ordinary shares
 17,808,700
 Hong Kong Securities Clearing Company Limited
 16,852,031 RMB ordinary shares
 16,852,031
 Among the top 10 shareholders of unrestricted tradable shares,
 And the top 10 shareholders of unrestricted tradable shares and the top 10
 Connected relationship or concerted action between two shareholders
 illustrate
 Mr. Feng Hailiang is the actual controller of the company, Hailiang Group is the controlling shareholder of the company, and Mr.
 Yang Lin is a member of Mr. Feng Hailiang.
 Nephew; other shareholders have no related relationship.
 The top 10 common shareholders participate in the margin trading and securities lending industry
 Service description (if any) (see Note 4)
 In addition to holding 590,126,875 shares through ordinary securities accounts, the company's shareholder Hailiang Group Co., Ltd.
 Securities Co., Ltd. customer credit transaction guarantee securities account holds 190,900,000 shares, and the actual total holding
 The company shares 781,026,875 shares, accounting for 40.01% of the company's total shares.

Whether the company's top 10 ordinary shareholders and the top 10 ordinary shareholders with unrestricted shares have agreed to repurchase during the reporting period trade

Yes No

The company's top 10 ordinary shareholders and the top 10 ordinary shareholders with unrestricted shares did not agree to buy back during the reporting period easy.

2. The company's controlling shareholder

Nature of controlling shareholder: natural person holding

Type of controlling shareholder: legal person

Name of controlling shareholder

Legal representative/unit

principal

Date of establishment

Organization Code

Main business

Hailiang Group Co., Ltd. Cao Jianguo

August 9, 1996 913306811462584935

General items: wholesale and retail: metal materials and products,

Construction and decoration materials (except bamboo and wood), chemical raw materials (except

Hazardous chemicals, precursor drugs, controlled chemicals),

Daily necessities, cultural and sports goods, gold jewelry, jewelry

Jewelry; wholesale and retail: pre-packaged food and bulk
Food, wine, dairy products (excluding infant formula
Milk powder) (specific business items are subject to permits or approval documents
The approved documents shall prevail); gold processing; plantation, breeding
Breeding industry (except animal husbandry and pre-approval for the above two items);
Property management; engaged in the import and export of goods and technology
Business; foreign investment; real estate development (with valid capital
Quality certificate management); (except for items subject to approval according to law
In addition, carry out business activities independently with the business license according to law).
During the reporting period, the controlling shareholder controlled
Shares and other domestic shares
Shareholding situation of foreign listed companies
condition

Fubon Investment Co., Ltd., a wholly-owned subsidiary of Hailiang Group, holds Hailiang International Holdings Co., Ltd. (stock code: HK02336)

66.48% of the shares; 2. Hong Kong Hailiang International Investment Co., Ltd., a wholly-owned subsidiary of Hailiang Group, passed Brilliant One

Development Ltd. holds 24.44% of Hailiang Education Group Inc. (NASDAQ: HLG).

Change of controlling shareholder during the reporting period

Applicable Not applicable

The controlling shareholder of the company remained unchanged during the reporting period.

3. The actual controller of the company and those acting in concert

Nature of actual controller: domestic natural person

Type of actual controller: natural person

Name of actual controller

Relationship with actual controller

Country of Citizenship

Whether to obtain residence in other countries or regions

Stay right

Feng Hailiang

Myself

China

no

Main occupations and positions

Feng Hailiang, male, Chinese nationality, born in October 1960, graduate student, senior economist, senior engineer, Hailiang Group

The founder of a limited company. From August 1980 to November 1989, worked at Meichi Supply and Marketing Cooperative in Zhuji County; December 1989

From January to 1996, he founded Zhuji County Copper Material Factory and served as the factory director; from 1996 to 2001, he served as the director of Hailiang Group Co., Ltd.

Chairman and President; from 2001 to November 2010, he served as Chairman of the Board of Hailiang Group and Director of Zhejiang Hailiang Co., Ltd.

From November 2010 to June 2020, he served as the chairman of the board of directors of Hailiang Group; he is currently the dean of the Mingde Institute of Hailiang Group.

In the past 10 years, the domestic and overseas companies that have controlled

City company situation

As of the disclosure date of this report, Mr. Feng Hailiang can personally control or influence 84.12% of Hailiang Group's equity. 1. Hailiangji

Fubon Investment Co., Ltd., a wholly-owned subsidiary of the group, holds Hailiang International Holdings Co., Ltd. (stock code: HK02336)

66.48% of the shares; 2. Mr. Feng Hailiang passed Jet Victory International Limited, Fame Best International

Limited and Gain Success Group Limited. hold Hailiang Education Group Inc. (Nasdaq

Code: HLG) 62.84% of the shares; Hong Kong Hailiang International Investment Co., Ltd., a wholly-owned subsidiary of Hailiang Group passed the approval

Brilliant One Development Limited holds Hailiang Education Group Inc. (Nasdaq

Code: HLG) 24.44% of the shares.

Change of actual controller during the reporting period

Applicable Not applicable

The actual controller of the company did not change during the reporting period.

Block diagram of the property rights and control relationship between the company and the actual controller

The actual controller controls the company through trust or other asset management methods

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Applicable Not applicable

4. Other corporate shareholders holding more than 10% of the shares

Applicable Not applicable

Name of corporate shareholder

The legal representative/unit is responsible
people

Date of establishment

Registered capital

Main business or management activities

Z&P ENTERPRISES LLC

YI-MIN CHANG

February 27, 2007

day

50,000 USD

According to the regulations of Wyoming law

If you are engaged in a limited liability company, you can

To engage in all legal business activities

Activities, including present and future law

All powers and purposes permitted by the law

, With the exception of banking and insurance.

5. Controlling shareholders, actual controllers, restructuring parties and other commitment subjects share
restrictions on reductions

Applicable Not applicable

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Section 7 Preference Shares Relevant Situation

Applicable Not applicable

During the reporting period, there were no preferred shares in the company.

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Section 8 Relevant Situation of Convertible Corporate Bonds

Applicable Not applicable

1. Previous adjustments to the conversion price

As the company implements the annual equity distribution in 2019, the specific: the
company's existing total equity minus the company's repurchase of shares

The number of shares after 36,661,544 shares, which is 1,915,446,716 shares as the base, and
0.749999 yuan per 10 shares will be distributed to all shareholders

In RMB cash, the ex-rights and ex-dividend date is June 12, 2020.

According to relevant regulations on convertible corporate bonds, the conversion price of
"Hailiang Convertible Bonds" will be reduced from the original 9.83 on June 12, 2020.

Yuan/share is adjusted to 9.76 Yuan/share. The adjusted conversion price will take effect
from June 12, 2020.

2. Cumulative share conversion

Applicable Not applicable

Abbreviation of Convertible Bond

Start and end date of conversion

Expect

Total issuance
 (open)
 Total issued amount
 Cumulative conversion fee
 Amount (yuan)
 Cumulative number of shares converted
 (share)
 The number of shares converted accounted for
 Conversion start date
 The previous company has issued
 Total shares
 proportion
 Not yet converted
 Amount (yuan)
 Unconverted amount
 Percentage of total issued funds
 Ratio of amount
 Hailiang Convertible Bond
 May 2020
 27th
 31,500,000
 3,150,000.00
 0.00
 48,600.00
 4,953
 0.00%
 3,149,951.40
 0.00
 100.00%

3. The top ten holders of convertible bonds

Unit: share
 Serial number
 Name of Convertible Bond Holder Nature of Convertible Bond Holder
 Held transferable at the end of the reporting period
 Number of debts (sheets)
 Held transferable at the end of the reporting period
 Amount of debt (yuan)
 Held transferable at the end of the reporting period
 Debt ratio
 1
 China's Foreign Trade and Economic Cooperation
 Trust Company-Foreign
 Trade Trust-Ruijun Wenxiang
 Private Equity Investment Fund
 other
 1,084,660
 108,466,000.00
 3.44%
 2
 China Chengxin Trust Co., Ltd.
 Company-Yingfeng 2020
 Capital Trust No. 1
 other
 1,037,338
 103,733,800.00
 3.29%

Limited-E Fund
Double bond enhanced bond certificate
Securities Investment Fund
other
743,598
74,359,800.00
2.36%
5
China Pacific Life Insurance
Insurance Co., Ltd.-
Dividends-personal dividends
other
741,944
74,194,400.00
2.36%
6
Agricultural Bank of China
Co., Ltd.-Phu Quoc
Converted Bond Securities Investment
fund
other
701,730
70,173,000.00
2.23%
7
Bank of China-E Fund
Robust Yield Bond Type Certificate
Securities Investment Fund
other
660,790
66,079,000.00
2.10%
8
China Asset Management Longevity
Fixed income pension
Product-China Agricultural Bank
Hong kong co., ltd.
other
599,999
59,999,900.00
1.90%
9
Basic pension insurance fund
One zero five combination
other
490,735
49,073,500.00
1.56%
10
National Social Security Fund 21
Four combinations
other
381,138
38,113,800.00
1.21%

4. Significant changes in the guarantor's profitability, asset status, and credit status

Applicable Not applicable

5. At the end of the reporting period, the company's liabilities, changes in credit standing, and cash arrangements for debt repayment in future years

1. As of the end of the reporting period, the company's main accounting data and financial indicators for the past two years are as follows:

project

2020 year

2019 year

Rate of change over the same period

Current ratio

151.95%
136.37%
15.58%
Assets and liabilities
60.89%
60.19%
0.71%
Interest coverage ratio
5.14
7.03
-26.90%
Loan repayment rate
100.00%
100.00%
0.00%
Interest repayment rate
100.00%
100.00%
0.00%

2. Credit rating status of convertible bonds:

On January 15, 2019, China Chengxin Securities Appraisal Co., Ltd. issued the "Zhejiang Hailiang Co., Ltd. Public Offering A Share Convertible Corporate Bond Rating Report" (Xin Juwei Han Zi [2019] No. G054), assessed by China Chengxin Securities Appraisal Co., Ltd.

The main credit rating of Zhejiang Hailiang Co., Ltd. is AA, and the rating outlook is stable. This rating reflects the company's debt repayment

The ability of China Chengxin Securities Appraisal Co., Ltd.

Jiang Hailiang Co., Ltd. publicly issued convertible corporate bonds. The credit rating is AA, which reflects the security of the bond.

Very strong, less affected by unfavorable economic environment, and very low risk of default.

On January 20, 2020, China Chengxin Securities Appraisal Co., Ltd. issued the "Public Issuance of Zhejiang Hailiang Co., Ltd."

Irregular Tracking Rating Report of Convertible Corporate Bonds (2020)" (Xin Jie Wei Han Zi [2020] Tracking No. 017), China Chengxin Certification

Bond Appraisal Co., Ltd. maintains the subject credit rating of Zhejiang Hailiang Co., Ltd. as AA, and the rating outlook is stable.

Reflects that the company has a strong ability to repay debts, is less affected by the unfavorable economic environment, and has a very low risk of default; China Chengxin Securities

Appraisal Co., Ltd. maintains the credit rating of "Zhejiang Hailiang Co., Ltd. Public Issuance of Convertible Corporate Bonds" as AA.

This reflects the strong security of this bond, and is less affected by the unfavorable economic environment, and the risk of default is very low.

On June 23, 2020, China Chengxin International Credit Rating Co., Ltd. issued the "Zhejiang Hailiang Co., Ltd.

Tracking Rating Report on Public Issuance of Convertible Corporate Bonds (2020)" (Xin Judge Letter [2020] Tracking No. 1216), Zhongcheng

Trust Securities Appraisal Co., Ltd. maintains the subject credit rating of Zhejiang Hailiang Co., Ltd. as AA, and the rating outlook is stable.

The grade reflects that the company has a strong ability to repay debts, is less affected by the unfavorable economic environment, and has a very low risk of default; China Chengxin Securities Appraisal Co., Ltd. maintains the credit rating of "Zhejiang Hailiang Co., Ltd. Public Issuance of Convertible Corporate Bonds" as AA.

The grade reflects the strong security of this bond, less impact by the unfavorable economic environment, and low default risk.

3. Cash arrangements for debt repayment in future years

The company's operating conditions are stable, cash flow is abundant, asset scale and profitability have grown steadily, and asset-liability ratio remains reasonable

The company will maintain stable and sufficient funds to pay interest and reimbursement of convertible corporate bonds in the future.

Make arrangements to pay bonds.

Section 9 Directors, Supervisors, Senior Management and Employees

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

Name

Position status gender

age

Start of term

date

Term of office ends

date

Beginning of the period

Number (shares)

Overweight in this period

Number of shares

(share)

Reduction in this period

Number of shares

(share)

Other changes

Changes (shares)

End-of-period holdings

Number (shares)

Zhu Zhangquan

Chairman,

General manager

Incumbent

male

54

2016

August 25

day

2022

September 16

day

22,148,16

0

22,148,16

0

Chen Dong

Director, Finance

Director of Operations

Incumbent

male

53
Year 2014
May 20
day
2022
September 16
day
34,090,93
8
34,090,93
8
King Kong
director
Incumbent
male
43
2016
August 25
day
2022
September 16
day
350,000
350,000
Director Jiang Limin
Incumbent
male
48
2019 year
September 16
day
2022
September 16
day
81,200
81,200
Qian Ziqiang
Director, Dong
Board secretary
Incumbent
male
36
2016
August 25
day
2022
September 16
day
100,000
100,000
Director Wang Shuguang
Incumbent
male
36
2020 year
October 30
day
2022
September 16
day
Fan Shunke is currently an independent director
male
58
2016
August 25
day
2022
September 16
day
Deng Chuan
Independent director incumbent

male
48
2018 year
Dec 06
day
2022
September 16
day
Liu Guojian is currently an independent director
male
64
2019 year
September 16
day
2022
September 16
day
Wang Sheng
Deputy General Manager incumbent
male
52
2018 year
April 25
day
2022
September 16
day
289,125
289,125
Dong Zhiqiang, deputy general manager incumbent
male
52 2018 to 2022

76
April 25
day
September 16
day
Sun Hongjun, the current deputy general manager
male
46
2021
April 16
day
2022
September 16
day
Hu Shihua
Director of the Supervisory Board
Seat
Incumbent
male
49
2019 year
May 20
day
2022
September 16
day
Supervisor Yu Tiejun
Incumbent
male
44
2019 year
September 16
day
2022

September 16
day
Lin ZHU
Employee representative
Supervisor
Incumbent
Female
40
2016
August 25
day
2022
September 16
day
Director Chen Shucui
Leave office
Female
48
2019 year
September 16
day
2020 year
October 12
day
total
-
-
-
-
-
-
57,059,42
3
0
0
57,059,42
3

2. Changes in the company’s directors, supervisors and senior management

Applicable Not applicable

Name
Position held
type
date
reason
Chen Shucui
director
Leave office
October 12, 2020
day
Resign
Wang Shuguang
director
Be elected
October 29, 2020
day
Supplement
Sun Hongjun
Deputy General Manager
Hire
April 16, 2021
day
Hire

3. Positions

The company’s current directors, supervisors, and senior responsibility

1. Zhu Zhangquan

Zhu Zhangquan, male, Chinese nationality, born in October 1967, member of the Communist Party of China. Served as Purchasing Department of Hailiang Group Co., Ltd.

Manager, Assistant to the President, Deputy General Manager of Zhejiang Hailiang Co., Ltd., Chairman and General Manager of Zhejiang Hailiang Copper Pipe Co., Ltd.

Manager, director and general manager of Zhejiang Hailiang Co., Ltd. The current Zhejiang Haibo Small Loan Co., Ltd. (shares Ticket code: 831199) Chairman of the Board, Director of Hailiang Group Co., Ltd., Chairman and General Manager of the company since August 2016.

Mr. Zhu Zhangquan is the wife and brother of Mr. Feng Hailiang, the actual controller of the company, and is a nephew with Mr. Jiang Limin, director of the company.

There is no related relationship among other directors, supervisors and senior executives.

2. Chen Dong

Chen Dong, male, Chinese nationality, born in November 1968, bachelor degree, senior accountant. Served as a supply and marketing company in Meichi, Zhuji City Agency accountant, Chief Accountant, Director and CFO of Zhejiang Hailiang Co., Ltd., Hong Kong Hailiang Copper Trading Co., Ltd.

Executive Director, Head of Finance and Manager of Financial Planning Department of Hailiang Group Finance Co., Ltd., currently serving as Zhejiang Haibo Microfinance Director of Hailiang Group Finance Co., Ltd. (stock code: 831199), Chairman of the Board of Supervisors of Hailiang Group Finance Co., Ltd. September 2013

He has served as the company's chief financial officer since May, and has been a director of the company since May 2014.

3. Wang Shuguang

Wang Shuguang, Chinese nationality, male, born in October 1985, member of the Communist Party of China, doctoral student. Served as Urumqi Gao Section Chief of the Treasury Section of the Finance Bureau of the New District (New Urban Area), the State-owned Assets Management Center (PPP Management) of the Urumqi High-tech Zone (New Urban Area)

Director of Urumqi High-tech Zone (New Urban District) Finance Office (Financial Office, Listing Office), Urumqi High-tech Zone

Deputy Director of District (New Urban Area) District Committee Office, Director and Deputy General Manager of Xinjiang Zhongke Aid Xinjiang Innovation and Entrepreneurship Private Equity Fund Management Co., Ltd.

He is the chairman of Xinjiang Gaoxin China Merchants Bank Fund Co., Ltd., and the current vice president of Hailiang Group Co., Ltd., the controlling shareholder of the company. 2020

He has served as the director of the company since October 29, 2010.

4. Jiang Limin

Jiang Limin, male, Chinese nationality, born in February 1974, technical secondary school. Served as Deputy Finance Minister of Hailiang Group Co., Ltd., General Manager of Zhejiang Mingyang New Materials Co., Ltd., Investment Director of Hailiang Group Co., Ltd., Inner Mongolia Hailiang Real Estate Development Co., Ltd. Chief Financial Officer of the company, Audit Manager of Hailiang Group Co., Ltd., and current General Manager of Purchasing Management Center. Since September 16, 2019 Director of the company from date to present.

Mr. Jiang Limin is the nephew of the company's actual controller, Mr. Feng Hailiang, and the company's director and general manager, Mr. Zhu Zhangquan.

The other directors, supervisors, and senior managers of the company do not have related relationships.

5. King Kong

King Kong, male, Chinese nationality, born in March 1978, bachelor degree. Served as Secretary of the Party Office of Wuhan Ferry Company, Subsidiaries of Beijing Jianlong Heavy Industry Group Ningbo Jianlong Iron and Steel Co., Ltd., Chengde Jianlong Special Steel Co., Ltd., and Jilin Jianlong Iron and Steel Co., Ltd. Director of Human Resources Department, Sichuan Chuanguo Boiler Co., Ltd. Human Resources Director, Chongqing Zongshen Power Group (stock Code: 001696) Minister of Human Resources, Director of Human Resources of Wuhan Xinkang Chemical Group, etc., currently serving as Zhejiang Hailiang Co., Ltd.

Director of Human Resources of the Co., Ltd., has been a director of the company since August 25, 2016.

6. Qian Ziqiang

Qian Ziqiang, male, Chinese nationality, born in December 1985, bachelor degree. In June 2008, it entered Zhejiang Hailiang Co., Ltd.

He worked in the company and used to be the representative of the company's securities affairs and the deputy general manager of the strategic development department of Mingkanghui Ecological Agriculture Group Co., Ltd.

Since 2016, he has served as director and secretary of the board of directors of the company.

7. Fan Shunke

Fan Shunke, male, born in July 1963, Chinese nationality, MBA, professor-level senior engineer, Communist Party of China member. Served as an engineer at the Nonferrous Metals Technology and Economic Research Institute, a senior engineer at China Nonferrous Metals Industry Corporation, Minfa Aluminum

Co., Ltd. (stock code: 002578) independent director; Zhejiang Huayou Cobalt Co., Ltd. (stock code: 603799)

Independent director; won the special allowance of the State Council in 2006; won the "National Model Worker in Non-ferrous Metal Industry" in 2008. Incumbent Deputy Secretary of the Party Committee and Secretary of the Disciplinary Committee of the State-owned Ferrous Metals Industry Association, an industry expert from the National Development and Reform Commission and the Ministry of Industry and Information Technology, China

Chairman of the State-owned Nonferrous Metal Processing Industry Association. Since August 25, 2016, he has been an independent director of the company.

8. Deng Chuan

Deng Chuan, male, member of the Communist Party of China, was born in May 1973. He started teaching at Zhejiang University of Finance and Economics in March 1998. Accounting

Doctor of industry, professor, master tutor of Zhejiang University of Finance and Economics, co-doctoral tutor of Zhongnan University of Economics and Law. Now Zhejiang Finance Dean of the School of Accounting of the University, and the person in charge of the auditing specialty in Zhejiang Province during the 13th Five-Year Plan period. National Accounting Leading Talents of the Ministry of Finance (Science

Technology category), the target of Zhejiang Province's "New Century 151 Talent Project". Executive Director of the Financial Cost Branch of the Accounting Society of China, Zhejiang

Vice President of the Provincial Internal Audit Association, member of the Internal Governance Steering Committee of the Zhejiang Institute of Certified Public Accountants. The main research areas are

Accounting audit theory and practice. Served as Sime Media Co., Ltd., Hangzhou Yuanfang Optoelectronics Information Co., Ltd., Prolet

Independent director of Ya Cosmetics Co., Ltd. and Zhejiang Zhengyuan Wisdom Technology Co., Ltd. Current Eastcom Peace Technology Co., Ltd.

Co., Ltd. and Shaoxing Xingxin New Materials Co., Ltd. independent directors. Since December 6, 2018, he has served as independent director of the company.

9. Liu Guojian

Liu Guojian, male, Han nationality, born in 1958, Chinese nationality, no permanent residency abroad, member of the Communist Party of China, bachelor degree, First-class lawyer, arbitrator of Hangzhou Arbitration Commission. Graduated from East China University of Political Science and Law (formerly "East China University of Political Science and Law") in 1995

Professional, has won the honorary titles of 2011-2014 National Outstanding Lawyers, Top Ten Lawyers in Zhejiang Province, etc., has more than 30 years of law

Practicing experience, once served as director of Zhejiang Lishui District Law Firm and Director of Zhejiang Guoshi Law Firm. Current Zhejiang Haihao Law

Chief partner of the division, independent director of Gansu Shangfeng Cement Co., Ltd. and Hangzhou Boiler Group Co., Ltd.

Since September 16, 2019, he has served as independent director of the company.

10. Hu Shihua

Hu Shihua, male, Han nationality, born in July 1971, graduated from the Chinese University of Hong Kong with a master's degree in accounting for senior accountants.

Chinese Certified Public Accountant, Chinese Certified Appraiser, Senior Accountant, International Certified Internal Auditor.

Since August 1989, he has worked in Chongqing Jiangjin Winery (Group) Co., Ltd., Sichuan Xinde Certified Public Accountants, and four

Chuangdongfang Assets Appraisal Firm, Tianzhi International Accounting Firm, Xizi United Holdings Co., Ltd. (Xizi Elevator Group has

Co., Ltd.), Hangzhou Boiler Group Co., Ltd., Shanghai Atrium Co., Ltd., Zanyu Technology Group Co., Ltd.

Company, Hailiang Group Co., Ltd. and other enterprises and audit evaluation intermediary agencies. He is currently the Chief Financial Officer of Hailiang Group Co., Ltd.

Since May 20, 2019, he has been the chairman of the company's board of supervisors.

11. Yu Tiejun

Yu Tiejun, male, Han nationality, born in May 1977, bachelor degree, member of the Communist Party of China. Entered Zhejiang Hailiang Stock in July 2002

He is currently working as a R&D engineer in the Copper Piping Division of Zhejiang Hailiang Co., Ltd. September 16, 2019

Since then, he has been a supervisor of the company.

Was awarded "Top Ten Technological Workers", "Outstanding Employees in Non-ferrous Metals Sector" by the company, and the Hailiang Group Party Committee was established for 20 weeks

Honorable titles such as the Top Ten Pioneer Party Members of the Year. He was also awarded as one of the "Top Ten Outstanding Workers in Shaoxing City" and "Selected in the Artisan Talent Pool of Shaoxing City".

"Shaoxing May 1st Labor Medal." Its leading development of "vertical mold receiving R plastic shaping process" was rated as the "Advanced Occupation in Zhejiang Province in 2018"

Operation method".

12. Zhu Lin

Zhu Lin, female, Chinese nationality, born in December 1980, bachelor degree. Joined Zhejiang Hailiang Co., Ltd. in July 2003

Working in the company, currently serving as the company's securities affairs representative, and since August 25, 2016, as the company's employee representative supervisor.

13, Wang Sheng

Wang Sheng, male, Chinese nationality, no permanent overseas residency, was born in April 1969, bachelor degree, engineer. Once served

Deputy General Manager of Jiangsu Taicang Copper Material Factory, Deputy General Manager of Production of Shanghai Longyang Precision Composite Copper Tube Co., Ltd., Jiangxi Nile Copper

Limited company general manager and other positions. The current deputy general manager of Zhejiang Hailiang Co., Ltd.

14. Dong Zhiqiang

Dong Zhiqiang, male, Chinese nationality, party member, born in December 1969, bachelor degree, engineer and senior economist.

Served as production supervisor of Jinlong Precision Copper Tube Group Co., Ltd., Shanghai Longyang Precision Composite Copper Tube Co., Ltd., Shanghai Longang

Deputy Manager of International Trade Co., Ltd., General Manager of Jiangsu Canghuan Copper Co., Ltd., Jinlong Precision Copper Tube Group Co., Ltd.

Vice President of the company. The current deputy general manager of Zhejiang Hailiang Co., Ltd.

Mr. Dong Zhiqiang has won many prefectural, provincial, and national "May 1st Labor Medals".

"High-efficiency short-process technology and equipment R&D and industrialization" won the second prize of National Scientific Progress Award.

15. Sun Hongjun

Sun Hongjun, Chinese nationality, male, born in October 1975, member of the Communist Party of China, Master of Business Administration of China Europe International Business School

Bachelor, PhD candidate in economics at Shanghai University of Finance and Economics. Served as Deputy General Manager of Luda (Xiamen) Industry Co., Ltd.

Assistant to the general manager of the company, he will serve as the deputy general manager of the company from April 16, 2021.

Serving in shareholder units

Applicable Not applicable

Name of incumbent

Name of shareholder unit
In the shareholder unit
Position held
Term start date Term end date
Is in the shareholder unit

Receive remuneration allowance
Zhu Zhangquan
Hailiang Group Co., Ltd.
director
no

Hu Shihua
Hailiang Group Co., Ltd.
financial director
Yes

Wang Shuguang
Hailiang Group Co., Ltd.
vice president
Yes

Serving in other units

Applicable Not applicable

Name of incumbent

Name of other unit

In other units

Position held

Term start date Term end date

In other units

Receive remuneration allowance

Zhu Zhangquan

Zhejiang Haibo Microfinance Co., Ltd.

Chairman of the board

no

Zhu Zhangquan

Guangdong Hailiang Copper Industry Co., Ltd.

Executive Director,

reason

no

Zhu Zhangquan

Zhejiang Hailiang Investment Co., Ltd.

Chairman of the board

no

Zhu Zhangquan

Zhejiang Copper Processing Research Institute Co., Ltd.

executive Director

no

Zhu Zhangquan

Hailiang Group Co., Ltd.

director

no

Zhu Zhangquan

Hailiang Group Finance Co., Ltd.

director

no

Chen Dong

Shanghai Hailiang Copper Industry Co., Ltd.

Chairman of the board

no

Chen Dong

Hailiang (Anhui) Copper Industry Co., Ltd.

Executive Director and

General manager

no

Chen Dong

Chongqing Hailiang Copper Industry Co., Ltd.

executive Director

no

Chen Dong

Zhejiang Hailiang Environmental Materials Co., Ltd.

Executive Director and

manager

no

Chen Dong
Ningbo Hailiang Copper Industry Co., Ltd.
Executive Director and
manager
no
Chen Dong
Hailiang Group Finance Co., Ltd.
Chief Supervisor
no
Chen Dong
Zhejiang Haibo Microfinance Co., Ltd.
director
no
Chen Dong
Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
Chairman of the board
no
Chen Dong
Zhejiang Hailiang New Material Co., Ltd.
Supervisor
no

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Chen Dong
LOYAL HAILIANG COPPER
(THAILAND)CO.,LTD.
director
no
Chen Dong
Hailiang (Singapore) Pte Ltd
director
no
Chen Dong
Zhejiang Hailiang International Trade Co., Ltd.
Supervisor
no
Chen Dong
Zhejiang Hailiang New Material Co., Ltd.
Supervisor
no
Chen Dong
Hong Kong Hailiang Holdings Co., Ltd.
director
no
Chen Dong
HME Copper Germany Gmbh
director
no
Chen Dong
Hailiang Netherlands Holding BV
director
no
Qian Ziqiang
Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
director
no
Jiang Limin
Hailiang (Singapore) Pte Ltd
director
Jiang Limin
Ningbo Hailiang Copper Industry Co., Ltd.
Supervisor
no
Jiang Limin
Chongqing Hailiang Copper Industry Co., Ltd.
Supervisor
no

Jiang Limin
Chongqing Hailiang Metal Materials Co., Ltd.
Executive Director and
manager
no

Jiang Limin
Chongqing Hailiang International Trade Co., Ltd.
director
no

Jiang Limin
Hailiang (Anhui) Copper Industry Co., Ltd.
Supervisor
no

Jiang Limin
Zhejiang Haibo Microfinance Co., Ltd.
director
no

Jiang Limin
Zhejiang Bize Group Co., Ltd.
Executive Director and
manager
no

Jiang Limin
Chengdu Better Copper Industry Co., Ltd.
Supervisor
no

Jiang Limin
Ningbo Dunshi Investment Co., Ltd.
Executive Director and
manager
no

Deng Chuan
School of Accounting, Zhejiang University of Finance and Economics
Dean
Yes

Deng Chuan
Shaoxing Xingxin New Material Co., Ltd.
Independent director
Yes

Deng Chuan
Eastcom Peace Technology Co., Ltd.
Independent director
Yes

Fan Shunke
China Nonferrous Metals Industry Association
Deputy Secretary of the Party Committee
Secretary of the Commission for Discipline Inspection
Yes

Fan Shunke
China Nonferrous Metal Processing Industry Association
Chairman
no

Liu Guojian
Naaisi Group Co., Ltd.
Legal counsel
Yes

Liu Guojian
Zhejiang Jiaotong Group Co., Ltd.
Legal counsel, project
Project consultant
Yes

Liu Guojian
Zhejiang Water Resources and Hydropower Investment Group Co., Ltd.
Legal counsel, project
Project consultant
Yes

Liu Guojian
Gansu Shangfeng Cement Co., Ltd.
Independent director
Yes

Liu Guojian

Zhejiang Haihao Law Firm
Chief partner
Yes
Liu Guojian
Hangzhou Boiler Group Co., Ltd.
Independent director
Yes

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Lin ZHU
Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
Supervisor

no

In other units

Description of job status

without

The penalties of the current directors, supervisors and senior executives of the company during the reporting period and the securities regulatory agencies in the past three years

Applicable Not applicable

4. Remuneration of Directors, Supervisors and Senior Management

Decision-making procedures, basis for determination, and actual payment of directors, supervisors, and senior executives' remuneration

The decision-making procedure for the remuneration of directors, supervisors and senior managers: in accordance with the "Company Law", "Articles of Association", Name, Remuneration and Appraisal Committee's Working Rules and the relevant provisions of the Remuneration System for Directors, Supervisors and Senior Management.

After being reviewed and approved by the Nomination, Remuneration and Appraisal Committee of the Board of Directors, it shall be submitted to the Board of Directors for deliberation.

The basis for determining the remuneration of directors, supervisors and senior managers: the remuneration of the company's directors, supervisors and senior

The Nomination, Remuneration and Appraisal Committee of the Board of Directors shall, in accordance with job responsibilities, and in accordance with performance appraisal standards and procedures, provide

After the completion of the annual performance indicators and the comprehensive performance evaluation, the company's directors, supervisors, and senior executives' annual reports are presented.

Reward.

Remuneration of directors, supervisors and senior executives during the reporting period of the company

Unit: ten thousand yuan

Name

Job title

gender

age

Employment status

Taxes received from the company

Total former remuneration

Is it related to the company?

Party gets paid

Zhu Zhangquan

Chairman, general manager male

54 Incumbent

135.48 No

Chen Dong

Director, Chief Financial Officer Male

53 Incumbent

59.53 No

King Kong
director
male
43 Incumbent
60.19 No
Jiang Limin
director
male
48 Incumbent
66.03 No
Qian Ziqiang
Director, Secretary of the Board of Directors
Book
male
36 Incumbent
45.16 No
Wang Shuguang
director
male
36 Incumbent
0 is
Fan Shunke
Independent director
male
58 Incumbent
0 No
Deng Chuan
Independent director
male
48 Incumbent
10.74 No
Liu Guojian
Independent director
male
64 Incumbent
10.74 No
Wang Sheng
Deputy General Manager
male
52 Incumbent
75.92 No
Dong Zhiqiang
Deputy General Manager
male
52 Incumbent
75.98 No

Hu Shihua
Chairman of the Supervisory Board
male
49 Incumbent
0 is
Yu Tiejun
Supervisor
male
44 Incumbent
40.86 No
Lin ZHU
Employee representative supervisor
Female
40 incumbent
16.75 No
Chen Shucui
director
Female
48 Outgoing

0 No
total
-
-
-
-
597.38
-

The company's directors and senior executives were granted equity incentives during the reporting period

Applicable Not applicable

Five, the company's employees

1. Number of employees, professional composition and education level

Number of employees in the parent company (person)

2,249

Number of employees in major subsidiaries (persons)

5,763

Total number of employees (person)

8,012

Total number of employees receiving salaries in the current period (person)

8,012

Number of retired employees whose parent company and major subsidiaries need to bear expenses (persons)

0

Professional composition

Professional composition category

Number of professional composition (persons)

Production staff

6,616

salesperson

363

Technical staff

421

Financial officer

154

administration staff

458

total

8,012

education level

Education level category

Quantity (person)

PhD

3

master

65

Undergraduate

1,065

Junior college

792

Technical secondary school

1,065

high school

1,907

Below high school

3,115

total

8,012

2. Salary policy

The company is formulated in accordance with relevant national laws and regulations, combined with the actual situation of the company, and based on the concept of objectivity, fairness and norms.

The salary and performance appraisal system is adopted. The income of employees is composed of monthly income, year-end bonus and other items. The monthly income is composed of monthly basic labor

Salary, appraisal salary, overtime salary, monthly meal allowance, working age allowance, etc. The basic salary is determined according to the level of job evaluation,

Performance pay is determined in accordance with the performance appraisal situation. At the same time, the company pays social insurance and provident fund for it in accordance with national laws and regulations.

3. Training plan

Since 2019, the company has established an effective training organization, the human resource center is the organizational unit, and the professional departments

Departments, subsidiaries, and departments jointly participate and take their respective responsibilities, and fully mobilize the initiative and enthusiasm of training at all levels;

The training targets are leading, high-level, middle-level, professional, functional, first-line, technology, marketing, etc. to drive training courses; from training

The three-stage landing training of the training, the model training is the standardization of induction training, the standardization of on-the-job qualification training, and the management ability

And professional skills to improve training standardization; in terms of training project practice, continue to strengthen special projects such as Star Youth, Hailiang Class, and Tongying Class

Cultivation work, gather resources, and persevere. In the later stage, you can consider different levels of reserve echelon based on different training objectives.

item.

4. Situation of labor outsourcing

Applicable Not applicable

Section 10 Corporate Governance

1. The basic status of corporate governance

During the reporting period, the company strictly followed the "Company Law", "Securities Law", "Listed Company Governance Guidelines", "Shenzhen Securities Exchange Stock Listing Rules", "Guidelines for the Normative Operation of Listed Companies on the Small and Medium-sized Enterprise Board of the Shenzhen Stock Exchange" and other relevant laws and regulations,

The requirements of rules and regulations and normative documents, continuously improve the corporate governance structure, establish and improve the internal control system, and continue to improve

The company regulates its operation level, strictly fulfills its information disclosure obligations, and pays attention to protecting the interests of investors. As of the reporting period, corporate governance

The actual situation basically meets the requirements of the regulatory documents on the governance of listed companies issued by the China Securities Regulatory Commission.

(1) About shareholders and general meetings: During the reporting period, the company convened 3 general meetings (1 annual general meeting,

Extraordinary General Meeting of Shareholders (3 times). The company strictly abides by the "Company Law", "Articles of Association" and "Rules of Procedure of the General Meeting of Shareholders" and other regulations

And requirements, standardize the convening, convening, and voting procedures of the general meeting of shareholders, treat all shareholders equally, and review related parties at the general meeting of shareholders

In the event, related shareholders avoided voting, related transactions were fair and reasonable, and there was no circumstance that harmed the interests of shareholders; Small and medium investors' votes shall be counted separately when voting on proposals concerning the interests of small and medium investors. Each meeting is set up as required on-site meeting,

And through the Shenzhen Stock Exchange's trading system and Internet voting system to provide all shareholders with online voting, hiring professional lawyers to issue The legal opinion effectively protects shareholders, especially small and medium shareholders, to fully exercise their rights.

(2) Regarding the company and controlling shareholders: the company is independent of controlling shareholders in terms of business, personnel, assets, finances and institutions East, the company's board of directors, board of supervisors and other internal institutions operate independently. The company's controlling shareholders can strictly regulate their behavior,

There is no direct or indirect intervention in the company's decision-making and business activities beyond the general meeting of shareholders, and there is no non-operating occupation of listed companies

The behavior of the company's funds.

(3) Regarding directors and the board of directors: the company elects directors in strict accordance with the selection procedures stipulated in the "Company Law" and "Articles of Association".

Matter, hire independent directors. The company currently has nine directors, of which three are independent directors, all of whom are in the non-ferrous metal industry, financial Experts in the fields of accounting, law, etc., and the number and composition of the board of directors comply with the requirements of laws and regulations and the "Articles of Association".

The board of directors has three special committees, namely, the audit committee, the strategy committee, the nomination, remuneration and appraisal committee, and their member groups

It has a reasonable structure and provides scientific and professional opinions and references for the decision-making of the board of directors. The board of directors strictly complies with the "Articles of Association"

And the "Rules of Procedure of the Board of Directors" and other provisions to convene a meeting of the board of directors to implement the resolutions of the general meeting of shareholders; all directors can perform

It is due to its own responsibilities to attend the board of directors and shareholders' meeting conscientiously to safeguard the legitimate rights and interests of the company and shareholders.

(4) Regarding the supervisors and the board of supervisors: the board of supervisors of the company strictly follows the selection and appointment procedures stipulated in the "Company Law" and the "Articles of Association"

In order to elect the supervisors, the company currently has three supervisors, including one chairman of the board of supervisors. The number and composition of the board of supervisors comply with laws and regulations.

Regulations and the "Articles of Association" and other requirements. The Board of Supervisors strictly complies with the "Articles of Association" and the "Rules of Procedure of the Board of Supervisors", etc.,

Convene a meeting of the board of supervisors; all supervisors earnestly perform their duties, honestly, diligently and conscientiously to the company's finances, directors,

Senior executives perform effective supervision on the legality and compliance of their duties and express independent opinions to maintain the company's and shareholders' compliance.

Legal rights.

(5) Regarding performance appraisal and incentive and restraint mechanism: In order to further establish and improve the company's incentive mechanism, strengthen the company's The management and the core employees have the concept of joint sustainable development. The company has implemented a restricted stock incentive plan and an employee stock ownership plan.

Plan, strengthen the benefit sharing and restraint mechanism between shareholders and core business personnel, and maintain the stability of the management team and business backbone,

Ensure the realization of the company's development strategy and business objectives, and ensure the company's long-term and stable development. The appointment of company executives is public,

Transparency and compliance with laws and regulations.

(6) Regarding relevant stakeholders: the company fully respects and safeguards the legitimate rights and interests of relevant stakeholders, and is working hard to achieve

While the performance is growing steadily, the legitimate rights and interests of all stakeholders are treated and protected, and the quality of products is continuously improved. Protect the environment, do a good job in energy conservation and emission reduction, actively participate in social welfare and charity, and realize shareholders, employees, and society

The interests of all parties are balanced to promote the sustainable, stable and healthy development of the company.

(7) Regarding information disclosure and transparency: the company strictly complies with relevant laws and regulations and the company's "Information Disclosure Management System"

According to the provisions of the "Securities Times", "Securities Daily", and "Securities Times", "Securities Daily",

"Shanghai Securities News", "China Securities News" and Juchao Information Network (www.cninfo.com.cn) are the media for the company's information disclosure;

The company strictly does a good job in the confidentiality of undisclosed information.

We have done a good job in the registration and filing of inside information insiders, and have established an inside information insider file system, and comply with regulations

Timely report to the regulatory authority for record, and at the same time strictly regulate the behavior of reporting company information to external information users. In the reception specific

In the process of the object, the company strictly follows the relevant requirements, and earnestly does a good job of receiving the visits of specific objects, and requires the visitors Sign the "Letter of Commitment", and upload relevant research records to Shenzhen Stock Exchange "Easy" for disclosure in a timely manner after the visit. During the reporting period, the company

There was no use of inside information to buy or sell company stocks. The company has established investor hotlines and e-mail addresses,

The questions raised by the investors are answered patiently, timely and one by one, and an open, transparent and efficient investor interaction feedback mechanism has been established. Ensure that investors have access to company information through multiple channels. Improve investors' basic information about the company through investor relations management

Understanding, maintain good investor relations, and guide investors to invest rationally; by listening to investors' opinions and suggestions, managing

The management team will combine the company's own production and operation to provide reference information for the company's decision-making. The company strictly follows the relevant content and style

To ensure that all shareholders have equal opportunities to obtain information based on formal requirements, truthful, accurate, complete and timely disclosure of information.

Whether the actual status of corporate governance and the regulatory documents on the governance of listed companies issued by the China Securities Regulatory Commission are significant difference

Yes No

There is no major difference between the actual status of corporate governance and the regulatory documents on listed company governance issued by the China Securities Regulatory Commission different.

2. The company's independence from the controlling shareholder in terms of business, personnel, assets, institutions, finances, etc.

The company strictly complies with the "Company Law", "Securities Law", "Shenzhen Stock Exchange SME Board Listed Companies Standard Operation Guidelines

"Introduction" and other laws and regulations regulate governance, the company and its controlling shareholders are

The shareholders are completely separated, with independent and complete businesses and the ability to operate independently in the market.

1. Business independence

The company's business is independent of the controlling shareholder and its subsidiaries, and has an independent and complete supply, production and sales system.

To conduct business, it does not rely on shareholders or any other related parties. The controlling shareholder and actual controller of the company issued the Letter of Commitment to Avoid Competition in the Industry.

2. Personnel independence

The company's personnel, labor, personnel and wages are completely independent, and the company's general manager, financial officer, and board secretary are holding Shareholder units do not hold positions other than directors.

3. Asset independence

The company owns tangible land, houses, machinery and equipment, vehicles, office facilities, and test facilities related to its main business.

Assets and intangible assets such as trademarks, patents, and know-how. The relevant assets are independent and complete, the ownership is clear, and there are no controlled shares Occupation or dominance of Dong and its affiliates.

4. Institutional independence

The company's board of directors, board of supervisors and other internal institutions shall operate independently, exercise management power independently, and cooperate with controlling shareholders and

There is no situation in which the company's affiliates will affect the company's independent operation by the same combination of institutions.

5. Financial independence

The company has an independent financial department, a sound and independent financial accounting system, capable of making independent financial decisions, and

There are standardized financial accounting systems and financial management systems for branches and subsidiaries. The company opens a bank account independently, independently pay taxes.

3. The situation of horizontal competition

Applicable Not applicable

4. Relevant information about the annual general meeting and extraordinary general meeting held during the reporting period

1. The general meeting of shareholders during the reporting period

Sessions

Meeting type

Investor participation ratio

Date

Disclosure date

Disclosure Index

2019 Annual General Meeting of Shareholders

57.01% May 19, 2020 May 20, 2020

``2019 Annual Shareholders

Announcement of General Assembly Resolutions (public

Report number: 2020-028)

(Juchao Information Network

<http://www.cninfo.com.cn>

m.cn)

The first temporary in 2020

General meeting of shareholders

Extraordinary General Meeting of Shareholders

55.89% July 20, 2020 July 21, 2020

``The first time in 2020

When the shareholders' meeting resolved

Announcement (Announcement No.:

2020-043) (Huge Tide Funds

Xunnet

<http://www.cninfo.com.cn>

m.cn)

The second interim in 2020

General meeting of shareholders

Extraordinary General Meeting of Shareholders

55.95% October 29, 2020 October 30, 2020

``The second time in 2020

When the shareholders' meeting resolved

Announcement (Announcement No.:

2020-061) (Huge tide of capital

Xunnet

<http://www.cninfo.com.cn>

m.cn)

2. Preferred shareholders whose voting rights have been restored request to convene an extraordinary general meeting

Applicable Not applicable

V. The performance of duties by independent directors during the reporting period

1. The attendance of independent directors at the board of directors and general meeting of shareholders

Independent directors attending the board of directors and shareholders meeting

Independent director's name
 Participate in this reporting period
 Increase the number of boards
 Directors present at the scene
 Number of meetings
 Participate by communication
 Increase the number of boards
 Appointment of directors to attend
 Number of meetings
 Number of Absences to the Board of Directors
 number
 Whether twice in a row
 Did not personally attend Dong
 Board meeting
 Attend the shareholders meeting
 frequency
 Fan Shunke
 7
 0
 7
 0
 0 No
 0
 Deng Chuan
 7
 0
 7
 0
 0 No
 0
 Liu Guojian
 7
 0
 7
 0
 0 No
 0

Explanation of not attending the board of directors in person for two consecutive times
not applicable

2. Circumstances in which independent directors raised objections to the company's related matters

Whether independent directors raise objections to the company's related matters

Yes No

During the reporting period, independent directors raised no objections to the company's related matters.

3. Other instructions for independent directors to perform their duties

Whether the independent director's suggestions on the company have been adopted

Yes No

Independent directors' explanations on whether the company's recommendations were adopted or not adopted

During the reporting period, the independent directors of the company were able to strictly follow the "Articles of Association" and the "Work System of Independent Directors" and other relevant

The rules and regulations, in a responsible attitude to the company and investors, perform duties independently and impartially, and actively attend relevant

The meeting provided advice and suggestions for the company in terms of corporate governance, internal control construction, product research and development, development planning, and strategic decision-making.

Based on the actual situation, the company adopted the rationalization suggestions put forward by the independent directors; at the same time, the company's financial and production

Effective supervision of business activities and information disclosure will play an important role in safeguarding the legitimate rights and interests of the company and all shareholders.

6. The performance of duties by special committees under the board of directors during the reporting period

(1) Duty performance of audit committee members of the board of directors

During the reporting period, the audit committee of the company's board of directors held 4 meetings.

I really listened to the management's report on this year's operating conditions, financial status and other major issues, and the internal audit department submitted

Discuss the audit report, self-evaluation of internal control, reappointment of audit agency, storage and use of raised funds, etc.

Express opinions. Strictly follow the relevant laws and regulations and the requirements of the company's internal control system, carefully supervise the company to perform the annual report audit work,

Communicate with accountants, summarize and evaluate the audit work of audit institutions, and review the company's financial statements.

It ensures the legal compliance of the company's decision-making on related matters and safeguards the interests of the company and its shareholders.

(2) Performance of the Nomination, Remuneration and Evaluation Committee of the Board of Directors

During the reporting period, the Nomination, Remuneration and Appraisal Committee of the Board of Directors held 3 meetings. The Nomination, Remuneration and Appraisal Committee

According to the company's "Articles of Association" and "Nomination, Remuneration and Appraisal Committee Rules of Procedure", a meeting is required to discuss the nominee's individual

The resume, qualifications and other related matters were reviewed. The first-phase restricted stock incentive plan for the incentive objects of the company's incentive plan

Part of the first grant part of the third release of the restriction period (the second release of the restriction period reserved for the grant of stocks) can be reviewed for the removal of the restriction

Approved and issued an opinion agreeing to lift the restriction on sales. The qualifications and abilities of the company's directors and senior managers were reviewed

Carefully inspected and evaluated the work of the company's directors and senior management according to the performance indicators set at the beginning of the year.

According to the company's performance, combined with industry standards, the staff's position levels and assessment standards have been sorted out and planned, reviewed and confirmed.

Recognized the remuneration of the company's directors, supervisors and senior management personnel.

(3) Duty performance of the Strategy Committee of the Board of Directors

During the reporting period, the Strategy Committee held a total of 3 meetings, and reviewed the relevant issues related to cash management of idle raised funds.

Related matters and some idle raised funds to temporarily supplement working capital. At the same time, he listened to the annual production and operation work situation.

Status report and other matters.

In accordance with the company's strategic development requirements, the Strategy Committee is responsible for the company's strategy, long-term development planning, deepening of innovation and reform and overall

The globalization layout was discussed, the market situation was analyzed in a timely manner and corresponding adjustments were made.

Constructive opinions were put forward on major issues of the company's future development to ensure the scientificity and coordination of the company's development planning and strategic decision-making.

Rationality, thereby improving the company's operating performance.

7. Work of the Board of Supervisors

The board of supervisors discovered whether the company is at risk during the supervision activities during the reporting period

Yes No

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

8. Evaluation and motivation of senior management

The company has established a complete performance appraisal standard and salary system for senior management personnel, based on the completion of annual operating indicators

Appraise and reward the performance of senior managers. The company's senior managers are accountable to the board of directors and are responsible for the board's orders

Business objectives, the nomination, remuneration and evaluation committee of the board of directors and the evaluation of the board of directors

Year-end appraisal will be carried out on job status, completion of responsibility goals, etc.

In 2020, the company's senior management staff earnestly performed their work responsibilities and performed well.

Various tasks formulated.

9. Internal control evaluation report

1. Details of major deficiencies in internal control discovered during the reporting period

Yes No

2. Internal control self-evaluation report

Disclosure date of the full text of the internal control evaluation report

April 30, 2021

Full-text Disclosure Index of Internal Control Evaluation Report

The full text of the "2020 Internal Control Assurance Report" is posted on Juchao Information Network (<http://www.cninfo.com.cn>)

The total assets of the units included in the evaluation scope account for the combined company

Proportion of total financial statement assets

100.00%

The operating income of the units included in the evaluation scope accounted for the combined company

Percentage of financial statement operating income

100.00%

Defect identification standard

category

financial report

Non-financial report

Qualitative standards

The following signs indicate that the financial report may have major flaws

Including: 1) Company directors, supervisors and senior managers

Fraud of employees; 2) The company corrected the announced financial

Reports, CPAs discovered but not within the company

Control the identified major misstatements in the current financial report;

3) The audit committee and the audit department's external financial affairs of the company Internal control and supervision of reports and financial reports are invalid. finance Signs of reporting important deficiencies include: 1) Failure to comply with recognized Accounting standards selection and application of accounting policies, no countermeasures Fraud procedures and control measures; 2) For unconventional or special No corresponding control mechanism has been established for the accounting processing of special transactions System or not implemented and no corresponding compensatory control;

3) For the control of the financial reporting process at the end of the period, there is a Or multiple deficiencies and cannot reasonably guarantee the preparation of the financial report Express real and accurate goals. General defect refers to In addition to the above-mentioned major defects and important defects, other controls System defects.

If there are problems including but not limited to the following, consider Consider whether there may be non-financial reporting internal controls Major defects: 1) The company has not established effective internal control System; 2) Lack of "three important and one big" decision-making procedures; 3) The company violates national laws and regulations and is Penalties imposed by the administrative management department and the company has been The regular report of the disclosure caused a major negative impact; 4) The major defects assessed last year have not been rectified, nor There is a reasonable explanation. If it exists, including but not limited to the following If there are problems listed, it is important to consider whether there is internal control Defects: 1) The company violates national laws and regulations, Penalized by the state-level administrative department; 2) The company's senior managers are under national administrative management Punishment by the management department; 3) Fraud in middle-level employees Behaviour; 4) The important defects evaluated last year have not been obtained There is no reasonable explanation for the rectification. Include if it exists But not limited to the following questions, consider whether there are internal General deficiencies of departmental control: 1) Company or company senior Managers are subject to provincial (including provincial) governments The department penalized but failed to disclose the company's periodic report. Into a negative impact; Quantitative standards Significant defects refer to consideration of compensatory control measures and actual bias After the difference rate, the overall impact level of the defect is higher than the importance Level, if one of the following conditions is met, it can be determined as Major flaws. Defect impact: potential misstatement of total profit Greater than or equal to 20% of total profit, total assets potential General defect: the amount of loss is less than 1 million yuan, Penalties by government departments below the provincial level, but did not impose penalties on the company The disclosure of the period report caused a negative impact. Important defects: 1 million yuan \leq loss amount < 5 million yuan, subject to provincial Administrative penalties by government departments, but did not impose regular punishment on the company

Misreporting is greater than or equal to 5% of total assets, operating income potential When the misstatement is greater than or equal to 10% of operating income, the owner Potential misstatement of equity greater than or equal to 5%, direct property damage The loss is greater than or equal to 20 million yuan. Important deficiencies refer to consideration After compensatory control measures and actual deviation rate, the defect The overall impact level is lower than the importance level and meets the following If one of the conditions is met, it can be regarded as an important defect. defect Impact: Potential misstatement of total profit is less than total profit 20% and greater than 5% of the total profit, the total assets are potentially wrong Report less than 5% of total assets and greater than 3% of total assets, The potential misstatement of operating income is less than 10% of operating income and is large At 5% of operating income, the potential misstatement of owners' equity is less than Owner's equity is 5% and greater than 3% of owner's equity, straight Incoming property loss is less than 20 million yuan and greater than 5 million Yuan. General deficiencies refer to consideration of compensatory control measures and actual After the international deviation rate, the overall impact level of the defect is less than one General level, if one of the following conditions is met, it can be considered Defined as a general defect. Defect impact: total profit potential The misstatement is less than or equal to 5% of the total profit, and the total assets potential When the misstatement is less than or equal to 3% of total assets, operating income

Potential misstatement is less than or equal to 5% of operating income, owner
Potential misstatement of equity is less than or equal to 3%, direct property damage
The loss is less than or equal to 5 million yuan.

The report disclosure has a negative impact. Major defect: damage

Lost amount \geq 5 million yuan, subject to national level or dispatch

Institutional administrative penalties

Into a negative impact.

Number of major defects in financial reports (a)

0

Number of major deficiencies in non-financial reports (a)

0

Number of important defects in financial reports (a)

0

Number of important defects in non-financial reports (a)

0

X. Internal control audit report or attestation report

Internal Control Assurance Report

Deliberation and Opinion Section in the Internal Control Assurance Report

We believe that your company has maintained a valid financial report in all major aspects on December 31, 2020 in accordance with the "Basic Norms of Corporate Internal Control" and relevant regulations.

Report to internal control.

Disclosure of internal control assurance report

Disclosure

Disclosure date of the full text of the internal control assurance report: April 30, 2021

Disclosure index of the full text of the internal control verification report The full text of the "2020 Internal Control Verification Report" is posted on www.cninfo.com.cn (<http://www.cninfo.com.cn>)

Opinion Type of Internal Control Assurance Report

Standard unqualified opinion

Whether there are major flaws in non-financial reports

no

Whether the accounting firm issued a non-standard opinion internal control assurance report

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Yes No

Whether the internal control assurance report issued by the accounting firm is consistent with the self-evaluation report of the board of directors

Yes No

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Section 11 Relevant Situation of Corporate Bonds

Whether the company has a public offering and is listed on the stock exchange, and it has not expired or expired on the date of approval of the annual report

Corporate bonds that can be redeemed in full

no

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Section XII Financial Report

1. Audit report

Audit opinion type

Standard unqualified opinion

Audit report signing date

April 28, 2021

Audit institution name

Daxin Certified Public Accountants (Special General Partnership)

Audit report number
Daxin Shenzi [2021] No. 4-00446
CPA name
Guo Yixi Liu Tao
Audit report text

All shareholders of Zhejiang Hailiang Co., Ltd.:

1. Audit opinion

We audited the financial statements of Zhejiang Hailiang Co., Ltd. (hereinafter referred to as "your company"), including the merger and Parent company balance sheet, 2020 merger and parent company income statement, merger and parent company cash flow statement, merger and parent company shareholders' equity Statement of changes, and notes to the financial statements.

We believe that the attached financial statements are prepared in accordance with the Accounting Standards for Business Enterprises in all major aspects, and fairly reflect your company's 2020

The merger on December 31 and the financial status of the parent company and the 2020 merger and the operating results and cash flow of the parent company.

2. Form the basis of audit opinions

We performed our audit in accordance with the Chinese Certified Public Accountants' Auditing Standards. Audit report of the "CPA on the audit of financial statements

The "Responsibilities" section further elaborates on our responsibilities under these standards. According to the Chinese Certified Public Accountant's Code of Professional Ethics, we are independent of your

The company has fulfilled other responsibilities in terms of professional ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. Key audit matters

Key audit matters are the matters that we believe are the most important for the audit of the financial statements of the current period based on professional judgment. The response to these matters

The financial statements are audited as a whole and the audit opinions are formed as the background. We do not express opinions on these matters separately.

(1) Provision for bad debts of accounts receivable

1. Item description

As stated in Note V. (4) of the financial statements, as of December 31, 2020, the book balance of your company's accounts receivable is RMB 4,059.3778 million.

After deducting the provision for bad debts of RMB 92,335,100, the book value was RMB 3,967,0428, accounting for 15.19% of the total assets. Due to the recoverability of accounts receivable

The financial statements have a significant impact, and the provision for bad debts for accounts receivable involves the management's use of significant accounting estimates and judgments.

Accounting preparation is confirmed as a key audit matter.

2. Audit response

Our audit response procedures mainly include:

(1) Evaluated and tested the design and operational effectiveness of key internal controls related to the impairment test of accounts receivable.

(2) Evaluate the reasonableness of the accounting estimates of bad debt reserves for accounts receivable and whether it meets the requirements of the Accounting Standards for Business Enterprises.

(3) Check the relevant supporting documents for the selected samples to verify the accuracy of the accounts receivable aging prepared by the management.

(4) Assess whether there is a situation that has a significant adverse effect on the recoverability of accounts receivable.

(2) Revenue recognition

1. Item description

As stated in Note 3, (26) and Note 5, (44) of the financial statements, in 2020, your company's operating income will be 4,652,009.28

Ten thousand yuan. Since operating income has a significant impact on operating performance, we regard income recognition as a key audit matter.

2. Audit response

Our audit response procedures mainly include:

- (1) Evaluate and test the design and operational effectiveness of key internal controls related to revenue recognition.
- (2) Check the sales contracts of various major types of customers, analyze the timing of the transfer of control rights related to sales revenue recognition, and evaluate revenue recognition accounting Policy rationality.
- (3) Analyze revenue, cost and gross profit, including sales price fluctuation analysis, cost fluctuation analysis, and gross profit margin fluctuation analysis
Etc., combined with changes in the macroeconomic environment and changes in the industry environment to comprehensively analyze its rationality,
The price was compared with the public online quotation.
- (4) Correspondence to important customers' sales amount in 2020.
- (5) Check supporting documents related to revenue recognition, including sales contracts (or orders), sales invoices, invoices, transportation documents, Customs declarations, customer receipts, etc.
- (6) Check the income before and after the balance sheet date to confirm whether the income is recorded in the correct accounting period.

Four, other information

The management of your company (hereinafter referred to as the management) is responsible for other information. Other information includes the letter covered in your company's 2020 annual report Information, but does not include financial statements and our audit report.

Our audit opinion on the financial statements does not cover other information, and we do not issue any form of attestation conclusion on other information.

Combined with our audit of financial statements, our responsibility is to read other information. In this process, consider whether other information is related to the financial report.

There are major inconsistencies or there seems to be major misstatements in the table or what we learned during the audit.

Based on the work we have performed, if we determine that there is a material misstatement of other information, we should report that fact. In this regard, I

We have nothing to report.

5. Responsibilities of management and governance for financial statements

The management is responsible for preparing financial statements in accordance with the corporate accounting standards to achieve fair reflection, and to design, implement and maintain necessary

Internal control so that there are no major misstatements due to fraud or errors in the financial statements.

When preparing financial statements, the management is responsible for assessing your company's ability to continue operations and disclosing matters related to continuing operations (if applicable),

And use the going concern assumption, unless management plans to liquidate your company, terminate operations or have no other realistic options.

The governance layer is responsible for overseeing your company's financial reporting process.

6. The responsibility of the certified public accountant for the audit of financial statements

Our goal is to obtain reasonable assurance as to whether there are no major misstatements due to fraud or errors in the overall financial statements, and to issue a

Audit report of the audit opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit performed in accordance with audit standards will result in a major misstatement.

It can always be found when it exists. Misstatements may be caused by fraud or errors. If it is reasonably expected that the misstatements, individually or collectively, may affect the use of financial statements.

The economic decision made by the user based on the financial statements usually considers the misstatement to be significant.

In the process of performing audit work in accordance with audit standards, we use professional judgment and maintain professional skepticism. At the same time, we also implemented

Work under:

- (1) Identify and assess the risk of material misstatement of financial statements due to fraud or errors, and design and implement audit procedures to deal with these risks

And obtain sufficient and appropriate audit evidence as the basis for issuing audit opinions. Since fraud may involve collusion, forgery, deliberate omission,

Misrepresentation or overriding internal control, failure to discover the risk of material misstatement due to fraud is higher than failure to discover due to errors

The risk of material misstatement.

- (2) Understand the internal control related to auditing to design appropriate audit procedures, but the purpose is not to express opinions on the effectiveness of internal control

See.

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

(4) Draw conclusions on the appropriateness of management's use of going concern assumptions. At the same time, based on the obtained audit evidence, it may lead to

A conclusion is drawn on whether there are major uncertainties in matters or circumstances that have caused major doubts about the company's ability to continue operations. If we conclude that there is

In the case of significant uncertainty, the auditing standards require us to draw the users' attention to the relevant disclosures in the financial statements in the audit report;

Insufficient, we should express non-unqualified opinions. Our conclusions are based on the information available as of the date of the audit report. However, future matters

Or circumstances may cause your company to be unable to continue operations.

(5) Evaluate the overall presentation, structure and content of the financial statements, and evaluate whether the financial statements fairly reflect relevant transactions and events.

(6) Obtain sufficient and appropriate audit evidence on the financial information of entities or business activities of your company to express audit opinions on the financial statements

See. We are responsible for directing, supervising and performing group audits, and assume full responsibility for the audit opinions.

We communicated with the management on the planned audit scope, timing and major audit findings, including communicating that we are in the audit

Identified internal control deficiencies that deserve attention.

We also provide a statement to governance regarding compliance with professional ethics requirements related to independence, and communication with governance that may be reasonably considered to affect

All relationships and other matters of our independence, as well as related precautions (if applicable).

From the matters communicated with the governance level, we determine which matters are the most important for the audit of the financial statements of the current period, and thus constitute key audit matters.

item. We describe these matters in the audit report, unless laws and regulations prohibit public disclosure of these matters, or in rare cases, if the

It is reasonable to expect that the negative consequences of communicating something in the audit report outweigh the benefits in terms of public interest. We have determined that the

Communicate the matter in the report.

Daxin Certified Public Accountants (Special General Partnership)

China Registration

Accountant: Guo Yixi

(Project partner)

Beijing China

China Registered Accounting

Teacher: Liu Tao

April 28, 2012

2. Financial statements

The unit of the statement in the financial notes is: Yuan

1. Consolidated balance sheet

Prepared by: Zhejiang Hailiang Co., Ltd.

December 31, 2020

unit: yuan

project

December 31, 2020

December 31, 2019

Current assets:

Money funds

4,196,453,894.96

4,086,529,840.44

Settlement provisions

Borrowed funds
 Transactional financial assets
 455,558,702.52
 826,968,475.30
 Derivative financial assets
 bill receivable
 216,817,782.81
 171,407,422.64
 accounts receivable
 3,967,042,786.61
 4,392,181,271.32
 Receivables financing
 303,810,771.48
 484,058,009.89
 Prepayments
 1,092,809,895.35
 741,628,515.55
 Premium receivable
 Reinsurance accounts receivable
 Reinsurance contract reserves receivable
 Other receivables
 431,114,067.77
 256,289,071.68
 Of which: interest receivable
 3,819,363.79
 2,797,711.77
 Dividend receivable
 Buy financial assets under resale agreements
 stock
 5,078,600,625.85
 4,300,498,739.56
 Contract assets
 Holding assets for sale
 Non-current assets due within one year
 Other current assets
 922,041,646.53
 493,373,324.66
 Total current assets
 16,664,250,173.88
 15,752,934,671.04
 Non-current assets:
 Issuing loans and advances
 918,486,644.51
 860,046,804.56
 Debt investment
 Other debt investments
 Long-term receivables
 Long-term equity investment
 1,712,698,912.64
 1,607,121,950.88
 Investment in other equity instruments
 815,999,997.86
 815,999,997.86
 Other non-current financial assets
 Investment real estate
 264,051,738.38
 324,494,463.88
 Fixed assets
 2,916,497,505.56
 2,247,072,526.95

Right-of-use asset
 Intangible assets
 657,051,866.53
 643,087,041.61
 Development expenditure
 7,651,429.99
 2,191,507.39
 Goodwill
 345,157,150.22
 345,157,150.22
 Long-term prepaid expenses
 846,411.90
 Deferred tax assets
 314,151,054.08
 213,229,110.22
 Other non-current assets
 178,793,624.83
 209,391,835.04
 Total non-current assets
 9,455,353,431.35
 8,769,328,649.12
 total assets
 26,119,603,605.23
 24,522,263,320.16
 Current liabilities:
 short-term loan
 3,228,900,408.42
 4,520,194,227.13
 Borrowing from the central bank
 Borrowed funds
 Transactional financial liabilities
 103,132,831.51
 9,806,277.28
 Derivative financial liabilities
 Bills payable
 2,330,845,714.00
 1,785,028,734.29
 accounts payable
 3,208,758,685.36
 3,592,511,227.11
 Advance receipt
 778,959.61
 405,021,694.89
 Contract liabilities
 272,101,491.81
 Financial assets sold under repurchase agreements
 Deposits and deposits
 Agent trading securities
 Securities underwriting agent
 Employee compensation payable
 317,743,646.84
 273,027,030.65
 Taxes payable
 263,000,794.98
 159,179,831.56
 Other payables
 246,954,375.61
 228,886,468.81
 Of which: interest payable
 Dividend payable
 Fees and commissions
 Reinsurance accounts payable
 Held for sale liabilities

551,855,897.30
 Other current liabilities
 463,137,017.48
 26,124,332.15
 Total current liabilities
 10,966,661,117.54
 11,551,635,721.17
 Non-current liabilities:
 Insurance contract reserve
 Long term loan
 1,907,534,734.09
 357,448,300.64
 Bonds payable
 2,601,447,263.86
 2,470,574,972.22
 Of which: preferred shares
 Perpetual bond
 Lease liability
 Long-term payables
 30,954,128.95
 43,294,320.82
 Long-term employee compensation payable
 154,808,469.76
 131,608,932.59
 Estimated liabilities
 Deferred income
 62,381,658.39
 36,132,508.35
 Deferred income tax liabilities
 181,493,514.57
 168,220,777.22
 Other non-current liabilities
 Total non-current liabilities
 4,938,619,769.62
 3,207,279,811.84
 Total Liabilities
 15,905,280,887.16
 14,758,915,533.01
 Owners' equity:
 Equity
 1,952,112,385.00
 1,952,107,432.00
 Other equity instruments
 674,223,457.92
 674,233,860.39
 Of which: preferred shares
 Perpetual bond
 Capital reserve
 2,317,206,098.58
 2,313,657,841.85
 Less: treasury stocks
 294,918,632.40
 331,040,381.54
 Other comprehensive income
 -150,134,670.36
 -18,235,037.70
 Special reserves
 Surplus reserve
 310,513,221.90
 258,871,094.19
 general risk preparation
 undistributed profit
 5,028,820,094.81
 4,546,302,854.44
 Total owner's equity attributable to the parent company
 9,837,821,955.45
 9,395,897,663.63
 Minority shareholders' equity
 376,500,762.62
 367,450,123.52
 Total owner's equity

10,214,322,718.07
9,763,347,787.15
Total Liabilities and Owner's Equity
26,119,603,605.23
24,522,263,320.16

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Legal representative: Zhu Zhangquan
Person in charge of accounting work: Sun Hongjun
Person in charge of accounting agency: Chen Dong

2. Balance sheet of the parent company

unit: yuan

project

December 31, 2020

December 31, 2019

Current assets:

Money funds

2,654,178,937.70

2,562,249,955.22

Transactional financial assets

237,216,539.06

315,705,706.15

Derivative financial assets

bill receivable

73,415,489.00

202,022,145.92

accounts receivable

3,956,830,516.65

2,786,825,053.84

Receivables financing

200,277,666.06

180,235,373.30

Prepayments

2,707,377,014.16

1,534,708,695.77

Other receivables

359,031,705.15

198,961,862.86

Of which: interest receivable

Dividend receivable

stock

722,507,870.71

720,761,219.64

Contract assets

Holding assets for sale

Non-current assets due within one year

Other current assets

406,204,254.17

48,763,447.99

Total current assets

11,317,039,992.66

8,550,233,460.69

Non-current assets:

Debt investment

Other debt investments

Long-term receivables

Long-term equity investment

7,961,961,594.90

7,486,000,205.07

Investment in other equity instruments

815,999,997.86

815,999,997.86

Other non-current financial assets

Investment real estate

Fixed assets

380,164,378.30

403,504,602.32

Construction in progress
431,333,693.21
260,862,648.10
Productive biological assets
oil and gas asset

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Right-of-use asset
Intangible assets
129,026,286.95
129,163,926.08
Development expenditure
7,357,535.87
2,191,507.39
Goodwill
Long-term prepaid expenses
Deferred tax assets
24,915,649.50
38,292,460.19
Other non-current assets
137,147,376.88
119,540,545.46
Total non-current assets
9,887,906,513.47
9,255,555,892.47
total assets
21,204,946,506.13
17,805,789,353.16
Current liabilities:
short-term loan
1,343,629,134.04
1,862,518,594.81
Transactional financial liabilities
1,478,579.00
Derivative financial liabilities
Bills payable
1,565,570,000.00
1,785,028,734.29
accounts payable
6,523,353,274.78
4,344,266,419.65
Advance receipt
520,866,446.58
Contract liabilities
926,173,845.76
Employee compensation payable
132,393,810.36
104,730,549.04
Taxes payable
102,094,512.77
468,998.45
Other payables
57,233,709.61
76,087,599.16
Of which: interest payable
Dividend payable
Held for sale liabilities
Non-current liabilities due within one year
523,869,474.79
Other current liabilities
301,038,533.86
1,194,474.01
Total current liabilities
10,951,486,821.18
9,220,509,869.78
Non-current liabilities:
Long term loan

1,072,090,152.91
Bonds payable
2,601,447,263.86
2,470,574,972.22
Of which: preferred shares
Perpetual bond
Lease liability
Long-term payables
Long-term employee compensation payable

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Estimated liabilities
Deferred income
30,000,000.00
Deferred income tax liabilities
9,304,134.77
8,269,595.89
Other non-current liabilities
Total non-current liabilities
3,712,841,551.54
2,478,844,568.11
Total Liabilities
14,664,328,372.72
11,699,354,437.89
Owners' equity:
Equity
1,952,112,385.00
1,952,107,432.00
Other equity instruments
674,223,457.92
674,233,860.39
Of which: preferred shares
Perpetual bond
Capital reserve
2,490,583,261.71
2,487,035,004.98
Less: treasury stocks
294,918,632.40
331,040,381.54
Other comprehensive income
6,018,609.79
-15,693,531.38
Special reserves
Surplus reserve
305,440,849.11
253,798,721.40
undistributed profit
1,407,158,202.28
1,085,993,809.42
Total owner's equity
6,540,618,133.41
6,106,434,915.27
Total Liabilities and Owner's Equity
21,204,946,506.13
17,805,789,353.16

3. Consolidated income statement

unit: yuan
project
2020 year
2019 year
I. Total operating income
46,520,092,842.72
41,258,821,257.21
Including: operating income
46,409,661,488.50
41,152,704,337.81
Interest income

110,431,354.22
106,116,919.40
Premiums earned
Fee and commission income
2. Total operating cost
45,869,421,178.66
40,154,391,740.40
Of which: Operating costs
44,732,943,729.76
38,341,711,430.31
Interest expense
Handling fees and commission expenses
Surrender money
Net payouts

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Withdrawal of insurance liability contract reserves

Net

dividend payment policy

Reinsurance costs

Taxes and surcharges

94,898,968.56

76,856,652.42

sales expense

113,572,562.01

534,801,761.70

Management costs

774,105,080.09

686,641,813.27

R&D expenses

213,237,785.72

212,360,781.69

Financial expenses

-59,336,947.48

302,019,301.01

Including: interest expense

209,608,555.68

236,349,298.03

Interest income

58,636,227.19

40,982,369.27

Add: other income

115,194,428.85

56,279,989.74

Investment income (losses are filled with "-")

List)

115,623,628.25

122,742,312.10

Of which: for associates and joint ventures

Investment income

124,374,012.56

117,651,785.00

Finance measured at amortized cost

Asset derecognition income

-116,861,887.75

-125,794,405.57

Exchange gains (losses are listed with "-")

Net exposure hedging gains (losses are marked with "-")

Number)

Gains from changes in fair value (losses

"-" to fill in)

42,176,176.86

-83,147,144.96

Credit impairment loss (the loss is filled with "-")

List)

-38,429,848.75

-45,502,396.08

Asset impairment loss (the loss is filled with "-"
List)
-4,875,796.47
Asset disposal gains (losses are filled with "-"
List)
6,501,159.38
1,732,404.88
3. Operating profit (losses are listed with "-")
891,737,208.65
1,151,658,886.02
Plus: non-operating income
11,921,363.04
95,932,227.72
Less: non-operating expenses
8,415,156.16
1,992,446.89
4. Total profit (total loss is listed with "-")
895,243,415.53
1,245,598,666.85
Deduct: income tax expense
195,218,651.77
162,542,557.85
5. Net profit (net loss is listed with "-")
700,024,763.76
1,083,056,109.00
(1) Classification by business continuity

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1. Net profit from continuing operations (net loss with "-"
Number)
700,024,763.76
1,083,056,109.00
2. Termination of net profit (net loss with "-"
Number)
(2) Classification by ownership
1. Net profit attributable to shareholders of the parent company
677,774,124.60
1,063,402,787.98
2. Minority shareholder gains and losses
22,250,639.16
19,653,321.02
6. Net after-tax of other comprehensive income
-131,899,632.66
39,776,190.26
Other comprehensive income attributable to owners of the parent company
Net after tax
-131,899,632.66
39,776,190.26
(1) Other comprehensive categories that cannot be reclassified into profit and loss
Combined income
-799,950.30
-1,482,276.53
1. Remeasure changes in defined benefit plans
Momentum
-799,950.30
-1,482,276.53
2. Others that cannot be transferred to profit or loss under the equity method
His comprehensive income
3. Fair value of investment in other equity instruments
Value change
4. The fair value of the company's own credit risk
Value change
5. Other
(2) Reclassification into other comprehensives of profit and loss
income
-131,099,682.36
41,258,466.79

1. Others that can be transferred to profit and loss under the equity method
 Comprehensive income
 -9,037,050.80
 1,346,097.79
 2. Changes in the fair value of other debt investments
 move
 3. Reclassification of financial assets included in others
 Amount of comprehensive income
 4. Other debt investment credit impairment standards
 Prepare
 5. Cash flow hedge reserve
 20,613,679.03
 -37,192,871.92
 6. Translation differences of foreign currency financial statements
 -142,676,310.59
 77,105,240.92
 7. Other
 Other comprehensive income attributable to minority shareholders
 Net after tax
 7. Total comprehensive income
 568,125,131.10
 1,122,832,299.26

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Comprehensive income attributable to owners of the parent company

lump sum

545,874,491.94

1,103,178,978.24

Total comprehensive income attributable to minority shareholders

22,250,639.16

19,653,321.02

8. Earnings per share:

(1) Basic earnings per share

0.3472

0.5567

(2) Diluted earnings per share

0.3267

0.5391

In the case of a business merger under the same control in the current period, the net profit realized by the merged party before the merger is: yuan, and the net profit realized by the merged party in the previous period is: yuan.

Legal representative: Zhu Zhangquan

Person in charge of accounting work: Sun Hongjun

Person in charge of accounting agency: Chen Dong

4. Income statement of the parent company

unit: yuan

project

2020 year

2019 year

I. Operating income

22,069,803,102.63

19,682,173,052.77

Less: operating costs

21,575,744,167.50

19,203,778,169.17

Taxes and surcharges

19,409,217.46

13,471,661.00

sales expense

31,893,332.03

96,119,606.09

Management costs

143,558,916.44

143,371,849.35

R&D expenses

12,666,047.48

12,877,035.30

Financial expenses

12,360,908.65
 171,380,517.53
 Including: interest expense
 188,195,635.63
 123,212,643.66
 Interest income
 28,672,920.35
 16,345,099.41
 Add: other income
 23,194,302.03
 10,727,078.08
 Investment income (losses are filled with "-"
 List)
 300,666,846.14
 149,550,077.79
 Of which: for associates and joint ventures
 Industry investment income
 94,891,259.57
 91,581,593.24
 Finance measured at amortized cost
 Asset derecognition gains (losses are filled with "-"
 List)
 -49,819,061.42
 -54,862,480.41
 Net exposure hedging gains (losses based on
 "-" to fill in)
 Gains from changes in fair value (losses
 "-" to fill in)
 22,989,411.91
 -31,316,431.53
 Credit impairment loss (losses are marked with "-"
 Fill in)
 4,664,445.17
 -9,841,603.35

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Asset impairment loss (losses are marked with "-"
 Fill in)
 Asset disposal gains (losses are marked with "-"
 Fill in)
 6,707,706.96
 -190,986.17
 2. Operating profit (losses are listed with "-")
 632,393,225.28
 160,102,349.15
 Plus: non-operating income
 4,839,335.39
 45,698,595.95
 Less: non-operating expenses
 530,545.41
 536,634.64
 3. Total profit (total loss is filled with "-"
 List)
 636,702,015.26
 205,264,310.46
 Deduct: income tax expense
 120,280,738.17
 17,856,749.37
 4. Net profit (net loss is listed with "-")
 516,421,277.09
 187,407,561.09
 (1) Net profit from continuing operations (net loss
 Fill in with "-")
 516,421,277.09
 187,407,561.09
 (2) Net profit from discontinued operations (net loss
 Fill in with "-")

5. Net after-tax other comprehensive income
21,712,141.17
-26,831,237.81
(1) Others that cannot be reclassified into profit and loss
Comprehensive income
1. Remeasure the defined benefit plan
Change
2. Cannot be transferred to profit or loss under the equity method
Other comprehensive income
3. Fair investment in other equity instruments
Value change
4. The company's own credit risk is fair
Value change
5. Other
(2) Other comprehensive reclassification into profit and loss
Combined income
21,712,141.17
-26,831,237.81
1. Others that can be converted to profit and loss under the equity method
His comprehensive income
-9,037,050.80
1,346,097.79
2. Fair value of other debt investments
change
3. Reclassification of financial assets is included in its
The amount of his comprehensive income
4. Credit impairment of other debt investments
Prepare
5. Cash flow hedge reserve
30,749,191.97
-28,177,335.60

6. Translation differences of foreign currency financial statements
7. Other
6. Total comprehensive income
538,133,418.26
160,576,323.28
7. Earnings per share:
(1) Basic earnings per share
(2) Diluted earnings per share

5. Consolidated cash flow statement
unit: yuan
project
2020 year
2019 year
1. Cash flow from operating activities:
Cash received from the sale of goods and the provision of labor services
52,933,650,822.48
45,196,202,450.36
Net increase in customer deposits and interbank deposits
Forehead
Net increase in borrowings from the central bank
Net increase in borrowing funds from other financial institutions
Forehead
Cash received from the original insurance contract premium
Net cash received from reinsurance business
Net increase in insurance deposits and investment funds
Cash for interest, handling fee and commission
111,865,983.46
113,636,434.10
Net increase in borrowed funds
Net increase in repurchase business funds
Net cash received from agent buying and selling of securities
Tax Refund
149,761,783.08
102,705,979.66

Receive other cash related to operating activities
 1,748,117,410.65
 1,140,376,114.82
 Subtotal of cash inflow from operating activities
 53,395,999.67
 46,552,920,978.94
 Cash paid for purchasing goods and receiving labor services
 50,212,749,739.95
 42,239,854,096.24
 Net increase in loans and advances to customers
 58,439,839.95
 64,355,275.77
 Net increase in deposits with central banks and interbanks
 Forehead
 Cash paid for the original insurance contract
 Net increase in borrowed funds
 Cash for payment of interest, handling fee and commission
 Cash to pay policy dividends

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Cash paid to and for employees
 gold
 1,454,336,115.35
 1,294,979,137.15
 Various taxes and fees paid
 531,241,812.56
 614,938,280.39
 Pay other cash related to operating activities
 1,983,573,004.95
 1,208,500,457.48
 Subtotal of cash outflows from operating activities
 54,240,340,512.76
 45,422,627,247.03
 Net cash flow from operating activities
 703,055,486.91
 1,130,293,731.91
 2. Cash flow from investment activities:
 Cash received from investment
 511,877,722.22
 572,350,945.57
 Cash received from investment income
 117,871,503.44
 14,881,762.79
 Disposal of fixed assets, intangible assets and other
 Net cash recovered from long-term assets
 4,733,742.59
 23,889,522.50
 Received from disposal of subsidiaries and other business units
 Net cash
 33,583,890.17
 Other cash received relating to investing activities
 510,213,763.33
 227,884,170.24
 Subtotal of cash inflows from investing activities
 1,144,696,731.58
 872,590,291.27
 Purchase and construction of fixed assets, intangible assets and others
 Cash paid for long-term assets
 800,033,086.96
 1,098,325,285.69
 Cash Investment
 400,000,000.00
 1,384,674,960.65
 Net increase in pledged loans
 Obtain payment from subsidiaries and other business units
 Net cash
 796,106,649.69

Other cash paid relating to investing activities
 663,491,475.77
 224,550,149.12
 Subtotal of cash outflows from investing activities
 1,863,524,562.73
 3,503,657,045.15
 Net cash flows from investing activities
 -718,827,831.15
 -2,631,066,753.88
 3. Cash flow from financing activities:
 Absorb cash received from investment
 Including: Subsidiary absorbs minority shareholders' investment
 Cash received
 Obtain the cash received from the loan
 15,394,668,478.06
 13,830,893,057.45
 Receive other cash related to financing activities
 54,723,519.45
 414,243,978.17
 Subtotal of cash inflows from financing activities
 15,449,391,997.51
 14,245,137,035.62
 Cash paid for debt repayment
 15,322,652,918.56
 10,638,763,940.48
 Distribution of dividends, profits or interest payments
 Of cash
 306,883,061.98
 392,290,539.36
 Including: paid by subsidiary to minority shareholders
 Dividends, profits
 13,200,000.00
 13,200,000.00

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Pay other cash related to financing activities
 40,304,000.80
 215,954,011.85
 Subtotal of cash outflows from financing activities
 15,669,839,981.34
 11,247,008,491.69
 Net cash flow from financing activities
 -220,447,983.83
 2,998,128,543.93
 4. The effect of exchange rate changes on cash and cash equivalents
 Influence
 96,328,443.98
 5,247,170.96
 5. Net increase in cash and cash equivalents
 -139,891,884.09
 1,502,602,692.92
 Plus: the balance of cash and cash equivalents at the beginning of the period
 2,693,644,305.68
 1,191,041,612.76
 6. Balance of cash and cash equivalents at the end of the period
 2,553,752,421.59
 2,693,644,305.68

6. Cash flow statement of the parent company

unit: yuan

project

2020 year

2019 year

1. Cash flow from operating activities:
 Cash received from the sale of goods and the provision of labor services
 24,488,014,878.00
 20,040,490,676.60
 Tax Refund

59,877,593.60
 32,375,553.28
 Receive other cash related to operating activities
 1,339,231,353.18
 590,169,986.87
 Subtotal of cash inflow from operating activities
 25,887,123,824.78
 20,663,036,216.75
 Cash paid for purchasing goods and receiving labor services
 23,415,824,640.48
 18,892,669,731.67
 Cash paid to and for employees
 gold
 270,978,638.64
 288,921,505.77
 Various taxes and fees paid
 88,733,091.86
 29,314,363.97
 Pay other cash related to operating activities
 1,271,562,260.96
 589,882,315.55
 Subtotal of cash outflows from operating activities
 25,047,098,631.94
 19,800,787,916.96
 Net cash flow from operating activities
 840,025,192.84
 862,248,299.79
 2. Cash flow from investment activities:
 Cash received from investment
 104,452,722.22
 575,829,452.17
 Cash received from investment income
 285,154,647.99
 40,717,747.96
 Disposal of fixed assets, intangible assets and other
 Net cash recovered from long-term assets
 6,547,662.72
 528,690.64
 Received from disposal of subsidiaries and other business units
 Net cash
 Other cash received relating to investing activities
 119,056,448.00
 137,476,426.24
 Subtotal of cash inflows from investing activities
 515,211,480.93
 754,552,317.01
 Purchase and construction of fixed assets, intangible assets and others
 Cash paid for long-term assets
 210,330,788.93
 325,759,772.77

Absorb cash received from investment
 Obtain the cash received from the loan
 8,181,285,425.68
 7,902,866,681.40
 Receive other cash related to financing activities
 414,243,978.17
 Subtotal of cash inflows from financing activities
 8,181,285,425.68
 8,317,110,659.57
 Cash paid for debt repayment
 8,217,411,772.98
 5,762,459,269.58
 Distribution of dividends, profits or interest payments
 Of cash
 195,313,831.70
 259,859,846.43
 Pay other cash related to financing activities
 2,383,601.60
 215,860,958.21
 Subtotal of cash outflows from financing activities
 8,415,109,206.28
 6,238,180,074.22
 Net cash flow from financing activities
 -233,823,780.60
 2,078,930,585.35
 4. The effect of exchange rate changes on cash and cash equivalents
 Influence
 -1,723,128.25
 3,075,487.34
 5. Net increase in cash and cash equivalents
 -105,261,072.94
 975,481,763.14
 Plus: the balance of cash and cash equivalents at the beginning of the period
 1,400,279,423.63
 424,797,660.49
 6. Balance of cash and cash equivalents at the end of the period
 1,295,018,350.69
 1,400,279,423.63

7. Consolidated Statement of Changes in Owners' Equity

Current Amount

unit: yuan

project

2020 year

Equity attributable to equity holders

few

shareholder

rights and interests

all

Right

Yihe

count

Equity

Other equity instruments

capital

Provident

Minus: library

Deposit

other

comprehensive

income

Special item

reserve

surplus

Provident

generally

risk

Prepare

Undivided

Distribution

Run

Other subtotals

priority
share
Sustainable
debt
other
1. The balance at the end of the previous year
Forehead
1,952
.107,
432.0
0
674,2
33,86
0.39
2,313,
657,84
1.85
331,04
0,381.
54
-18,23
5,037.
70
258,87
1,094.
19
4,546,
302,85
4.44
9,395,
897,66
3.63
367,45
0,123.
52
9,763,
347,78
7.15
Add: Accounting Policy

1,094.
 19
 4,546,
 302,85
 4.44
 9,395,
 897,66
 3.63
 367,45
 0,123.
 52
 9,763,
 347,78
 7.15
 3. Changes in this period
 Movement amount (reduced by
 "-" to fill in)
 4,953
 .00
 -10,4
 02.47
 3,548,
 256.73
 -36,12
 1,749.
 14
 -131,8
 99,632
 .66
 51,642
 ,127.7
 1
 482,51
 7,240.
 37
 441,92
 4,291.
 82
 9,050,
 639.10
 450,97
 4,930.
 92
 (1) Comprehensive income
 lump sum
 -131,8
 99,632
 .66
 677,77
 4,124.
 60
 545,87
 4,491.
 94
 22,250
 ,639.1
 6
 568,12
 5,131.
 10
 (2) Owner's investment
 Incoming and reducing capital
 4,953
 .00
 -10,4
 02.47
 3,548,
 256.73
 -36,12
 1,749.
 14

39,664
 ,556.4
 0
 39,664
 ,556.4
 0
 1. Owner input
 Common stock of
 2. Other equity workers
 With owner input
 capital
 4,953
 .00
 -10,4
 02.47
 52,439
 .85
 46,990
 .38
 46,990
 .38
 3. Share-based payment
 Into the owner's equity
 Amount of
 3,495,
 816.88
 -36,12
 1,749.
 14
 39,617
 ,566.0
 2
 39,617
 ,566.0
 2
 4. other
 (3) Profit distribution
 51,642
 ,127.7
 1
 -195,2
 56,884
 .twenty three
 -143,6
 14,756
 .52
 -13,20
 0,000.
 06
 -156,8
 14,756
 .58
 1. Withdraw surplus
 product
 51,642
 ,127.7
 1
 -51,64
 2,127.
 71
 2. Extract the general wind
 Risk preparation
 3. To the owner (or
 Shareholders) distribution
 -143,6
 14,756
 .52
 -143,6
 14,756
 .52
 -13,20

0,000.
06
-156,8
14,756
.58

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4. other

(4) Ownership

Internal carry-over

1. Capital reserve transfer

Increase capital (or shares

Book)

2. Surplus reserve transfer

Increase capital (or shares

Book)

3. Surplus reserve

Make up for losses

4. Defined benefit plan

Carryover of planned changes

retained earnings

5. Other comprehensive income

Benefit carried forward

beneficial

6. other

(5) Special reserves

1. Withdrawal in this period

2. Used in this period

(6) Other

Fourth, the balance at the end of the period

Forehead

1,952

,112,

385.0

0

674,2

23,45

7.92

2,317,

206,09

8.58

294,91

8,632.

40

-150,1

34,670

.36

310,51

3,221.

90

5,028,

820,09

4.81

9,837,

821,95

5.45

376,50

0,762.

62

10,214

,322,7

18.07

Amount of the previous period

unit: yuan

project

2019 year

Equity attributable to equity holders

Minority shares
 East equity
 owner
 Equity
 count
 Equity
 Other equity instruments
 capital
 Provident
 Minus: library
 Deposit
 other
 comprehensive
 income
 Special item
 reserve
 surplus
 Provident
 generally
 risk
 Prepare
 Undivided
 Distribution
 Run
 Other subtotals
 priority
 share
 Sustainable
 debt
 other
 1. At the end of the previous year
 Balance
 1,952
 ,458,
 432.0
 0
 2,309,
 674,99
 9.78
 118,66
 3,642.
 17
 -66,78
 0,810.
 55
 247,08
 4,375.
 67
 3,705,
 600,49
 5.89
 8,029,
 373,85
 0.62
 361,610
 ,771.23
 8,390,9
 84,621.
 85
 Add: Accounting
 8,769,
 -7,217,
 -65,77
 -64,22 -613,96 -64,838

582.59
191.44
6,949.
72
4,558.
57
8.74 ,527.31
Early stage
Error correction
same
Business cooperation under control
and
10,000
,000.0
0
269,53
2.57
-1,541.,
899.55
8,727,
633.02
8,727,6
33.02
other
2. Beginning of the current year
Balance
1,952
,458,
432.0
0
2,319,
674,99
9.78
118,66
3,642.
17
-58,01
1,227.
96
240,13
6,716.
80
3,638,
281,64
6.62
7,973,
876,92
5.07
360,996
,802.49
8,334,8
73,727.
56
3. Increase and decrease in this period
Change amount (minus
Fill in with "-"
List)
-351,
000.0
0
674,2
33,86
0.39
-6,017,
157.93
212,37
6,739.
37
39,776
, 190.2
6

18,734
, 377.3
9
908,02
1,207.
82
1,422,
020,73
8.56
6,453,3
21.03
1,428,4
74,059.
59

(1) Comprehensive income

Total benefit

39,776
, 190.2
6
1,063,
402,78
7.98
1,103,
178,97
8.24
19,653,
321.03
1,122,8
32,299.
27

(2) Owner

Investment and capital reduction

Book

-351,
000.0
0
674,2
33,86
0.39
4,205,
080.50
-2,110,
938.84
680,19
8,879.
73
680,198
,879.73

1. Owner input

Common stock of

2. Other equity workers

With owner input

capital

674,2
33,86
0.39
674,23
3,860.
39
674,233
,860.39

3. Share-based payment

Into the owner's equity

Amount of

5,262,
280.50
-702,7
38.84
5,965,
019.34
5,965,0

19.34
 4. other
 -351,
 000.0
 0
 -1,057,
 200.00
 -1,408,
 200.00
 (3) Profit points
 match
 18,734
 , 377.3
 9
 -155,3
 81,580
 .16
 -136,6
 47,202
 .77
 -13,200
 ,000.00
 -149,84
 7,202.7
 7
 1. Withdraw surplus
 product
 18,734
 , 377.3
 9
 -18,73
 4,377.
 39
 2. Extract the general wind

Risk preparation

3. To owner
(Or shareholders)
distribute

-136,6
 47,202
 .77
 -136,6
 47,202
 .77
 -13,200
 ,000.00
 -149,84
 7,202.7
 7

4. other
(4) Owner

Internal transfer of equity

1. Capital reserve transfer
Increase capital (or shares
Book)

2. Surplus reserve transfer
Increase capital (or shares
Book)

3. Surplus reserve
Make up for losses

4. Defined benefit plan
Carryover of planned changes
retained earnings

5. Other comprehensive income
Benefit carried forward

beneficial
 6. other
 (5) Special reserve
 Prepare
 1. Withdrawal in this period
 2. Used in this period
 (6) Other
 -10,22
 2,238.
 43
 214,48
 7,678.
 twenty one
 -224,7
 09,916
 .64
 -224,70
 9,916.6
 4
 Fourth, the end of the current period
 Balance
 1,952
 ,107,
 432.0
 0
 674,2
 33,86
 0.39
 2,313,
 657,84
 1.85
 331,04
 0,381.
 54
 -18,23
 5,037.
 70
 258,87
 1,094.
 19
 4,546,
 302,85
 4.44
 9,395,
 897,66
 3.63
 367,450
 ,123.52
 9,763,3
 47,787.
 15

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

Current Amount
 unit: yuan
 project
 2020 year

Prepare
 Surplus
 product
 Unassigned
 profit
 other
 Ownership
 Total benefit
 Preferred stock perpetual bond other
 1. The balance at the end of the previous year
 Forehead
 1,952,1
 07,432.
 00
 674,23
 3,860.3
 9
 2,487,03
 5,004.98
 331,040,
 381.54
 -15,693,
 531.38
 253,798,
 721.40
 1,085,9
 93,809.
 42
 6,106,434,
 915.27
 Add: Accounting Policy
 Policy change
 Early stage
 Error correction
 other
 2. The balance at the beginning of the year
 Forehead
 1,952,1
 07,432.
 00
 674,23
 3,860.3
 9
 2,487,03
 5,004.98
 331,040,
 381.54
 -15,693,
 531.38
 253,798,
 721.40
 1,085,9
 93,809.
 42
 6,106,434,
 915.27
 3. Changes in this period
 Movement amount (reduced by
 "-" to fill in)
 4,953.0
 0
 -10,40
 2.47
 3,548,25
 6.73
 -36,121,
 749.14
 21,712,1
 41.17
 51,642,1
 27.71

321,16
 4,392.8
 6
 434,183,2
 18.14
 (1) Comprehensive income
 lump sum
 21,712,1
 41.17
 516,42
 1,277.0
 9
 538,133,4
 18.26
 (2) Owner's investment
 Incoming and reducing capital
 4,953.0
 0
 -10,40
 2.47
 3,548,25
 6.73
 -36,121,
 749.14
 39,664,55
 6.40
 1. Owner input
 Common stock of
 2. Other equity workers
 With owner input
 capital
 4,953.0
 0
 -10,40
 2.47
 52,439.8
 5
 46,990.38
 3. Share-based payment
 Into the owner's equity
 Amount of
 3,495,81
 6.88
 -36,121,
 749.14
 39,617,56
 6.02
 4. other
 (3) Profit distribution
 51,642,1
 27.71
 -195,25
 6,884.2
 3
 -143,614,7
 56.52
 1. Withdraw surplus
 product
 51,642,1
 27.71
 -51,642
 ,127.71
 2. To the owner (or
 Shareholders) distribution
 -143,61
 4,756.5
 2
 -143,614,7
 56.52
 3. other

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(4) Ownership

Internal carry-over

1. Capital reserve transfer

Increase capital (or shares

Book)

2. Surplus reserve transfer

Increase capital (or shares

Book)

3. Surplus reserve

Make up for losses

4. Defined benefit plan

Carryover of planned changes

retained earnings

5. Other comprehensive income

Benefit carried forward

beneficial

6. other

(5) Special reserves

1. Withdrawal in this period

2. Used in this period

(6) Other

Fourth, the balance at the end of the period

Forehead

1,952,1

12,385.

00

674,22

3,457.9

2

2,490,58

3,261.71

294,918,

632.40

6,018,60

9.79

305,440,

849.11

1,407,1

58,202.

28

6,540,618,

133.41

Amount of the previous period

unit: yuan

project

2019 year

Equity

Other equity instruments

Capital Corporation

product

Less: inventory

share

Other comprehensive

Combined income

Special reserves

Surplus

product

Undistributed profit

Run

other

Ownership

Total benefit

priority

share

Sustainable

debt
 other
 1. The balance at the end of the previous year
 Forehead
 1,952,
 458,43
 2.00
 2,482,8
 29,924.
 48
 118,663,
 642.17
 2,368,1
 23.84
 242,281
 ,535.45
 1,119,089
 ,421.27
 5,680,363,7
 94.87
 Add: Accounting Policy
 Policy change
 8,769,5
 82.59
 -7,217,1
 91.44
 -65,121,5
 92.78
 -63,569,201
 .63
 Early stage
 Error correction
 other

2. The balance at the beginning of the year

Forehead

1,952,
 458,43
 2.00
 2,482,8
 29,924.
 48
 118,663,
 642.17
 11,137,7
 06.43
 235,064
 ,344.01
 1,053,967
 ,828.49
 5,616,794,5
 93.24

3. Changes in this period

Movement amount (reduced by

"-" to fill in)

-351,0
 00.00
 674,23
 3,860.
 39
 4,205,0
 80.50
 212,376,
 739.37
 -26,831,
 237.81

18,734,
 377.39
 32,025,98
 0.93
 489,640,32
 2.03
 (1) Comprehensive income
 lump sum
 -26,831,
 237.81
 187,407,5
 61.09
 160,576,32
 3.28
 (2) Owner's investment
 Incoming and reducing capital
 674,23
 3,860.
 39
 5,262,2
 80.50
 -702,73
 8.84
 680,198,87
 9.73
 1. Owner input
 Common stock of
 2. Other equity workers
 With owner input
 capital
 674,23
 3,860.
 39
 674,233,86
 0.39
 3. Share-based payment
 Into the owner's equity
 Amount of
 5,262,2
 80.50
 -702,73
 8.84
 5,965,019.3
 4
 4. other
 (3) Profit distribution
 -351,0
 00.00
 -1,057,2
 00.00
 -1,408,2
 00.00
 18,734,
 377.39
 -155,381,
 580.16
 -136,647,20
 2.77
 1. Withdraw surplus
 product
 18,734,
 377.39
 -18,734,3
 77.39
 2. To the owner (or
 Shareholders) distribution
 -136,647,
 202.77
 -136,647,20
 2.77
 3. other

-351,0
00.00
-1,057,2
00.00
-1,408,2
00.00
(4) Ownership
Internal carry-over
1. Capital reserve transfer
Increase capital (or shares
Book)
2. Surplus reserve transfer
Increase capital (or shares
Book)
3. Surplus reserve
Make up for losses
4. Defined benefit plan

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Carryover of planned changes
retained earnings
5. Other comprehensive income
Benefit carried forward
beneficial
6. other
(5) Special reserves
1. Withdrawal in this period
2. Used in this period
(6) Other
214,487,
678.21
-214,487,67
8.21
Fourth, the balance at the end of the period
Forehead
1,952,
107,43
2.00
674,23
3,860.
39
2,487,0
35,004.
98
331,040,
381.54
-15,693,
531.38
253,798
,721.40
1,085,993
,809.42
6,106,434,9
15.27

Third, the basic situation of the company

Zhejiang Hailiang Co., Ltd. (hereinafter referred to as "the company") is listed in Zhejiang by the Zhejiang Provincial People's Government Enterprise Listing Work Leading Group [2001] Document No. 77 approved and was established on October 29, 2001 as a company limited by shares. Its registered place is Diankou Town Industrial Zone, Zhuji City, Zhejiang Province. The address of the department is No.386 Jiefang Road, Diankou Town, Zhuji City, Zhejiang Province. The company was listed on the Shenzhen Stock Exchange on January 16, 2008, with the stock code: 002203.

The company is a comprehensive enterprise, and its business mainly includes the copper processing industry and the environmental protection material industry. The main business is copper pipes, copper rods, and copper bars

And other copper products, as well as the research and development, production and sales of environmentally friendly materials. The main customers are manufacturers of air conditioners.

This financial report was approved by the company's board of directors on April 28, 2020.

The scope of this year's consolidated financial statements covers 42 subsidiaries, namely: Zhejiang Copper Processing Research Institute Co., Ltd., Zhejiang Keyu Metal Materials Co., Ltd., Zhejiang Hailiang International Trade Co., Ltd., Shanghai Hailiang Copper Co., Ltd., Hong Kong Hailiang Copper Trading Co., Ltd., Vietnam Hai Bright Metal Products Co., Ltd., Hailiang (Vietnam) Copper Co., Ltd., Hailiang America, Hailiang (Anhui) Copper Co., Ltd., Hong Kong Hailiang Bright Metal Materials Co., Ltd., Guangdong Hailiang Copper Co., Ltd., Zhejiang Hailiang Environmental Materials Co., Ltd., Zhejiang Haibo Microfinance Co., Ltd. Company, JMF Company, Ningbo Hailiang Copper Co., Ltd., Zhejiang Hailiang New Materials Co., Ltd., Hailiang (Singapore) Co., Ltd., Hailiang Distribution Inc, Hailiang Auto Copper Tube (Guangdong) Co., Ltd., LOYAL HAILIANG COPPER (THAILAND) CO., LTD., Chongqing Hailiang Copper Industry Co., Ltd., Chongqing Hailiang International Trade Co., Ltd., Chongqing Hailiang Metal Materials Co., Ltd., Hong Kong Hailiang Holdings Co., Ltd. Company, Hailiang Copper Texas Co., Ltd., Chengdu Better Copper Co., Ltd. Hailiang Netherlands Holding BV, HME Copper Germany GmbH, Japan Hailiang Co., Ltd., Hailiang Copper Australia Co., Ltd., HME Brass France SAS, HME Brass Germany GmbH, HME Brass Italy SpA, Hailiang Messing Beteiligungs GmbH, HME Ibertubos SAU, Zhejiang Shengjie Freight Co., Ltd., Zhuji City Chongji Trading Co., Ltd., Anhui Hailiang New Energy Technology Co., Ltd., Hailiang (Chongqing) New Energy Technology Co., Ltd., Guangdong Keyu Metal Material Co., Ltd., Guangdong Hailiang Sales Co., Ltd., Hailiang (Zhongshan) New Energy Technology Co., Ltd. detailed See "Note 8. Changes in the scope of consolidation" and "Note 9. Disclosure of interests in other entities".

Fourth, the basis for the preparation of financial statements

1. Compilation basis

The company's financial statements are based on continuing operations, based on actual transactions and events, and in accordance with the "Accounting Standards for Business Enterprises -" promulgated by the Ministry of Finance.

Basic Standards" and specific accounting standards (hereinafter collectively referred to as "Enterprise Accounting Standards"), and are based on the following important accounting policies, accounting estimates Plan to prepare.

2. Continuing operations

The company evaluated that there were no major doubts about its ability to continue operations within 12 months from the end of the reporting period.

5. Important accounting policies and accounting estimates

Reminders on specific accounting policies and accounting estimates:
not applicable.

1. Statement of compliance with corporate accounting standards

The financial statements prepared by the company meet the requirements of the "Accounting Standards for Business Enterprises" and truly and completely reflect the company's financial statements as of December 31, 2020.

Financial status, operating results and cash flow in 2020 and other related information.

2. Accounting period

The company's fiscal year is the Gregorian calendar year, that is, from January 1 to December 31 of each year.

3. Business cycle

The company regards one year and 12 months as the normal operating cycle, and the operating cycle as the standard for dividing the liquidity of assets and liabilities.

4. Functional currency for bookkeeping

The company uses Renminbi as the standard currency for bookkeeping.

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

1. Business combination under the same control

A long-term equity investment merger formed by a business combination under the same control takes the form of paying cash, transferring non-cash assets, or assuming debts as the combination

If the price is matched, the company shall use the share of the book value of the owner's equity of the merged party in the consolidated financial statements of the ultimate controlling party as the share on the merger date.

The initial investment cost of a long-term equity investment. If the merging party uses the issuance of equity instruments as the merger consideration, the total par value of the issued shares shall be used as the share value.

Book. The difference between the initial investment cost of the long-term equity investment and the book value of the combined consideration (or the total par value of the issued shares) shall be adjusted for the capital

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If the capital reserve is insufficient to offset, adjust the retained earnings.

2. Business combination not under common control

For business combinations not under the same control, the combination cost is the capital paid by the purchaser to obtain control of the purchasee on the purchase date.

The sum of the fair value of assets, liabilities incurred or assumed, and equity securities issued. Acquired acquired in a business combination not under common control

The identifiable assets, liabilities and contingent liabilities of the party that meet the recognition conditions shall be measured at their fair value on the purchase date. The purchaser's cost of the merger is greater than the merger

The difference in the fair value of the acquiree's identifiable net assets obtained in the process is reflected in the value of goodwill. The purchaser's combined cost is less than the combined cost

If the fair value share of the identifiable net assets of the acquiree is obtained, the merger cost after review is still less than the identifiable net assets of the acquiree obtained in the merger.

The difference in the fair value share of the assets is included in the current non-operating income.

6. Preparation method of consolidated financial statements

1. Scope of consolidated financial statements

The company incorporates all subsidiaries (including individual entities controlled by the company) into the scope of consolidated financial statements, including those controlled by the company

The severable part of the company, the investee, and the structured entity.

2. Unify the accounting policies of parent and subsidiary companies, unify the balance sheet date and accounting period of parent and subsidiary companies

If the accounting policies or accounting periods adopted by the subsidiary and the company are inconsistent, when preparing the consolidated financial statements, the company's accounting policies shall be

Make necessary adjustments to the subsidiary's financial statements during the period of policy or accounting period.

3. Consolidated financial statement offsets

The consolidated financial statements are based on the financial statements of the company and its subsidiaries, which have offset the

Internal transactions. The share of the subsidiary's owner's equity that does not belong to the company is regarded as a minority shareholder's equity, and the shareholder's rights in the consolidated balance sheet

The benefit items are listed as "Minority Shareholders' Equity". The long-term equity investment of the company held by the subsidiary is regarded as the company's treasury stock, as the stock

The deduction of Dong's equity is listed as "minus: treasury shares" under the shareholder's equity item in the consolidated balance sheet.

4. Accounting treatment of the merged subsidiary

For a subsidiary acquired through a business combination under the same control, it is deemed that the business combination has occurred since the ultimate controlling party began to exercise control.

From the beginning of the current period of the merger, its assets, liabilities, operating results and cash flows are included in the consolidated financial statements;

When preparing consolidated financial statements, the acquired subsidiaries shall conduct individual financial statements on the basis of the fair value of identifiable net assets on the purchase date.

Adjustment.

5. Accounting treatment of disposal of subsidiaries

Part of the long-term equity investment in subsidiaries is disposed of without losing control. In the consolidated financial statements, the disposal price and the long-term disposal

Equity investment for the period corresponding to the difference between the subsidiary's continuous calculation of the net asset shares since the date of purchase or merger, adjust the capital reserve

(Capital premium or equity premium). If the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

If the control of the investee is lost due to the disposal of part of the equity investment, etc., when preparing the consolidated financial statements, the remaining equity shall be

It is remeasured according to its fair value on the date when control is lost. The sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity, minus the

The calculation of the original shareholding ratio shall enjoy the difference between the share of the original subsidiary's net assets continuously calculated from the date of purchase or the date of merger, and shall be included in the loss

Control the current investment income of the right to offset goodwill at the same time. Other comprehensive income related to the original subsidiary's equity investment, etc., when control is lost

Converted to current investment income.

7. Criteria for determining cash and cash equivalents

The cash determined by the company when preparing the cash flow statement refers to the company's cash on hand and deposits that can be used for payment at any time. Editing

The cash equivalents determined when preparing the cash flow statement refer to the short-term holding period, strong liquidity, easy conversion into cash of a known amount, and change in value.

Investment with low dynamic risk.

8. Foreign currency business and foreign currency report conversion

1. Foreign currency business conversion

For foreign currency transactions that occur, the company uses the spot exchange rate on the date of the transaction to translate into the functional currency for accounting. Monetary items in foreign currencies on the balance sheet date

The items are converted at the spot exchange rate on the balance sheet date, because the spot exchange rate on that day is different from the spot exchange rate at the time of initial recognition or the previous balance sheet date.

The resulting exchange differences, except for the exchange differences of foreign currency special loans that meet the capitalization conditions, will be capitalized and included in the relevant assets during the capitalization period.

Except for the cost, all are included in the current profit and loss. Non-monetary items in foreign currencies measured at historical cost are still converted at the spot exchange rate on the transaction date.

Change the amount in the functional currency for accounting. Non-monetary items in foreign currencies measured at fair value are converted at the spot exchange rate on the date when the fair value is determined.

The difference between the calculated amount in the functional currency and the amount in the original functional currency is treated as changes in fair value (including changes in exchange rates) and included in the current profit and loss

Or recognized as other comprehensive income.

2. Translation of foreign currency financial statements

If the company's subsidiaries, joint ventures, joint ventures, etc. use a different accounting standard currency from the company, they must have their foreign currency financial statements

After the conversion, the accounting and the preparation of consolidated financial statements are carried out. The assets and liabilities items in the balance sheet adopt the balance sheet date

Spot exchange rate conversion, except for "undistributed profit" items, other items of owner's equity are converted at the spot exchange rate at the time of occurrence. Income statement

The income and expense items of the transaction are converted at the approximate exchange rate of the spot exchange rate on the transaction date. The conversion difference of the foreign currency financial statements generated by the conversion, in the capital

The other comprehensive income of the owner's equity items in the balance sheet is shown below. Foreign currency cash flow is determined according to a systematic and reasonable method, and is related to the cash flow

The exchange rate conversion approximates the spot exchange rate on the occurrence date. The impact of exchange rate changes on cash is separately listed in the cash flow statement. When disposing of overseas operations,

The translation difference of the foreign currency statement related to the overseas operation shall be transferred to the current profit and loss in its entirety or according to the proportion of the disposal of the overseas operation.

9. Financial instruments

1. Classification and reclassification of financial instruments

Financial instruments refer to contracts that form the financial assets of one party and the financial liabilities or equity instruments of other parties.

(1) Financial assets

The company classifies financial assets that meet the following conditions as financial assets measured at amortized cost: ①The company manages financial assets

The business model is to collect contract cash flow as the goal; ②The contract terms of the financial asset stipulate that the cash flow generated on a specific date is only

Payment of principal and interest based on the outstanding principal amount.

The company classifies financial assets that meet the following conditions as financial assets measured at fair value and whose changes are included in other comprehensive income.

Property: ①The company's business model for managing financial assets is to collect contractual cash flow and to sell the financial asset as the goal; ②The financial asset

The terms of the contract stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount.

For non-trading equity instrument investments, the company can irrevocably designate them as measured at fair value and their changes at the time of initial confirmation

Financial assets included in other comprehensive income. The designation is made on the basis of a single investment, and the relevant investment is in line with the equity

The definition of tools.

Except classified as financial assets measured at amortized cost and financial assets measured at fair value with changes included in other comprehensive income

The company classifies financial assets as financial assets measured at fair value and whose changes are included in the current profit and loss. In the initial confirmation, if

Can eliminate or reduce accounting mismatches, the company can irrevocably designate financial assets to be measured at fair value and the changes are included in the current profit and loss

Of financial assets.

When the company changes its business model for managing financial assets, it will make

Reclassification is carried out on the first day of each reporting period, and the future applicable method is adopted for relevant accounting treatment since the reclassification date.

The gains, losses (including impairment losses or gains) or interest of the company shall be adjusted retrospectively.

(2) Financial liabilities

Financial liabilities are classified at the time of initial recognition as: financial liabilities measured at fair value and whose changes are included in the current profit and loss; financial asset transfer is not

The financial liabilities formed by meeting the conditions for derecognition or continuing to be involved in the transferred financial assets; financial liabilities measured at amortized cost. All the gold

Financial liabilities are not reclassified.

2. Measurement of financial instruments

The initial recognition of the company's financial instruments is measured at fair value. For financial assets that are measured at fair value and whose changes are included in the current profit and loss

And financial liabilities, related transaction costs are directly included in the current profit and loss; for other types of financial assets or financial liabilities, related transaction costs are included in

Initial confirmation amount. Accounts receivable or notes receivable arising from the sale of products or the provision of labor services that do not contain or consider significant financing components,

The amount of consideration that the company is expected to be entitled to receive is the initial confirmation amount. The subsequent measurement of financial instruments depends on their classification.

(1) Financial assets

① Financial assets measured at amortized cost. After the initial confirmation, the actual interest rate method is used to measure such financial assets at amortized cost. by

The gains or losses arising from financial assets that are measured at amortized costs and do not belong to any hedging relationship shall be derecognized, reclassified, and based on actual gains.

When the rate method is amortized or recognized as impairment, it shall be included in the current profit and loss.

② Financial assets that are measured at fair value and whose changes are included in the current profit and loss. After initial confirmation, for this type of financial assets (except for hedges) Other than part of the financial assets of the relationship), follow-up measurement is carried out at fair value, and the resulting gains or losses (including interest and dividend income) are included in Current profit and loss.

③ Investment in debt instruments measured at fair value and whose changes are included in other comprehensive income. After the initial confirmation, the public The fair value is subsequently measured. Interests, impairment losses or gains and exchange gains and losses calculated using the effective interest rate method are included in the current gains and losses, and other gains Or losses are included in other comprehensive income. When the recognition is terminated, the accumulated gains or losses previously included in other comprehensive income shall be taken from other comprehensive income Transferred out will be included in the current profit and loss.

(2) Financial liabilities

① Financial liabilities that are measured at fair value and whose changes are included in the current profits and losses. Such financial liabilities include transactional financial liabilities (including financial Financial liabilities) and designated as financial liabilities measured at fair value and whose changes are included in the current profit and loss. After initial confirmation, for this category Financial liabilities are subsequently measured at fair value. Except for hedging accounting, the gains or losses caused by changes in the fair value of transactional financial liabilities

Losses (including interest expenses) are included in the current profit and loss. Designated as financial liabilities measured at fair value and whose changes are included in the current profits and losses, the enterprise shall The amount of changes in the fair value of the financial liability caused by changes in its own credit risk is included in other comprehensive income, and other changes in fair value are included in the current Period profit and loss. If the impact of changes in the financial liability's own credit risk is included in other comprehensive income, it will cause or enlarge the accounting mismatch in the profit and loss If, the company records all gains or losses of the financial liabilities into the current profits and losses.

② Financial liabilities measured at amortized cost. After initial recognition, such financial liabilities are measured at amortized cost using the effective interest method.

3. The company's method of confirming the fair value of financial instruments

If there is a financial instrument in an active market, its fair value is determined based on the quoted price in the active market; if there is no financial instrument in an active market,

Use valuation techniques to determine its fair value. Valuation techniques mainly include market method, income method and cost method. In limited circumstances, if used to confirm

There is insufficient recent information to determine the fair value, or the possible estimate of the fair value is distributed in a wide range, and the cost represents the

For the best estimate of value, the cost can represent an appropriate estimate of its fair value within the distribution range. The company can use the initial confirmation

All the information obtained about the performance and operation of the investee determines whether the cost represents fair value.

4. Recognition basis and measurement method for the transfer of financial assets and financial liabilities

(1) Financial assets

If the company's financial assets meet one of the following conditions, the confirmation shall be terminated: ①

The contractual right to receive the cash flow of the financial assets is terminated;

② The financial asset has been transferred, and the company has transferred almost all the risks and rewards in the ownership of the financial asset; ③ The financial asset has been transferred,

Although the company neither transferred nor retained almost all of the remuneration on the ownership of financial assets, it did not retain control of the financial assets.

If the company neither transfers nor retains almost all of the remuneration on the ownership of financial assets, and retains control of the financial assets, the

Recognize the relevant financial assets according to the extent of continuing involvement in the transferred financial assets, and recognize the relevant liabilities accordingly.

If the transfer of financial assets meets the conditions for termination of confirmation as a whole, the difference between the following two amounts shall be included in the current profits and losses:

The book value on the date of derecognition; ② The consideration received due to the transfer of financial assets is more than the change in the fair value that was directly included in other comprehensive income.

The amount corresponding to the derecognition part in the calculation (the financial assets involved in the transfer are classified as measured at fair value and the changes are included in other comprehensive income Financial assets).

If the partial transfer of financial assets meets the conditions for termination of confirmation, the book value of the entire transferred financial assets shall be

The de-recognition part is first allocated according to their respective relative fair values on the transfer date, and then the difference between the following two amounts is included in the current profit and loss:

① The book value of the derecognized part on the date of derecognition; ② The consideration received for the derecognized part is the same as the fair value originally included in other comprehensive income
The amount corresponding to the derecognition part of the cumulative amount of value changes (the financial assets involved in the transfer are classified as measured at fair value and the changes are included in the sum of his comprehensive income (financial assets).

(2) Financial liabilities

If the current obligation of the financial liability (or part of it) has been discharged, the company shall terminate the recognition of the financial liability (or this part of the financial liability).

If the financial liability (or part of it) is derecognized, the company will compare its book value with the consideration paid (including non-cash assets or non-cash assets transferred out).

The difference between the liabilities assumed) is included in the current profit and loss.

10. Determination method and accounting treatment method of expected credit loss

1. How to determine expected credit losses

Based on expected credit losses, the company classifies financial assets (including receivables) measured at amortized cost as fair value

The amount of financial assets (including financing of receivables), lease receivables, accounting for impairment and recognition of losses

Unprepared.

The company assesses whether the credit risk of relevant financial instruments has increased significantly since the initial confirmation on each balance sheet date, and issues financial instruments

The process of credit impairment is divided into three stages, and different accounting treatment methods are adopted for the impairment of financial instruments at different stages: (1) The first stage

Paragraph, if the credit risk of a financial instrument has not increased significantly since the initial confirmation, the company will use the expected credit loss

Measure the loss provision, and calculate the interest income based on its book balance (that is, without deduction of the provision for impairment) and the actual interest rate; (2) In the second stage, gold

If the credit risk of financial instruments has increased significantly since the initial confirmation but no credit impairment has occurred, the

Periodic credit loss measures the loss provision, and calculates interest income based on its book balance and actual interest rate; (3) In the third stage, it is issued after initial confirmation.

In the event of credit impairment, the company measures the loss provision based on the expected credit loss for the entire duration of the financial instrument, and based on its amortized cost (account

The balance minus the provision for impairment) and the actual interest rate to calculate interest income.

(1) The method of measuring loss reserves for financial instruments with lower credit risk

For financial instruments with lower credit risk on the balance sheet date, the company may not use the credit risk at the time of initial confirmation.

Comparison, and directly make the assumption that the credit risk of the tool has not increased significantly since the initial confirmation.

If the default risk of financial instruments is low, the debtor has a strong ability to fulfill its contractual cash flow

During the period, there are unfavorable changes in the economic situation and operating environment, but it may not necessarily reduce the borrower's ability to fulfill its contractual cash flow obligations.

The instrument is considered to have low credit risk.

(2) Method of measuring loss provision for accounts receivable and lease receivables

① Accounts receivable that do not contain major financing components. For transactions regulated by "Accounting Standards for Business Enterprises No. 14-Revenue"

For receivables with major financing components, the company adopts a simplified method, that is, the loss provision is always measured based on the entire duration of the expected credit loss.

According to the nature of financial instruments, the company assesses whether the credit risk has increased significantly on the basis of individual financial assets or a combination of financial assets. Book

The company divides notes and accounts receivable into several combinations based on the characteristics of credit risk, calculates expected credit losses on the basis of the combination, and determines the group

The basis for the agreement is as follows:

Accounts Receivable Portfolio 1: Copper Processing Customers

Accounts Receivable Portfolio 2: Environmentally Friendly Customers

Accounts receivable portfolio 3: related parties in the merger

Notes receivable portfolio 1: copper processing customers

Notes receivable portfolio 2: Environmental customers

Notes receivable portfolio 3: related parties in the merger

For accounts receivable divided into portfolios, the company refers to historical credit loss experience, combined with current conditions and forecasts of future economic conditions,

Compile a comparison table between the aging of accounts receivable and the expected credit loss rate for the entire duration, and calculate the expected credit loss. For notes receivable divided into portfolios,

The company refers to historical credit loss experience, combined with current conditions and forecasts of future economic conditions, through default risk exposure and the entire duration

Expected credit loss rate to calculate expected credit loss.

② Receivables and lease receivables that contain significant financing components. For receivables that contain significant financing components, and the "Accounting Standards for Business

For lease receivables specified in No. 21-Lease, the company uses the general method, that is, the "three-stage" model to measure the loss provision.

(3) Methods of measuring loss reserves for other financial assets

For financial assets other than the above, such as: loans and advances, debt investments, other debt investments, other receivables, other than leases

For long-term receivables other than receivables, the company uses the general method, that is, the "three-stage" model to measure loss reserves.

The company divides other receivables into a number of combinations based on the nature of the money, calculates expected credit losses on the basis of the combination, and determines the basis for the combination According to the following:

Other receivable portfolio 1: Futures and foreign exchange margin portfolio

Other receivable portfolio 2: related parties within the scope of consolidation

Other receivable combination 3: Other combinations

2. The accounting treatment of expected credit losses

In order to reflect the changes in the credit risk of financial instruments since the initial recognition, the company remeasures expected credit losses on each balance sheet date

Loss, the resulting increase or reversal of the loss provision shall be included in the current profit and loss as an impairment loss or gain, and shall be recorded in accordance with the financial instrument's

Type, offset the book value of the financial asset listed in the balance sheet or included in the estimated liabilities (loan commitment or financial guarantee contract) or calculated

Into other comprehensive income (debt investment measured at fair value and its changes included in other comprehensive income).

11. Notes receivable

The bills receivable are determined according to the expected credit loss method and accounting treatment. Please refer to Note 10 of this chapter for details.

12. Accounts receivable

Accounts receivable shall be determined according to the expected credit loss method and accounting treatment. Please refer to Note 10 of this chapter for details.

13. Receivables financing

The financing of accounts receivable is based on the determination method and accounting treatment of expected credit losses. Please refer to Note 10 of this chapter for details.

14. Other receivables

The determination method and accounting treatment method of the expected credit loss of other receivables

Other receivables are determined according to the expected credit loss method and accounting treatment. Please refer to Note 10 of this chapter for details.

15. Inventory

1. Classification of inventory

Inventory refers to the finished products or commodities that the company holds for sale in daily activities, the products in the production process, and the products in the production process.

Or provide materials and materials consumed in the process of labor services. Mainly include raw materials, turnover materials, commissioned processing materials, products in progress, self-made semi-finished products Products and finished products.

2. Valuation method for issuing inventory

When the inventory is issued, the weighted average method is adopted to determine the actual cost of the issue.

3. The method of accruing inventory depreciation reserves

On the balance sheet date, inventories are measured at the lower of cost and net realizable value, and provision for inventory depreciation is made based on a single inventory item, but for

For inventory with a large quantity and a low unit price, provision for inventory falling price shall be made according to the inventory category.

4. Inventory system for inventory

The company's inventory system is a perpetual inventory system.

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

Low-value consumables and packaging materials are amortized using the one-off write-off method .

16. Contract assets

If the company has transferred the goods to the customer and has the right to receive the consideration, and the right depends on other factors besides the passage of time, confirm

It is a contract asset. The company's unconditional (that is, only depending on the passage of time) the right to collect consideration from customers are separately listed as receivables.

The company lists contract assets or contract liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The company has

Obligations to transfer goods or provide services to customers for receiving or receivable customer considerations are listed as contract liabilities. Contract assets and contracts under the same contract Liabilities are presented on a net basis.

Please refer to Note 10 of this chapter for the determination method and accounting treatment method of the expected credit loss of contract assets.

17. Contract cost

Effective from January 1, 2020:

1. Contract performance costs

The company's costs incurred for the performance of the contract are not within the scope of other accounting standards for business enterprises except the income standards and meet the following requirements at the same time

Pieces are recognized as an asset as a contract performance cost:

(1) The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar

Expenses), specify the costs borne by the customer and other costs incurred only due to the contract;

(2) This cost increases the company's future resources for fulfilling contract performance obligations.

(3) The cost is expected to be recovered.

The asset is presented in inventory or other non-current assets based on whether the amortization period at the time of initial recognition exceeds a normal operating cycle.

2. Contract acquisition cost

The incremental cost incurred by the company in order to obtain the contract is expected to be recovered, and it shall be recognized as an asset as the cost of obtaining the contract. The incremental cost is

Refers to the costs that the company will not incur without obtaining the contract, such as sales commissions. If the amortization period does not exceed one year, it shall be included in the current period when it occurs profit and loss.

3. Amortization of contract costs

The above-mentioned assets related to contract costs shall adopt the same basis for the recognition of income from goods or services related to the

It is amortized at the time of the performance or according to the performance progress of the performance obligation, and is included in the current profit and loss.

4. Impairment of contract costs

The above-mentioned assets related to the contract cost have a book value higher than the company's expected remaining consideration due to the transfer of commodities related to the asset

If the difference between the cost and the estimated cost for the transfer of the relevant commodity, the excess shall be provided for impairment and recognized as an asset impairment loss.

After the provision for impairment is made, if the impairment factors of the previous period change, which makes the difference between the above two items higher than the book value of the asset, it shall be transferred Return the original provision for asset impairment and include it in the current profit and loss, but the book value of the asset after the return does not exceed the assumption that no provision for impairment has been made

The book value of the asset on the date of reversal.

18. Issuing loans and advances

1. Classification of loans

According to the guarantee method of the lender: credit loan, guaranteed loan, mortgage loan, pledge loan.

2. Determination of the cost of issuing loans

The actual loan principal and related transaction costs are used as the initial confirmation amount, and the interest income during the loan holding period is calculated at the actual interest rate.

3. Loan loss provision

The scope of provision for loan loss includes the assets that bear risks and losses, including various types of loans (including mortgages, pledges, guarantees, credit Waiting for loans).

The method of accruing loan impairment provision shall be implemented in accordance with III (10).

4. Risk classification standards

At the end of the year, the company divides each individual loan into five categories: normal, special mention, substandard, suspicious and loss according to the quality of its credit assets. The risk classification standard as follows:

Normal: The borrower can perform the contract without sufficient reason to suspect that the loan principal and interest cannot be repaid on time and in full.

Concern: Although the borrower currently has the ability to repay the principal and interest of the loan, there are some factors that may adversely affect the repayment.

Substandard: Obvious problems with the borrower's ability to repay are completely dependent on its normal operating income, unable to repay the principal and interest of the loan in full, even if the guarantee is implemented

It may also cause certain losses.

Doubtful: The borrower is unable to repay the principal and interest of the loan in full, even if the guarantee is executed, it will definitely cause greater losses.

Loss: After taking all possible measures or all necessary legal procedures, the principal and interest still cannot be recovered or only a very small part can be recovered.

19. Holding assets for sale

The company shall classify non-current assets that meet the following conditions as being held for sale: First, the company has already disposed of the non-current assets for sale.

Resolution; second, the company has signed an irrevocable transfer agreement with the transferee; third, the transfer will be completed within one year.

20. Long-term equity investment

1. Determination of initial investment cost

For a long-term equity investment obtained in a business combination, if it is a business combination under the same control, it shall be

The share of the book value of the equity in the ultimate controlling party's consolidated financial statements is used as the initial investment cost of the long-term equity investment;

For business mergers, the merger cost determined on the purchase date shall be used as the initial investment cost of the long-term equity investment; the long-term equity investment obtained by paying cash

The initial investment cost is the actual purchase price paid; for the long-term equity investment obtained by issuing equity securities, the initial investment cost is the issuance

The fair value of equity securities; the initial investment cost of long-term equity investment obtained through debt restructuring is in accordance with the "Accounting Standards for Business Enterprises No. 12

—Debt Restructuring is determined; the initial investment cost of long-term equity investment obtained through the exchange of non-monetary assets shall be determined in accordance with the "Enterprise

Accounting

The relevant provisions of the Standard No. 7-Non-monetary Asset Exchange are determined.

2. Subsequent measurement and profit and loss confirmation methods

The company can use the cost method to calculate the long-term equity investment that the company can exercise control over the investee.

The equity investment is accounted for using the equity method. Part of the company's equity investment in associates is through venture capital institutions, mutual funds, trust

Indirectly held by trust companies or similar entities including investment-linked insurance funds, regardless of whether the above entities have a significant impact on this part of the investment, the

The company handles it in accordance with the relevant provisions of the "Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments", and adopts the equity method to verify the rest.

Calculate.

3. Determining the basis for joint control and significant influence on the investee

Joint control over the investee means that activities that have a significant impact on the return of an arrangement must be participated in by sharing control rights

Only after the parties agree to make decisions, including the sale and purchase of goods or services, the management of financial assets, the purchase and disposal of assets, research and development

Development activities and financing activities, etc.; have a significant impact on the investee, which refers to when holding more than 20% to 50% of the voting rights of the investee

At this time, it has a major impact. Or although it is less than 20%, it will have a significant impact when one of the following conditions is met: on the board of directors or

Representatives are dispatched in similar power institutions; participate in the policy formulation process of the invested entity; dispatch management personnel to the invested entity; the invested entity

Rely on the technology or technical information of the investment company; important transactions occur with the invested entity.

21. Investment real estate

Investment real estate measurement model

Cost method measurement

Depreciation or amortization method

The types of the company's investment real estate, including leased land use rights, leased buildings, land held and ready to be transferred after appreciation

Right to use. Investment real estate is initially measured at cost, and the cost model is adopted for subsequent measurement.

The leased buildings in the company's investment real estate are depreciated using the average life method, and the specific accounting policies are the same as those for fixed assets.

Land use rights leased in investment real estate, land use rights held and ready to be transferred after appreciation are amortized using the straight-line method, and specific accounting policies

Same as intangible assets.

22. Fixed assets

(1) Confirmation conditions

Fixed assets refer to tangible assets held for the purpose of producing commodities, providing labor services, renting or operating management, and with a useful life of more than one fiscal year. Meet at the same time

The following conditions are recognized: the economic benefits related to the fixed asset are likely to flow into the enterprise; the cost of the fixed asset can be reliably measured.

(2) Depreciation method

category

Depreciation method

Depreciation period

Residual rate

Annual depreciation rate

building

Average age method

20-50

0-4

1.92-5.00

mechanical equipment

Average age method

10-40

0-4

2.40-10.00

Transportation Equipment

Average age method
5-25
0-4
3.84-20.00
Photovoltaic equipment
Average age method
10-20
0-4
4.80-9.60
other devices
Average age method
5-15
0-4
6.40-20.00

The company's fixed assets are mainly divided into: buildings, machinery and equipment, electronic equipment, and other equipment; the depreciation method adopts the life average method.

According to the nature and usage of various fixed assets, determine the service life and estimated net residual value of fixed assets. And at the end of the year, the fixed capital

The service life, expected net residual value, and depreciation method of the product shall be reviewed. If there is a difference with the original estimate, the corresponding adjustment shall be made. Except as mentioned
Except for the fixed assets that are still in full depreciation and the land that is separately valued and recorded, the company depreciates all fixed assets.

(3) Recognition basis, valuation and depreciation method of fixed assets acquired by financing lease

Financing lease of fixed assets is a lease that has substantially transferred all the risks and rewards related to asset ownership. The initial valuation of fixed assets acquired by finance lease is lease

The lower of the fair value of the leased asset and the present value of the minimum lease payment at the beginning of the period shall be taken as the entry value;

Consistent depreciation policies provide for depreciation and impairment.

23. Construction in progress

The company's construction in progress is divided into self-operated construction and outsourcing construction. The construction in progress reaches the expected usable state after the completion of the project
When, the fixed assets are carried forward. The criteria for judging the intended usable state shall meet one of the following conditions: The physical construction of fixed assets (including installation)

The work has been completely completed or substantially completed; the trial production or trial operation has been completed, and the results show that the asset can operate normally or can

It is sufficient to produce qualified products stably, or the results of trial operation show that it can operate or operate normally; the expenditure on the fixed assets of the construction

The amount is very small or almost no longer occurs; the fixed assets purchased and constructed have reached the design or contract requirements, or basically conform to the design or contract requirements.

24. Borrowing costs

1. Recognition principle of capitalization of borrowing costs

If the borrowing costs incurred by the company can be directly attributable to the purchase, construction or production of assets that meet the conditions for capitalization, they shall be capitalized and included in Related asset costs; other borrowing costs, when incurred, are recognized as expenses based on the amount incurred and included in the current profit and loss. Qualified capital

Property refers to the fixed assets and investment that require a long period of time for purchase, construction or production activities to reach the intended usable or saleable state.

Assets such as real estate and inventory.

2. Calculation method of capitalization amount

The capitalization period refers to the period from the point when borrowing costs start to be capitalized to the point when capitalization is stopped. Period of suspension of capitalization of borrowing costs

not include. If an abnormal interruption occurs during the construction or production process, and the interruption lasts for more than 3 months, the borrowing costs shall be suspended

Capitalization.

For special borrowings, the interest expenses actually incurred in the current period of the special borrowings shall be subtracted from the unused borrowed funds deposited in the bank.

The amount of interest income or investment income obtained from temporary investment shall be determined; the occupation of general borrowings shall be based on the cumulative asset expenditure exceeding the special borrowings

The weighted average of part of the asset expenditure is multiplied by the capitalization rate of the general borrowings used. The capitalization rate is the weighted average interest of the general borrowings.

If there is a discount or premium on the loan, the amount of discount or premium that should be amortized in each accounting period shall be determined according to the actual interest rate method, and the interest of each period shall be adjusted

Amount.

The actual interest rate method is a method of calculating the amortized discount or premium or interest expense based on the actual interest rate of the borrowing. Where the actual interest rate is the

The future cash flow during the duration of the period is discounted to the interest rate used for the current book value of the loan.

25. Intangible assets

(1) Valuation method, service life, impairment test

1. Valuation method of intangible assets

The company's intangible assets are initially measured at cost. For the purchased intangible assets, the actual price paid and related expenses shall be regarded as the actual cost.

Book. The actual cost of the intangible assets invested by the investor is determined according to the value agreed in the investment contract or agreement, but the agreed value in the contract or agreement is not fair If the actual cost is determined based on fair value. The cost of self-developed intangible assets is the total expenditure incurred before reaching the intended use.

The subsequent measurement methods of the company's intangible assets are as follows: intangible assets with limited service life are amortized using the straight-line method, and at the end of the year, for intangible assets

The useful life and amortization method of tangible assets shall be reviewed. If there is a difference with the original estimate, the corresponding adjustment shall be made; the useful life is uncertain

The intangible assets are not amortized, but at the end of the year, the service life is reviewed. When there is conclusive evidence that its service life is limited, it is estimated

Calculate its service life and amortize it according to the straight-line method.

2. Judgment basis for uncertain service life

The company will not be able to foresee the period during which the asset will bring economic benefits to the company, or the intangible asset with an indefinite period of use shall be determined as the service life

Uncertain intangible assets. The basis for determining the indefinite useful life: comes from contractual rights or other statutory rights, but contract provisions or laws

The law does not have a clear service life; it is still impossible to judge that intangible assets bring economic benefits to the company based on the situation of the same industry or relevant expert demonstrations. the term.

At the end of each year, the service life of intangible assets with uncertain service life is reviewed, mainly in a bottom-up approach, with intangible assets

The relevant departments of the production and use conduct basic review to evaluate whether there is any change in the judgment basis of the uncertainty of the service life, etc.

(2) Accounting policies for internal research and development expenditures

Expenditures in the research phase of internal research and development projects shall be included in the current profits and losses when incurred; expenditures in the development phase shall be recognized as intangible assets Conditional transfer into intangible assets accounting.

26. Long-term asset impairment

Long-term equity investment, investment real estate measured by the cost model, fixed assets, construction in progress, production measured by the cost model

If long-term assets such as sexual biological assets, oil and gas assets, and intangible assets show signs of impairment on the balance sheet date, an impairment test shall be conducted. Impairment test

If the result shows that the recoverable amount of the asset is lower than its book value, the impairment provision shall be made based on the difference and included in the impairment loss.

The recoverable amount is the comparison between the net value of the asset's fair value minus the disposal expenses and the present value of the asset's expected future cash flow.

Taller. Asset impairment provision is calculated and confirmed on the basis of individual assets. If it is difficult to estimate the recoverable amount of individual assets, the

The asset group to which the asset belongs determines the recoverable amount of the asset group. An asset group is the smallest combination of assets that can independently generate cash inflows. Goodwill listed separately in the financial statements, regardless of whether there are signs of impairment, shall be tested for impairment at least annually. In the impairment test, goodwill The book value of is allocated to the asset group or combination of asset groups that are expected to benefit from the synergies of the business combination. The test results show that the quotient included If the recoverable amount of a reputation asset group or combination of asset groups is lower than its book value, the corresponding impairment loss is recognized. The amount of impairment loss first offsets the deduction points The book value of the goodwill allocated to the asset group or combination of asset groups is then based on the asset group or combination of asset groups other than goodwill The proportion of the book value of the company is proportional to the book value of other assets. Once the above-mentioned asset impairment loss is confirmed, it will not be reversed for the part whose value has been restored in subsequent periods.

27. Long-term deferred expenses

The company's long-term deferred expenses refer to the expenses that have been paid, but the benefit period is more than one year (excluding one year). Long-term prepaid expenses It is amortized in installments according to the benefit period of the expense item. If the long-term amortized expense item cannot benefit the future accounting period, the item that has not yet been amortized The purpose amortized value is all transferred to the current profit and loss.

28. Contract liabilities

Accounting policy from January 1, 2020

The company lists contract assets or contract liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The company has Obligations to transfer goods or provide services to customers for receiving or receivable customer considerations are listed as contract liabilities. Contract assets and contracts under the same contract Liabilities are presented on a net basis.

29. Employee compensation

(1) Accounting treatment method of short-term salary

During the accounting period when employees provide services to the company, the actual short-term compensation is recognized as a liability and included in the current profit and loss. The company will Except as required or permitted by the accounting standards to be included in the cost of assets. The employee welfare expenses incurred by the company shall be included in the current Period profit and loss or related asset cost. If employee welfare expenses are non-monetary benefits, they shall be measured at fair value. The medical insurance paid by the company for employees Insurance premiums, work-related injury insurance premiums, maternity insurance premiums and other social insurance premiums and housing provident funds, as well as labor union funds and employee education funds drawn in accordance with regulations, During the accounting period when employees provide services, calculate and determine the corresponding amount of employee remuneration based on the prescribed accrual basis and accrual ratio, and confirm the corresponding

Liabilities are included in the current profit and loss or the cost of related assets.

(2) Accounting treatment method for post-employment benefits

During the accounting period when the company provides services, the amount payable and deposited based on the defined contribution plan is recognized as a liability and included in the current period's loss. Benefits or related asset costs. According to the formula determined by the expected cumulative welfare unit method, the welfare obligations arising from the defined benefit plan are attributable to the employees. The service period is included in the current profit and loss or the cost of related assets.

(3) Accounting treatment method for dismissal benefits

When the company provides dismissal benefits to employees, the employee compensation liabilities arising from the dismissal benefits shall be recognized as soon as possible, and shall be included in the current loss Benefits: When the company cannot unilaterally withdraw the dismissal benefits provided by the termination of the labor relationship plan or reduction proposal; the company confirms and involves payment When dismissal of costs or expenses related to the reorganization of benefits.

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

Other long-term employee benefits provided by the company to employees that meet the conditions of the defined contribution plan shall be in accordance with the relevant regulations of the defined contribution plan. In addition, in accordance with the relevant provisions of the defined benefit plan, confirm and measure the net liabilities or net assets of other long-term employee benefits.

30. Estimated liabilities

When the obligation related to the contingent event is the current obligation undertaken by the company, and the performance of the obligation is likely to cause the outflow of economic benefits, and at the same time, the financial

When the amount can be reliably measured, the obligation is recognized as an estimated liability. The company conducts an initial preliminary based on the best estimate of the expenditure required to perform the relevant current obligations

If there is a continuous range of required expenditures, and the possibility of various results within the range is the same, the best estimate is based on the range

Determine the intermediate value within; if multiple projects are involved, calculate and determine the best estimate based on various possible results and related probabilities.

The book value of the estimated liabilities is reviewed on the balance sheet date, and there is conclusive evidence that the book value does not truly reflect the current best estimate

The book value should be adjusted according to the current best estimate.

31. Share-based payment

The company's share-based payment includes equity-settled share-based payment and cash-settled share-based payment. Equity-settled share-based payment in exchange for employment

Where an employee provides services, it shall be measured at the fair value of the equity instruments granted to the employee. If there is an active market, it shall be determined according to the quotation in the active market; no

If there is an active market, it shall be determined using valuation techniques, including those used in recent market transactions by parties familiar with the situation and willing to trade.

Price, reference to the current fair value of other financial instruments that are substantially the same, discounted cash flow method and option pricing model, etc.

On each balance sheet date, according to the latest changes in the number of vestees, the completion of performance indicators and other follow-up information, the estimated availability is revised.

The number of stock options to be exercised, and the expenses to be amortized in each period shall be confirmed on this basis. For option expenses that span multiple accounting periods, generally

Apportion is made according to the proportion of the length of the waiting period of the option in a certain accounting period to the length of the entire waiting period.

32. Income

Accounting policies used in revenue recognition and measurement

It will be implemented from January 1, 2020.

The company has fulfilled the performance obligations in the contract, that is, when the customer obtains control of the relevant goods or services, the revenue is recognized.

If the contract contains two or more performance obligations, the company shall, at the beginning of the contract, follow the

The relative proportion of the stand-alone selling price, the transaction price is allocated to each individual performance obligation, and the payment is measured according to the transaction price allocated to each individual performance obligation enter.

The transaction price is the amount of consideration that the company expects to be entitled to collect due to the transfer of goods or services to customers, excluding the amount collected on behalf of third parties item. The transaction price confirmed by the company does not exceed the amount of money that the accumulated confirmed income will most likely not be significantly reversed when the relevant uncertainty is eliminated.

Forehead. It is expected that the money returned to the customer will not be included in the transaction price as a liability. If there is a major financing component in the contract, the company will assume

When the user obtains control of the goods or services, the transaction price shall be determined by the amount payable in cash. The difference between the transaction price and the contract consideration

The amount is amortized using the effective interest method during the contract period. On the starting date of the contract, the company expects that the customer will obtain control of the goods or services and pay the customer

If the price interval does not exceed one year, the major financing components in the contract shall not be considered.

When one of the following conditions is met, the company is to perform its performance obligations within a certain period of time; otherwise, it is to perform its performance obligations at a certain point in time:

(1) The customer obtains and consumes the economic benefits brought by the company's performance at the same time as the company performs the contract.

(2) Customers can control the products under construction during the performance of the company.

(3) The goods produced during the performance of the company's contract have irreplaceable uses, and the company has the right to accumulate

Payment has been collected for the fulfillment part that has been completed so far.

For performance obligations performed within a certain period of time, the company recognizes revenue according to the performance progress during that period, and according to the actual measurement

The completion schedule method determines the performance schedule. When the performance progress cannot be reasonably determined, the cost incurred by the company is expected to be compensated, according to The amount of costs incurred is recognized as revenue until the progress of the contract performance can be reasonably determined.

For performance obligations performed at a certain point in time, the company recognizes revenue at the point when the customer obtains control of the relevant goods or services. Judging the guest

When the user has obtained control of goods or services, the company considers the following signs:

(1) The company has the current right to receive payment for the goods or services.

(2) The company has transferred the legal ownership of the product to the customer.

(3) The company has transferred the goods in kind to the customer.

(4) The company has transferred the main risks and rewards of the ownership of the product to the customer.

(5) The customer has accepted the goods or services, etc.

The company has transferred goods or services to customers and the right to receive consideration is listed as contract assets, and contract assets are listed as expected credit losses

Provision for impairment on the basis. The company's unconditional right to collect consideration from customers is listed as receivables. The company has received goods and receivable customers

The obligation to transfer goods or services to customers for consideration is listed as contract liabilities. Specifically:

1. Selling goods

The company's revenue mainly consists of the sales of copper processing products and catalyst products.

According to the contract or agreement signed with the customer, the company judges the company

The performance obligations assumed belong to the performance obligations performed at a certain point in time. The company judges that it will complete the transfer of commodity control rights at the following time points, confirm revenue, and

Body as:

(1) Domestic sales meet the following conditions at the same time: 1) According to the delivery method agreed in the sales contract, the goods are sent to the customer or the customer picks up and obtains

The customer's receipt or inspection receipt; 2) The amount of sales revenue has been determined, the sales invoice has been issued, and the payment has been received or is expected to be recovered; 3) Sales

The cost of selling products can be calculated reasonably.

(2) The timing of foreign sales revenue recognition is: when the main risks of various trade methods are transferred in accordance with the "General Rules for the Interpretation of International Trade Terms"

Point of confirmation. The company mainly exports in the form of FOB and CIF. The company recognizes revenue when the following conditions are met at the same time: 1) The product has been reported

Customs export, obtain customs declaration and bill of lading; 2) The amount of product export income has been determined, the payment has been received or is expected to be recovered, and an export sale is issued

Invoice; 3) The cost of exported products can be calculated reasonably.

2. Interest income and expenses

For interest-bearing financial instruments in financial instruments measured at amortized cost, interest income and expenditures are calculated on the basis of the accrual basis and the actual interest rate method.

Confirmed in the income statement.

The actual interest rate method is a method of calculating the amortized cost of a financial asset or liability and apportioning interest income and interest expenses during the relevant period.

method. The actual interest rate is the result of discounting the future cash flow of the financial instrument into the net book value on the expected maturity date or within a short period of time.

The interest rate used. When estimating future cash flows, the company will consider all contractual terms of financial instruments, but will not consider future credit losses.

Calculating the actual interest rate will take into account transaction costs, discounts and premiums, and all costs related to the actual interest rate received and paid between the parties to the contract.

If a financial asset is impaired, the actual interest rate for confirming its interest income is determined in accordance with the discount rate of future cash flow for measuring the loss.

Differences in accounting policies for revenue recognition caused by the adoption of different business models for similar businesses not applicable.

33. Government subsidies

1. Types of government subsidies and accounting treatment

Government subsidies refer to the monetary or non-monetary assets obtained by the company from the government for free (but not including the government's investment as the owner).

capital). If a government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. Where government subsidies are non-monetary assets, they shall

It is measured at fair value; if the fair value cannot be obtained reliably, it is measured at the nominal amount.

Government subsidies related to daily activities are included in other income in accordance with the nature of economic business. Government subsidies not related to daily activities are included in

Non-operating income and expenditure.

Government documents clearly stipulate that government subsidies used for purchase and construction or to form long-term assets in other ways are recognized as government subsidies related to assets.

If the government document does not clearly specify the subsidy object, and can form a long-term asset, the part of the government subsidy corresponding to the asset value shall be regarded as the part of the government subsidy corresponding to the asset.

Related government subsidies, the rest is regarded as income-related government subsidies; if it is difficult to distinguish, the government subsidies are regarded as income-related

Government subsidies. Government subsidies related to assets are recognized as deferred income. The amount recognized as deferred income shall be

Management and systematic methods are included in the current profit and loss in installments.

Government grants other than government grants related to assets are recognized as government grants related to income. Government subsidies related to income

Relevant expenses or losses in the subsequent periods of compensation for the enterprise shall be recognized as deferred income, and shall be included in the current profit and loss during the period when the relevant expenses are recognized;

If it is used to compensate the related expenses or losses incurred by the enterprise, it shall be directly included in the current profits and losses.

The company obtains policy-based preferential loan interest discounts, and the finance allocates the interest-subsidized funds to the lending bank, and the lending bank pays the policy preferential interest rate

When the company provides a loan, the actual received loan amount is used as the entry value of the loan, which is calculated based on the loan principal and the policy preferential interest rate

Relevant borrowing costs; if the finance directly allocates interest discount funds to the company, the company will offset the corresponding borrowing costs with the corresponding discount interest.

2. Confirmation of government subsidies

Government subsidies are confirmed when they meet the conditions attached to the government subsidies and can be received. The government subsidies measured in accordance with the amount receivable, at the end of the period, have a conclusive

It is confirmed when the evidence shows that it can meet the relevant conditions stipulated in the financial support policy and is expected to receive financial support funds. Except in accordance with the receivables

The government subsidies other than the government subsidies measured by the amount shall be recognized when the subsidy is actually received.

1. According to the difference between the book value of assets and liabilities and their tax base (items that are not recognized as assets and liabilities are subject to tax laws

If the tax base can be determined, the tax base is determined as the difference), and the applicable tax rate during the period when the asset is expected to be recovered or the liability is paid off

Calculate and confirm deferred income tax assets or deferred income tax liabilities.

2. The recognition of deferred income tax assets is limited to the amount of taxable income that is likely to be obtained to offset the deductible temporary differences. Balance sheet

If there is conclusive evidence showing that sufficient taxable income is likely to be obtained in the future to deduct the deductible temporary difference, confirm that

Deferred income tax assets that have not been recognized during the accounting period. If it is unlikely that sufficient taxable income will be available to deduct deferred income tax in the future period

If it is produced, the book value of the deferred income tax asset is written down.

3. For taxable temporary differences related to investments in subsidiaries and associates, confirm deferred income tax liabilities, unless the company can control

The time when the temporary difference is reversed is controlled and the temporary difference is likely not to be reversed in the foreseeable future. For investment in subsidiaries and associates

Related deductible temporary differences, when the temporary differences are likely to be reversed in the foreseeable future and are likely to be used to deduct the deductible temporary differences in the future.

When the taxable income is subject to temporal differences, the deferred income tax assets are recognized.

35. Lease

(1) Accounting treatment method of operating lease

The rental expenses of operating leases shall be included in the relevant asset costs or current profits and losses in accordance with the straight-line method during the lease term.

(2) Accounting treatment method of financial lease

The lower of the fair value of the leased asset and the present value of the minimum lease payment is used as the entry value of the leased asset.

The difference between the recorded value and the minimum lease payment is treated as an unrecognized financing expense, and is amortized by the effective interest method during the lease term. Minimum lease payment

The balance after deducting the unrecognized financing expenses is shown as long-term payables.

36. Other important accounting policies and accounting estimates

Hedge accounting

(1) Hedged items

Refers to the following items that expose the company to the risk of changes in fair value or cash flow and are designated as hedged objects: ① Individually confirmed assets

Assets, liabilities, confirmed commitments, anticipated transactions that are likely to occur, or net investment in overseas operations; ② a group of confirmed assets with similar risk characteristics

Assets, liabilities, confirmed commitments, expected transactions that are likely to occur, or net investment in overseas operations; ③ Financial financing that shares the same hedged interest rate risk

Part of a portfolio of assets or financial liabilities (only applicable to fair value portfolio hedging of interest rate risk). Confirmed commitment means on a certain date in the future

Or during the period, a legally binding agreement in exchange for a specific quantity of resources at an agreed price. Anticipated transaction means that it has not been promised but is expected to happen

Transactions.

(2) Hedging tools

The company's hedging instrument is a futures contract.

(3) Specify the accounting period of the hedging relationship

In the same accounting period, the company counts the offset result of the hedging instrument and the fair value change of the hedged item into the current profit and loss.

37. Changes in important accounting policies and accounting estimates

(1) Changes in important accounting policies

√ Applicable □ Not applicable

The content and reason of accounting policy changes approval procedure

Remark

In July 2017, the Ministry of Finance issued the

Issued the <Accounting Standards for Business Enterprises No. 14-Revenue> Notice" (Cai Kuai [2017] No. 22), notification requirements
Domestic listed companies from January 1, 2020
Implement new standards. The guidelines stipulate that for the first implementation of this Companies that implement the standards should be based on the
The cumulative impact of the
Retained earnings at the beginning of the year and other related items in the financial statements
The project amount will not be adjusted for comparable period information. exist
Under the original income standard, the company transfers risk rewards
As a criterion for determining the timing of revenue recognition, the company
Income from sales of goods is granted when the following conditions are met at the same time
To confirm, that is: the main risk of commodity ownership
And remuneration has been transferred to the buyer; the amount of income and
Relevant costs can be reliably measured; relevant economic benefits
It is likely to flow into the company; the company has neither reserved
The right to continue management, which is usually related to ownership, does not
There is effective control over sold goods. In the new collection
Under the entry standards, the company uses the transfer of control as revenue
Judgment criteria at the time of entry confirmation: The company is performing
The performance obligation in the contract, that is, to obtain the relevant
Revenue is recognized when the control of goods or services is related.
When certain conditions are met, the company belongs to a certain
Perform the performance obligations within the time period, otherwise, it belongs to the
Perform performance obligations at a certain point in time. The contract contains two
In the case of one or more performance obligations, the company opens in the contract
The first day, according to the promised goods or
The relative proportion of the stand-alone selling price of the service will be the transaction price
Allocation to each individual performance obligation, in accordance with the allocation to
The transaction price of each individual performance obligation measures income.
The transaction price is due to the company's transfer of goods to customers or
The amount of consideration that is expected to be charged for the service, not including
Including payments collected on behalf of third parties. Confirmed by our company
The transaction price does not exceed when the relevant uncertainty is eliminated
It is very likely that the accumulated recognized revenue will not undergo a major turnaround
The amount returned. Where there is a major financing component in the contract,
The company assumes that customers are acquiring goods or services
When controlling, the amount payable in cash is determined
Approved by the company's board of directors meeting.
without.

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Trading price. Between the transaction price and the contract consideration
The difference of the actual interest rate method is used during the contract period
Amortization. According to the new revenue standards, the company
The specific provisions of the event or transaction have adjusted the relevant accounting
Policy, based on the performance obligations and customer payment
The relationship between the contract is presented in the balance sheet
debt. Adopting the new revenue standard for the company's financial reporting
There is no impact other than those reported in the table.

(2) Changes in important accounting estimates

Applicable Not applicable

(3) The first implementation of the new revenue standard and the adjustment of the new lease standard from 2020 on the first implementation of the financial statement related items at the beginning of the year
Be applicable

Whether to adjust the balance sheet accounts at the beginning of the year

Yes No

Consolidated balance sheet

unit: yuan

project

December 31, 2019

January 01, 2020

Adjustment

Current assets:

Money funds

4,086,529,840.44

4,086,529,840.44

Settlement provisions

Borrowed funds
 Transactional financial assets
 826,968,475.30
 826,968,475.30
 Derivative financial assets
 bill receivable
 171,407,422.64
 171,407,422.64
 accounts receivable
 4,392,181,271.32
 4,392,181,271.32
 Receivables financing
 484,058,009.89
 484,058,009.89
 Prepayments
 741,628,515.55
 741,628,515.55
 Premium receivable
 Reinsurance accounts receivable
 Reinsurance contract reserves receivable
 Other receivables
 256,289,071.68
 256,289,071.68
 Of which: interest receivable
 2,797,711.77
 2,797,711.77
 Dividend receivable
 Buy financial assets under resale agreements

stock
 4,300,498,739.56
 4,300,498,739.56
 Contract assets
 Holding assets for sale
 Non-current due within one year
 assets
 Other current assets
 493,373,324.66
 493,373,324.66
 Total current assets
 15,752,934,671.04
 15,752,934,671.04
 Non-current assets:
 Issuing loans and advances
 860,046,804.56
 860,046,804.56
 Debt investment
 Other debt investments
 Long-term receivables
 Long-term equity investment
 1,607,121,950.88
 1,607,121,950.88
 Investment in other equity instruments
 815,999,997.86
 815,999,997.86
 Other non-current financial assets
 Investment real estate
 324,494,463.88
 324,494,463.88
 Fixed assets
 2,247,072,526.95
 2,247,072,526.95
 Construction in progress
 1,501,536,260.51
 1,501,536,260.51
 Productive biological assets

oil and gas asset
 Right-of-use asset
 Intangible assets
 643,087,041.61
 643,087,041.61
 Development expenditure
 2,191,507.39
 2,191,507.39
 Goodwill
 345,157,150.22
 345,157,150.22
 Long-term prepaid expenses
 Deferred tax assets
 213,229,110.22
 213,229,110.22
 Other non-current assets
 209,391,835.04
 209,391,835.04
 Total non-current assets
 8,769,328,649.12
 8,769,328,649.12
 total assets
 24,522,263,320.16
 24,522,263,320.16
 Current liabilities:
 short-term loan
 4,520,194,227.13
 4,520,194,227.13
 Borrowing from the central bank
 Borrowed funds
 Transactional financial liabilities
 9,806,277.28
 9,806,277.28

Derivative financial liabilities
 Bills payable
 1,785,028,734.29
 1,785,028,734.29
 accounts payable
 3,592,511,227.11
 3,592,511,227.11
 Advance receipt
 405,021,694.89
 -405,021,694.89
 Contract liabilities
 366,824,544.82
 366,824,544.82
 Financial assets sold under repurchase agreements
 Deposits and deposits
 Agent trading securities
 Securities underwriting agent
 Employee compensation payable
 273,027,030.65
 273,027,030.65
 Taxes payable
 159,179,831.56
 159,179,831.56
 Other payables
 228,886,468.81
 228,886,468.81
 Of which: interest payable
 Dividend payable
 Fees and commissions
 Reinsurance accounts payable
 Held for sale liabilities
 Non-current due within one year

Debt
 551,855,897.30
 551,855,897.30
 Other current liabilities
 26,124,332.15
 64,321,482.22
 38,197,150.07
 Total current liabilities
 11,551,635,721.17
 11,551,635,721.17
 Non-current liabilities:
 Insurance contract reserve
 Long term loan
 357,448,300.64
 357,448,300.64
 Bonds payable
 2,470,574,972.22
 2,470,574,972.22
 Of which: preferred shares
 Perpetual bond
 Lease liability
 Long-term payables
 43,294,320.82
 43,294,320.82
 Long-term employee compensation payable
 131,608,932.59
 131,608,932.59
 Estimated liabilities
 Deferred income
 36,132,508.35
 36,132,508.35
 Deferred income tax liabilities
 168,220,777.22
 168,220,777.22
 Other non-current liabilities

Total non-current liabilities
 3,207,279,811.84
 3,207,279,811.84
 Total Liabilities
 14,758,915,533.01
 14,758,915,533.01
 Owners' equity:
 Equity
 1,952,107,432.00
 1,952,107,432.00
 Other equity instruments
 674,233,860.39
 674,233,860.39
 Of which: preferred shares
 Perpetual bond
 Capital reserve
 2,313,657,841.85
 2,313,657,841.85
 Less: treasury stocks
 331,040,381.54
 331,040,381.54
 Other comprehensive income
 -18,235,037.70
 -18,235,037.70
 Special reserves
 Surplus reserve
 258,871,094.19
 258,871,094.19
 general risk preparation
 undistributed profit

4,546,302,854.44
 4,546,302,854.44
 Equity attributable to equity holders
 total
 9,395,897,663.63
 9,395,897,663.63
 Minority shareholders' equity
 367,450,123.52
 367,450,123.52
 Total owner's equity
 9,763,347,787.15
 9,763,347,787.15
 Total Liabilities and Owner's Equity
 24,522,263,320.16
 24,522,263,320.16
 Adjustment description
 without.
 Parent Company Balance Sheet
 unit: yuan
 project
 December 31, 2019
 January 01, 2020
 Adjustment
 Current assets:
 Money funds
 2,562,249,955.22
 2,562,249,955.22
 Transactional financial assets
 315,705,706.15
 315,705,706.15
 Derivative financial assets
 bill receivable
 202,022,145.92
 202,022,145.92
 accounts receivable
 2,786,825,053.84
 2,786,825,053.84
 Receivables financing
 180,235,373.30
 180,235,373.30
 Prepayments
 1,534,708,695.77
 1,534,708,695.77
 Other receivables
 198,961,862.86
 198,961,862.86
 Of which: interest receivable

Dividend receivable
 stock
 720,761,219.64
 720,761,219.64
 Contract assets
 Holding assets for sale
 Non-current due within one year
 assets
 Other current assets
 48,763,447.99
 48,763,447.99
 Total current assets
 8,550,233,460.69
 8,550,233,460.69
 Non-current assets:
 Debt investment
 Other debt investments
 Long-term receivables

Long-term equity investment
 7,486,000,205.07
 7,486,000,205.07
 Investment in other equity instruments
 815,999,997.86
 815,999,997.86
 Other non-current financial assets
 Investment real estate
 Fixed assets
 403,504,602.32
 403,504,602.32
 Construction in progress
 260,862,648.10
 260,862,648.10
 Productive biological assets
 oil and gas asset
 Right-of-use asset
 Intangible assets
 129,163,926.08
 129,163,926.08
 Development expenditure
 2,191,507.39
 2,191,507.39
 Goodwill
 Long-term prepaid expenses
 Deferred tax assets
 38,292,460.19
 38,292,460.19
 Other non-current assets
 119,540,545.46
 119,540,545.46
 Total non-current assets
 9,255,555,892.47
 9,255,555,892.47
 total assets
 17,805,789,353.16
 17,805,789,353.16
 Current liabilities:
 short-term loan
 1,862,518,594.81
 1,862,518,594.81
 Transactional financial liabilities
 1,478,579.00
 1,478,579.00
 Derivative financial liabilities
 Bills payable
 1,785,028,734.29
 1,785,028,734.29

accounts payable
 4,344,266,419.65
 4,344,266,419.65
 Advance receipt
 520,866,446.58
 -520,866,446.58
 Contract liabilities
 461,819,016.17
 461,819,016.17
 Employee compensation payable
 104,730,549.04
 104,730,549.04
 Taxes payable
 468,998.45
 468,998.45
 Other payables
 76,087,599.16

76,087,599.16
 Of which: interest payable
 Dividend payable
 Held for sale liabilities
 Non-current due within one year
 Debt
 523,869,474.79
 523,869,474.79
 Other current liabilities
 1,194,474.01
 60,241,904.42
 59,047,430.41
 Total current liabilities
 9,220,509,869.78
 9,220,509,869.78
 Non-current liabilities:
 Long term loan
 Bonds payable
 2,470,574,972.22
 2,470,574,972.22
 Of which: preferred shares
 Perpetual bond
 Lease liability
 Long-term payables
 Long-term employee compensation payable
 Estimated liabilities
 Deferred income
 Deferred income tax liabilities
 8,269,595.89
 8,269,595.89
 Other non-current liabilities
 Total non-current liabilities
 2,478,844,568.11
 2,478,844,568.11
 Total Liabilities
 11,699,354,437.89
 11,699,354,437.89
 Owners' equity:
 Equity
 1,952,107,432.00
 1,952,107,432.00
 Other equity instruments
 674,233,860.39
 674,233,860.39
 Of which: preferred shares
 Perpetual bond
 Capital reserve
 2,487,035,004.98
 2,487,035,004.98
 Less: treasury stocks
 331,040,381.54
 331,040,381.54

Other comprehensive income
 -15,693,531.38
 -15,693,531.38
 Special reserves
 Surplus reserve
 253,798,721.40
 253,798,721.40
 undistributed profit
 1,085,993,809.42
 1,085,993,809.42
 Total owner's equity
 6,106,434,915.27
 6,106,434,915.27

Total Liabilities and Owner's Equity
17,805,789,353.16
17,805,789,353.16
Adjustment description
without.

(4) The new revenue standard and the new lease standard will be implemented for the first time since 2020, and the previous comparative data description will be adjusted retrospectively

Applicable Not applicable

6. Taxation

1. Main taxes and tax rates

Tax

Tax basis

tax rate

VAT

Taxable income

The output tax of domestically sold goods is calculated at a tax rate of 13%,

Pay after deducting the deductible input tax; export goods

Property enjoys the tax policy of "exemption, credit and refund". Of the company

Subsidiary LOYAL HAILIANG COPPER

(THAILAND) LTD. calculates the output at a tax rate of 7%

The tax is paid after deducting the deductible input tax.

Subsidiary Hong Kong Hailiang Copper Trading Co., Ltd., Hong Kong

Hailiang Metal Materials Co., Ltd., Hong Kong Hailiang Holdings

Co., Ltd., Vietnam Hailiang Metal Products Co., Ltd.,

Hailiang (Vietnam) Copper Co., Ltd., Hailiang America

The company does not pay VAT. Subsidiary of the company

HME Copper Germany GmbH and HME

The VAT rate of Brass Germany GmbH is 19%.

The company's subsidiary HME Brass Italy SpA increased

The value tax rate is 22%. HME, a subsidiary of the company

The Brass France SAS VAT rate is 20%. Honour

Company's subsidiary HME Ibertubos SAU VAT

The rate is 21%. Hailiang, a subsidiary of the company

Netherlands Holding BV VAT rate is 9%

Urban maintenance and construction tax

Turnover tax payable

The company and Zhejiang Copper Processing Research Institute Co., Ltd.,

Zhejiang Keyu Metal Material Co., Ltd., Zhejiang Hailiang

International Trade Co., Ltd., Zhejiang Hailiang Environmental Materials

Co., Ltd., Zhejiang Haibo Small Loan Co., Ltd.

Company, Hailiang Auto Copper Tube (Guangdong) Co., Ltd.

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The tax rate is 5%; the subsidiary Shanghai Hailiang Copper Co., Ltd.

Company tax rate is 1%; subsidiary Hailiang (Anhui) Copper

Co., Ltd., Ningbo Hailiang Copper Co., Ltd., Cheng

Dubeide Copper Industry Co., Ltd., Chongqing Hailiang Copper Industry Co., Ltd.

Co., Ltd., Chongqing Hailiang Metal Material Co., Ltd.,

The tax rate of Chongqing Hailiang International Trade Co., Ltd. is 7%.

The company's subsidiaries registered outside of China will not be paid

Urban maintenance and construction tax.

corporate income tax

Taxable income

Income from the company and its subsidiaries registered in China

The applicable tax rate is 25%. The company's subsidiary incense

Hong Kong Hailiang Copper Trading Co., Ltd., Hong Kong Hailiang Metal

Materials Co., Ltd. and Hong Kong Hailiang Holdings Co., Ltd.

The applicable income tax rate is 16.5%. Son of the company

Company Vietnam Hailiang Metal Products Co., Ltd., Hailiang (Vietnam

South) Copper Co., Ltd.'s income tax rate is 20%.

LOYAL HAILIANG, a subsidiary of the company

COPPER (THAILAND)LTD. Income tax rate

Is 20%. Hailiang Japan Co., Ltd.

Club. Corporate tax is divided into two levels: (1) Taxable income

The amount is less than 8 million yen, and the tax rate is 15%.

The tax income is more than 8 million yen. The tax rate is 23.2%

The company's subsidiary Singapore Hailiang Metal Materials has

The corporate income tax rate is 17%. Son of the company
Si Hailiang's federal corporate income tax rate for U.S. companies
21%, the state corporate income tax rate is 7.75%. Honour
Hailiang Copper Texas Co., Ltd.
The federal corporate income tax rate is 21%.
The income tax rate is 0. JMF, a subsidiary of the company
Company and Hailiang Distribution Inc. jointly
State corporate income tax rate is 21%, state corporate income
The tax rate is 4.71%. HME, a subsidiary of the company
Copper Germany GmbH income tax rate
31.090%. Kabelmetal, a subsidiary of the company
Messing Beteiligungsges mb and HHME
The income tax rate of Brass Germany GmbH
30.175%. HME Brass, a subsidiary of the company
Italy SpA's income tax rate is 24.00%. Of the company
Income tax rate of subsidiary HME Brass France SAS
Is 33.33%. HME, a subsidiary of the company
The Ibertubos SAU income tax rate is 25%. Our company
Hailiang Netherlands Holding
The BV income tax rate is gradually reduced into two levels: (1) Should
Tax income is less than 200,000 euros, from 20% in 2019
To 19%, 16.50% in 2020, and 2021

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Annual reduction to 15%; (2) Taxable income is 200,000 Euros
Yuan and above, 25% in 2019, reduced to
22.55%, which will be reduced to 20.50% in 2021. Of the company
Income from subsidiary Hailiang Copper Australia Pty Ltd
Tax rate 27.5%

If there are taxpayers with different corporate income tax rates, explanation of disclosure

Tax subject name

Income tax rate

2. Tax incentives

(1) Zhejiang Keyu Metal Material Co., Ltd., a subsidiary of the company, is a welfare enterprise.

The Circular on Preferential Enterprise Income Tax Policies Concerning the Employment of Disabled Persons (Caishui [2009] No. 70) stipulates that if an enterprise places disabled persons,

Based on the actual deduction of wages paid to disabled employees, 100% of the wages paid to disabled employees can be calculated in the calculation of taxable income.

Additional deduction.

According to the "Notice on Preferential Tax Policies for Promoting the Employment of the Disabled" (Caishui [2007] No. 92) issued by the Ministry of Finance and the State Administration of Taxation

The VAT refund income obtained by the defined welfare enterprise is exempted from corporate income tax.

(2) Hailiang (Vietnam) Copper Co., Ltd., a subsidiary of the company, within 15 years from the date of commencement of production and operation, the annual income tax rate is

10%, after the expiration of the above period, the annual income tax rate is 25%. Since the profit-making year, enjoy the preferential tax policy of "Four Exemptions and Nine Reductions in Half". This issue of Hailiang (Vietnam) Copper Co., Ltd. belongs to the half-tax period, and the income tax rate is 5%.

(3) Zhejiang Copper Processing Research Institute Co., Ltd., a subsidiary of the company, is a high-tech enterprise with a validity period of 3 years and preferential corporate income tax

The period is from January 1, 2020 to December 31, 2022, and enjoy the preferential tax treatment of corporate income tax at a reduced tax rate of 15%. Zhejiang Hailiang

New Materials Co., Ltd. is a high-tech enterprise and enjoys preferential tax treatment of corporate income tax at a reduced tax rate of 15%. Guangdong Hailiang Copper

Industry Co., Ltd. is a high-tech enterprise and enjoys preferential tax treatment of corporate income tax at a reduced tax rate of 15%.

(4) According to the "Notice of the Ministry of Finance and the State Administration of Taxation on the Implementation of Inclusive Tax Reduction and Exemption Policies for Small and Micro Enterprises" (Caishui [2019] No. 13)

According to the regulations, from January 1, 2019 to December 31, 2021, the portion of the annual taxable income of small and low-profit enterprises that does not exceed 1 million yuan will be reduced

25% is included in the taxable income, and the corporate income tax is paid at a tax rate of 20%; for the annual taxable income exceeding 1 million yuan but not exceeding 3 million

The part of RMB is reduced by 50% to be included in the taxable income, and the corporate income tax is paid at the tax rate of 20%. In this period, Zhejiang Hailiang International Trade Co., Ltd., The income tax rate of Zhejiang Shengjie Freight Co., Ltd. is 5%.

(5) According to the "Notice of the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs on the in-depth implementation of the taxation policy issues of the Western Development Strategy"

(Cai Shui [2011] No. 58), from January 1, 2011 to December 31, 2020, the

The industrial projects specified in the "Industry Catalog" are the main business, and the main business income of the current year accounts for more than 70% of the total enterprise income.

The corporate income tax rate is reduced at 15%, and the income tax rate of Chongqing Hailiang Copper Co., Ltd. is 15% in this period.

(6) Anhui Hailiang New Energy Technology Co., Ltd., Hailiang (Chongqing) New Energy Technology Co., Ltd., Hailiang (China)

Mountain) New Energy Technology Co., Ltd. is a photovoltaic power generation company, enjoying the corporate income tax "three exemptions and three reductions" tax incentives, and the first grant from the project From the year to which the income from production and operation belongs, the income tax will be exempted for the first to third years, and the corporate income tax will be levied by half from the fourth to sixth year.

7. Notes on the consolidated financial statements

1. Monetary funds

unit: yuan

project

Ending balance

Opening Balance

cash in stock

5,916,320.36

391,055.43

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Bank savings

2,522,364,412.88

2,206,287,100.46

Other monetary fund

1,668,173,161.72

1,879,851,684.55

total

4,196,453,894.96

4,086,529,840.44

Including: the total amount of money deposited abroad

224,695,859.58

630,239,175.27

Use due to mortgage, pledge or freezing, etc.

Restricted sum of money

1,642,701,473.37

1,392,885,534.76

other instructions

without.

2. Transactional financial assets

unit: yuan

project

Ending balance

Opening Balance

Measured at fair value and its changes are included in the current profit and loss

Of financial assets

455,558,702.52

826,968,475.30

in:

Derivative financial assets

155,558,702.52

15,090,753.08

Structured deposit principal and interest

811,877,722.22

Bank wealth management products

300,000,000.00

in:

total
455,558,702.52
826,968,475.30
other instructions:
without.

3. Notes receivable

(1) Classification list of notes receivable

unit: yuan
project
Ending balance
Opening Balance
Commercial Acceptance Notes
216,817,782.81
171,407,422.64
total
216,817,782.81
171,407,422.64
unit: yuan
category
Ending balance
Opening Balance
Book balance
Bad debt provision
Book value
Book balance
Bad debt provision
Book value
Amount
Proportion
Amount
Withdrawal ratio
example
Amount
Proportion
Amount
Withdrawal ratio

in:

Accrual of bad debts based on portfolio

Notes receivable

218,280,

260.56

100.00%

1,462,47

7.75

0.67%

216,817,7

82.81

172,563,5

98.75

100.00%

1,156,176.1

1

0.67%

171,407,4

22.64

in:

1 to within

218,280,

260.56

100.00%

1,462,47

7.75

0.67%

216,817,7

82.81

172,563.5
98.75
100.00%
1,156,176.1
1
0.67%
171,407.4
22.64
total
218,280,
260.56
100.00%
1,462.47
7.75
0.67%
216,817.7
82.81
172,563.5
98.75
100.00%
1,156,176.1
1
0.67%
171,407.4
22.64

Provision for bad debts on a single item basis:

unit: yuan
name

Ending balance

Book balance

Bad debt provision

Withdrawal ratio

Reason for provision

Provision for bad debts by combination: 1,462,477.75 yuan.

unit: yuan
name

Ending balance

Book balance

Bad debt provision

Withdrawal ratio

Copper processing customers receivable

218,280,260.56

1,462,477.75

0.67%

total

218,280,260.56

1,462,477.75

-

Description of the basis for determining the combination:

According to the nature of financial instruments, the company assesses whether the credit risk has increased significantly on the basis of individual financial assets or a combination of financial assets. Our company

According to the characteristics of credit risk, the notes and accounts receivable are divided into several combinations, and the expected credit loss is calculated on the basis of the combination, and the combination is determined

The basis is as follows:

Notes receivable portfolio 1: copper processing customers

Notes receivable portfolio 2: Environmental customers

Provision for bad debts by combination:

unit: yuan

name

Ending balance

Book balance

Bad debt provision

Withdrawal ratio

Description of the basis for determining the combination:

If the provision for bad debts of bills receivable is accrued in accordance with the general expected credit loss model, please refer to the disclosure of other receivables to disclose the relevant information of the provision for bad debts:

Applicable Not applicable

For notes receivable divided into portfolios, the company refers to historical credit loss experience, combined with current conditions and forecasts of future economic conditions, Calculate the expected credit loss based on the default risk exposure and the entire lifetime expected credit loss rate.

(2) The provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

unit: yuan

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category

Opening Balance

Changes in the current period

Ending balance

Accrual

Take back or switch back

Write off

other

Bad debt standard for bills receivable

Prepare

1,156,176.11

306,301.64

1,462,477.75

total

1,156,176.11

306,301.64

1,462,477.75

Among them, the amount of bad debt provision for the current period to be recovered or reversed is important:

Applicable Not applicable

(3) At the end of the period, the company has endorsed or discounted notes receivable that are not yet due on the balance sheet date

unit: yuan

project

Term-end derecognized amount

Unterminated confirmation amount at the end of the period

Commercial Acceptance Notes

160,896,124.38

total

160,896,124.38

4. Accounts receivable

(1) Disclosure of accounts receivable by classification

unit: yuan

category

Ending balance

Opening Balance

Book balance

Bad debt provision

Book value

Book balance

Bad debt provision

Book value

Amount

Proportion

Amount

Withdrawal ratio

example

Amount

Proportion

Amount accrual ratio

Accrual of bad debts per item

Accounts receivable

33,155,2

98.54

0.82%

33,155,2

98.54

100.00%

0.00
 26,736,28
 4.80
 0.60%
 26,736,28
 4.80
 100.00%
 0.00
 in:
 Accrual of bad debts based on portfolio
 Accounts receivable
 4,026,22
 2,551.41
 99.18%
 59,179,7
 64.80
 1.47%
 3,967,042
 ,786.61
 4,459,450
 ,629.57
 99.40%
 67,269,35
 8.25
 1.51%
 4,392,181,2
 71.32
 in:
 Combination 1: Copper processing customers
 3,934,44
 7,380.48
 96.92%
 53,097,7
 54.06
 1.35%
 3,881,349
 ,626.42
 4,339,837
 ,967.21
 96.74%
 54,88,35
 5.47
 1.27%
 4,284,849,6
 11.74
 Combination 2: Environmental customers
 91,775,1
 70.93
 2.26%
 6,082,01
 0.74
 6.63%
 85,693,16
 0.19
 119,612,6
 62.36
 2.67%
 12,281,00
 2.78
 10.27%
 107,331,65
 9.58
 total
 4,059,37
 7,849.95
 100.00%
 92,335,0
 63.34
 2.27%
 3,967,042
 ,786.61

4,486,186
,914.37
100.00%
94,005,64
3.05
2.10%
4,392,181,2
71.32

Single item provision for bad debts: 33,155,298.54 yuan.
unit: yuan

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name

Ending balance

Book balance

Bad debt provision

Withdrawal ratio

Reason for provision

Customer A

2,760,528.87

2,760,528.87

100.00% is not expected to be recovered

Customer B

112,349.73

112,349.73

100.00% is not expected to be recovered

Customer C

90,958.17

90,958.17

100.00% is not expected to be recovered

Customer D

363,158.03

363,158.03

100.00% is not expected to be recovered

Customer E

1,573,315.60

1,573,315.60

100.00% is not expected to be recovered

Customer F

672,567.43

672,567.43

100.00% is not expected to be recovered

Customer G

400,895.01

400,895.01

100.00% is not expected to be recovered

Customer H

11,534,115.35

11,534,115.35

100.00% is not expected to be recovered

Customer I

1,342,460.10

1,342,460.10

100.00% is not expected to be recovered

Customer J

1,293,848.35

1,293,848.35

100.00% is not expected to be recovered

Customer K

1,993,276.00

1,993,276.00

100.00% is not expected to be recovered

Customer L

4,598,812.17

4,598,812.17

100.00% is not expected to be recovered

Customer M

6,419,013.73
6,419,013.73
100.00% is not expected to be recovered
total
33,155,298.54
33,155,298.54
-
-
Provision for bad debts on a single item basis:
unit: yuan
name
Ending balance
Book balance
Bad debt provision
Withdrawal ratio
Reason for provision
Provision for bad debts by combination: 53,097,754.06 yuan.
unit: yuan
name
Ending balance
Book balance
Bad debt provision
Withdrawal ratio
Combination 1: Copper processing customers receivable
Within 1 year
3,903,254,316.89
26,191,001.24
0.67%
1 to 2 years
7,703,649.97
3,417,339.20
44.36%
More than 2 years
23,489,413.62
23,489,413.62
100.00%
total
3,934,447,380.48
53,097,754.06
-

Description of the basis for determining the combination:

According to the nature of financial instruments, the company assesses whether the credit risk has increased significantly on the basis of individual financial assets or a combination of financial assets. Our company
According to the characteristics of credit risk, the notes and accounts receivable are divided into several combinations, and the expected credit loss is calculated on the basis of the combination, and the combination is determined

The basis is as follows:

Accounts Receivable Portfolio 1: Copper Processing Customers

Accounts Receivable Portfolio 2: Environmentally Friendly Customers

Accounts receivable portfolio 3: related parties in the merger

1,246,686.77
5.74%
2 to 3 years
16,305,054.81
2,285,968.68
14.02%
3-4 years
1,305,819.05
265,081.27
20.30%
4-5 years
909,891.60
727,913.28
80.00%
More than 5 years
total
91,775,170.93
6,082,010.74
-

Description of the basis for determining the combination:

According to the nature of financial instruments, the company assesses whether the credit risk has increased significantly on the basis of individual financial assets or a combination of financial assets. Our company

According to the characteristics of credit risk, the notes and accounts receivable are divided into several combinations, and the expected credit loss is calculated on the basis of the combination, and the combination is determined

The basis is as follows:

Accounts Receivable Portfolio 1: Copper Processing Customers

Accounts Receivable Portfolio 2: Environmentally Friendly Customers

Accounts receivable portfolio 3: related parties in the merger

Provision for bad debts by combination:

unit: yuan

name

Ending balance

Book balance

Bad debt provision

Withdrawal ratio

Description of the basis for determining the combination:

If the provision for bad debts of accounts receivable is accrued in accordance with the general model of expected credit losses, please refer to the disclosure of other accounts receivable to disclose the relevant information of bad debts:

Applicable Not applicable

For accounts receivable divided into portfolios, the company refers to historical credit loss experience, combined with current conditions and forecasts of future economic conditions, and compiled

Compile a comparison table between the aging of accounts receivable and the expected credit loss rate for the entire duration to calculate the expected credit loss.

Disclosure by age

unit: yuan

Aging

Book balance

Within 1 year (including 1 year)

3,954,789,440.64

1 to 2 years

29,422,931.69

2 to 3 years

46,213,482.16

over 3 years

28,951,995.46

4,059,377,849.95

(2) The provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

unit: yuan

category

Opening Balance

Changes in the current period

Ending balance

Accrual

Take back or switch back

Write off

other

Standard for bad debts of accounts receivable

Prepare

94,005,643.05

2,755,698.42

3,706,399.34

-719,878.79

92,335,063.34

total

94,005,643.05

2,755,698.42

3,706,399.34

-719,878.79

92,335,063.34

Among them, the amount of bad debt provision for the current period to be recovered or reversed is important:

unit: yuan

company name

Amount recovered or reversed

Recovery method

(3) Accounts receivable actually written off in the current period

unit: yuan

project

Amount written off

Client 1

20,000.00

Client 2

1,237,664.00

Client 3

11,550.00

Client 4

269,914.55

Customer 5

442,680.00

Client 6

416,750.00

Customer 7

308,520.00

Client 8

242,659.20

Client 9

756,661.59

Among the important accounts receivable write-off situation:

unit: yuan

company name

Nature of accounts receivable

Amount written off

Reason for write-off

Write-off procedures performed

Whether the payment is paid by the affiliate

Easy to produce

Description of accounts receivable write-off:

without.

(4) The top five accounts receivable of the ending balance collected by the owing party

unit: yuan

company name
Ending balance of accounts receivable
Of the total balance of accounts receivable at the end of the period
Proportion
Ending balance of bad debt provision
First place
92,768,203.96
2.29%
621,546.97
Second place
80,579,477.09
1.99%
539,882.50
Third place
74,261,003.97
1.83%
497,548.73
fourth place
63,161,201.27
1.56%
423,180.05
the fifth place
54,201,472.76
1.34%
363,149.87
total
364,971,359.05
9.01%

5. Receivables financing

unit: yuan

project

Ending balance

Opening Balance

Bank acceptance draft

303,810,771.48

484,058,009.89

total

303,810,771.48

484,058,009.89

Changes in the current period of the financing of receivables and changes in fair value

Applicable Not applicable

The ending balances are all bank acceptance bills with a short remaining period, and the book value is similar to the fair value.

If the provision for financing impairment of receivables is accrued in accordance with the general expected credit loss model, please refer to the disclosure methods of other receivables to disclose the relevant information of the impairment provision:

Applicable Not applicable

Receivables and lease receivables that contain significant financing components. For receivables that contain significant financing components, and "Accounting Standards for Business Enterprises No. 21

For lease receivables specified in "Leasing", the company uses the general method, that is, the "three-stage" model to measure loss reserves.

other instructions:

without.

6. Advance payment

(1) Prepayments are listed by age

unit: yuan

Aging

Ending balance

Opening Balance

Amount

Proportion

Amount

Proportion

Within 1 year

1,081,034,223.56

98.92%

708,743,639.68

95.56%

1 to 2 years

10,471,078.93

0.96%

30,670,015.89

4.14%
2 to 3 years
624,274.86
0.06%
466,069.56
0.06%

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over 3 years
680,318.00
0.06%
1,748,790.42
0.24%
total
1,092,809,895.35
-
741,628,515.55
-

Explanation of the reason why prepayments with an aging of more than 1 year and an important amount are not settled in time:
without.

(2) The top five prepayments of the ending balance grouped by prepayment objects

company name
Ending balance
Percentage of total prepayments (%)
First place
118,616,165.00
10.85
Second place
110,012,100.00
10.07
Third place
105,702,455.31
9.67
fourth place
73,537,499.99
6.73
the fifth place
70,534,668.42
6.45
total
478,402,888.72
43.77
other instructions:
without.

7. Other receivables

unit: yuan
project
Ending balance
Opening Balance
Interest receivable
3,819,363.79
2,797,711.77
Other receivables
427,294,703.98
253,491,359.91
total
431,114,067.77
256,289,071.68

(1) Interest receivable

1) Classification of interest receivable

unit: yuan
project
Ending balance
Opening Balance
Loan interest receivable
4,140,680.61
3,014,450.78

Bad debt provision

-321,316.82

-216,739.01

total

3,819,363.79

2,797,711.77

2) Provision for bad debts

Applicable Not applicable

unit: yuan

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Bad debt provision

The first stage

second stage

The third stage

total

Expected letter for the next 12 months

Use loss

Lifetime expected credit loss

(No credit impairment occurred)

Lifetime expected credit loss

(Credit impairment has occurred)

Balance as of January 1, 2020

216,739.01

216,739.01

The balance on January 1, 2020

This period

—

—

—

Withdrawal for the current period

94,337.05

94,337.05

Other changes

10,240.76

10,240.76

Balance as of December 31, 2020

321,316.82

321,316.82

Changes in the book balance with significant changes in the loss provision for the current period

Applicable Not applicable

(2) Other receivables

1) Classification of other receivables according to the nature of the money

unit: yuan

Nature of Payment

Book balance at the end of the period

Beginning book balance

Margin

404,732,924.40

124,870,946.11

Current payment

28,608,201.49

167,627,111.19

Land payment should be refunded

4,654,649.40

4,654,649.40

Tax refundable

36,023,341.97

6,975,992.51

other

14,255,180.92

3,716,765.15

Bad debt provision

-60,979,594.20

-54,354,104.45

total

427,294,703.98
253,491,359.91
2) Provision for bad debts
unit: yuan
Bad debt provision
The first stage
second stage
The third stage
total
Expected letter for the next 12 months
Use loss
Lifetime expected credit loss
(No credit impairment occurred)
Lifetime expected credit loss
(Credit impairment has occurred)
Balance as of January 1, 2020
34,980,777.95
19,373,326.50
54,354,104.45
The balance on January 1, 2020
This period

Withdrawal for the current period
-6,307,959.64
14,042,243.28
7,734,283.64
Write off this period
1,550,577.72
1,550,577.72

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Other changes
441,783.83
441,783.83
Balance as of December 31, 2020
27,564,024.42
33,415,569.78
60,979,594.20

Changes in the book balance with significant changes in the loss provision for the current period

Applicable Not applicable

Disclosure by age

unit: yuan

Aging

Book balance

Within 1 year (including 1 year)

429,073,043.29

1 to 2 years

13,796,034.62

2 to 3 years

45,405,220.28

total

488,274,298.19

3) The provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

unit: yuan

category

Opening Balance

Changes in the current period

Ending balance

Accrual

Take back or switch back

Write off

other

Bad debts of other receivables

Prepare
54,354,104.45 7,734,283.64
1,550,577.72
441,783.84
60,979,594.21
total
54,354,104.45 7,734,283.64
1,550,577.72
441,783.84
60,979,594.21

The company divides other receivables into a number of combinations based on the nature of the money, and calculates the expected credit loss on the basis of the combination. The basis for determining the combination is as follows:

Down:

Other receivable portfolio 1: Futures and foreign exchange margin portfolio

Other receivable combination 2: Other combinations

Among them, the amount of reversal or recovery of the current bad debt provision is important:

unit: yuan

company name

Reversed or recovered amount

Recovery method

4) Other accounts receivable actually written off in the current period

unit: yuan

project

Amount written off

Tax receivable

1,550,577.72

Among them, other important accounts receivable are written off:

unit: yuan

company name

Nature of other receivables

Amount written off

Reason for write-off

Whether the amount of the written-off procedure performed is paid by the related party

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Easy to produce

Zhuji City Niannianle Bamboo and Wood

Professional cooperatives

Tax advance

466,925.00 Unable to recover

Management approval

no

Lu Zhoucheng

Tax advance

232,800.00 Unable to recover

Management approval

no

Zhuji City Zhua Lian Huamuchang on behalf of the tax advance

850,852.72 cannot be recovered

Management approval

no

total

-

1,550,577.72

-

-

-

Description of other accounts receivable:

without

5) Other receivables of the top five ending balances collected by the owing party

unit: yuan

company name

Nature of payment

Ending balance

Aging

At the end of the period of other receivables

Proportion of total balance

Ending balance of bad debt provision

Unit one

Futures Margin

199,708,172.00 Within 1 year

40.90%

Unit two

Futures Margin

96,672,564.00 Within 1 year

19.80%

Unit Three

Futures Margin

58,078,610.00 Within 1 year

11.89%

Unit Four

Futures Margin

21,810,800.00 Within 1 year

4.47%

Unit Five

Current payment

20,806,048.64 over 5 years

4.26%

20,806,048.64

total

-

397,076,194.64

-

81.32%

20,806,048.64

8. Inventory

Does the company need to comply with the disclosure requirements of the real estate industry

no

(1) Inventory classification

unit: yuan

project

Ending balance

Opening Balance

Book balance

Reserve for inventory fall in price or

Contract performance cost reduction

Value ready

Book value

Book balance

Reserve for inventory fall in price or

Contract performance cost reduction

Value ready

Book value

Raw materials

1,527,278,248.41

1,527,278,248.41 1,337,336,256.55

1,337,336,256.55

In product

760,445,138.32

760,445,138.32 509,338,667.07

509,338,667.07

Inventory goods

2,110,224,950.57

2,110,224,950.57 1,710,573,424.52

1,710,573,424.52

Reusable materials

180,958,346.50

996,982.32 179,961,364.18 180,796,959.68

2,635,177.48 178,161,782.20

Semi-finished

500,690,924.37

500,690,924.37 509,383,726.15

509,383,726.15

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Consigned processing materials

55,704,883.07

55,704,883.07

total

5,079,597,608.17

996,982.32 5,078,600,625.85 4,303,133,917.04

2,635,177.48 4,300,498,739.56

(2) Provision for inventory depreciation and contract performance cost impairment provision

unit: yuan

project

Opening Balance

Increase in the current period

Decrease in the current period

Ending balance

Accrual

other

Reversal or reselling

other

Reusable materials

2,635,177.48

1,638,195.16

996,982.32

total

2,635,177.48

1,638,195.16

996,982.32

9. Other current assets

unit: yuan

project

Ending balance

Opening Balance

Unsettled funds for hedging instruments

55,361,509.10

184,395,908.62

Changes in fair value of hedging instruments

164,510,227.12

27,590,949.68

Prepaid tax, input tax to be deducted

192,490,576.65

273,518,772.89

Unsettled funds in foreign exchange contracts

109,669,093.12

5,143,528.04

Treasury bond reverse repurchase investment

400,000,000.00

other

10,240.54

2,724,165.43

total

922,041,646.53

493,373,324.66

other instructions:

without.

10. Issuing loans and advances

1. Details

project

Ending balance

Opening Balance

Loans and advances

985,418,890.00

932,789,062.51

Less: Loan loss provision

66,932,245.49

72,742,257.95

Net loans and advances

918,486,644.51

860,046,804.56

2. Classification of loans and advances issued by guarantee method

category

Ending balance

Opening Balance

Credit Loans

135,000.00

68,092.83

Guaranteed loan

230,273,500.00

297,319,361.30

Mortgage

754,350,390.00

618,913,858.38

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Pledge loan

660,000.00

16,487,750.00

total

985,418,890.00

932,789,062.51

3. The five-level classification of loans and advances

category

Ending balance

Opening Balance

Normal class

890,165,000.00

823,868,631.46

Concerned

40,985,000.00

31,645,811.05

Sub-category

3,600,000.00

2,344,470.00

Suspicious

26,045,000.00

43,980,000.00

Loss

24,623,890.00

30,950,150.00

total

985,418,890.00

932,789,062.51

4. The provision for bad debts accrued, recovered or reversed for loans and advances issued in the current period

Bad debt provision

The first stage

second stage

The third stage

total

Expected for the next 12 months

Credit loss

Lifetime expected credit loss

(No credit impairment occurred)

Lifetime expected credit loss

(Credit impairment has occurred)

Opening Balance

20,236,980.73

52,505,277.22

72,742,257.95

The beginning balance is renewed in the current period

After evaluation

20,236,980.73

52,505,277.22

72,742,257.95

Withdrawal for the current period

9,694,668.77

17,844,559.24
27,539,228.01
Write off this period
34,529,166.83
34,529,166.83
Withdraw this period
532,000.00
647,926.36
1,179,926.36
Ending balance
30,463,649.50
36,468,595.99
66,932,245.49

5. Loans and advances actually written off during the reporting period

unit

name

Nature of Account

Amount written off

Reason for write-off

Fulfilled

Write-off procedure

Whether due to association

Easy to produce

Customer 1

Loans and advances

1,130,000.00 still cannot be recovered according to the court's execution ruling

Management approval

no

Client 2

Loans and advances

9,123,240.53 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 3

Loans and advances

300,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 4

Loans and advances

500,000.00 Cannot be recovered according to the court's execution ruling

Management approval

no

Customer 5

Loans and advances

2,000,000.00 According to the court's execution ruling, it still cannot be recovered

Management approval

no

Customer 6

Loans and advances

874,800.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 7

Loans and advances

1,430,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 8

Loans and advances

3,626,491.50 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 9

Loans and advances

3,200,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 10

Loans and advances

1,740,800.00 According to the court execution ruling, it still cannot be recovered

Management approval
no
Customer 11
Loans and advances
1,000,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Client 12
Loans and advances
1,000,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Client 13
Loans and advances
500,000.00 Cannot be recovered according to the court's execution ruling
Management approval
no
Customer 14
Loans and advances
500,000.00 Cannot be recovered according to the court's execution ruling
Management approval
no

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Client 15

Loans and advances

440,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Client 16

Loans and advances

140,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Client 17

Loans and advances

940,000.00 According to the court's execution ruling, it still cannot be recovered

Management approval

no

Customer 18

Loans and advances

3,808,960.00 According to the court's execution ruling, it still cannot be recovered

Management approval

no

Client 19

Loans and advances

400,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 20

Loans and advances

1,130,000.00 still cannot be recovered according to the court's execution ruling

Management approval

no

Client 21

Loans and advances

881,570.80 According to the court's execution ruling, it still cannot be recovered

Management approval

no

Client 22

Loans and advances

900,000.00 According to the court's execution ruling, it still cannot be recovered

Management approval

no

Less: Management

Compensation payments

1,036,696.00

total
34,529,166.83
6. The situation of the top five end-of-period balances aggregated by customers for loans and advances
client's name
Ending balance
Percentage of total loans and advances (%)
Customer 1
23,800,000.00
2.42
Client 2
15,000,000.00
1.52
Customer 3
14,000,000.00
1.42
Customer 4
14,000,000.00
1.42
Customer 5
13,000,000.00
1.32
total
79,800,000.00
8.10

11. Issuing loans and advances

1. Details

project
Ending balance
Opening Balance
Loans and advances
985,418,890.00
932,789,062.51
Less: Loan loss provision
66,932,245.49
72,742,257.95
Net loans and advances
918,486,644.51
860,046,804.56

2. Classification of loans and advances issued by guarantee method

category
Ending balance
Opening Balance
Credit Loans
135,000.00
68,092.83
Guaranteed loan
230,273,500.00
297,319,361.30
Mortgage
754,350,390.00
618,913,858.38
Pledge loan
660,000.00
16,487,750.00
total
985,418,890.00
932,789,062.51

3. The five-level classification of loans and advances

category
Ending balance
Opening Balance
Normal class
890,165,000.00
823,868,631.46

40,985,000.00
31,645,811.05
Sub-category
3,600,000.00
2,344,470.00
Suspicious
26,045,000.00
43,980,000.00
Loss
24,623,890.00
30,950,150.00
total
985,418,890.00
932,789,062.51

4. The provision for bad debts accrued, recovered or reversed for loans and advances issued in the current period

Bad debt provision

The first stage

second stage

The third stage

total

Expected for the next 12 months

Credit loss

Lifetime expected credit loss

(No credit impairment occurred)

Lifetime expected credit loss

(Credit impairment has occurred)

Opening Balance

20,236,980.73

52,505,277.22

72,742,257.95

The beginning balance is renewed in the current period

After evaluation

20,236,980.73

52,505,277.22

72,742,257.95

Withdrawal for the current period

9,694,668.77

17,844,559.24

27,539,228.01

Write off this period

34,529,166.83

34,529,166.83

Withdraw this period

532,000.00

647,926.36

1,179,926.36

Ending balance

30,463,649.50

36,468,595.99

66,932,245.49

5. Loans and advances actually written off during the reporting period

unit

name

Nature of Account

Amount written off

Reason for write-off

Fulfilled

Write-off procedure

Whether due to association

Easy to produce

Customer 1

Loans and advances

1,130,000.00 still cannot be recovered according to the court's execution ruling

Management approval

no

Client 2

Loans and advances

9,123,240.53 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 3

Loans and advances
300,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Customer 4
Loans and advances
500,000.00 Cannot be recovered according to the court's execution ruling
Management approval
no
Customer 5
Loans and advances
2,000,000.00 According to the court's execution ruling, it still cannot be recovered
Management approval
no
Customer 6
Loans and advances
874,800.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Customer 7
Loans and advances
1,430,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Customer 8
Loans and advances
3,626,491.50 According to the court execution ruling, it still cannot be recovered
Management approval
no
Customer 9
Loans and advances
3,200,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Customer 10
Loans and advances
1,740,800.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Customer 11
Loans and advances
1,000,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Client 12
Loans and advances
1,000,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Client 13
Loans and advances
500,000.00 Cannot be recovered according to the court's execution ruling
Management approval
no
Customer 14
Loans and advances
500,000.00 Cannot be recovered according to the court's execution ruling
Management approval
no
Client 15
Loans and advances
440,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Client 16
Loans and advances
140,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Client 17
Loans and advances

940,000.00 According to the court's execution ruling, it still cannot be recovered
Management approval
no
Customer 18
Loans and advances
3,808,960.00 According to the court's execution ruling, it still cannot be recovered
Management approval
no
Client 19
Loans and advances
400,000.00 According to the court execution ruling, it still cannot be recovered
Management approval
no
Customer 20
Loans and advances
1,130,000.00 still cannot be recovered according to the court's execution ruling
Management approval
no

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Client 21

Loans and advances

881,570.80 According to the court's execution ruling, it still cannot be recovered

Management approval

no

Client 22

Loans and advances

900,000.00 According to the court's execution ruling, it still cannot be recovered

Management approval

no

Less: Management

Compensation payments

1,036,696.00

total

34,529,166.83

6. The situation of the top five end-of-period balances aggregated by customers for loans and advances

client's name

Ending balance

Percentage of total loans and advances (%)

Customer 1

23,800,000.00

2.42

Client 2

15,000,000.00

1.52

Customer 3

14,000,000.00

1.42

Customer 4

14,000,000.00

1.42

Customer 5

13,000,000.00

1.32

total

79,800,000.00

8.10

12. Issuing loans and advances

1. Details

project

Ending balance

Opening Balance

Loans and advances

985,418,890.00

932,789,062.51

Less: Loan loss provision

66,932,245.49

72,742,257.95
Net loans and advances
918,486,644.51
860,046,804.56

2. Classification of loans and advances issued by guarantee method
category

Ending balance
Opening Balance
Credit Loans
135,000.00
68,092.83
Guaranteed loan
230,273,500.00
297,319,361.30
Mortgage
754,350,390.00
618,913,858.38
Pledge loan
660,000.00
16,487,750.00
total
985,418,890.00
932,789,062.51

3. The five-level classification of loans and advances
category

Ending balance
Opening Balance
Normal class
890,165,000.00
823,868,631.46
Concerned
40,985,000.00
31,645,811.05
Sub-category
3,600,000.00
2,344,470.00
Suspicious
26,045,000.00
43,980,000.00
Loss
24,623,890.00
30,950,150.00
total
985,418,890.00
932,789,062.51

4. The provision for bad debts accrued, recovered or reversed for loans and advances issued in the current period

Bad debt provision

The first stage

second stage

The third stage

total

Expected for the next 12 months

Credit loss

Lifetime expected credit loss

(No credit impairment occurred)

Lifetime expected credit loss

(Credit impairment has occurred)

Opening Balance

20,236,980.73

52,505,277.22

72,742,257.95

The beginning balance is renewed in the current period

After evaluation

20,236,980.73

52,505,277.22

72,742,257.95
Withdrawal for the current period
9,694,668.77
17,844,559.24
27,539,228.01
Write off this period
34,529,166.83
34,529,166.83
Withdraw this period
532,000.00
647,926.36
1,179,926.36
Ending balance
30,463,649.50
36,468,595.99
66,932,245.49

5. Loans and advances actually written off during the reporting period

unit

name

Nature of Account

Amount written off

Reason for write-off

Fulfilled

Write-off procedure

Whether due to association

Easy to produce

Customer 1

Loans and advances

1,130,000.00 still cannot be recovered according to the court's execution ruling

Management approval

no

Client 2

Loans and advances

9,123,240.53 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 3

Loans and advances

300,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 4

Loans and advances

500,000.00 Cannot be recovered according to the court's execution ruling

Management approval

no

Customer 5

Loans and advances

2,000,000.00 According to the court's execution ruling, it still cannot be recovered

Management approval

no

Customer 6

Loans and advances

874,800.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 7

Loans and advances

1,430,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 8

Loans and advances

3,626,491.50 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 9

Loans and advances

3,200,000.00 According to the court execution ruling, it still cannot be recovered

Management approval

no

Customer 10
 Loans and advances
 1,740,800.00 According to the court execution ruling, it still cannot be recovered
 Management approval
 no
 Customer 11
 Loans and advances
 1,000,000.00 According to the court execution ruling, it still cannot be recovered
 Management approval
 no
 Client 12
 Loans and advances
 1,000,000.00 According to the court execution ruling, it still cannot be recovered
 Management approval
 no
 Client 13
 Loans and advances
 500,000.00 Cannot be recovered according to the court's execution ruling
 Management approval
 no
 Customer 14
 Loans and advances
 500,000.00 Cannot be recovered according to the court's execution ruling
 Management approval
 no
 Client 15
 Loans and advances
 440,000.00 According to the court execution ruling, it still cannot be recovered
 Management approval
 no
 Client 16
 Loans and advances
 140,000.00 According to the court execution ruling, it still cannot be recovered
 Management approval
 no
 Client 17
 Loans and advances
 940,000.00 According to the court's execution ruling, it still cannot be recovered
 Management approval
 no
 Customer 18
 Loans and advances
 3,808,960.00 According to the court's execution ruling, it still cannot be recovered
 Management approval
 no
 Client 19
 Loans and advances
 400,000.00 According to the court execution ruling, it still cannot be recovered
 Management approval
 no
 Customer 20
 Loans and advances
 1,130,000.00 still cannot be recovered according to the court's execution ruling
 Management approval
 no
 Client 21
 Loans and advances
 881,570.80 According to the court's execution ruling, it still cannot be recovered
 Management approval
 no
 Client 22
 Loans and advances
 900,000.00 According to the court's execution ruling, it still cannot be recovered
 Management approval
 no
 Less: Management
 Compensation payments
 1,036,696.00
 total
 34,529,166.83

6. The situation of the top five end-of-period balances aggregated by customers for loans and advances

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client's name

Ending balance

Percentage of total loans and advances (%)

Customer 1

23,800,000.00

2.42

Client 2

15,000,000.00

1.52

Customer 3

14,000,000.00

1.42

Customer 4

14,000,000.00

1.42

Customer 5

13,000,000.00

1.32

total

79,800,000.00

8.10

13. Long-term equity investment

unit: yuan

Invested form

Bit

Opening Balance

(Book price

value)

Changes in the current period

Ending balance

(Book price

value)

Provision for impairment

Ending balance

Additional investment reduces investment

Under the equity method

Confirmed vote

Capital gains and losses

Other comprehensive

Income adjustment

Other rights

change

Announcement

Cash dividend

Or profit

Provision for impairment

Prepare

other

1. Joint venture

2. Joint ventures

Bank of Ningxia

Limited shares

company

682,369,3

83.45

35,903,63

6.00

-9,037,05

0.80

-9,760,00

0.00

699,475,9

68.65

Hailiang Group

Limited finances

company
 924,752,5
 67.43
 88,470,37
 6.56
 1,013,222
 ,943.99
 Subtotal
 1,607,121
 ,950.88
 124,374,0
 12.56
 -9,037,05
 0.80
 -9,760,00
 0.00
 1,712,698
 , 912.64
 total
 1,607,121
 ,950.88
 124,374,0
 12.56
 -9,037,05
 0.80
 -9,760,00
 0.00
 1,712,698
 , 912.64
 other instructions
 without.

14. Investment in other equity instruments

unit: yuan

project

Ending balance

Opening Balance

Jinchuan Group Co., Ltd.

815,999,997.86

815,999,997.86

total

815,999,997.86

815,999,997.86

Itemized disclosure of investment in non-trading equity instruments for the current period

unit: yuan

project name

Recognized dividend income

Cumulative gain

Accumulated loss

Other comprehensive income transfer

Deposit of retained earnings

Forehead

Designated at fair value

Value measurement and its changes

Included in other comprehensive income

Beneficial reasons

Other comprehensive income transfer

Origin of retained earnings

because

Jinchuan Group shares have

Limited company

6,455,619.60

other instructions:

without.

15. Investment real estate

(1) Investment real estate with cost measurement model

√ Applicable □ Not applicable
 unit: yuan
 project
 building
 Land use rights
 Construction in progress
 total
 1. Original book value
 1. Beginning balance
 349,536,546.20
 349,536,546.20
 2. Increase in the current period
 -5,246,033.45
 -5,246,033.45
 (1) Outsourcing
 (2) Inventory\Fixed assets
 \Construction in progress transfer
 (3) Increase in business combination
 (4) Transfer of repossessed assets
 enter
 13,250,521.83
 13,250,521.83
 (5) Foreign currency report fold
 Calculate
 -18,496,555.28
 -18,496,555.28
 3. Reduction in the current period
 50,428,857.96
 50,428,857.96
 (1) Disposal
 24,563,948.76
 24,563,948.76
 (2) Other transfer out
 (3) Transfer to fixed capital
 Produce
 25,864,909.20
 25,864,909.20
 4. Ending balance
 293,861,654.79
 293,861,654.79
 2. Accumulated depreciation and accumulated amortization
 pin
 1. Beginning balance
 25,042,082.32
 25,042,082.32
 2. Increase in the current period
 12,137,019.02
 12,137,019.02
 (1) Provision or amortization
 12,137,019.02
 12,137,019.02

3. Reduction in the current period
 7,369,184.93
 7,369,184.93
 (1) Disposal
 7,369,184.93
 7,369,184.93
 (2) Other transfer out
 4. Ending balance
 29,809,916.41
 29,809,916.41
 3. Provision for impairment
 1. Beginning balance
 2. Increase in the current period
 (1) Withdrawal

3. Reduction in the current period

(1) Disposal

(2) Other transfer out

4. Ending balance

4. Book value

1. Book value at the end of the period

264,051,738.38

264,051,738.38

2. Book value at the beginning of the period

324,494,463.88

324,494,463.88

(2) Investment real estate that adopts the fair value measurement model

Applicable Not applicable

16. Fixed assets

unit: yuan

project

Ending balance

Opening Balance

Fixed assets

2,916,497,505.56

2,247,072,526.95

total

2,916,497,505.56

2,247,072,526.95

(1) Situation of fixed assets

unit: yuan

project

houses and buildings

mechanical equipment

Transportation Equipment

Photovoltaic equipment

other devices

total

1. Original book value:

1. Beginning balance

1,115,517,393.74 2,258,801,033.15

12,927,168.79

125,533,933.71 3,512,779,529.39

2. Increase in gold this period

Forehead

289,924,868.61 629,904,240.40

1,025,693.58 115,501,342.72

64,816,339.26 1,101,172,484.57

(1) Purchase

8,468,349.70 162,120,232.04

1,039,680.34

15,890,931.23

21,016,059.42 208,535,252.73

(2) Construction in progress

Cheng Zhuan

244,178,098.15 483,027,476.17

189,655.90

99,610,411.49

39,886,163.76 866,891,805.47

(3) Enterprise cooperation

And increase

(4) Outside

Currency report conversion

-2,076,719.60 -15,902,256.63

-203,642.66

3,276,798.77 -14,905,820.12

(5) Its

He increased

39,355,140.36

658,788.82

637,317.31
 40,651,246.49
 3. Decrease in the current period
 Forehead
 15,953,301.08 150,594,514.68
 863,532.22
 4,900,901.71 172,312,249.69
 (1) Disposal or
 scrapped
 15,953,301.08 108,437,117.41
 863,532.22
 4,268,641.12 129,522,591.83
 (2) Turn
 To construction in progress
 42,157,397.27
 632,260.59
 42,789,657.86
 4. Ending balance
 1,389,488,961.27 2,738,110,758.87
 13,089,330.15 115,501,342.72 185,449,371.26 4,441,639,764.27
 2. Accumulated depreciation
 1. Beginning balance
 295,566,854.70 912,791,623.55
 7,506,824.75
 45,705,786.17 1,261,571,089.17
 2. Increase in gold this period
 Forehead
 80,619,193.62 212,125,927.92
 1,104,083.83
 1,052,646.78
 39,828,334.06 334,730,186.21
 (1) Withdrawal
 78,696,342.12 225,707,157.62
 1,259,480.12
 1,052,646.78
 38,083,973.80 344,799,600.44
 (2) Outside
 Currency report conversion
 1,922,851.50 -13,581,229.70
 -155,396.29
 1,744,360.26 -10,069,414.23
 3. Decrease in the current period
 Forehead
 2,413,638.18
 71,817,355.70
 791,970.25
 2,601,010.54
 77,623,974.67
 (1) Disposal or
 scrapped
 2,413,638.18
 60,660,540.08
 791,970.25
 2,592,657.43
 66,458,805.94
 (2) Its
 he
 11,156,815.62
 8,353.11
 11,165,168.73
 4. Ending balance
 373,772,410.14 1,053,100,195.77
 7,818,938.33
 1,052,646.78
 82,933,109.69 1,518,677,300.71
 3. Provision for impairment
 1. Beginning balance
 4,135,913.27
 4,135,913.27
 2. Increase in gold this period
 Forehead

2,379,495.73
2,379,495.73
(1) Withdrawal

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(2) Arrived
Debt asset transfer in
2,379,495.73
2,379,495.73
3. Decrease in the current period
Forehead
50,451.00
50,451.00
(1) Disposal or
scrapped
50,451.00
50,451.00
4. Ending balance
2,379,495.73
4,085,462.27
6,464,958.00
4. Book value
1. Book price at the end of the period
value
1,013,337,055.40 1,680,925,100.83
5,270,391.82 114,448,695.94 102,516,261.57 2,916,497,505.56
2. Book price at the beginning of the period
value
819,950,539.04 1,341,873,496.33
5,420,344.04
79,828,147.54 2,247,072,526.95

(2) Situation of temporarily idle fixed assets

unit: yuan
project
Original book value
Accumulated depreciation
Provision for impairment
Book value
Remark
mechanical equipment
2,918,741.66
1,650,105.59
1,193,703.34
74,932.73

(3) Situation of fixed assets leased through financial lease

unit: yuan
project
Original book value
Accumulated depreciation
Provision for impairment
Book value
mechanical equipment
51,462,477.65
14,288,371.98
37,174,105.66

(4) The situation of fixed assets that have not completed the property right certificate

unit: yuan
project
Book value
Reasons for not getting the title certificate
Hailiang (Anhui) Copper Industry Co., Ltd. Casting and Rolling Line New Plant
House
20,480,886.16 Planning permission is under review
Office Building of Hailiang (Anhui) Copper Co., Ltd.
10,123,294.93 Planning permission is under review
Dormitory Building of Hailiang (Anhui) Copper Co., Ltd.
8,515,044.84 Planning permission is under review

Hailiang (Anhui) Copper Industry Co., Ltd. 2# Workshop
44,114,473.75 Planning permission is under review
Steel structure workshop of Hailiang (Vietnam) Copper Co., Ltd.
6,640,354.58 has not completed the completion settlement procedures
Office Building of Hailiang (Vietnam) Copper Co., Ltd.
6,018,378.02 The completion settlement procedures have not been completed
Dormitory Building of Hailiang (Vietnam) Copper Co., Ltd.
10,883,961.19 has not completed the completion settlement procedures

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other instructions

without.

17. Construction in progress

unit: yuan

project

Ending balance

Opening Balance

Construction in progress

1,322,772,002.22

1,501,536,260.51

Engineer material

1,195,092.63

total

1,323,967,094.85

1,501,536,260.51

(1) Construction in progress

unit: yuan

project

Ending balance

Opening Balance

Book balance

Provision for impairment

Book value

Book balance

Provision for impairment

Book value

Expansion with an annual output of 50,000 tons

High efficiency, energy saving and environmental protection

Dense copper tube information technology

Production line project

16,044,000.50

16,044,000.50 127,769,002.57

127,769,002.57

Annual output of 170,000 tons of copper and

Copper alloy bar construction

Project (Phase I Project)

271,958,598.19

271,958,598.19 153,059,499.07

153,059,499.07

With an annual output of 30,000 tons and high efficiency

Energy-saving and environmentally friendly precision copper

Intelligent Manufacturing Project

221,908,881.75

221,908,881.75 151,035,991.49

151,035,991.49

Non-ferrous materials deep

(Fine) Processing Project

(Phase 1)

91,769,237.05

91,769,237.05 224,487,677.26

224,487,677.26

90,000 tons per year

Energy-saving and environmentally friendly precision copper

Management information production line

project

5,363,013.61

5,363,013.61 106,369,619.09

106,369,619.09
 Copper and copper alloy pipes
 Smart Manufacturing Project
 2,753,632.70
 2,753,632.70
 2,651,793.29
 2,651,793.29
 Guangdong Hailiang Annual Production
 75,000 tons of high-efficiency knots
 Environmentally friendly precision copper tube
 Information production line item
 Item
 125,493,296.17
 125,493,296.17 282,425,827.54
 282,425,827.54

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High-precision environmentally friendly copper
 And copper alloy pipe fittings
 Energy and Chemical Manufacturing Technology Innovation Project
 Item
 45,955,001.38
 45,955,001.38
 44,587,432.79
 44,587,432.79
 70,000 tons of air conditioners per year
 Copper and copper alloy for refrigeration
 Golden Precision Seamless Pipe Wisdom
 Energy and Chemical Manufacturing Project
 36,242,321.64
 36,242,321.64
 7,190,238.50
 7,190,238.50
 60,000 tons of air conditioners per year
 Intelligent biotechnology of refrigeration tube
 Production line project
 160,005,031.36
 160,005,031.36
 35,060,810.67
 35,060,810.67
 Other (sporadic projects) 345,278,987.87
 345,278,987.87 366,898,368.24
 366,898,368.24
 total
 1,322,772,002.22
 1,322,772,002.22 1,501,536,260.51
 1,501,536,260.51

(2) Changes in important construction projects in the current period

unit: yuan
 title
 say
 Budget number
 Beginning of the period
 Forehead
 Increase in this period
 Add amount
 Current transfer
 Fixed
 Assets
 Forehead
 In this issue
 He reduced
 Amount
 At the end of the period
 Forehead
 Engineering tired
 Plan investment

Accounted for budget
Proportion
Engineering progress
Spend
Interest capital
Inherently tired
Amount
Among them: this
Period interest
Capitalization
Amount
Current profit
Interest capital
Conversion rate
Funds come
source
Copper and copper
Alloy tube
Material Intelligence
Manufacturing item
Item
118,100,
000.00
2,651,79
3.29
101,839.
41
2,753,63
2.70
32.90% 32.85
Fundraising
gold
90,000 per year
Tons of efficient
Energy-saving ring
Bao Precision
Copper tube letter
Catabolism
Production line item
Item
500,000,
000.00
106,369,
619.09
4,966,11
1.86
105,972,
717.34
5,363,01
3.61
51.36% 47.20
2,025,68
6.13
Fundraising
gold
Guangdong Sea
Bright annual output
75,000 tons
Efficient section
Environmentally friendly
Precision copper
Tube information
Chemical production
400,000,
000.00
282,425,
827.54
30,451.0
82.78
187,383,
614.15

125,493,
296.17
68.73% 89.95
1,961,13
8.96
Fundraising
gold

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Line item
Expansion year
50,000 tons produced
Efficient section
Environmentally friendly
Precision copper
Tube information
Chemical production
Line item
270,000,
000.00
127,769,
002.57
25,336,4
35.55
137,061,
437.62
16,044,0
00.50
45.43% 77.15
10,930,5
49.07
7,462,75
6.82
29.45%
Fundraising
gold
Annual output 17
10,000 tons of copper
And copper
Gold bar
Construction item
Project (Phase 1
project)
572,000,
000.00
153,059,
499.07
118,899,
099.12
271,958,
598.19
40.81% 47.55
25,313,0
78.50
18,747,8
00.66
15.77%
Fundraising
gold
30,000 per year
Tons of efficient
Energy-saving ring
Bao Precision
Copper tube wisdom
Can make
project
210,130,

000.00
151,035,
991.49
70,872,8
90.26
221,908,
881.75
77.56% 100.00
10,644,5
98.65
7,561,36
8.08
10.67%
Fundraising
gold
Colored gold
Genus material
Deep (fine)
Processing item
Item (one
Expect)
500,000,
000.00
224,487,
677.26
44,562,4
88.46
177,280,
928.67
91,769,2
37.05
57.55% 56.56
8,219,05
6.97
7,351,96
7.19
16.50%
Fundraising
gold
70,000 per year
Tons of air conditioning
For refrigeration
Copper and copper
Alloy fine
Seamless
Tube intelligence
Chemical manufacturing
project
328,000,
000.00
7,190,23
8.50
29,052,0
83.14
36,242,3
21.64
5.73% 11.05
9,676,30
9.23
8,368,47
0.09
28.81%
Fundraising
gold
Annual output of 60,000
Tons of air conditioning
Refrigeration tube
Intelligent
1,150,00
0,000.00
35,060,8

10.67
124,944,
220.69
160,005,
031.36
10.87% 13.91
32,947,9
42.46
28,615,5
38.90
22.90%
Fundraising
gold

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production line

project

total

4,048,23

0,000.00

1,090,05

0,459.48

449,186,

251.27

607,698,

697.78

931,538,

012.97

-

-

101,718,

359.97

78,107,9

01.74

-

(3) Engineering materials

unit: yuan

project

Ending balance

Opening Balance

Book balance

Provision for impairment

Book value

Book balance

Provision for impairment

Book value

Engineer material

1,195,092.63

1,195,092.63

total

1,195,092.63

1,195,092.63

other instructions:

without.

18. Intangible assets

(1) Situation of intangible assets

unit: yuan

project

Land use rights

patent

Unpatented technology

Office Software

total

1. Original book value

1. Beginning balance

722,479,107.52

13,571,484.91

736,050,592.43
 2. Increase in gold this period
 Forehead
 24,935,979.33
 5,330,396.83
 30,266,376.16
 (1) Purchase
 2,224,834.91
 2,224,834.91
 (2) Internal research
 send
 2,349,997.97
 2,349,997.97
 (3) Enterprise cooperation
 And increase
 (4) Its
 he
 26,510,445.07
 26,510,445.07
 (5) Outside
 Currency report conversion
 -1,574,465.74
 755,563.95
 -818,901.79
 3. Reduction in the current period
 1,161,546.07
 71,990.14
 1,233,536.21
 (1) Disposal
 1,161,546.07
 71,990.14
 1,233,536.21
 4. Ending balance
 746,253,540.78
 18,829,891.60
 765,083,432.38

2. Accumulated amortization
 1. Beginning balance
 86,462,304.04
 6,501,246.78
 92,963,550.82
 2. Increase in gold this period
 Forehead
 11,700,230.41
 3,520,508.59
 15,220,739.00
 (1) Withdrawal
 11,760,182.94
 3,684,815.98
 15,444,998.92
 (2) Outside
 Currency report conversion
 -59,952.53
 -164,307.39
 -224,259.92
 3. Decrease in the current period
 Forehead
 152,723.97
 152,723.97
 (1) Disposal
 152,723.97
 152,723.97
 4. Ending balance
 98,009,810.48
 10,021,755.37

108,031,565.85
 3. Provision for impairment
 1. Beginning balance
 2. Increase in gold this period
 Forehead
 (1) Withdrawal
 3. Decrease in the current period
 Forehead
 (1) Disposal
 4. Ending balance
 4. Book value
 1. Book price at the end of the period
 value
 648,243,730.30
 8,808,136.23
 657,051,866.53
 2. Book price at the beginning of the period
 value
 636,016,803.48
 7,070,238.13
 643,087,041.61

At the end of the period, intangible assets formed through the company's internal research and development accounted for 0.93% of the balance of intangible assets.

19. Development expenditure

unit: yuan
 project
 Opening Balance
 Increase in the current period
 Decrease in the current period
 Ending balance
 Internal development support
 out
 other
 Confirmed as intangible
 assets
 Transfer to current loss
 beneficial
 Software system development
 2,191,507.39 7,809,920.57
 2,349,997.97
 7,651,429.99

172
 send
 total
 2,191,507.39 7,809,920.57
 2,349,997.97
 7,651,429.99
 other instructions
 without.

20. Goodwill

(1) Original book value of goodwill

unit: yuan
 Name of investee
 Or the formation of goodwill
 item
 Opening Balance
 Increase in this period
 Decrease in current period
 Ending balance
 Formed by business combination
 Dispose of
 Zhejiang Haibo Microfinance
 Co., Ltd.
 150,785,361.15
 150,785,361.15
 JMF Company

63,905,540.10
63,905,540.10
LOYAL
HAILIANG
COPPER
(THAILAND)
CO.,LTD.
3,954,870.84
3,954,870.84
Hailiang Otto Copper Tube
(Guangdong) Co., Ltd.
manage
12,820,117.73
12,820,117.73
Chengdu Better Copper Co., Ltd. has
Limited company
35,906,706.82
35,906,706.82
European HME Project
77,784,553.58
77,784,553.58
total
345,157,150.22
345,157,150.22
(2) Goodwill impairment provision
unit: yuan
Name of investee
Or the formation of goodwill
item
Opening Balance
Increase in this period
Decrease in current period
Ending balance
Accrual
Dispose of
total
Information about the asset group or combination of asset groups where the goodwill is located
European HME project acquisition: At the end of the period, the company will acquire HME Copper Germany GmbH, HME Brass France SAS, HME Brass Germany GmbH, HME Brass Italy SpA, Hailiang Messing Beteiligungs GmbH, HME Ibertubos SAU

It is recognized as an asset group, and its recoverable amount is measured by the method of the present value of expected future cash flows. According to the financial management approved by the company

The budget estimates the cash flow in the next 5 years and subsequent periods, and the management is based on historical operating conditions, market competition, and years after 2021.

The above financial budget is prepared by a comprehensive analysis of factors such as the expected achievable income. Select financial data of companies in the same industry to calculate without financial leverage

The β coefficient is calculated based on the risk-free interest rate of public market data, market risk premium, the company's capital structure, and the adjustment of company risk.

The company's pre-tax discount rate. After calculation, there is no impairment in the goodwill of this asset group.

Explain the process of goodwill impairment testing and key parameters (such as the growth rate of the forecast period when the present value of future cash flows are expected, the growth rate of the stable period, the profit rate, the discount rate, the forecast period

Etc.) and the confirmation method of goodwill impairment loss:

Zhejiang Haibo Small Loan Co., Ltd.: The company recognizes Zhejiang Haibo Small Loan Co., Ltd. as an asset group at the end of the period.

Calculate the recoverable amount using the method of projected future cash flow present value. The company hired Zhejiang Zhongqihua Assets Appraisal Co., Ltd. to gain goodwill

Conducted an impairment test, and issued the Zhejiang Zhongqi Huaping Baozi (2021) No. 0112 "Zhejiang Hailiang Co., Ltd. intends to conduct a goodwill impairment test involving

The Asset Evaluation Report of the Recoverable Amount of the Assets Group of Zhejiang Haibo Small Loan Co., Ltd. including goodwill", according to the management approval

The financial budget estimates the cash flow in the next 5 years and the perpetual period, based on historical operating conditions, market competition, and annual forecasts after 2021.

Prepare the above-mentioned financial budget based on a comprehensive analysis of factors such as achievable income. Select financial data of companies in the same industry to calculate β without financial leverage

The coefficient is calculated based on the risk-free interest rate of the open market data, the market risk premium, the company's capital structure, and the adjustment of the company's risk.

The company's pre-tax discount rate. After calculation, there is no impairment in the goodwill of this asset group.

JMF Company: The company recognizes JMF Company as an asset group at the end of the period and uses the method of predicting the present value of future cash flows to measure

Calculate its recoverable amount. According to the financial budget approved by the management, the company predicts the cash flow in the next 5 years and subsequent periods. The management based on the historical

A comprehensive analysis of the annual operating conditions, market competition, and the expected achievable income from 2021 and other factors to prepare the above financial forecast

Calculate. Select the financial data of companies in the same industry to calculate the β coefficient without financial leverage. According to the risk-free interest rate of public market data, the market risk overflow

Calculate the company's pre-tax discount rate based on price, the company's capital structure, and adjustments to corporate risks. After calculation, there is no reduction in the goodwill of this asset group.

value.

LOYAL HAILIANG COPPER (THAILAND) CO.,LTD: At the end of the company's period, LOYAL HAILIANG COPPER

(THAILAND) CO., LTD is recognized as an asset group, and its recoverable amount is measured by the method of the present value of expected future cash flows. Our company

According to the financial budget approved by the management, the cash flow in the next 5 years and subsequent periods is expected.

The above-mentioned financial budget is prepared by a comprehensive analysis of factors such as competition and the expected realizable income in the years after 2021. Select the finance of companies in the same industry

The data calculates the beta coefficient without financial leverage, the risk-free interest rate based on open market data, the market risk premium, the company's capital structure, and the

Calculate the company's pre-tax discount rate by adjusting the company's risk. After calculation, there is no impairment in the goodwill of this asset group.

Hailiang Otto Copper Tube (Guangdong) Co., Ltd.: The company recognizes Hailiang Otto Copper Tube (Guangdong) Co., Ltd. as an asset group at the end of the period.

Calculate the recoverable amount using the method of projected future cash flow present value. Based on the financial budget approved by the management, the company expects the next 5 years and

Cash flow in the subsequent period, management based on historical operating conditions, market competition and the expected realizable income for the years after 2021

Comprehensive analysis of other factors to prepare the above-mentioned financial budget. Select the financial data of companies in the same industry to calculate the β coefficient without financial leverage, according to the open market

The risk-free interest rate of field data, market risk premium, the company's capital structure, the adjustment of company risk, etc. calculate the company's pre-tax discount rate.

After calculation, there is no impairment in the goodwill of this asset group.

Chengdu Beide Copper Co., Ltd.: The company recognizes Chengdu Beide Copper Co., Ltd. as an asset group at the end of the period, and uses estimated future cash

The method of current value of flow measures its recoverable amount. Based on the financial budget approved by the management, the company predicts the cash flow in the next 5 years and subsequent periods,

The management compiles a comprehensive analysis based on historical operating conditions, market competition, and the expected achievable income from 2021 and other factors.

Prepare the above financial budget. Select the financial data of companies in the same industry to calculate the β coefficient without financial leverage. According to the risk-free interest rate of public market data,

The market risk premium, the company's capital structure, and adjustments to corporate risks are calculated for the company's pre-tax discount rate. After calculation, the quotient of this asset group

There is no impairment of reputation.

Acquisition of HME projects in Europe: At the end of the period, the company will acquire HME Copper Germany GmbH and HME Brass France for HME projects.

SAS, HME Brass Germany GmbH, HME Brass Italy SpA, Hailiang Messing Beteiligungs GmbH, HME

Ibertubos SAU recognizes it as an asset group and uses the method of projected future cash flow to measure its recoverable amount. The company hired Zhejiang

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Jiangzhong Qihua Assets Appraisal Co., Ltd. conducted an impairment test on goodwill, and issued Zhejiang Zhongqi Huazhi (2021) No. 0004 "Zhejiang Hailiang Stock

The recoverable amount of the asset group of 6 companies including HME Copper Germany GmbH, including goodwill, that the company intends to conduct goodwill impairment test Project Valuation Report", according to the financial budget approved by the management, the cash flow is expected to

The above financial budget shall be prepared by a comprehensive analysis of factors such as the current situation, market competition, and the expected achievable income from 2021. Select the same industry The company's financial data calculates the beta coefficient without financial leverage, based on the risk-free interest rate, market risk premium, and the company's capital

This structure, the adjustment of company risk, etc. calculate the company's pre-tax discount rate. After calculation, there is no impairment in the goodwill of this asset group.

The impact of goodwill impairment testing

After impairment test, Zhejiang Haibo Microfinance Co., Ltd., JMF Company, LOYAL HAILIANG COPPER (THAILAND)

There is no impairment in the goodwill of CO., LTD., Hailiang Otto Copper Tube (Guangdong) Co., Ltd., Chengdu Better Copper Co., Ltd., and European HME projects.

other instructions
without.

21. Long-term deferred expenses

unit: yuan

project

Opening Balance

Increase in the current period

Amortization amount for the current period

Other reductions

Ending balance

Long-term prepaid expenses

1,247,613.32

373,578.46

27,622.96

846,411.90

total

1,247,613.32

373,578.46

27,622.96

846,411.90

other instructions

without.

22. Deferred income tax assets / deferred income tax liabilities

(1) Deferred income tax assets that have not been offset

unit: yuan

project

Ending balance

Opening Balance

Deductible temporary differences

Deferred tax assets

Deductible temporary differences

Deferred tax assets

Impairment of assets

211,797,738.82

54,290,066.87

223,655,246.30

56,338,080.99

Unrealized profits from internal transactions

230,874,125.99

50,038,594.03

177,627,157.92

44,406,789.48

Deductible loss

495,442,111.81
 148,158,114.04
 149,278,491.22
 41,903,183.58
 Floating loss on foreign exchange contracts
 5,704,548.08
 1,426,137.02
 Performance incentive
 8,603,782.56
 2,150,945.64
 35,246,608.52
 8,464,917.13
 Equity incentive
 19,832,316.88
 4,838,399.22
 19,081,715.48
 4,938,023.87
 Defined benefit plan
 53,040,531.68
 15,437,686.41
 Floating loss on futures contracts
 58,371,600.00
 14,592,900.00
 Fair value and accounting of business combinations
 Difference in face value
 58,556,494.49
 17,388,880.14
 48,767,327.63
 14,154,014.70
 Other tax time differences
 138,058,132.01
 37,286,054.14
 48,699,422.59
 11,567,377.04

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total

1,163,164,702.56

314,151,054.08

819,472,649.42

213,229,110.22

(2) Unoffset deferred income tax liabilities

unit: yuan

project

Ending balance

Opening Balance

Taxable temporary difference

Deferred income tax liabilities

Taxable temporary difference

Deferred income tax liabilities

Consolidated capital of companies not under the same control

Value added

318,210,279.78

87,437,028.98

382,159,133.22

104,963,625.15

Tax payment time difference (period

Goods revenue)

17,372,677.38

4,343,169.35

Tax payment time difference (outside

Foreign exchange income)

95,096,994.06

23,774,248.52

11,252,983.93

2,813,245.98

Inventory valuation method and tax difference

different
 124,629,473.17
 37,613,175.00
 133,420,673.38
 40,054,437.50
 One-time deduction for equipment
 62,694,947.63
 16,665,114.73
 46,726,578.96
 11,681,644.74
 Other tax time differences
 63,655,643.35
 16,003,947.34
 11,877,722.22
 4,364,654.50
 total
 664,287,337.99
 181,493,514.57
 602,809,769.09
 168,220,777.22

(3) Deferred income tax assets or liabilities listed as net amount after offset

unit: yuan

project

Deferred income tax assets and liabilities

End-of-period offset amount

Deferred income tax assets after offset

Or the ending balance of the liability

Deferred income tax assets and liabilities

Beginning offset amount

Deferred income tax assets after offset

Or the beginning balance of the liability

Deferred tax assets

314,151,054.08

213,229,110.22

Deferred income tax liabilities

181,493,514.57

168,220,777.22

23. Other non-current assets

unit: yuan

project

Ending balance

Opening Balance

Book balance

Provision for impairment

Book value

Book balance

Provision for impairment

Book value

Advance payment for engineering and equipment

167,942,875.

07

167,942,875.

07

199,522,663.

63

199,522,663.

63

Repossessed assets

7,981,504.27

7,981,504.27

other

10,850,749.7

6

10,850,749.7

6

1,887,667.14

1,887,667.14

total

178,793,624.

178,793,624. 209,391,835.

209,391,835.

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83

83

04

04

other instructions:

without.

24. Short-term loans

(1) Classification of short-term loans

unit: yuan

project

Ending balance

Opening Balance

credit guaranteed

2,462,536,279.48

3,111,462,393.00

Credit loan

155,465,524.04

438,145,269.19

Discount of bills and letters of credit

610,898,604.90

881,008,339.63

Factoring loan

89,578,225.31

total

3,228,900,408.42

4,520,194,227.13

Explanation of short-term loan classification:

without.

25. Transactional financial liabilities

unit: yuan

project

Ending balance

Opening Balance

Transactional financial liabilities

103,132,831.51

9,806,277.28

in:

Foreign exchange contract

103,132,831.51

9,806,277.28

in:

total

103,132,831.51

9,806,277.28

other instructions:

without.

26. Notes payable

unit: yuan

type

Ending balance

Opening Balance

Bank acceptance draft

2,330,845,714.00

1,785,028,734.29

total

2,330,845,714.00

1,785,028,734.29

The total amount of bills payable due and not paid at the end of the period is RMB 0.00.

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27. Accounts Payable

(1) List of accounts payable

unit: yuan

project

Ending balance

Opening Balance

Within 1 year (including 1 year)

3,165,037,783.10

3,578,243,564.99

More than 1 year

43,720,902.26

14,267,662.12

total

3,208,758,685.36

3,592,511,227.11

28. Advance receipts

(1) List of advance receipts

unit: yuan

project

Ending balance

Opening Balance

Advance rent

778,959.61

total

778,959.61

29. Contract liabilities

unit: yuan

project

Ending balance

Opening Balance

Contract liabilities

272,101,491.81

366,824,544.82

total

272,101,491.81

366,824,544.82

The amount and reason for the significant change in the book value during the reporting period

unit: yuan

project

Change amount

Reason for change

30. Payable employee compensation

(1) List of payable employee salaries

unit: yuan

project

Opening Balance

Increase in this period

Decrease in current period

Ending balance

1. Short-term salary

261,252,947.19

1,409,363,356.15

1,368,599,798.70

302,016,504.64

2. Post-employment benefits-set up

Save plan

10,715,083.21

53,057,268.07

49,910,700.40

13,861,650.87

3. Dismissal benefits

1,059,000.25

1,502,302.57

695,811.50

1,865,491.33

total
273,027,030.65
1,463,922,926.79
1,419,206,310.60
317,743,646.84

(2) List of short-term salary

unit: yuan

project

Opening Balance

Increase in this period

Decrease in current period

Ending balance

1. Salaries, bonuses, allowances and
subsidy

244,603,701.89

1,078,768,671.72

1,033,458,186.44

289,914,187.17

2. Employee welfare expenses

14,751,268.99

14,751,268.99

3. Social insurance premiums

12,889,889.16

284,557,329.32

286,097,639.83

11,349,578.65

Including: medical insurance premium

12,634,452.11

282,643,508.37

284,100,921.17

11,177,039.31

Work injury insurance premium

142,858.79

1,076,394.62

1,094,981.69

124,271.72

Maternity insurance premium

112,578.26

837,426.33

901,736.97

48,267.62

4. Housing Provident Fund

335,700.04

18,888,510.45

18,591,539.45

632,671.04

5. Labor union funds and employee education

Funding

3,423,656.10

12,397,575.67

15,701,163.99

120,067.78

total

261,252,947.19

1,409,363,356.15

1,368,599,798.70

302,016,504.64

(3) List of set and withdrawal plans

unit: yuan

project

Opening Balance

Increase in this period

Decrease in current period

Ending balance

1. Basic pension insurance

8,135,735.40

29,486,873.95

29,309,969.35

8,312,640.00

2. Unemployment insurance premiums

126,952.39

1,166,491.63
1,117,614.62
175,829.41
3. Corporate Annuity Payment
2,452,395.42
22,403,902.49
19,483,116.43
5,373,181.46
total
10,715,083.21
53,057,268.07
49,910,700.40
13,861,650.87
other instructions:
without.
31. Taxes payable
unit: yuan
project
Ending balance
Opening Balance
VAT
58,716,839.05
20,550,166.96
corporate income tax
171,242,309.63
121,950,691.49
Personal Income Tax
9,196,888.18
8,204,943.79
Urban maintenance and construction tax
729,123.69
545,119.23

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property tax
10,887,787.59
1,753,993.99
land holding tax
6,175,704.34
1,125,102.46
Stamp duty
1,672,464.50
1,378,907.82
Education surcharge
1,055,965.67
422,622.47
Other taxes
3,323,712.33
3,248,283.35
total
263,000,794.98
159,179,831.56
other instructions:
without.

32. Other payables

unit: yuan
project
Ending balance
Opening Balance
Other payables
246,954,375.61
228,886,468.81
total
246,954,375.61
228,886,468.81

(1) Other payables

1) List other payables according to the nature of the payment

unit: yuan
project
Ending balance
Opening Balance
Current payment
59,726,016.05
64,238,526.57
cost
155,985,754.03
118,549,323.51
other
30,578,467.82
9,269,349.57
Restricted stock repurchase obligations
664,137.71
36,829,269.16
total
246,954,375.61
228,886,468.81

33. Non-current liabilities due within one year

unit: yuan
project
Ending balance
Opening Balance
Long-term loans due within one year
523,584,913.62
551,798,804.85
Long-term payables due within one year
7,722,278.30
57,092.45
total
531,307,191.92
551,855,897.30
other instructions:
without.

34. Other current liabilities

unit: yuan
project
Ending balance
Opening Balance
Unsettled funds in foreign exchange contracts
227,694,366.84
17,924,168.04
Futures liquidation loss undelivered funds and floating loss
216,990,902.62
7,005,690.10
Pending sales tax
18,151,748.02
38,197,150.07
other
300,000.00
1,194,474.01
total
463,137,017.48
64,321,482.22

Changes in short-term bonds payable:

unit: yuan
Bond name, face value, date of issuance, bond maturity, issuance amount, opening balance, issuance of the current period
At face value
Raise interest
Premium and discount
pin
Repayment in current period
Ending balance
other instructions:

without.

35. Long-term loans

(1) Classification of long-term loans

unit: yuan

project

Ending balance

Opening Balance

credit guaranteed

1,907,534,734.09

357,448,300.64

total

1,907,534,734.09

357,448,300.64

Explanation of long-term loan classification:

without.

Other instructions, including interest rate range:

The interest rate range is between 1.45%-3.20%.

36. Bonds payable

(1) Bonds payable

unit: yuan

project

Ending balance

Opening Balance

Convertible corporate bonds

2,601,447,263.86

2,470,574,972.22

total

2,601,447,263.86

2,470,574,972.22

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(2) Changes in increase or decrease in bonds payable (excluding preferred stocks, perpetual bonds and other financial instruments classified as financial liabilities)

unit: yuan

Bond name

say

face value

Release date

Expect

Bond period

limit

Issuance money

Forehead

Beginning of the period

Forehead

Issue this issue

Row

At face value

Accrual

interest

Premium discount

Amortization

Current payment

return

Interest adjustment

all

This period

At the end of the period

Forehead

Convertible

Corporate debt

Coupon

100.00

2019-11-

twenty one

6 years

3,150.00
0,000.00
2,470,57
4,972.22
10,499,8
21.80
120,421,
069.84
-48,600.
00
2,601,44
7,263.86
total

-
-
-
3,150.00
0,000.00
2,470,57
4,972.22
10,499,8
21.80
120,421,
069.84
-48,600.
00
2,601,44
7,263.86

(3) Description of the conditions and time for the conversion of convertible corporate bonds

The conversion period of the convertible corporate bonds issued this time is the first trading day after six months from the end of the issuance (November 27, 2019)

(May 27, 2020) to the maturity date of the convertible corporate bonds (November 21, 2025) (in case of statutory holidays or rest days)

The first working day after the end of the period; no interest will be calculated for the interest payment during the postponement period).

The initial conversion price of the convertible corporate bonds issued this time is 9.83 yuan/share, which is not lower than the company's stock delivery 20 trading days before the announcement of the prospectus.

Easy average price (if there is a stock price adjustment due to ex-rights or ex-dividends within the 20 trading days, the average trading price on the trading day before the adjustment will be

After the corresponding ex-rights and ex-dividend adjustment prices are calculated) and the average trading price of the company's stock on the previous trading day, the specific initial conversion price shall be submitted to the company's stock

The East Conference authorized the company's board of directors to negotiate with the sponsor (lead underwriter) based on the market and the company's specific conditions before the issuance.

As the company implements the annual equity distribution in 2019, the specific: the company's existing total equity deducts the company's repurchase of shares

The number of shares after 36,661,544 shares, that is, 1,915,446,716 shares as the base number, 0.749999 yuan will be distributed to all shareholders for every 10 shares

For cash, the ex-rights and ex-dividend date is June 12, 2020.

According to relevant regulations on convertible corporate bonds, the conversion price of "Hailiang Convertible Bonds" will be changed from the original 9.83 yuan per share on June 12, 2020.

Adjusted to 9.76 yuan/share. The adjusted conversion price will take effect from June 12, 2020.

37. Long-term payables

unit: yuan

project

Ending balance

Opening Balance

Long-term payables

30,954,128.95

43,294,320.82

total

30,954,128.95

43,294,320.82

(1) List long-term payables according to the nature of the payment

unit: yuan

project

Ending balance

Opening Balance

Finance lease

30,954,128.95

43,294,320.82

other instructions:

without.

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38. Long-term employee compensation payable

(1) Long-term payable employee salary table

unit: yuan

project

Ending balance

Opening Balance

1. Post-employment benefits-defined benefit plan net liabilities

154,808,469.76

131,608,932.59

total

154,808,469.76

131,608,932.59

(2) Changes in defined benefit plans

Present value of defined benefit plan obligations:

unit: yuan

project

Current period

Previous period

1. Opening balance

131,608,932.59

7,382,647.95

2. The defined benefit cost included in the current profit and loss

25,965,527.14

23,716,140.68

1. Current service cost

24,098,468.12

23,716,140.68

4. Net interest

1,867,059.02

3. Set income cost included in other comprehensive income

799,950.30

Four, other changes

-3,565,940.27

100,510,143.96

2. Benefits paid

-3,565,940.27

-8,453,022.31

3. Formation of business combination

108,963,166.27

5. Ending balance

154,808,469.76

131,608,932.59

Plan assets:

unit: yuan

project

Current period

Previous period

Defined benefit plan net liabilities (net assets)

unit: yuan

project

Current period

Previous period

Description of the content of the defined benefit plan and related risks, the impact on the company's future cash flow, time and uncertainty:

without.

Explanation of major actuarial assumptions and sensitivity analysis results of defined benefit plans:

without.

other instructions:

without.

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39. Deferred income

unit: yuan

project

Opening Balance

Increase in this period

Decrease in current period

Ending balance

Cause of formation

government subsidy

36,132,508.35

30,000,000.00

3,750,849.96

62,381,658.39

total

36,132,508.35

30,000,000.00

3,750,849.96

62,381,658.39

-

Projects involving government subsidies:

unit: yuan

Debt items

Opening Balance

New supplements in this issue

Aid amount

Included in the current period

Non-industry income

Forehead

Included in the current period

Other income

Consumption in the current period

Amount of this fee

Other changes

Ending balance

Related to assets/

Related to income

Anhui Hailianggu

Fixed asset subsidy

payment

33,132,508.35

3,750,849.96

29,381,658.39 Related to assets

Chongqing Hailiang Copper

Fixed assets

Subsidy

3,000,000.00

3,000,000.00 related to assets

Diankou, Zhuji City

Town People's Government

Hailiang Colored Wisdom

Industrial Park Supplement

Grant

30,000,000.0

0

30,000,000.00 related to assets

other instructions:

without.

40. Equity

unit: yuan

Opening Balance

Increase or decrease of this change (+, -)

Ending balance

Issue new shares

Bonus shares

Provident Fund Conversion

other

Subtotal

Total number of shares

1,952,107,432.

00

4,953.00

4,953.00

1,952,112,385.

00

other instructions:

Note: The issuance of new shares in this period is the conversion of convertible bonds in this period

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41. Other equity instruments

(1) Basic information of other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

On November 29, 2018, the 28th meeting of the sixth board of directors of the company reviewed and approved the

"Proposal on the Conditions of Conversion of Corporate Bonds" and other related proposals, which have been held on December 17, 2018.

Deliberated and approved at the second extraordinary general meeting of shareholders. On April 29, 2019, the 35th meeting of the sixth board of directors of the company reviewed and approved the

"The Proposal for the Public Issuance of A-Share Convertible Corporate Bonds in the Company (Revised Draft)" and other relevant proposals. On June 25, 2019, the company

The 37th meeting of the sixth board of directors reviewed and approved the

Proposal on the Feasibility Analysis Report (Second Revised Draft) of the Use of Gold." The total amount of funds raised by the company to issue convertible corporate bonds is not More than RMB 3.150 million (including 3.150 million). On August 9, 2019, China Securities Regulatory Commission issuance review

The committee reviewed the company's application for public issuance of convertible corporate bonds. According to the audit results, the company's public offering can be

The application for convertible bonds was approved. On October 29, 2019, the company received the "Regarding Approval of Zhejiang

The Reply of Hailiang Co., Ltd. to the Public Issuance of Convertible Corporate Bonds" (Zheng Jian Permit [2019] No. 1943), approving the company

The public issuance of convertible corporate bonds with a total face value of 3.150 million yuan to the public with a maturity of 6 years. On November 21, 2019, the company's public development

31.5 million convertible corporate bonds, each with a face value of 100 yuan, with a total issuance of RMB 3.150 million. Via Shenzhen Stock Exchange

The "Shenzhen Stock Exchange [2019] No. 799" document agreed that the company's convertible corporate bonds will be listed on the Shenzhen Stock Exchange on December 16, 2019.

Card trading.

(2) Changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

unit: yuan

Issued

Financial tool

Beginning of period

Increase in this period
Decrease in current period
End of term
quantity
Book value
quantity
Book value
quantity
Book value
quantity
Book value
Convertible Bond Equity
Element

31,500,000
674,233,860.
39
486
10,402.47 31,499,514
674,223,457.
92
total
31,500,000
674,233,860.
39
486
10,402.47 31,499,514
674,223,457.
92

Other equity instruments' changes in the current period, explanations of the reasons for the changes, and the basis for related accounting treatments:

The company issued convertible corporate bonds of RMB 3,150,000,000.00 in 2019. According to the "Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments", the embedded derivative

The accounting treatment of the instrument stipulates that the liability component and equity component of convertible corporate bonds should be separated.

other instructions:

without.

42. Capital reserve

unit: yuan

project

Opening Balance

Increase in this period

Decrease in current period

Ending balance

Capital premium (equity premium)

2,338,040,177.43

18,859,762.97

2,356,899,940.40

Other capital reserves

-24,382,335.58

3,548,256.73

18,859,762.97

-39,693,841.82

Among them: investee other

-40,224,961.82

-40,224,961.82

change

Equity incentive

15,842,626.24

3,548,256.73

18,859,762.97

531,120.00

total

2,313,657,841.85

22,408,019.70

18,859,762.97

2,317,206,098.58

Other explanations, including changes in the current period and explanations of the reasons for the changes:
without.

43. Treasury stocks

unit: yuan

project

Opening Balance

Increase in this period

Decrease in current period

Ending balance

Restricted equity incentive plan

36,829,269.16

36,121,749.14

707,520.02

Repurchase of public shares

294,211,112.38

294,211,112.38

total

331,040,381.54

0.00

36,121,749.14

294,918,632.40

Other explanations, including changes in the current period and explanations of the reasons for the changes:

The decrease in the current period was due to the unlocking of restricted stocks and the distribution of cash dividends.

44. Other comprehensive income

unit: yuan

project

Opening Balance

Current period

At the end of the period

Forehead

Income from this period

Before tax

Forehead

Less: included in the previous period

Other comprehensive income

Benefits transferred in the current period

profit and loss

Less: Early

Included in other

Comprehensive income

Transfer in

retained earnings

Less: income

Tax expense

Vesting after tax

At the parent company

Vesting after tax

In minority shares

East

1. Other comprehensive categories that cannot be reclassified into profit and loss

Combined income

-2,757,569.7

5

-799,950.3

0

-799,950.3

0

-3,557,5

20.05

Including: re-measurement of changes in defined benefit plans

Momentum

-2,757,569.7

5

-799,950.3

0

-799,950.3

0

-3,557,5

20.05
2. Other comprehensive reclassification into profit and loss
income
-15,477,467.
95
-131,099,6
82.36
-131,099,6
82.36
-146,577
,150.31
Including: Others that can be transferred to profit and loss under the equity method
Comprehensive income
15,055,660.
59
-9,037,050
.80
-9,037,050
.80
6,018,60
9.79
Cash flow hedge reserve
-20,613,679.
03
20,613,67
9.03
20,613,67
9.03
Translation difference of foreign currency financial statements
-9,919,449.5
1
-142,676,3
10.59
-142,676,3
10.59
-152,595
,760.10
Total other comprehensive income
-18,235,037.
70
-131,899,6
32.66
-131,899,6
32.66
-150,134
,670.36

Other explanations, including the adjustment of the effective part of the cash flow hedge gains and losses into the initial confirmation amount of the hedged item:
without.

45. Surplus reserve

unit: yuan

project

Opening Balance

Increase in this period

Decrease in current period

Ending balance

Statutory surplus reserve

258,871,094.19

51,642,127.71

310,513,221.90

total

258,871,094.19

51,642,127.71

310,513,221.90

The explanation of the surplus reserve, including the changes in the current period and the reasons for the changes:

without.

46. Undistributed profits

unit: yuan

project

This period

Previous period

Undistributed profit at the end of the previous period before adjustment

4,546,302,854.44

3,705,600,495.89

Adjust the total amount of undistributed profits at the beginning of the period (increase +, decrease -)

67,318,849.27

Adjust the undistributed profit at the beginning of the later period

4,546,302,854.44

3,638,281,646.62

Plus: net profit attributable to owners of the parent company for the current period

677,774,124.60

1,063,402,787.98

Less: Appropriate statutory surplus reserve

51,642,127.71

18,734,377.39

Ordinary stock dividend payable

143,614,756.52

136,647,202.77

Undistributed profit at the end of the period

5,028,820,094.81

4,546,302,854.44

Adjust the details of the undistributed profit at the beginning of the period:

1). Due to the retrospective adjustment of the "Accounting Standards for Business Enterprises" and related new regulations, the undistributed profit at the beginning of the period was affected by RMB 0.00.

2). Due to changes in accounting policies, the undistributed profit at the beginning of the period was affected by RMB 0.00.

3). Due to the correction of major accounting errors, the undistributed profit at the beginning of the period was affected by RMB 0.00.

4). The change in the scope of consolidation caused by the same control affects the undistributed profit at the beginning of the period by RMB 0.00.

5). Other adjustments will affect the undistributed profit at the beginning of the period by RMB 0.00.

47. Operating income and operating costs

unit: yuan

project

Current period

Previous period

income

cost

income

cost

Main business

32,373,108,515.92

30,635,668,019.69

31,141,238,287.71

28,256,311,613.91

Other business

14,146,984,326.80

14,097,275,710.07

10,117,582,969.50

10,085,399,816.40

total

46,520,092,842.72

44,732,943,729.76

41,258,821,257.21

38,341,711,430.31

Division 2

total

in:

in:

in:

in:

in:

in:

in:

Information related to performance obligations:

The company's revenue mainly consists of the sales of copper processing products and catalyst products.

According to the contract or agreement signed with the customer, the company judges that the company will

The performance obligation belongs to the performance obligation performed at a certain point in time.

The company judges that it will complete the transfer of commodity control rights at the following points in time and confirm revenue, specifically:

(1) Domestic sales meet the following conditions at the same time:

1) According to the delivery method agreed in the sales contract, the goods are sent to the customer or the customer picks up, and the customer's receipt or inspection receipt is obtained;

2) The amount of sales revenue has been determined, the sales invoice has been issued, the payment has been received or is expected to be recovered;

3) The cost of selling products can be calculated reasonably.

(2) The timing of foreign sales revenue recognition: According to the "General Rules for the Interpretation of International Trade Terms", the timing of the main risk transfer of various trade methods

Requirements confirmation. The company mainly exports in the form of FOB and CIF.

The company recognizes revenue when the following conditions are met at the same time:

1) The product has been declared for export, and the customs declaration form and bill of lading have been obtained;

2) The amount of product export income has been determined, the payment has been received or is expected to be recovered, and an export sales invoice has been issued;

3) The cost of export products can be calculated reasonably.

According to the contract signed by the company and the customer, usually before the delivery to the customer, the company will pre-collect part of the payment, and the remaining payment will be in the product

After delivery and acceptance by the customer, the company will receive the sales invoice after it is issued. In

the contract signed between the company and the customer, the company is the main responsible person,

Undertake the performance obligation to transfer the control of the goods to the customer, and assume the

responsibility for quality assurance. At the same time, according to the sales contracts signed with different customers, some

There may be sales rebates in the sales contract. In addition, in some sales contracts, the company may assume transportation obligations, because the company and

The transaction price agreed by the customer does not separately agree on the price of the transportation service.

The company shares the delivery of the transportation obligation according to the purchase cost of the transportation service.

Easy price.

Information related to the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the amount of revenue corresponding to the performance obligations that have been signed, but not yet performed or not yet completed is RMB 0.00, of which RMB is expected to be recognized in the year

Revenue, Yuan is expected to be recognized as revenue in the year, and Yuan is expected to be recognized as revenue in the year.

other instructions

without.

48. Taxes and surcharges

unit: yuan

project

Current period

Previous period

Urban maintenance and construction tax

9,916,537.64

7,255,554.05

Education surcharge

9,858,714.68

7,203,513.55
property tax
22,622,923.03
8,842,612.93
land holding tax
9,580,567.23
12,510,561.42
Stamp duty
12,392,470.29
16,695,680.83
Export tariffs of overseas subsidiaries
20,511,925.80
16,983,787.73
Other taxes
10,015,829.89
7,364,941.91
total
94,898,968.56
76,856,652.42
other instructions:
without.

49. Sales expenses

unit: yuan
project
Current period
Previous period
employee's salary
79,519,447.48
66,905,647.45
depreciation
2,001,567.27
879,845.93
Office expenses
10,549,716.69
21,677,074.23
Shipping fee
327,358,296.91
insurance
2,230,217.62
Sales business expenses
2,680,711.67
64,382,866.05
Product quality loss
32,028,424.00
other
18,821,118.90
19,339,389.51
total
113,572,562.01
534,801,761.70
other instructions:

Note: In this period, the new revenue standard is implemented. The product quality loss, transportation fee, insurance fee, sales commission, Packing and sorting, loading, unloading, storage, etc. are adjusted into operating income and operating costs respectively. Among them, the loss of product quality this year belongs to the customer's quality deduction Part of 19,685,551.31 yuan was used to offset operating income, and the loss of product quality belonged to the production loss part of 29,924,265.19 yuan, and transportation expenses 422,296,546.70 yuan, insurance premiums 2,169,295.37 yuan, sales business expenses 89,303,636.11 yuan, etc. are included in operating costs.

50. Management expenses

unit: yuan

employee's salary
473,500,012.31
420,021,870.53
depreciation
44,836,363.69
39,653,757.89
Office expenses
96,330,129.65
92,813,545.67
Travel expenses
4,766,568.25
12,736,846.83
Business Hospitality
3,209,077.25
4,098,335.06
Labour protection fee
1,235,139.04
3,777,384.62
Amortization of intangible assets
15,154,081.22
12,083,969.23
Maintenance and inspection fee
3,143,296.75
6,560,990.53
Consultation, audit and other service fees
110,943,725.13
69,190,834.83
other
20,986,686.80
25,704,278.08
total
774,105,080.09
686,641,813.27
other instructions:
without.

51. R&D expenses

unit: yuan
project
Current period
Previous period
employee's salary
49,744,268.44
42,760,802.27
Material
127,789,164.74
133,498,008.25
power
18,211,586.76
17,480,742.27
depreciation
12,796,711.74
14,085,892.77
other fee
4,696,054.04
4,535,336.13
total
213,237,785.72
212,360,781.69
other instructions:
without.

52. Financial expenses

unit: yuan
project
Current period
Previous period
Interest expense
209,608,555.68
236,349,298.03
Less: interest income
58,636,227.19
40,982,369.27

Exchange losses
639,235,892.91
632,867,100.78
Less: foreign exchange gains
878,240,647.48
561,242,022.16

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Fee expenditure
28,695,478.60
35,027,293.63
total

-59,336,947.48
302,019,301.01

other instructions:
without.

53. Other income

unit: yuan

Generate other sources of income

Current period

Previous period

Rebate and exemption of social security, energy tax, personal tax, etc.

18,231,724.18

15,265,053.07

Welfare Enterprise Tax Rebate

13,348,800.00

13,680,000.00

Subsidies for photovoltaic power generation

7,883,702.50

8,701,736.82

Equipment subsidies for amortization of fixed assets

3,750,849.96

3,750,849.98

Land tax refund

2,579,888.70

2,579,888.70

Financial Reward for the Return of Zhuji City's Tax Source Economy in 2019

5,488,100.00

Zhuji Economic and Information Technology Bureau-Economic and Information Bureau pays equipment award

Encourage

1,993,600.00

2019 Export Award of the People's Government of Diankou Town, Zhuji City

Encourage

3,000,000.00

Zhuji Municipal Bureau of Commerce Overseas Foreign Economic and Trade Complex Subsidy

3,950,000.00

Support Fund of Ningbo Finance Bureau

6,780,000.00

Triple One Innovation Project Funding

4,408,600.00

2020 Special Guidance Fund for Copper Base

1,130,000.00

2019 Copper-based New Material Base Tax Incentives

2,000,000.00

Added local contribution rewards

8,249,841.28

Special Fund for Industrial Transformation in Tongguan District (2019)

2,701,600.00

Provincial technological transformation funds

4,200,000.00

The provincial part of the inclusive technological transformation project in 2020

1,157,900.00

Industry Development Fund

8,703,800.00

Other government subsidies related to daily activities

15,636,022.23

12,302,461.17

combine
count
115,194,428.85
56,279,989.74

54. Investment income

unit: yuan
project
Current period
Previous period

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Long-term equity investment income calculated by the equity method
124,374,012.56
117,651,785.00
Investment income from the disposal of long-term equity investments
20,157,174.27
Investment income of trading financial assets during the holding period
4,656,902.25
Investment income from disposal of trading financial assets
94,538,558.24
106,070,856.15
Interest income from debt investment during the holding period
13,587,945.20
Investment income from the disposal of other debt investments
-15,000.00
Derecognition income of financial assets measured at amortized cost
-116,861,887.75
-125,794,405.57
total
115,623,628.25
122,742,312.10
other instructions:
without.

55. Gains from changes in fair value

unit: yuan
Sources of income from changes in fair value
Current period
Previous period

Transactional financial assets
42,176,176.86
-83,147,144.96
Of which: the fair price generated by derivative financial instruments
Value change income
42,176,176.86
-83,147,144.96
total
42,176,176.86
-83,147,144.96
other instructions:
without.

56. Credit impairment loss

unit: yuan
project
Current period
Previous period
Bad debt loss
-10,890,620.74
-20,495,685.67
Loan impairment loss
-27,539,228.01
-25,006,710.41
total
-38,429,848.75
-45,502,396.08
other instructions:
without.

57. Asset impairment losses

unit: yuan
project
Current period
Previous period
2. Loss of inventory falling prices and impairment of contract performance costs
loss
-2,258,092.74

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13. Other
-2,617,703.73

total

-4,875,796.47

other instructions:

The amount of other items incurred in the previous period is: the impairment loss of repossessed assets is -2,379,495.73 yuan, and the impairment loss of other non-current assets is -238,208.00 yuan; the amount of other items occurred in the previous period It is: loan impairment loss -20,258,394.06 yuan.

58. Income from asset disposal

unit: yuan

Sources of income from asset disposal

Current period

Previous period

Disposal of fixed assets not classified as held for sale

Disposal gains or losses

6,501,159.38

1,732,404.88

59. Non- operating income

unit: yuan

project

Current period

Previous period

The money included in the current non-recurring gains and losses

Forehead

government subsidy

4,107,000.00

80,962,307.70

4,107,000.00

other

7,814,363.04

14,969,920.02

7,814,363.04

total

11,921,363.04

95,932,227.72

11,921,363.04

Government subsidies included in the current profit and loss:

unit: yuan

Subsidy items

Issuer

Reason for issuance

Nature type

Does the subsidy affect

The profit and loss of the year

Whether it is a special supplement

paste

Current period

Forehead

Previous period

Forehead

Related to assets/

Related to income

Promotion in 2018

Economic Development

Item of funds

7,356,265.00 Related to income

Strengthen backbone enterprises

Industry upgrade subsidy

11,313,200.0
0
Related to income
2018 copper base
Ground material support
Project construction
7,873,000.00 related to income
Industrial strong base
(2016 2017
2018)
5,000,000.00 is related to income
Hailiang Colored Wisdom
Industrial Park Project
Project reward
20,000,000.0
0
Related to income

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2019 third batch
Industrial transformation
Level development project
(Technical transformation)
6,200,000.00 Related to income
Zhuji City Finance
Bureau of Science and Technology Support
Special fund
fee
3,938,700.00 Related to income
Industry 2019
Enterprise Technology Reform
Make up for afterwards
Funds (provincial ministry
Minute)
1,721,900.00 Related to income
Science and Technology Support Specialist
Item fund management
1,530,700.00 Related to income
Diankou, Zhuji City
People's government
2017 policy
Reward
1,287,600.00 Related to income
People of Zhuji City
Government financial workers
Work office-back
Return to investment
307,000.00
Related to income
People of Zhuji City
Government financial workers
Make Office-Straight
Receive financing
300,000.00
Related to income
People of Zhuji City
Government financial workers
As an office-and
Reorganization
1,500,000.00
Related to income
Zhuji City Ocean
(Bay Area) Economy
Special investment subsidy
help
1,300,000.00
Related to income

Business in Zhuji
Bureau 2020
Central funds
Foreign investment cooperation
Subsidy
700,000.00
Related to income
Other and daily
14,740,942.7 Related to income

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Activity irrelevant
government subsidy

0

combine

count

4,107,000.00

80,962,307.7

0

other instructions:

without.

60. Non-operating expenses

unit: yuan

project

Current period

Previous period

The money included in the current non-recurring gains and losses

Forehead

External donation

970,500.00

532,761.50

970,500.00

Non-current asset retirement

1,767,416.79

910,101.37

1,767,416.79

other

5,677,239.37

549,584.02

5,677,239.37

total

8,415,156.16

1,992,446.89

8,415,156.16

other instructions:

without.

61. Income tax expenses

(1) Income tax expense table

unit: yuan

project

Current period

Previous period

Current income tax expense

281,856,456.47

198,484,704.79

Deferred income tax expense

-86,637,804.70

-35,942,146.94

total

195,218,651.77

162,542,557.85

(2) Accounting profit and income tax expense adjustment process

unit: yuan

project

Current period

Total profit

895,243,415.53

Income tax expense calculated at statutory/applicable tax rate
223,810,853.89
The impact of different tax rates applied to subsidiaries
-83,291,720.08
Adjust the impact of income tax in previous periods
10,196,842.04
Impact of non-taxable income
-5,724,496.68

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The impact of non-deductible costs, expenses and losses
5,743,897.91
Deductible temporary differences or deductible losses of deferred income tax assets not recognized in the current period
Impact of loss
46,044,611.18
Super deduction impact
-19,746,059.56
Impact of investment income recognized by the equity method
-31,093,503.14
The impact of the difference in the tax rate of dividends of foreign subsidiaries in the current period
51,434,762.95
Other influence
-2,156,536.74
Income tax expense
195,218,651.77
other instructions
without.

62. Other comprehensive income

See Note 42 for details.

63. Cash flow statement items

(1) Other cash received related to operating activities

unit: yuan

project

Current period

Previous period

Interest income

58,636,227.19

40,982,369.27

Government subsidy income

149,301,428.85

122,811,447.46

Other income

7,814,363.04

17,182,754.37

Temporary payment

203,426,026.62

150,362,543.33

Guarantee deposit

1,048,151,044.47

139,698,136.71

Letter of Credit and Acceptance Draft Margin

280,788,320.48

669,338,863.68

total

1,748,117,410.65

1,140,376,114.82

Description of other cash received related to operating activities:

without.

(2) Other cash paid related to operating activities

unit: yuan

project

Current period

Previous period

Management and R&D expenses

391,311,428.41

236,898,294.02

sales expense

32,051,547.26
467,016,268.32
Fee expenditure
28,695,478.60
35,027,293.63

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other expenses
6,647,739.37
1,082,345.52
Temporary payment
101,103,872.19
62,820,792.90
Letter of Credit Margin
768,233,861.42
398,332,248.90
Guarantee deposit
653,348,815.12
7,323,214.19
Other operating margin
2,180,262.58
total
1,983,573,004.95
1,208,500,457.48

Description of other cash paid related to operating activities:
without.

(3) Other cash received related to investment activities

unit: yuan

project

Current period

Previous period

Recover futures margin

124,870,946.11

55,524,875.50

Changes related to foreign exchange contracts and futures contracts

385,342,817.22

172,359,294.74

total

510,213,763.33

227,884,170.24

Description of other cash received related to investment activities:

without.

(4) Other cash paid related to investment activities

unit: yuan

project

Current period

Previous period

Foreign exchange and futures related changes

104,525,565.08

73,421,909.78

Pay futures margin

558,965,910.69

151,128,239.34

total

663,491,475.77

224,550,149.12

Description of other cash paid related to investment activities:

without.

(5) Other cash received related to financing activities

unit: yuan

project

Current period

Previous period

Financing margin

54,723,519.45

414,243,978.17

total

54,723,519.45
414,243,978.17

Description of other cash received related to financing activities:
without.

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(6) Other cash paid related to financing activities

unit: yuan

project

Current period

Previous period

Financing margin

37,920,399.20

Pay bond issuance fees

2,383,601.60

Repurchase treasury stocks

214,487,678.21

Finance lease

93,053.64

Restricted stock repurchase

1,373,280.00

total

40,304,000.80

215,954,011.85

Description of other cash paid related to financing activities:

without.

64. Supplementary information on cash flow statement

(1) Supplementary information on cash flow statement

unit: yuan

additional materials

Current Amount

Amount of the previous period

1. Adjust net profit to cash flow from operating activities:

-

-

Net profit

700,024,763.76

1,083,056,109.00

Add: Provision for asset impairment

38,429,848.75

50,378,192.55

Depreciation of fixed assets, depletion of oil and gas assets,

Depreciation of productive biological assets

356,936,619.46

299,574,576.96

Depreciation of right-of-use assets

Amortization of intangible assets

15,818,577.38

13,055,984.52

Amortization of long-term deferred expenses

Disposal of fixed assets, intangible assets and other

Loss of long-term assets (returns are listed with "-")

-6,501,159.38

-1,732,404.88

Loss on scrapping of fixed assets (returns with "-"

Number)

1,767,416.79

910,101.37

Loss from changes in fair value (receipts are marked with "-"

Number)

-42,176,176.86

83,147,144.96

Financial expenses (returns are listed with "-")

-29,396,198.89

307,974,376.65

Investment loss (return is listed with "-")

-232,485,516.00

-248,536,717.67
Decrease in deferred income tax assets (increase by
"-" to fill in)
-100,921,943.86
-10,343,149.34

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Increase in deferred income tax liabilities (decrease by
"-" to fill in)
13,272,737.35
-25,598,997.60

Decrease in inventory (increase is listed with "-")
-778,101,886.29
-276,054,004.64

Decrease in operating receivables (increase by
"-" to fill in)
371,050,461.76
-177,017,035.99

Increase in operating payables (decrease by
"-" to fill in)
395,337,942.94
31,479,556.02

other
Net cash flow from operating activities
703,055,486.91
1,130,293,731.91

2. Major investment and fund-raising activities that do not involve cash receipts and expenditures
move:

-

-

Conversion of debt into capital
Convertible corporate bonds due within one year
Financing lease of fixed assets

3. Net changes in cash and cash equivalents:

-

-

Ending balance of cash

2,553,752,421.59

2,693,644,305.68

Less: the beginning balance of cash

2,693,644,305.68

1,191,041,612.76

Add: ending balance of cash equivalents

Less: opening balance of cash equivalents

Net increase in cash and cash equivalents

-139,891,884.09

1,502,602,692.92

(2) Composition of cash and cash equivalents

unit: yuan

project

Ending balance

Opening Balance

1. Cash

2,553,752,421.59

2,693,644,305.68

Including: cash on hand

5,916,320.36

391,055.43

Bank deposits that can be used for payment at any time

2,522,364,412.88

2,206,287,100.46

Other currency funds that can be used for payment at any time

25,471,688.35

486,966,149.79

3. Balance of cash and cash equivalents at the end of the period

2,553,752,421.59

2,693,644,305.68

Among them: the parent company or its subsidiaries are restricted in use
Cash and cash equivalents
1,642,701,473.37
1,392,885,534.76
other instructions:
without.

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65. Notes to items in the statement of changes in owner's equity

Explain the name of the "other" items and the amount of adjustment to adjust the balance at the end of the previous year:

The conversion of "Hailiang Convertible Bonds" in the current period resulted in an increase of 4,953.00 yuan in equity, an increase in capital reserve of 52,439.85 yuan, and a decrease in other equity instruments by 10,402.47

Yuan.

66. Assets with restricted ownership or use rights

unit: yuan

project

Book value at the end of the period

Reason for restriction

Money funds

1,642,701,473.37

Letter of Credit Margin, Acceptance Draft Margin, Futures

Margin etc.

Receivables financing

40,000,000.00 is used to pledge to issue bank acceptance drafts

total

1,682,701,473.37

-

other instructions:

without.

67. Foreign currency monetary items

(1) Foreign currency monetary items

unit: yuan

project

Foreign currency balance at the end of the period

Converted exchange rate

Converted RMB balance at the end of the period

Money funds

-

-

471,653,564.06

Of which: USD

50,814,685.06 6.5249

331,560,738.55

EUR

11,100,597.26 8.0250

89,082,158.20

Hong Kong dollar

Vietnamese Dong

6,392,580,708.00 0.0003

1,806,528.20

Thai Baht

123,606,771.93 0.2179

26,933,915.60

JPY

278,335,053.00 0.0633

17,586,693.90

Australian Dollar

928,620.83 5.0163

4,658,240.67

GBP

850.00 8.8903

7,556.76

Other currencies

6,448.51

17,732.18

accounts receivable
-
-
2,364,264,880.21
Of which: USD
264,400,674.60 6.5249
1,725,187,295.28
EUR
54,440,488.41 8.0250
436,884,919.64
Hong Kong dollar

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Vietnamese Dong
102,862,617,635.43 0.0003
29,068,732.73
Thai Baht
682,754,238.69 0.2179
148,699,736.76
JPY
16,851,973.21 0.0633
1,066,583.84
Australian Dollar
4,656,342.71 5.0163
23,357,611.96
Long term loan
-
-
1,286,789,603.40
Of which: USD
100,049,748.41 6.5249
652,814,603.40
EUR
79,000,000.00 8.0250
633,975,000.00
Hong Kong dollar
Other receivables
32,813,913.41
Of which: USD
292,182.93 6.5249
1,906,464.40
EUR
3,731,538.46 8.0250
29,945,596.13
Vietnamese Dong
912,504,152.00 0.0003
257,871.52
Thai Baht
3,230,992.84 0.2179
703,981.36
accounts payable
1,845,047,740.94
Of which: USD
155,375,261.07 6.5168
1,012,553,684.42
EUR
44,538,565.47 8.0250
357,421,987.91
Vietnamese Dong
38,186,576,778.29 0.0003
10,791,436.39
JPY
501,013,788.00 0.0633
31,747,423.08
Thai Baht
1,906,368,461.76 0.2179
415,304,763.51

Australian Dollar
 3,434,492.68 5.0163
 17,228,445.63
 Other payables
 119,898,947.93
 Of which: USD
 6,095,460.67 6.5249
 39,772,271.33
 EUR
 8,396,594.53 8.0250
 67,382,671.10
 Vietnamese Dong
 11,329,330,991.00 0.0003
 3,201,642.17
 JPY
 359,556.00 0.0633
 22,759.89
 Thai Baht
 43,691,171.93 0.2179
 9,519,603.44
 short-term loan
 2,652,363,522.02
 Of which: USD
 374,567,157.50 6.5249
 2,444,013,245.97
 Vietnamese Dong
 737,268,286,820.00 0.0003
 208,350,276.05
 Non-current liabilities due within one year
 111,101,277.91
 Of which: USD
 4,728,237.66 6.5249
 30,851,277.91
 EUR
 10,000,000.00 8.0250
 80,250,000.00
 other instructions:
 without.

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(2) Description of overseas business entities, including for important overseas business entities, their main overseas business locations, accounting currency and choice should be disclosed

According to the basis, if the accounting standard currency changes, the reasons should also be disclosed.

Applicable Not applicable

Serial number

Name of overseas business unit

Abroad

Place of business

Bookkeeping

Functional currency

Reporting currency

Selection basis

Yes

1 Hong Kong Hailiang Copper Trading Co., Ltd.

China Hong Kong

Dollar

1. Use the currency as the main commodity and

Pricing and settlement of service sales prices;

2. The currency's main influence and labor offices

Need labor, materials and other expenses, and

Calculate the above fees in that currency

Price and settlement.

2 Hong Kong Hailiang Metal Materials Co., Ltd.
China Hong Kong
Dollar

3 Hailiang (Vietnam) Copper Co., Ltd.
Tay Ninh, Vietnam
Vietnamese Dong

4 Vietnam Hailiang Metal Materials Co., Ltd.
Qianjiang, Vietnam
Vietnamese Dong

5 Hailiang America
California, U.S.
Dollar

6 JMF Company
Delaware, USA
Dollar

7 Singapore Hailiang Metal Materials Co., Ltd.
Singapore
Dollar

8 Hailiang Distribution Inc
California, U.S.
Dollar

9 LOYAL HAILIANG COPPER
(THAILAND)CO.,LTD.
Liuzhou, Thailand
Thai Baht

10 Hong Kong Hailiang Holdings Limited
China Hong Kong
EUR

11 Hailiang Copper Texas Co., Ltd.
Texas, USA
Dollar

12 Hailiang Netherlands Holding BV
Amsterdam, The Netherlands
EUR

13 HME Copper Germany GmbH
Menden, Germany
EUR

14 HME Brass France SAS
Nantai, France
EUR

15 HME Brass Germany GmbH
Osnabrück, Germany
EUR

16 HME Brass Italy SpA
Florence, Italy
EUR

17 Hailiang Messing Beteiligungs GmbH
Osnabrück, Germany
EUR

18 HME Ibertubos SAU
Barcelona, Spain
EUR

19 Nippon Sea Bright Co., Ltd.
Osaka, Japan
JPY

20 Hailiang Copper Australia Limited

New South Wales, Australia

Australian dollar

68. Government subsidies

(1) Basic situation of government subsidies

unit: yuan

type

Amount

Listed items

Amount included in current profit and loss

Refund of social security, energy tax, personal tax, etc.

Exemption

18,231,724.18 Other income

18,231,724.18

Welfare Enterprise Tax Rebate

13,348,800.00 Other income

13,348,800.00

Subsidies for photovoltaic power generation

7,883,702.50 Other income

7,883,702.50

Equipment subsidies for amortization of fixed assets

37,508,500.00 Other income

3,750,849.96

Land tax refund

2,579,888.70 Other income

2,579,888.70

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2019 Zhuji City Tax Source Economic Return

Go to the financial reward

5,488,100.00 Other income

5,488,100.00

Zhuji Municipal Bureau of Economy and Information Technology-Jingxin

Bureau paid equipment rewards

1,993,600.00 Other income

1,993,600.00

People's Government of Diankou Town, Zhuji City 2019

Annual export award

3,000,000.00 Other income

3,000,000.00

Zhuji Municipal Bureau of Commerce Overseas Foreign Trade and Economic Cooperation

Fit subsidy

3,950,000.00 Other income

3,950,000.00

Support Fund of Ningbo Finance Bureau

6,780,000.00 Other income

6,780,000.00

Triple One Innovation Project Funding

4,408,600.00 Other income

4,408,600.00

2020 Special Guiding Base for Copper Base

gold

1,130,000.00 Other income

1,130,000.00

Taxation of copper-based new materials base in 2019

award

2,000,000.00 Other income

2,000,000.00

Added local contribution rewards

8,249,841.28 Other income

8,249,841.28

Special Fund for Industrial Transformation in Tongguan District

(2019)

2,701,600.00 Other income

2,701,600.00

Provincial technological transformation funds

4,200,000.00 Other income

4,200,000.00

Provincial-level technological transformation inclusive project in 2020 part

1,157,900.00 Other income

1,157,900.00

Industry Development Fund

8,703,800.00 Other income

8,703,800.00

Other governments related to daily activities

Subsidy

15,636,022.23 Other income

15,636,022.23

Financial Work Office of Zhuji Municipal People's Government

Office-Return to Investment

307,000.00 Non-operating income

307,000.00

Financial Work Office of Zhuji Municipal People's Government

Office-direct financing

300,000.00 Non-operating income

300,000.00

Financial Work Office of Zhuji Municipal People's Government

Office-Mergers and Acquisitions

1,500,000.00 Non-operating income

1,500,000.00

Zhuji City Ocean (Bay Area) Economic Special Project

Investment subsidy

1,300,000.00 Non-operating income

1,300,000.00

Zhuji Municipal Bureau of Commerce 2020 Central Committee

Funds for foreign investment cooperation subsidies

700,000.00 Non-operating income

700,000.00

Hailiang Nonferrous Intelligent Manufacturing Industrial Park subsidy

30,000,000.00 deferred income

(2) Refund of government subsidies

Applicable Not applicable

other instructions:

8. Changes in the scope of consolidation

1. Changes in the scope of consolidation due to other reasons

Explain the changes in the scope of consolidation caused by other reasons (such as the establishment of a new subsidiary, a liquidation subsidiary, etc.) and related conditions:

During the reporting period, the company established five wholly-owned subsidiaries: Anhui Hailiang New Energy Technology Co., Ltd., Hailiang (Chongqing) New Energy Technology Co., Ltd., Guangdong Keyu Metal Material Co., Ltd., Guangdong Hailiang Sales Co., Ltd., Hailiang (Zhongshan) New Energy Technology Co., Ltd.; canceled a wholly-owned subsidiary: Moral Top Enterprise Limited.

9. Interests in other entities

1. Interests in subsidiaries

(1) The composition of enterprise groups

Subsidiary name

Principal place of business

Registration

Business nature

Shareholding ratio

How to obtain

direct

indirect

Shanghai Hailiang Copper

Limited company

Shanghai, China

China

manufacturing
85.45%
14.55% investment
Hong Kong Hailiang Copper Trading
Limited company
China Hong Kong
China Hong Kong
Commodity circulation
100.00%
invest
Vietnam Hailiang Metal
Products Co., Ltd.
Tay Ninh, Vietnam
Tay Ninh, Vietnam
manufacturing
100.00%
invest
Zhejiang Copper Processing Research
Institute Co., Ltd.
Zhejiang, China
China
technology R & D
51.00%
49.00% investment
Zhejiang Keyu Metal Material
Material Co., Ltd.
Zhejiang, China
China
manufacturing
100.00%
invest
Zhejiang Hailiang International Trade
Easy Limited
Zhejiang, China
China
Commodity circulation
100.00%
invest
Hailiang (Vietnam) Copper
Industry Co., Ltd.
Qianjiang, Vietnam
Qianjiang, Vietnam
manufacturing
100.00%
invest
Hailiang America
America
America
Commodity circulation
100.00%
invest
Hailiang (Anhui) Copper
Industry Co., Ltd.
Anhui, China
China
manufacturing
100.00%
invest
Hong Kong Hailiang Metal
Material Co., Ltd.
China Hong Kong
China Hong Kong
Commodity circulation
100.00% investment
Zhejiang Hailiang Environmental Materials
Material Co., Ltd.
Zhejiang, China
China
manufacturing
100.00%
Buy

Zhejiang Haibo Microfinance Zhejiang, China
China
Financial Services
60.00% purchase

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Co., Ltd.
Guangdong Hailiang Copper has
Limited company
Guangdong, China
China
manufacturing
100.00%
invest
JMFCCompany
America
America
Commodity circulation
100.00%
Buy
Ningbo Hailiang Copper Co., Ltd. has
Limited company
Zhejiang, China
China
Commodity circulation
100.00% investment
Zhejiang Hailiang New Material
Limited company
Zhejiang, China
China
manufacturing
100.00%
invest
Hailiang (Singapore)
Limited company
Singapore
Singapore
Commodity circulation
100.00%
invest
HailiangDistributi
onInc.
America
America
Commodity circulation
100.00% investment
Hailiang Otto Copper Tube
(Guangdong) Co., Ltd.
manage
Guangzhou, China
Guangzhou, China
manufacturing
100.00%
Buy
LOYALHAILIA
NGCOPPER(TH
AILAND)CO.,LT
D.
Thailand
Thailand
manufacturing
100.00% purchase
Chongqing Hailiang Copper
Limited company
China
China
manufacturing

100.00%
invest
Chongqing Hailiang International Trade
Easy Limited
China
China
Commodity circulation
100.00%
invest
Chongqing Hailiang Metal Material
Material Co., Ltd.
China
China
Commodity circulation
100.00%
invest
Chengdu Better Copper Co., Ltd. has
Limited company
China
China
manufacturing
100.00%
Buy
Hong Kong Hailiang Holdings has
Limited company
China
China
Investment management
100.00%
invest
Hailiang Copper Texas
Co., Ltd.
America
America
manufacturing
100.00% investment
HailiangNetherla
ndsHoldingB.V.
Netherlands
Netherlands
Investment management
100.00% investment
HMEBrassFrance
SAS
France
France
manufacturing
100.00% purchase
HMEBrassGerma
nyGmbH
Germany
Germany
manufacturing
100.00% purchase
HMEBrassItalyS
pA
Italy
Italy
manufacturing
100.00% purchase

Property management
100.00% purchase
HMEIbertubosS.
AU
Spain
Spain
manufacturing
100.00% purchase
HMECopperGer
manyGmbH
Germany
Germany
manufacturing
100.00% investment
Japan Sea Bright Co., Ltd.
society
Japan
Japan
Commodity circulation
100.00%
invest
Hailiang Copper Australia
Asia Limited
Australia
Australia
Commodity circulation
100.00%
invest
Zhejiang Shengjie Freight has
Limited company
China
China
Logistics transportation
100.00%
Buy
Zhuji City Chongji Trade
Limited company
China
China
Commodity circulation
100.00% investment
Anhui Hailiang New Energy
Technology Co., Ltd
China
China
PV
100.00% investment
Hailiang (Chongqing) New
Energy Technology Co., Ltd.
manage
China
China
PV
100.00% investment
Guangdong Keyu Metal Material
Material Co., Ltd.
China
China
Commodity circulation
100.00% investment
Guangdong Hailiang sales have
Limited company
China
China
Commodity circulation
100.00% investment
Hailiang (Zhongshan) New
Energy Technology Co., Ltd.
manage
China
China

PV

100.00% investment

Note that the proportion of shares held in the subsidiary is different from the proportion of voting rights:
not applicable.

Basis for holding half or less of the voting rights but still controlling the investee, and holding more than half of the voting rights but not controlling the investee:

not applicable.

For important structured entities included in the scope of consolidation, the basis for control:

not applicable.

The basis for determining whether the company is an agent or a principal:

not applicable.

other instructions:

not applicable.

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(2) Important non-wholly owned subsidiary

unit: yuan

Subsidiary name

Minority shareholders' shareholding ratio

Attributable to minority shareholders in the current period

profit and loss

Announced to minority shareholders in the current period

Dividend

Balance of minority shareholders' equity at the end of the period

Zhejiang Haibo Microfinance Co., Ltd.

Limited company

40.00%

10,198,155.80

13,200,000.00

364,448,279.32

Note that the minority shareholder's shareholding ratio is different from the voting rights ratio:

not applicable.

other instructions:

without.

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

unit: yuan

Subsidiary

name

Ending balance

Opening Balance

Liquidity

Produce

Non-current

assets

Assets

count

Flow negative

debt

Non-current

Debt

Debt union

count

Liquidity

Produce

Non-current

assets

Assets

count

Flow negative

debt

Non-current

Debt

Debt union

count

Zhejiang Sea

Blog

Loan stocks

Limited copies
 company
 5,537,34
 2.24
 974,490,
 654.34
 980,027,
 996.58
 38,776,0
 89.90
 38,776,0
 89.90
 7,996,59
 4.70
 924,180,
 980.88
 932,177,
 575.58
 13,552,2
 66.81
 13,552,2
 66.81
 unit: yuan
 Subsidiary name
 Current period
 Previous period
 Operating income
 Net profit
 Total comprehensive income
 Forehead
 Operating activities are now
 Gold flow
 Operating income
 Net profit
 Total comprehensive income
 Forehead
 Operating activities are now
 Gold flow
 Zhejiang Haibo Elementary School
 Loan shares
 Limited company
 137,030,718.
 51
 55,626,597.9
 1
 55,626,597.9
 1
 14,119,528.2
 8
 108,471,263.
 18
 49,133,302.5
 4
 49,133,302.5
 4
 11,299,514.1
 5
 other instructions:
 without.
2. Interests in joint arrangements or joint ventures
(1) Important joint ventures or joint ventures
 Joint venture or joint venture
 Company Name
 Principal place of business
 Registration
 Business nature
 Shareholding ratio
 For joint ventures or joint ventures
 Business investment meeting
 Calculation method
 direct

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Hailiang Group Finance has
Limited liability company

Zhejiang

Zhejiang

Financial Services

26.33%

13.67% equity method

Note that the shareholding ratio in a joint venture or joint venture is different from the voting rights ratio:

not applicable.

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

not applicable.

(2) Main financial information of important associates

unit: yuan

Ending balance / current period

Beginning balance/previous period

Hailiang Finance Company

Hailiang Finance Company

Current assets

1,466,705,731.47

1,872,195,752.05

Non-current assets

11,076,248,029.07

10,735,817,074.98

Total assets

12,542,953,760.54

12,608,012,827.03

Current liabilities

10,009,896,400.56

10,296,131,408.45

Total Liabilities

10,009,896,400.56

10,296,131,408.45

Attributable to shareholders' equity of the parent company

2,533,057,359.98

2,311,881,418.58

Share of net assets calculated according to shareholding ratio

1,013,222,943.99

924,752,567.43

Book value of equity investment in associates

1,013,222,943.99

924,752,567.43

Operating income

354,818,960.52

369,181,102.52

Net profit

221,175,941.40

195,575,332.06

Total comprehensive income

221,175,941.40

195,575,332.06

other instructions

without.

(3) Summary financial information of unimportant joint ventures and associates

unit: yuan

Ending balance / current period

Beginning balance/previous period

Joint ventures:

-

-

The total of the following items calculated according to the shareholding ratio

-

-

Associated enterprises:

-
-
Total book value of investment
699,475,951.58
682,369,383.45
The total of the following items calculated according to the shareholding ratio
-
-
--Net profit
35,903,636.00
39,421,652.18
--Other comprehensive income
-9,037,067.87
1,346,097.79

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--Total comprehensive income
26,866,568.13
40,767,749.97
other instructions
without.

10. Risks related to financial instruments

The financial instrument risks faced by the company in its daily activities mainly include: foreign exchange risk, interest rate risk, credit risk and liquidity risk.

The company's risk management goal is to achieve an appropriate balance between risks and returns, and strive to reduce financial risks to the company's financial industry.

Adverse effects on performance. Based on this risk management objective, the company has formulated a risk management policy to identify and analyze the risks faced by the company.

Determine an appropriate acceptable level of risk and design corresponding internal control procedures to monitor the company's risk level. The company will review these regularly

Risk management policies and related internal control systems to adapt to market conditions or changes in the company's business activities.

(1) Foreign exchange risk

The company conducts various economic activities such as manufacturing, sales, investment and financing in mainland China, the United States, and Southeast Asia. The company's foreign currency assets and liabilities And future foreign currency transactions are subject to exchange rate fluctuation risks. The financial department of the company is responsible for managing the risk of exchange rate fluctuations. Through the establishment of a professional team,

Measures such as natural hedging of settlement currencies, signing forward foreign exchange hedging contracts, and controlling the scale of foreign currency assets and liabilities minimize foreign exchange exposure

Risk, reduce the impact of exchange rate fluctuations on business performance. The company formulated the "Measures for the Management of Exchange Rate Risk of Zhejiang Hailiang Co., Ltd."

The law clarifies the management requirements of exchange rate risk management responsibilities, risk types, risk levels, business operations, risk control, etc., and determines the approval process.

The exchange rate risk faced by the company mainly comes from financial assets and liabilities denominated in foreign currencies, and the translation of foreign currency financial assets and foreign currency financial liabilities

The ending amount in RMB is listed as follows:

project
Dollar
EUR
Vietnamese Dong
Australian Dollar
Thai Baht
JPY
Other foreign currencies
total
Money funds
331,560,738.55
89,082,293.01
1,917,774.21
4,658,240.67
26,933,915.60
17,618,608.85 17,732.18
471,789,303.08
Transactional financial assets

60,405,165.19	
-	
-	
-	
-	
60,405,165.19	
accounts receivable	
1,725,187,961.70	436,884,919.49
30,858,785.29	
23,357,611.94	148,772,148.61
1,066,729.90	
2,366,128,156.93	
Other receivables	
1,906,464.40	
29,945,596.14	
273,751.25	
-	
704,033.34	
-	
32,829,845.13	
Transactional financial liabilities	
103,132,831.51	
-	
-	
-	
-	
103,132,831.51	
accounts payable	
1,013,808,040.96	357,421,987.90
11,455,973.03	
17,228,445.63	415,397,687.82
31,714,172.78	
1,847,026,308.11	
Other payables	
39,772,271.33	
67,382,671.10	
3,398,799.30	
-	
9,520,306.36	
22,759.89	
120,096,807.98	
short-term loan	
2,444,013,245.97	
-221,180,486.05	
-	
-	
2,665,193,732.02	
Long term loan	
652,814,603.40	633,975,000.00
-	
-	
-	
1,286,789,603.40	
Other due within one year	
Non-current liabilities	
30,851,277.91	142,221,283.36
-	
-	
-	
173,072,561.27	

On December 31, 2020, with all other variables remaining unchanged, if the RMB appreciates or depreciates against the above foreign currencies by 5%,

The company will increase or decrease its pre-tax profit by approximately RMB 152,894,700.

(2) Interest rate risk

The company's interest rate risk mainly arises from interest-bearing debts such as short-term loans and long-term loans. Floating interest rate financial liabilities make the company face cash

Gold flow interest rate risk, financial liabilities with fixed interest rates expose the company to fair value interest rate risk. The company decides based on the market environment at the time

Determine the relative proportion of fixed-rate and floating-rate contracts.

The financial department of the company's headquarters continuously monitors the group's interest rate level. Rising interest rates will increase the cost of new interest-bearing debt and the company's outstanding

The clearing of interest payments on interest-bearing debts with floating interest rates will affect the company's operating performance. The management will follow the latest market conditions.

Make timely adjustments. These adjustments may be through signing interest rate swap contracts to reduce hedging interest rate risk.

On December 31, 2020, if the borrowing interest rate calculated by floating interest rate rises or falls by 50 basis points, while other factors remain unchanged, the
The company's pre-tax profit will decrease or increase by approximately 28.30 million yuan.

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(3) Credit risk

The company manages credit risk according to portfolio classification. Credit risk mainly arises from bank deposits, bills receivable, accounts receivable, and receivables
Interest, other receivables, loans and advances, etc.

The company's bank deposits are mainly deposited in state-owned banks and other large and medium-sized listed banks. The company believes that there is no significant credit risk.

Will not cause any major losses due to the other party's breach of contract.

In addition, for notes receivable, accounts receivable, interest receivable, other receivables, loans and advances, the company sets relevant policies to

Control credit risk exposure. The company is based on the financial status of customers, the possibility of obtaining guarantees from third parties, credit history and other factors.

For example, the current market conditions, etc., evaluate the credit qualifications of customers and set corresponding credit periods. The company will regularly monitor customer credit records, for

For customers with poor credit records, the company will use written dunning, shorten the credit period or cancel the credit period, etc., to ensure the company's overall credit

The use risk is within the controllable range.

(4) Liquidity risk

Each subsidiary within the company is responsible for its own cash flow forecast. The financial department of the headquarters summarizes the basis of the cash flow forecast of each subsidiary

At the company level, we will continue to monitor short-term and long-term funding needs to ensure that sufficient cash reserves are maintained; at the same time, we will continue to monitor whether the

According to the provisions of the fund agreement, a commitment to provide sufficient reserve funds is obtained from major financial institutions to meet short-term and long-term funding needs.

On the balance sheet date, the undiscounted contractual cash flows of various financial liabilities of the company are listed as follows according to the maturity date:

Unit: ten thousand yuan

project

Within a year

One to two years

Two to three years

More than three years

total

short-term loan

322,890.04

322,890.04

Transactional financial liabilities

10,313.28

10,313.28

Bills payable

233,084.57

233,084.57

accounts payable

320,875.87

320,875.87

Other payables

24,695.44

24,695.44

Non-current liabilities due within one year

53,130.72

53,130.72

Long-term payables

1,042.78

1,034.95

1,017.68

3,095.41

Other current liabilities

46,313.70

46,313.70
Long term loan
77,277.89
103,397.50
10,078.08
190,753.47

11. Disclosure of fair value

1. The ending fair value of assets and liabilities measured at fair value

unit: yuan

project

Fair value at the end of the period

Level 1 fair value calculation

quantity

The second level of fair value measurement The third level of fair value measurement

total

1. Continuous fair value measurement

-

-

-

-

(1) Transactional financial assets

155,558,702.52

300,000,000.00

455,558,702.52

1. Measured at fair value and its changes

Financial

155,558,702.52

455,558,702.52

assets

(1) Investment in debt instruments

300,000,000.00

300,000,000.00

(3) Derivative financial assets

155,558,702.52

155,558,702.52

(3) Investment in other equity instruments

815,999,997.86

815,999,997.86

(8) Financing of accounts receivable

303,810,771.48

303,810,771.48

Continuously measured at fair value

Total assets

155,558,702.52

303,810,771.48

1,115,999,997.86

1,575,369,471.86

(6) Transactional financial liabilities

103,132,831.51

103,132,831.51

Derivative financial liabilities

103,132,831.51

103,132,831.51

Continuously measured at fair value

Total liabilities

103,132,831.51

103,132,831.51

2. Non-sustainable fair value calculation

quantity

-

-

-

-

2. The basis for determining the market price of continuous and non-continuous first-level fair value measurement projects

The input value of the first level is the unadjusted quotation of the relevant asset or liability in the active market that can be obtained on the measurement date.

3. Qualitative and quantitative information on the valuation techniques used and important parameters for continuous and non-continuous second-level fair value measurement projects

The second-level input value is the directly or indirectly observable input value of related assets or liabilities other than the first-level input value.

4. Continuous and non-sustainable third-level fair value measurement projects, qualitative and quantitative information on valuation techniques and important parameters used

The input value of the third level is the unobservable input value of the related asset or liability.

12. Related parties and related transactions

1. The situation of the parent company of the company

Parent company name

Registration

Business nature

Registered capital

Parent company's

Shareholding ratio

Parent company's

Proportion of voting rights

Hailiang Group Co., Ltd. Zhuji, Zhejiang

Investment management, property management

And real estate development and progress

Export business

330,099.97 million yuan

40.01%

40.01%

Description of the company's parent company

The actual controller of the company is Mr. Feng Hailiang. As of December 2020, Mr. Feng Hailiang directly holds 3.07% of the issuer's shares; Feng Hailiangxian

Health controls 84.12% of Hailiang Group's shares, Hailiang Group directly holds 40.01% of the issuer's shares, and Zhejiang Zhengmao Ventures, a subsidiary of Hailiang Group

Investment Co., Ltd. holds 0.63% of the issuer's shares; Mr. Feng Hailiang's son, Mr. Feng Luming, holds 0.67% of the company's shares. Mr. Feng Hailiang

And its concerted parties collectively control 44.38% of the issuer's shares.

The ultimate controlling party of this enterprise is Feng Hailiang.

other instructions:

without.

2. The situation of the company's subsidiaries

For details of the company's subsidiaries, please refer to the notes on equity in other entities.

3. The situation of joint ventures and joint ventures of the enterprise

For the important joint ventures or associates of the company, please refer to the notes on the rights and interests in other entities.

The status of other joint ventures or associates that have related party transactions with the company in the current period or the balance of the related party transactions with the company in the previous period are as follows:

Name of joint venture or joint venture

Relationship with the company

Hailiang Group Finance Co., Ltd.

Joint venture

other instructions

without.

4. Other related parties

Name of other related parties

Relationship between other related parties and the company

Hailiang Group Co., Ltd.

The same actual controller

Hailiang Metal Trading Group Co., Ltd.

The same actual controller

Zhejiang Hailiang Capital Investment Management Co., Ltd.

The same actual controller

Zhejiang Zhengmao Venture Capital Co., Ltd.

The same actual controller

Hailiang Group Finance Co., Ltd.

The same actual controller

Hangzhou Hailiang Real Estate Co., Ltd.
The same actual controller
Fubon Investment Co., Ltd.
The same actual controller
Zhuji Hailiang Hospital
The same actual controller
Hong Kong International Agricultural Investment Co., Ltd.
The same actual controller
Hong Kong Hailiang International Investment Co., Ltd.
The same actual controller
Ningbo Hairao Investment Co., Ltd.
The same actual controller
Shanghai Zhepu Enterprise Development Co., Ltd.
The same actual controller
Zhejiang Hailiang Zunnian Health Management Co., Ltd.
The same actual controller
Hangzhou Hailiangxin Huixin Hospital Co., Ltd.
The same actual controller
Zhejiang Haiyuan Environmental Technology Co., Ltd.
The same actual controller

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Inner Mongolia Hailiang Real Estate Development Co., Ltd.
The same actual controller
Zhuji Hailiang Business Hotel Co., Ltd.
The same actual controller
Mingkanghui Ecological Agriculture Group Co., Ltd.
The same actual controller
Zhejiang Mingkanghui Food Co., Ltd.
The same actual controller
Zhejiang Mingkanghui Electronic Commerce Co., Ltd.
The same actual controller
Zhejiang Mingkanghui Food Co., Ltd. Zhuji Zhongyang Road Store
The same actual controller
Hailiang Real Estate Holdings Group Co., Ltd.
The same actual controller
Zhu Zhangquan, Chen Dong, Jiang Limin, Wang Shuguang, Qian Ziqiang, King Kong, Fan Shunke,
Deng Chuan, Chen Shucui (resigned), Liu Guojian, Wang Sheng, Dong Zhiqiang
Directors, executives
Hu Shihua, Zhu Lin, Yu Tiejun
Supervisor
other instructions

Hailiang Group has many related parties. This note only discloses Hailiang Group and its subordinate first-level subsidiaries, as well as related parties that have transactions with the company.

5. Related party transactions

(1) Affiliated transactions of purchase and sale of goods, provision and acceptance of labor services

Procurement of goods / acceptance of labor status table

unit: yuan

Related party

Related transaction content

Current period

Approved transaction limit

Whether it exceeds the transaction limit

Previous period

Purchasing goods by Hailiang Group Co., Ltd.

96,237.30

500,000.00 No

153,466.21

Zhejiang Haiyuan Environmental Technology

Limited company

Purchase goods

no

876,175.55

Zhejiang Haiyuan Environmental Technology

Limited company

Accept labor

no

264,150.94
Hailiang Business Hotel Zhuji
Limited company
Accept labor
742,266.84
1,700,000.00 No
1,375,669.15
Hangzhou Mingxin Information Technology
Limited company
Accept labor
no
16,415.09
Mingkanghui Group
Purchase goods
3,610,931.00
4,500,000.00 No
3,100,686.00
Zhuji Hailiang Hospital
Accept labor
508,772.00
Sales of goods/provided labor status table
unit: yuan
Related party
Related transaction content
Current period
Previous period
Zhuji Hailiang Business Hotel Co., Ltd. sells merchandise
1,514.40
Hailiang Group Finance Co., Ltd. sells goods
7,547.17

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Hailiang Group Finance Co., Ltd. sells goods
457,064.39
Products sold by Zhejiang Haiyuan Environmental Technology Co., Ltd.
2,891,379.31

Hailiang Group Co., Ltd.

Sales of goods
2,610.61

Description of related transactions in the purchase and sale of goods, provision and acceptance of labor services
without.

(2) Related leases

The company as the lessor:

unit: yuan

Lessee's name

Types of leased assets

Rental income recognized in the current period

Rental income recognized in the previous period

The company as the lessee:

unit: yuan

Name of Lessor

Types of leased assets

Rental fee confirmed in the current period

Rental fee confirmed in the previous period

Hailiang Group Co., Ltd.

houses

882,382.70

888,223.63

Description of related leases

without.

(3) Related guarantees

The company as a guarantor

unit: yuan

Guaranteed party

Guaranteed amount

Guarantee start date

Guarantee expiry date

Whether the guarantee has been fulfilled
The company as the guaranteed party
unit: yuan
guarantor
Guaranteed amount
Guarantee start date
Guarantee expiry date
Whether the guarantee has been fulfilled
Description of related guarantees
guarantor
Guaranteed party
Guaranteed amount
Guarantee start date
Guarantee expiry date
Is the guarantee already
Fulfilled
Hailiang Group Co., Ltd.
Zhejiang Hailiang Environmental Materials Co., Ltd.
22.23 million yuan
2020-01-01
2020-12-31
no
Hailiang Group Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
10 million USD
2018-05-22
2021-01-15
no
Hailiang Group Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
300 million yuan
2020-12-15
2021-12-14
no
Hailiang Group Co., Ltd.
Zhejiang Keyu Metal Material Co., Ltd.
166.67 million yuan
2020-01-01
2020-12-31
no
Hailiang Group Co., Ltd.
Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
250 million yuan
2020-12-14
2021-12-31
no
Hailiang Group Co., Ltd.
Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
11.72 million euros
2019-11-22
2021-11-22
no
Hailiang Group Co., Ltd.
Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
36.07 million USD
2020-10-21
2021-11-22
no
Hailiang Group Co., Ltd.
Guangdong Hailiang Copper Industry Co., Ltd.
50 million USD
2019-12-23
2021-12-23
no
Hailiang Group Co., Ltd.
Guangdong Hailiang Copper Industry Co., Ltd.
100 million yuan
2020-04-29
2021-04-29
no

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Hailiang Group Co., Ltd.

Hailiang (Vietnam) Copper Industry Co., Ltd.

\$12 million

2020-12-02

2022-12-02

no

Hailiang Group Co., Ltd.

Hailiang (Vietnam) Copper Industry Co., Ltd.

35 million USD

2018-05-31

2021-05-30

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

987.3 million yuan

2020-09-08

2021-09-08

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

880 million yuan

2020-04-20

2021-02-18

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

700 million yuan

2020-06-29

2021-07-28

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

1.2 billion yuan

2020-07-23

2021-07-22

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

850 million yuan

2020-10-28

2021-10-28

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

222.23 million yuan

2020-01-01

2020-12-31

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

100 million yuan

2020-12-01

2021-05-21

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

300 million yuan

2020-01-09

2021-01-09

no

Hailiang Group Co., Ltd.

Zhejiang Hailiang Co., Ltd.

35 million USD

2019-04-15

Until the date of credit change

no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
300 million yuan
2020-12-21
2021-12-20
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
1.740 million yuan
2017-06-26
2022-12-31
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
308 million yuan
2019-07-24
2021-07-24
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
Shanghai Hailiang Copper Industry Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
93.5 million USD
2019-07-24
Until the date of credit change
no
Feng Hailiang
Zhejiang Hailiang Co., Ltd.
Shanghai Hailiang Copper Industry Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
US\$46.2 million
2011-08-30
2021-03-26
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
USD 33.15 million
2019-02-15
2024-02-14
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
100 million yuan
2020-02-19
2021-02-18
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
400 million yuan
2020-05-14
2023-05-13
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
20 million yuan
2020-04-27
2021-07-26
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
50 million yuan
2020-12-16
2021-12-15
no
Hailiang Group Co., Ltd.
Zhejiang Hailiang Co., Ltd.
165 million yuan
2020-06-29
2025-06-29
no

Hailiang Real Estate Holding Group Co., Ltd. Zhejiang Hailiang Co., Ltd.

1.2 billion yuan

2020-07-23

2021-07-22

no

Zhejiang Hailiang Co., Ltd.

Hailiang Group Co., Ltd.

400 million yuan

2020-12-11

2021-12-10

no

Zhejiang Hailiang Co., Ltd.

Hailiang Group Co., Ltd.

400 million yuan

2020-09-17

2021-09-16

no

Zhejiang Hailiang Co., Ltd.

Hailiang Group Co., Ltd.

20 million yuan

2020-12-21

2022-03-20

no

Zhejiang Hailiang Co., Ltd.

Hailiang Group Co., Ltd.

242 million yuan

2020-10-13

2021-10-13

no

(4) Funds borrowing from related parties

unit: yuan

Related party

Loan amount

Starting date

expiry date

illustrate

Pull in

Hailiang Group Finance Co., Ltd.

company

50,000,000.00 January 06, 2020

January 05, 2021

Returned in advance

Hailiang Group Finance Co., Ltd.

company

90,690,600.00 July 17, 2019

July 16, 2020

Returned

Hailiang Group Finance Co., Ltd.

company

24,765,510.00 July 22, 2019

July 21, 2020

Returned

Hailiang Group Finance Co., Ltd.

company

81,454,230.07 December 12, 2019

December 11, 2020

Returned

Hailiang Group Finance Co., Ltd.

company

65,045,969.93 December 16, 2019

December 15, 2020

Returned

Hailiang Group Finance Co., Ltd.

company

58,369,765.47 July 17, 2020

July 16, 2021
Returned in advance
Hailiang Group Finance Co., Ltd.
company
58,049,735.70 August 03, 2020
August 02, 2021
Returned in advance
Take out

(5) Remuneration of key management personnel

unit: yuan
project
Current period
Previous period
Executive compensation
5,973,667.50
6,351,782.33

(6) Other related transactions

The company signed the "Financial Service Agreement" with Hailiang Group Finance Co., Ltd. According to the content of the agreement, Hailiang Group Finance Co., Ltd.

The company will handle relevant financial services for the company within the scope permitted by its business scope, including but not limited to taking deposits, providing loans, and collecting Payment and settlement, handling financial and financing consultants, credit verification and related consulting, agency services, etc.

Deposit monetary funds of related parties
Ending balance
Amount at the beginning of the period

Amount
Proportion%
Amount
Proportion%

Hailiang Group Finance Co., Ltd.
1,804,590,643.89
43.00
2,113,956,722.26
51.73

6. Accounts receivable and payable by related parties

(1) Items receivable

unit: yuan
project name
Related party
Ending balance
Opening Balance
Book balance
Bad debt provision
Book balance
Bad debt provision
accounts receivable
Zhejiang Haiyuan Environmental Technology
Limited company
1,276,543.39
8,552.84
1,975,881.39
52,163.27
accounts receivable
Inner Mongolia Hailiang Real Estate
35,445.60
237.49

14,545.00
Prepayments
Mingkanghui Ecological Agriculture Collection
Mission Co., Ltd.

77,896.00

(2) Payable items

unit: yuan

project name

Related party

Book balance at the end of the period

Beginning book balance

accounts payable

Hailiang Group Co., Ltd.

101,204.24

accounts payable

Zhejiang Haiyuan Environmental Technology Co., Ltd.

72,500.00

13. Share-based payment

1. Overall situation of share-based payment

Applicable Not applicable

unit: yuan

The total amount of equity instruments granted by the company in the current period

0.00

The total amount of equity instruments exercised by the company in the current period

0.00

The total amount of all equity instruments invalidated by the company in the current period

176,400.00

The scope of the exercise price of the stock options issued by the company at the end of the period and the remaining period of the contract

not applicable.

The scope of the exercise price of other equity instruments issued by the company at the end of the period and the remaining period of the contract

According to the 2016 "Zhejiang Hailiang Co., Ltd.

Announcement of Stocks", the company provides incentives to

Xiang granted 25 million restricted shares, of which 2071.6 was granted for the first time

Million shares and 4 million shares reserved. The incentive plan is valid for 60 months,

Calculated from the date of first grant of restricted stock. Restrictions on first grant

Since the first grant date of the incentive plan 12 months after the stock, in the future

The rights will be exercised in three phases within 48 months, and the exercise ratios will be 30%, 30%,

40%. The company's first grant date September 1, 2016 actual grant limit

There are 20.716 million institutional stocks at a grant price of 3.8 yuan per share.

other instructions

without.

2. The situation of equity-settled share-based payment

Applicable Not applicable

unit: yuan

Method for determining the fair value of equity instruments on the grant date

BS option pricing model

The basis for determining the number of exercisable equity instruments

The company refers to the historical turnover rate, based on the equity instruments,

As well as the assessment of the company's performance for the year, the assessment of the organization where the individual belongs, and the assessment of the individual

The performance appraisal is determined.

Reasons for the significant difference between the current estimate and the previous estimate

without

The cumulative amount of equity-settled share-based payments included in the capital reserve

64,800,213.71

The total amount of expenses confirmed by equity-settled share payments in the current period

3,495,816.88

other instructions

without.

14. Commitments and contingencies

1. Important commitments

Important commitments that exist on the balance sheet date

The company has no major commitments that need to be disclosed.

2. Contingencies

(1) Important contingencies existing on the balance sheet date

1. External guarantee

guarantor

Guaranteed party

Guaranteed amount

Guarantee start date

Is the guarantee on the guarantee expiry date?

Fulfilled

Zhejiang Hailiang Co., Ltd.

Hailiang Group Co., Ltd.

400 million yuan 2020-12-11

2021-12-10

no

Zhejiang Hailiang Co., Ltd.

Hailiang Group Co., Ltd.

400 million yuan 2020-09-17

2021-09-16

no

Zhejiang Hailiang Co., Ltd.

Hailiang Group Co., Ltd.

20 million yuan 2020-12-21

2022-03-20

no

Zhejiang Hailiang Co., Ltd.

Hailiang Group Co., Ltd.

242 million yuan 2020-10-13

2021-10-13

no

2. The guarantee provided by the parent company to the subsidiary

guarantor

Guaranteed party

Guaranteed amount

Guarantee start date

Is the guarantee on the guarantee expiry date?

Fulfilled

Zhejiang Hailiang Co., Ltd.

Hailiang (Anhui) Copper Industry Co., Ltd.

100 million yuan

2020-12-31

2022-03-31

no

Zhejiang Hailiang Co., Ltd.

Hailiang (Anhui) Copper Industry Co., Ltd.

100 million yuan

2020-12-29

2021-12-28

no

Zhejiang Hailiang Co., Ltd.

Hailiang (Anhui) Copper Industry Co., Ltd.

100 million yuan

2020-09-04

2021-08-17

no

Zhejiang Hailiang Co., Ltd.

Chongqing Hailiang Copper Industry Co., Ltd.

100 million yuan

2020-05-20

2021-05-14

no

Zhejiang Hailiang Co., Ltd.

Chongqing Hailiang Copper Industry Co., Ltd.

100 million yuan

2020-09-25

2021-10-25

no

Zhejiang Hailiang Co., Ltd.

Shanghai Hailiang Copper Industry Co., Ltd.

\$55 million

2017-01-01
2021-02-28
no
Zhejiang Hailiang Co., Ltd.
Shanghai Hailiang Copper Industry Co., Ltd.
USD 33.15 million
2019-02-15
2024-02-14
no
Zhejiang Hailiang Co., Ltd.
Shanghai Hailiang Copper Industry Co., Ltd.
70 million yuan
2020-03-27
2021-03-26
no

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Zhejiang Hailiang Co., Ltd.
Guangdong Hailiang Copper Industry Co., Ltd.
300 million yuan
2019-12-31
2020-12-31

no
Zhejiang Hailiang Co., Ltd.
Guangdong Hailiang Copper Industry Co., Ltd.
150 million yuan
2020-01-08
2021-01-08
no

Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
US\$40 million
2019-06-10
2021-06-15
no

Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
8 million euros
2019-06-10
2021-06-15
no

Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
28 million USD
2020-08-06
2023-09-18
no

Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
\$25 million
2018-06-28
2022-11-16
no

Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
10 million USD
2018-06-25
2022-11-16
no

Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
30 million USD
2019-10-11
2022-02-20
no

Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.

300 million yuan
2020-12-15
2021-12-14
no
Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
\$22.173814 million
2020-08-06
2026-08-30
no
Zhejiang Hailiang Co., Ltd.
Hongkong Hailiang Copper Trading Co., Ltd.
20 million USD
2020-06-05
2023-06-05
no
Zhejiang Hailiang Co., Ltd.
Hong Kong Hailiang Holdings Co., Ltd.
90 million euros
2020-02-03
2023-08-03
no
Zhejiang Hailiang Co., Ltd.
Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
11 million yuan
2020-04-13
2021-04-30
no
Zhejiang Hailiang Co., Ltd.
Hailiang Otto Copper Tube (Guangdong) Co., Ltd.
150 million yuan
2020-10-10
2021-10-10
no

15. Events after the balance sheet date

1. Profit distribution

unit: yuan

Proposed distribution of profits or dividends

143,658,813.08

Profits or dividends declared after deliberation and approval

0.00

16. Other important matters

1. Branch information

(1) Determining basis and accounting policy of report segment

The company determines the operating segment based on the internal organizational structure, management requirements, and internal reporting system, and determines the report based on the operating segment Branch. Operating segment refers to the component that meets the following conditions at the same time:

- (1) This component can generate income and expenses in daily activities;
- (2) The management can regularly evaluate the operating results of the component to determine the allocation of resources to it and evaluate its performance;
- (3) Be able to obtain relevant accounting information such as the financial status, operating results and cash flow of the component.

If two or more operating segments have similar economic characteristics and at the same time have the same or similarities in the following aspects, they can be combined into one

Each business segment: the nature of each individual product or service; the nature of the production process; the customer type of the product or service; the sale of products or the provision of services

The way; the production of products and the provision of labor services are affected by laws and administrative regulations.

(2) Report the financial information of the segment

unit: yuan

Copper Pipe Processing Business Department
 Copper Bar Processing Business Department
 other
 Inter-segment elimination
 total
 I. Operating income
 70,299,893,366.67
 6,319,115,505.64
 2,440,816,636.66 -32,539,732,666.25 46,520,092,842.72
 2. Operating costs
 68,937,680,130.93
 6,092,256,475.00
 2,188,604,969.27 -32,485,597,845.44 44,732,943,729.76
 3. For associates and joint ventures
 Industry investment income
 124,374,012.56
 124,374,012.56
 4. Credit impairment loss
 -5,348,391.24
 -6,752,802.38
 -26,328,655.13
 -38,429,848.75
 5. Asset impairment losses
 6. Depreciation and amortization
 260,371,351.74
 91,954,629.55
 20,429,215.55
 372,755,196.84
 7. Total profit
 774,515,897.88
 -121,241,787.06
 241,969,304.71
 895,243,415.53
 8. Income tax expenses
 217,388,108.55
 -59,921,946.13
 37,752,489.35
 195,218,651.77
 9. Net profit
 557,127,789.33
 -61,319,840.93
 204,216,815.36
 700,024,763.76
 10. Total assets
 18,512,181,555.16
 3,004,255,806.65
 4,603,166,243.42
 26,119,603,605.23
 11. Total liabilities
 12,465,031,723.34
 2,272,550,375.81
 1,167,698,788.01
 15,905,280,887.16

17. Notes on the main items of the financial statements of the parent company

1. Accounts receivable

(1) Disclosure of accounts receivable by classification

unit: yuan

category

Ending balance

Opening Balance

Book balance

Bad debt provision

Book value

Book balance

Bad debt provision

Book value

Amount

Proportion

Amount

Withdrawal ratio

example
Amount
Proportion
Amount accrual ratio
Accrual of bad debts per item
Accounts receivable

17,507,8

88.19

0.44%

17,507,8

88.19

100.00%

0.00

17,507,88

8.19

0.62%

17,507,88

8.19

100.00%

0.00

in:

Accrual of bad debts based on portfolio

Accounts receivable

3,965,53

8,575.34

99.56%

8,708,05

8.69

0.22%

3,956,830

,516.65

2,797,216

,224.12

99.38%

10,391,17

0.28

0.37%

2,786,825,0

53.84

in:

Combination 1: Copper processing customers

558,998,

049.21

14.03%

8,708,05

8.69

1.56%

550,289,9

90.52

752,089,2

70.92

26.72%

10,391,17

0.28

1.38%

741,698,10

0.64

Combination 2: Association within the merger

square

3,406,54

0,526.13

85.53%

3,406,540

,526.13

2,045,126

,953.20

72.66%

2,045,126,9

53.20

total

3,983,04

6,463.53
100.00%
26,215.9
46.88
0.66%
3,956,830
,516.65
2,814,724
,112.31
100.00%
27,899,05
8.47
0.99%
2,786,825,0
53.84

Single item provision for bad debts: 17,507,888.19 yuan.

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unit: yuan

name

Ending balance

Book balance

Bad debt provision

Withdrawal ratio

Reason for provision

Customer H

11,534,115.35

11,534,115.35

100.00% is not expected to be recovered

Customer A

2,760,528.87

2,760,528.87

100.00% is not expected to be recovered

Customer E

1,573,315.60

1,573,315.60

100.00% is not expected to be recovered

Customer F

672,567.43

672,567.43

100.00% is not expected to be recovered

Customer G

400,895.01

400,895.01

100.00% is not expected to be recovered

Customer D

363,158.03

363,158.03

100.00% is not expected to be recovered

Customer B

112,349.73

112,349.73

100.00% is not expected to be recovered

Customer C

90,958.17

90,958.17

100.00% is not expected to be recovered

total

17,507,888.19

17,507,888.19

-

-

Provision for bad debts on a single item basis:

unit: yuan

name

Ending balance

Book balance

Bad debt provision
Withdrawal ratio
Reason for provision
Provision for bad debts by combination: 8,708,058.69 yuan.

unit: yuan

name

Ending balance

Book balance

Bad debt provision

Withdrawal ratio

Receivable copper processing customers:

Within 1 year

553,713,315.02

3,709,705.96

0.67%

1 to 2 years

514,704.30

228,322.84

44.36%

More than 2 years

4,770,029.89

4,770,029.89

100.00%

total

558,998,049.21

8,708,058.69

-

Description of the basis for determining the combination:

According to the nature of financial instruments, the company assesses whether the credit risk has increased significantly on the basis of individual financial assets or a combination of financial assets. Our company

According to the characteristics of credit risk, the notes and accounts receivable are divided into several combinations, and the expected credit loss is calculated on the basis of the combination, and the combination is determined

The basis is as follows:

Accounts Receivable Portfolio 1: Copper Processing Customers

Accounts Receivable Portfolio 2: Environmentally Friendly Customers

Accounts receivable portfolio 3: related parties in the merger

Provision for bad debts by combination:

unit: yuan

name

Ending balance

Book balance

Bad debt provision

Withdrawal ratio

Description of the basis for determining the combination:

If the provision for bad debts of accounts receivable is accrued in accordance with the general model of expected credit losses, please refer to the disclosure of other accounts receivable to disclose the relevant information of bad debts:

Applicable Not applicable

For accounts receivable divided into portfolios, the company refers to historical credit loss experience, combined with current conditions and forecasts of future economic conditions, and compiled

Compile a comparison table between the aging of accounts receivable and the expected credit loss rate for the entire duration to calculate the expected credit loss.

Disclosure by age

unit: yuan

Aging

Book balance

Within 1 year (including 1 year)

3,960,253,841.15

1 to 2 years

514,704.30

2 to 3 years

22,277,918.08

total

3,983,046,463.53

(2) The provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

unit: yuan

category

Opening Balance

Changes in the current period

Ending balance

Accrual

Take back or switch back

Write off

other

Standard for bad debts of accounts receivable

Prepare

27,899,058.47

-1,683,111.59

26,215,946.88

total

27,899,058.47

-1,683,111.59

26,215,946.88

Among them, the amount of bad debt provision for the current period to be recovered or reversed is important:

unit: yuan

company name

Amount recovered or reversed

Recovery method

(3) The top five accounts receivable of the ending balance collected by the owing party

unit: yuan

company name

Ending balance of accounts receivable

Percent of the total balance of accounts receivable at the end of the period

proportion

Ending balance of bad debt provision

First place

2,909,306,949.49

73.04%

Second place

261,266,915.67

6.56%

Third place

74,261,003.97

1.86%

497,548.73

fourth place

70,595,725.63

1.77%

the fifth place

63,161,201.27

1.59%

423,180.05

2. Other receivables

unit: yuan

project

Ending balance

Opening Balance

Other receivables

359,031,705.15

198,961,862.86

total

359,031,705.15

198,961,862.86

(1) Other receivables

1) Classification of other receivables according to the nature of the money

unit: yuan

Nature of Payment

Book balance at the end of the period

Beginning book balance

Reserve fund

259,217.33

4,336,544.69

Margin

354,509,346.00

119,067,048.00

Current payment

3,977,353.45

85,683,888.22

Employee housing subsidy loans

5,108,474.98

other

3,007,420.96

523,230.91

Bad debt provision

-7,830,107.57

-10,648,848.96

total

359,031,705.15

198,961,862.86

2) Provision for bad debts

unit: yuan

Bad debt provision

The first stage

second stage

The third stage

total

Expected letter for the next 12 months

Use loss

Lifetime expected credit loss

(No credit impairment occurred)

Lifetime expected credit loss

(Credit impairment has occurred)

Balance as of January 1, 2020

10,648,848.96

10,648,848.96

The balance on January 1, 2020

This period

—

—

—

—

Withdrawal for the current period

-2,818,741.39

-2,818,741.39

Balance as of December 31, 2020

7,830,107.57

7,830,107.57

Changes in the book balance with significant changes in the loss provision for the current period

Applicable Not applicable

Disclosure by age

unit: yuan

total
366,861,812.72

3) The provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

unit: yuan

category

Opening Balance

Changes in the current period

Ending balance

Accrual

Take back or switch back

Write off

other

Standard for bad debts of other receivables

Prepare

10,648,848.9

6

-2,818,741.39

7,830,107.57

total

10,648,848.9

6

-2,818,741.39

7,830,107.57

without.

Among them, the amount of reversal or recovery of the current bad debt provision is important:

unit: yuan

company name

Reversed or recovered amount

Recovery method

without.

4) Other accounts receivable of the top five ending balances collected by the owing party

unit: yuan

company name

Nature of payment

Ending balance

Aging

At the end of the period of other receivables

Proportion of total balance

Ending balance of bad debt provision

Unit one

Futures Margin

199,708,172.00 Within 1 year

54.44%

Unit two

Futures Margin

96,672,564.00 Within 1 year

26.35%

Unit Three

Futures Margin

58,078,610.00 Within 1 year

15.83%

Unit Four

Current payment

2,550,000.00 3-4 years

0.70%

2,550,000.00

Unit Five

Current payment

1,377,757.23 2-3 years

0.38%

1,377,757.23

total

-

358,387,103.23

-

97.70%

3,927,757.23

3. Long-term equity investment

unit: yuan

project
Ending balance
Opening Balance

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Book balance
Provision for impairment
Book value
Book balance
Provision for impairment
Book value
Investment in subsidiary
6,577,656,438.55
6,577,656,438.55 6,177,789,257.49
6,177,789,257.49
For associates and joint ventures
Industry investment
1,384,305,156.35
1,384,305,156.35 1,308,210,947.58
1,308,210,947.58
total
7,961,961,594.90
7,961,961,594.90 7,486,000,205.07
7,486,000,205.07

(1) Investment in subsidiaries

unit: yuan

Investee

Opening balance (account

Face value)

Changes in the current period

Ending balance (book

value)

End of impairment provision

Balance

Additional investment

Reduce investment

Provision for impairment

other

Zhejiang Keyu Metal

Material Co., Ltd.

366,877,363.4

4

366,877,363.44

Zhejiang Hailiang International

trade co., LTD

10,000,230.81

10,000,230.81

Hong Kong Hailiang Copper Trade

Easy Limited

608,023,880.9

3

118,567,881.0

6

726,591,761.99

Zhejiang Copper Processing Research Institute

Research Institute Co., Ltd.

10,716,298.03

10,716,298.03

Shanghai Hailiang Copper

Limited company

484,531,986.8

4

484,531,986.84

Hailiang America

6,832,500.00

6,832,500.00

Vietnam Hailiang Metal

Products Co., Ltd.
 60,696,700.00
 60,696,700.00
 Hailiang (Vietnam) Copper
 Industry Co., Ltd.
 322,894,901.9
 9
 322,894,901.99
 Hailiang (Anhui) Copper
 Industry Co., Ltd.
 530,000,000.0
 0
 530,000,000.00
 Guangdong Hailiang Copper
 Limited company
 500,000,000.0
 0
 500,000,000.00
 Zhejiang Hailiang Environment
 Material Co., Ltd.
 924,853,569.6
 2
 924,853,569.62
 JMFCcompany
 170,117,333.5
 1
 170,117,333.51
 Zhejiang Hailiang New Material
 Material Co., Ltd.
 90,000,000.00
 90,000,000.00
 Hailiang Otto Copper Tube
 (Guangdong) Co., Ltd.
 707,654,108.9
 6
 707,654,108.96

6

6,577,656,438.

55

(2) Investment in associates and joint ventures

unit: yuan

Investment unit

Opening Balance

(Book price

value)

Changes in the current period

Ending balance

(Book price

value)

Provision for impairment

Ending balance

Additional investment reduces investment

Under the equity method

Confirmed vote

Capital gains and losses

Other comprehensive

Income adjustment

Other rights

change

Announcement

Cash dividend

Or profit

Provision for impairment

Prepare

other

1. Joint venture

2. Joint ventures

Bank of Ningxia

Limited shares

company

682,369,3

83.45

35,903,63

6.00

-9,037,05

0.80

-9,760,00

0.00

699,475,9

68.65

Hailiang Group

Limited finances

Responsible company

625,841,5

64.13

58,987,62

3.57

684,829,1

87.70

Subtotal

1,308,210

,947.58

94,891,25

9.57

-9,037,05

0.80

-9,760,00

0.00

1,384,305

,156.35

total

1,308,210

,947.58

94,891,25

9.57

-9,037,05

0.80

-9,760,00
0.00
1,384,305
,156.35

4. Operating income and operating costs

unit: yuan

project

Current period

Previous period

income

cost

income

cost

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Main business

9,325,067,044.07

8,870,659,226.43

9,472,283,605.57

9,006,318,459.43

Other business

12,744,736,058.56

12,705,084,941.07

10,209,889,447.20

10,197,459,709.74

total

22,069,803,102.63

21,575,744,167.50

19,682,173,052.77

19,203,778,169.17

Income related information:

unit: yuan

Contract classification

Division 1

Division 2

total

in:

in:

in:

in:

in:

in:

in:

Information related to performance obligations:

The company's revenue is mainly from the sale of copper processed products. According to the contract or agreement signed with the customer, the company judges that the company's performance obligations are Performance obligations performed at a certain point in time.

The company judges that it will complete the transfer of commodity control rights at the following points in time and confirm revenue, specifically:

(1) Domestic sales meet the following conditions at the same time:

- 1) According to the delivery method agreed in the sales contract, the goods are sent to the customer or the customer picks up, and the customer's receipt or inspection receipt is obtained;
- 2) The amount of sales revenue has been determined, the sales invoice has been issued, the payment has been received or is expected to be recovered;
- 3) The cost of selling products can be calculated reasonably.

(2) The timing of foreign sales revenue recognition: According to the "General Rules for the Interpretation of International Trade Terms", the timing of the main risk transfer of various trade methods Requirements confirmation. The company mainly exports in the form of FOB and CIF.

The company recognizes revenue when the following conditions are met at the same time:

- 1) The product has been declared for export, and the customs declaration form and bill of lading have been obtained;
- 2) The amount of product export income has been determined, the payment has been received or is expected to be recovered, and an export sales invoice has been issued;
- 3) The cost of export products can be calculated reasonably.

According to the contract signed by the company and the customer, usually before the delivery to the customer, the company will pre-collect part of the payment, and the remaining payment will be in the product. After delivery and acceptance by the customer, the company will receive the sales invoice after it is issued. In the contract signed between the company and the customer, the company is the main responsible person, undertake the performance obligation to transfer the control of the goods to the customer, and assume the responsibility for quality assurance. At the same time, according to the sales contracts signed with different customers, some

There may be sales rebates in the sales contract. In addition, in some sales contracts, the company may assume transportation obligations, because the company and the customer do not separately agree on the price of the transportation service. The transaction price agreed by the customer does not separately agree on the price of the transportation service. The company shares the delivery of the transportation obligation according to the purchase cost of the transportation service.

Easy price.

Information related to the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the amount of revenue corresponding to the performance obligations that have been signed, but not yet performed or not yet completed is RMB 0.00, of which RMB is expected to be recognized in the year

Revenue, Yuan is expected to be recognized as revenue in the year, and Yuan is expected to be recognized as revenue in the year.

other instructions:

without.

5. Investment income

unit: yuan

project

Current period

Previous period

Long-term equity investment income calculated by cost method

260,602,798.97

26,442,000.00

Long-term equity investment income calculated by the equity method

94,891,259.57

91,581,593.24

Investment income from the disposal of long-term equity investments

13,807,699.48

Investment income of trading financial assets during the holding period

4,097,373.48

Investment income from disposal of trading financial assets

-4,993,150.98

68,483,892.00

Derecognition income of financial assets measured at amortized cost

-49,819,061.42

-54,862,480.41

other

-15,000.00

total

300,666,846.14

149,550,077.79

18. Supplementary information

1. Current non-recurring profit and loss schedule

Applicable Not applicable

unit: yuan

project

Amount

illustrate

Non-current asset disposal gains and losses

4,733,742.59

Government subsidies included in the current profit and loss (closed to corporate business

All relevant, in accordance with the national unified standard for fixed or quantitative sharing

Except for government subsidies received)

119,301,428.85

In addition to the effective hedging related to the company's normal business operations

In addition to value business, holding transactional financial assets, derivative funds

Financial assets, transactional financial liabilities, derivative financial liabilities

Gains and losses arising from changes in fair value, and disposal transactions

Financial assets, derivative financial assets, transactional finance
Obtaining of liabilities, derivative financial liabilities and other debt investments
Investment income
150,287,680.30
Other non-operating income and expenses other than the above
1,166,623.67
Less: the impact of income tax
27,382,800.78
Amount of influence of minority shareholders' equity
16,316.56
total
248,090,358.07
-

For the company's non-recurring profit and loss items defined in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public-Non-recurring Profits and Losses", as well as the
The non-recurring gains and losses listed in the "Explanatory Announcement No. 1 Non-recurring Gains and Losses" of the
Development Bank Securities are defined as recurring gains and losses.

Explain the reason.

Applicable Not applicable

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2. Return on net assets and earnings per share

Profit during the reporting period

Weighted average return on equity

Earnings per share

Basic earnings per share (yuan/share) Diluted earnings per share (yuan/share)

Net profit attributable to common shareholders of the company

7.01%

0.3472

0.3267

Attributable to the company after deducting non-recurring gains and losses

Net profit of common shareholders

4.45%

0.2201

0.2149

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Section 13 List of Reference Documents

1. It contains the signatures of the person in charge of the company, the person in charge of accounting work, and the person in charge of the accounting organization (accounting officer) and

Stamped financial statements.

2. The originals and official copies of all company documents publicly disclosed on the information disclosure media designated by the China Securities Regulatory Commission during the reporting period

Manuscript of the report.

3. The 2020 annual report with the signature of the legal representative of the company.

4. Other documents for reference.

The above-mentioned documents are kept in the company's securities investment department for reference.

Zhejiang Hailiang Co., Ltd.

Chairman: Zhu Zhangquan

April 30, 2021