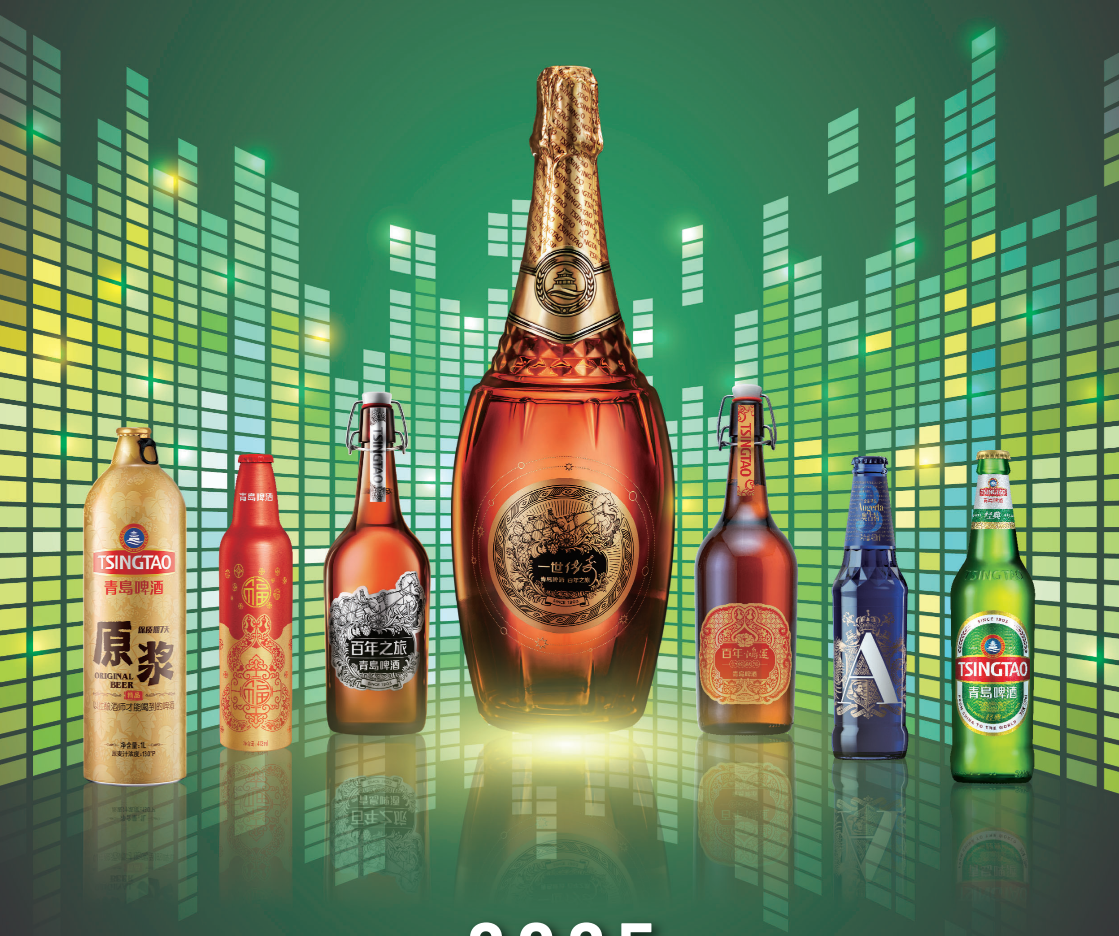
青島啤酒股份有限公司
TSINGTAO BREWERY CO., LTD.

(Stock Code 股份代號：168)



2025
中期報告
INTERIM REPORT

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TSINGTAO BREWERY COMPANY LIMITED
CONSOLIDATED AND THE COMPANY'S BALANCE SHEETS

AS AT 30 JUNE 2025

RMB

Item	*Notes*	**30 June 2025 Consolidated**	31 December 2024 Consolidated	**30 June 2025 The Company**	31 December 2024 The Company
Current Assets:					
Cash at bank and on hand	*(V) 1*	**16,842,451,076**	17,978,772,896	**4,567,034,260**	4,441,690,675
Financial assets held for trading	*(V) 2*	**5,179,128,769**	2,021,804,089	**4,276,947,634**	1,013,496,918
Accounts receivable	*(V) 3, (XVII) 1*	**168,937,584**	102,420,347	**1,867,601,573**	1,504,521,958
Advances to suppliers	*(V) 4*	**235,599,682**	241,896,760	**83,571,443**	109,301,675
Other receivables	*(V) 5, (XVII) 2*	**90,523,821**	83,284,378	**259,925,755**	69,213,725
Including: Dividends receivable		**-**	-	**193,948,800**	-
Inventories	*(V) 6, (XVII) 3*	**2,072,677,300**	3,576,387,537	**619,580,338**	1,631,619,369
Current portion of non-current assets	*(V) 7*	**29,869,178**	51,713,930	**-**	-
Other current assets	*(V) 8*	**612,352,807**	1,132,635,624	**143,867,245**	587,163,872
Total Current Assets		**25,231,540,217**	25,188,915,561	**11,818,528,248**	9,357,008,192
Non-current Assets:					
Debt investments		**-**	-	**74,564**	139,405
Long-term equity investments	*(V) 9, (XVII) 4*	**376,172,130**	391,873,803	**12,844,981,635**	12,764,528,838
Other non-current financial assets	*(V) 10*	**2,287,107,100**	2,498,379,750	**-**	-
Investment properties	*(V) 11*	**38,523,643**	41,138,918	**28,782,791**	31,379,907
Fixed assets	*(V) 12*	**11,626,580,462**	11,817,650,634	**2,485,331,809**	2,556,850,846
Construction in progress	*(V) 13*	**1,042,612,979**	630,874,619	**592,164,232**	382,478,370
Right-of-use assets	*(V) 14*	**124,382,826**	115,672,625	**46,973,815**	46,790,596
Intangible assets	*(V) 15*	**2,624,289,241**	2,684,120,584	**575,767,685**	588,440,165
Goodwill	*(V) 16*	**1,307,103,982**	1,307,103,982	**-**	-
Long-term prepaid expenses	*(V) 17*	**68,083,823**	85,702,449	**13,934,991**	16,703,102
Deferred tax assets	*(V) 18*	**2,105,365,800**	1,930,039,528	**1,240,490,627**	1,157,149,024
Other non-current assets	*(V) 19*	**5,537,237,814**	4,728,913,379	**6,409,091,025**	4,651,391,377
Total Non-current Assets		**27,137,459,800**	26,231,470,271	**24,237,593,174**	22,195,851,630
TOTAL ASSETS		**52,369,000,017**	51,420,385,832	**36,056,121,422**	31,552,859,822

CONSOLIDATED AND THE COMPANY'S BALANCE SHEETS (Cont'd)

AS AT 30 JUNE 2025

RMB

Item	*Notes*	**30 June 2025 Consolidated**	31 December 2024 Consolidated	**30 June 2025 The Company**	31 December 2024 The Company
Current Liabilities:					
Short-term borrowings		**-**	-	**2,702,545,278**	600,620,000
Notes payable	*(V) 20*	**276,951,287**	217,159,673	**84,644,628**	137,893,869
Accounts payable	*(V) 21*	**4,320,829,644**	3,053,514,829	**6,827,856,524**	3,942,270,234
Contract liabilities	*(V) 22*	**5,439,176,353**	8,312,560,682	**4,092,521,710**	6,653,508,377
Employee benefits payable	*(V) 23*	**1,784,165,778**	1,766,787,700	**877,258,982**	868,740,105
Taxes payable	*(V) 24*	**985,955,617**	392,937,002	**87,489,667**	60,503,158
Other payables	*(V) 25*	**4,693,616,928**	3,269,711,751	**2,423,594,749**	1,081,026,727
Including: Dividends payable		**1,460,701,740**	912,000	**1,441,152,192**	-
Current portion of non-current liabilities	*(V) 26*	**39,893,898**	42,063,828	**16,375,101**	16,660,284
Other current liabilities	*(V) 27*	**88,863,800**	467,595,834	**66,263,613**	400,435,699
Total Current Liabilities		**17,629,453,305**	17,522,331,299	**17,178,550,252**	13,761,658,453
Non-current Liabilities:					
Lease liabilities	*(V) 28*	**78,058,147**	68,236,710	**22,368,524**	19,798,942
Long-term payables	*(V) 29*	**16,033,772**	16,090,646	**-**	-
Long-term employee benefits payable	*(V) 30*	**712,734,837**	747,148,699	**528,878,547**	538,166,191
Deferred income	*(V) 31*	**2,922,319,279**	2,947,288,445	**272,691,195**	285,091,068
Deferred tax liabilities	*(V) 18*	**239,996,741**	259,748,022	**-**	-
Total Non-current Liabilities		**3,969,142,776**	4,038,512,522	**823,938,266**	843,056,201
TOTAL LIABILITIES		**21,598,596,081**	21,560,843,821	**18,002,488,518**	14,604,714,654
Shareholders' Equity:					
Share capital	*(V) 32*	**1,364,196,788**	1,364,196,788	**1,364,196,788**	1,364,196,788
Capital surplus	*(V) 33*	**4,198,149,470**	4,198,108,121	**5,286,368,083**	5,286,338,314
Less: Treasury stock	*(V) 34*	**22,222**	1,501,239	**22,222**	1,501,239
Other comprehensive income	*(V) 35*	**(155,781,316)**	(153,540,393)	**(157,683,000)**	(157,683,000)
Surplus reserve	*(V) 36*	**1,400,704,380**	1,400,704,380	**1,400,704,380**	1,400,704,380
General reserve	*(V) 37*	**301,761,292**	301,761,292	**-**	-
Undistributed profits	*(V) 38*	**22,853,747,997**	21,950,655,578	**10,160,068,875**	9,056,089,925
Total equity attributable to shareholders of the Company		**29,962,756,389**	29,060,384,527	**18,053,632,904**	16,948,145,168
Non-controlling interests		**807,647,547**	799,157,484	**/**	/
TOTAL SHAREHOLDERS' EQUITY		**30,770,403,936**	29,859,542,011	**18,053,632,904**	16,948,145,168
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**52,369,000,017**	51,420,385,832	**36,056,121,422**	31,552,859,822

The accompanying notes form an integral part of the financial statements.

Head of the Company:	*Chief Financial Officer:*	*Head of Accounting Department:*
JIANG Zong Xiang	**HOU Qiu Yan**	**SUN Zhuo Han**

TSINGTAO BREWERY COMPANY LIMITED
CONSOLIDATED AND THE COMPANY'S INCOME STATEMENTS

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025

RMB

Item	Notes	**Period from 1 January to 30 June 2025 Consolidated**	Period from 1 January to 30 June 2024 Consolidated	**Period from 1 January to 30 June 2025 The Company**	Period from 1 January to 30 June 2024 The Company
I. Revenue	*(V) 39, (XVII) 5*	**20,491,167,745**	20,068,307,930	**15,619,152,310**	15,591,477,476
Less: *Cost of sales*	*(V) 39, (XVII) 5*	**11,537,070,863**	11,719,203,916	**11,396,200,180**	11,725,097,270
Taxes and surcharges	*(V) 40*	**1,398,844,628**	1,344,517,938	**396,044,220**	389,259,467
Selling and distribution expenses	*(V) 41*	**2,187,282,017**	2,169,269,528	**1,355,650,938**	1,307,588,392
General and administrative expenses	*(V) 42*	**682,991,956**	666,502,368	**249,015,691**	232,530,809
Research and development expenses	*(V) 43*	**43,711,961**	29,405,848	**45,082,295**	29,405,848
Finance expenses	*(V) 44*	**(207,791,457)**	(290,996,043)	**(26,444,019)**	(66,739,688)
Including: Interest expenses		**4,846,659**	11,174,771	**30,342,103**	970,640
Interest income		**222,322,168**	315,777,423	**64,829,436**	77,207,922
Add: Other income	*(V) 45*	**194,953,690**	286,034,209	**39,802,772**	32,512,293
Investment income	*(V) 46, (XVII) 6*	**41,235,057**	61,406,766	**2,346,893,089**	808,065,594
Including: Share of profit of associates and a joint venture		**26,647,332**	19,983,389	**23,392,953**	16,773,013
Profits arising from changes in fair value (Losses are listed with "-")	*(V) 47*	**53,498,908**	137,218,767	**34,144,403**	32,508,356
Credit impairment losses (Losses are listed with "-")	*(V) 48*	**(505,690)**	195,277	**49,452,023**	7,535,302
Asset impairment losses (Losses are listed with "-")	*(V) 49*	**-**	(3,026,192)	**-**	-
Gains on disposal of assets (Losses are listed with "-")	*(V) 50*	**112,105,570**	(189,507)	**494,516**	396,144
II. Operating profit		**5,250,345,312**	4,912,043,695	**4,674,389,808**	2,855,353,067
Add: Non-operating income	*(V) 51*	**14,829,809**	4,213,577	**2,519,663**	669,613
Less: Non-operating expenses	*(V) 52*	**2,017,721**	6,622,709	**327,233**	121,211
III. Total profit		**5,263,157,400**	4,909,634,563	**4,676,582,238**	2,855,901,469
Less: Income tax expenses	*(V) 53*	**1,289,191,082**	1,188,505,811	**571,370,354**	514,334,628
IV. Net profit		**3,973,966,318**	3,721,128,752	**4,105,211,884**	2,341,566,841
(I) Classified by continuity of operations:					
1. Net profit from continuing operations		**3,973,966,318**	3,721,128,752	**4,105,211,884**	2,341,566,841
(II) Classified by ownership of the equity:					
1. Attributable to shareholders of the Company		**3,904,325,353**	3,641,652,772	**4,105,211,884**	2,341,566,841
2. Attributable to non-controlling interests		**69,640,965**	79,475,980	**/**	/

CONSOLIDATED AND THE COMPANY'S INCOME STATEMENTS (Cont'd)

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025

RMB

Item	*Notes*	**Period from 1 January to 30 June 2025 Consolidated**	Period from 1 January to 30 June 2024 Consolidated	**Period from 1 January to 30 June 2025 The Company**	Period from 1 January to 30 June 2024 The Company
V. Other comprehensive income, net of tax		**(2,603,882)**	214,504	**-**	-
(I) Other comprehensive income attributable to shareholders of the Company, net of tax		**(2,240,923)**	176,135	**-**	-
1. Items that will not be subsequently reclassified to profit or loss		**-**	-	**-**	-
(1) Changes in remeasurement of defined benefit plan		**-**	-	**-**	-
2. Items that will be subsequently reclassified to profit or loss		**(2,240,923)**	176,135	**-**	-
(1) Shares of other comprehensive income of investees accounted for using the equity method that will be subsequently reclassified to profit or loss		**683,436**	(108,885)	**-**	-
(2) Currency translation differences		**(2,924,359)**	285,020	**-**	-
(II) Other comprehensive income attributable to non-controlling interests, net of tax		**(362,959)**	38,369	**/**	/
VI. Total comprehensive income		**3,971,362,436**	3,721,343,256	**4,105,211,884**	2,341,566,841
Attributable to owners of the Company		**3,902,084,430**	3,641,828,907	**4,105,211,884**	2,341,566,841
Attributable to non-controlling interests		**69,278,006**	79,514,349	**/**	/
VII. Earnings per share:					
(I) Basic earnings per share (RMB/Share)	*(V) 54*	**2.862**	2.672	**/**	/
(II) Diluted earnings per share (RMB/Share)	*(V) 54*	**2.862**	2.672	**/**	/

The accompanying notes form an integral part of the financial statements.

Head of the Company: **JIANG Zong Xiang**
Chief Financial Officer: **HOU Qiu Yan**
Head of Accounting Department: **SUN Zhuo Han**

TSINGTAO BREWERY COMPANY LIMITED

CONSOLIDATED AND THE COMPANY'S CASH FLOW STATEMENTS

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025

RMB

	Notes	**Period from 1 January to 30 June 2025 Consolidated**	Period from 1 January to 30 June 2024 Consolidated	**Period from 1 January to 30 June 2025 The Company**	Period from 1 January to 30 June 2024 The Company
I. Cash Flows from Operating Activities:					
Cash receipts from the sale of goods and the rendering of services		**20,287,330,721**	20,708,991,798	**14,796,091,245**	15,272,830,764
Receipts of tax refunds		**6,668,509**	18,723,526	**3,228,813**	5,856,392
Other cash receipts relating to operating activities	*(V) 56(1)*	**539,284,516**	735,366,385	**142,365,437**	184,203,788
Sub-total of cash inflows from operating activities		**20,833,283,746**	21,463,081,709	**14,941,685,495**	15,462,890,944
Cash payments for goods purchased and services received		**8,190,134,871**	8,516,220,206	**8,576,903,142**	9,679,519,090
Cash payments to and on behalf of employees		**2,715,115,188**	2,618,603,397	**916,812,563**	937,879,210
Payments of various types of taxes		**3,309,472,183**	2,851,272,881	**1,290,346,876**	1,002,651,616
Other cash payments relating to operating activities	*(V) 56(2)*	**1,819,017,347**	1,763,112,715	**1,372,729,136**	1,333,481,439
Sub-total of cash outflows from operating activities		**16,033,739,589**	15,749,209,199	**12,156,791,717**	12,953,531,355
Net Cash Flow from Operating Activities	*(V) 57(1)*	**4,799,544,157**	5,713,872,510	**2,784,893,778**	2,509,359,589
II. Cash Flows from Investing Activities:					
Cash receipts from disposals and recovery of investments	*(V) 56(3)*	**8,107,661,353**	4,520,765,500	**121,900,000**	688,000,000
Cash receipts from investment income		**288,114,829**	252,547,108	**2,170,073,237**	51,092,328
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		**77,385,995**	120,229,379	**1,819,424**	2,371,697
Other cash receipts relating to investing activities	*(V) 56(5)*	**23,125,971**	174,881,118	**3,725**	4,761,980
Sub-total of cash inflows from investing activities		**8,496,288,148**	5,068,423,105	**2,293,796,386**	746,226,005
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		**949,329,514**	1,045,436,663	**350,512,479**	324,892,594
Cash payments to acquire investments	*(V) 56(4)*	**10,150,510,698**	10,839,802,830	**5,101,900,000**	4,098,065,000
Other cash payments relating to investing activities	*(V) 56(6)*	**12,910,774**	135,081,052	**872,647**	3,848,833
Sub-total of cash outflows from investing activities		**11,112,750,986**	12,020,320,545	**5,453,285,126**	4,426,806,427
Net Cash Flow from Investing Activities		**(2,616,462,838)**	(6,951,897,440)	**(3,159,488,740)**	(3,680,580,422)

CONSOLIDATED AND THE COMPANY'S CASH FLOW STATEMENTS (Cont'd)

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025

RMB

	Notes	Period from 1 January to 30 June 2025 Consolidated	Period from 1 January to 30 June 2024 Consolidated	Period from 1 January to 30 June 2025 The Company	Period from 1 January to 30 June 2024 The Company
III. Cash Flows from Financing Activities:					
Cash receipts from borrowings		**-**	-	**2,500,000,000**	-
Other cash receipts relating to financing activities		**469,350**	103,400	**-**	35,400
Sub-total of cash inflows from financing activities		**469,350**	103,400	**2,500,000,000**	35,400
Cash repayments of borrowings		**-**	-	**400,000,000**	-
Cash payments for distribution of dividends or profits or settlement of interest expenses		**1,596,443,595**	43,901,542	**1,581,859,233**	-
Including: Payments for distribution of dividends or profits to non-controlling interests by subsidiaries		**42,150,800**	37,387,000	**/**	/
Other cash payments relating to financing activities	*(V) 56(7)*	**28,108,738**	52,645,323	**13,078,397**	13,779,153
Sub-total of cash outflows from financing activities		**1,624,552,333**	96,546,865	**1,994,937,630**	13,779,153
Net Cash Flow from Financing Activities		**(1,624,082,983)**	(96,443,465)	**505,062,370**	(13,743,753)
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		**2,486,767**	1,555,954	**(6,064,369)**	(216,842)
V. Net Increase (Decrease) in Cash and Cash Equivalents	*(V) 57(1)*	**561,485,103**	(1,332,912,441)	**124,403,039**	(1,185,181,428)
Add: Opening balance of cash and cash equivalents		**4,046,010,946**	9,292,085,271	**4,413,184,813**	5,366,639,531
VI. Closing Balance of Cash and Cash Equivalents	*(V) 57(2)*	**4,607,496,049**	7,959,172,830	**4,537,587,852**	4,181,458,103

The accompanying notes form an integral part of the financial statements.

Head of the Company:	*Chief Financial Officer:*	*Head of Accounting Department:*
JIANG Zong Xiang	**HOU Qiu Yan**	**SUN Zhuo Han**

TSINGTAO BREWERY COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025

RMB

	Period from 1 January to 30 June 2025								
	Attributable to shareholders of the Company								
Item	**Share capital**	**Capital surplus**	**Less: Treasury stock**	**Other comprehensive income**	**Surplus reserve**	**General reserve**	**Undistributed profits**	**Non-controlling interests**	**Total shareholders' equity**
I. Balance at 1 January 2025	**1,364,196,788**	**4,198,108,121**	**1,501,239**	**(153,540,393)**	**1,400,704,380**	**301,761,292**	**21,950,655,578**	**799,157,484**	**29,859,542,011**
II. Changes for the period	**-**	**41,349**	**(1,479,017)**	**(2,240,923)**	**-**	**-**	**903,092,419**	**8,490,063**	**910,861,925**
(I) Total comprehensive income	**-**	**-**	**-**	**(2,240,923)**	**-**	**-**	**3,904,325,353**	**69,278,006**	**3,971,362,436**
(II) Owners' contributions and reduction in capital	**-**	**36,487**	**(1,266,350)**	**-**	**-**	**-**	**-**	**405**	**1,303,242**
1. Share-based payments recognized in shareholders' equity	**-**	**36,487**	**(1,266,350)**	**-**	**-**	**-**	**-**	**405**	**1,303,242**
(III) Profit distribution	**-**	**-**	**(212,667)**	**-**	**-**	**-**	**(3,001,232,934)**	**(60,788,348)**	**(3,061,808,615)**
1. Distribution to shareholders	**-**	**-**	**(212,667)**	**-**	**-**	**-**	**(3,001,232,934)**	**(60,788,348)**	**(3,061,808,615)**
(IV) Others	**-**	**4,862**	**-**	**-**	**-**	**-**	**-**	**-**	**4,862**
III.Balance at 30 June 2025	**1,364,196,788**	**4,198,149,470**	**22,222**	**(155,781,316)**	**1,400,704,380**	**301,761,292**	**22,853,747,997**	**807,647,547**	**30,770,403,936**

RMB

	Period from 1 January to 30 June 2024								
	Attributable to shareholders of the Company								
Item	Share capital	Capital surplus	Less: Treasury stock	Other comprehensive income	Surplus reserve	General reserve	Undistributed profits	Non-controlling interests	Total shareholders' equity
I. Balance at 1 January 2024	1,364,196,788	4,207,455,611	77,643,806	(81,061,345)	1,400,704,380	301,761,292	20,334,065,296	805,268,959	28,254,747,175
II. Changes for the period	-	20,715,452	(10,359,615)	176,135	-	-	913,259,196	16,351,353	960,861,751
(I) Total comprehensive income	-	-	-	176,135	-	-	3,641,652,772	79,514,349	3,721,343,256
(II) Owners' contributions and reduction in capital	-	21,850,302	(1,694,555)	-	-	-	-	493,534	24,038,391
1. Share-based payments recognized in shareholders' equity	-	21,850,302	(1,694,555)	-	-	-	-	493,534	24,038,391
(III) Profit distribution	-	-	(8,665,060)	-	-	-	(2,728,393,576)	(46,718,288)	(2,766,446,804)
1. Distribution to shareholders	-	-	(8,665,060)	-	-	-	(2,728,393,576)	(46,718,288)	(2,766,446,804)
(IV) Others	-	(1,134,850)	-	-	-	-	-	(16,938,242)	(18,073,092)
III. Balance at 30 June 2024	1,364,196,788	4,228,171,063	67,284,191	(80,885,210)	1,400,704,380	301,761,292	21,247,324,492	821,620,312	29,215,608,926

The accompanying notes form an integral part of the financial statements.

Head of the Company: **JIANG Zong Xiang**

Chief Financial Officer: **HOU Qiu Yan**

Head of Accounting Department: **SUN Zhuo Han**

TSINGTAO BREWERY COMPANY LIMITED

THE COMPANY'S STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Cont'd)

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2025

RMB

Item	Share capital	Capital surplus	Less: Treasury stock	Other comprehensive income	Surplus reserve	Undistributed profits	Total shareholders' equity
	Period from 1 January to 30 June 2025						
I. Balance at 1 January 2025	**1,364,196,788**	**5,286,338,314**	**1,501,239**	**(157,683,000)**	**1,400,704,380**	**9,056,089,925**	**16,948,145,168**
II. Changes for the period	**-**	**29,769**	**(1,479,017)**	**-**	**-**	**1,103,978,950**	**1,105,487,736**
(I) Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**4,105,211,884**	**4,105,211,884**
(II) Owners' contributions and reduction in capital	**-**	**36,892**	**(1,266,350)**	**-**	**-**	**-**	**1,303,242**
1. Share-based payments recognized in shareholders' equity	**-**	**36,892**	**(1,266,350)**	**-**	**-**	**-**	**1,303,242**
(III) Profit distribution	**-**	**-**	**(212,667)**	**-**	**-**	**(3,001,232,934)**	**(3,001,020,267)**
1. Distribution to shareholders	**-**	**-**	**(212,667)**	**-**	**-**	**(3,001,232,934)**	**(3,001,020,267)**
(IV) Others	**-**	**(7,123)**	**-**	**-**	**-**	**-**	**(7,123)**
III. Balance at 30 June 2025	**1,364,196,788**	**5,286,368,083**	**22,222**	**(157,683,000)**	**1,400,704,380**	**10,160,068,875**	**18,053,632,904**

RMB

Item	Share capital	Capital surplus	Less: Treasury stock	Other comprehensive income	Surplus reserve	Undistributed profits	Total shareholders' equity
	Period from 1 January to 30 June 2024						
I. Balance at 1 January 2024	1,364,196,788	5,271,029,372	77,643,806	(87,446,000)	1,400,704,380	8,831,408,866	16,702,249,600
II. Changes for the period	-	22,346,243	(10,359,615)	-	-	(386,826,735)	(354,120,877)
(I) Total comprehensive income	-	-	-	-	-	2,341,566,841	2,341,566,841
(II) Owners' contributions and reduction in capital	-	22,343,836	(1,694,555)	-	-	-	24,038,391
1. Share-based payments recognized in shareholders' equity	-	22,343,836	(1,694,555)	-	-	-	24,038,391
(III) Profit distribution	-	-	(8,665,060)	-	-	(2,728,393,576)	(2,719,728,516)
1. Distribution to shareholders	-	-	(8,665,060)	-	-	(2,728,393,576)	(2,719,728,516)
(IV) Others	-	2,407	-	-	-	-	2,407
III. Balance at 30 June 2024	1,364,196,788	5,293,375,615	67,284,191	(87,446,000)	1,400,704,380	8,444,582,131	16,348,128,723

The accompanying notes form an integral part of the financial statements.

Head of the Company: **JIANG Zong Xiang**

Chief Financial Officer: **HOU Qiu Yan**

Head of Accounting Department: **SUN Zhuo Han**

(I) BASIC INFORMATION ABOUT THE COMPANY

1. Company overview

Tsingtao Brewery Company Limited (the "Company") was established in the People's Republic of China on 16 June 1993. The Company obtained the business license as a Sino-foreign joint stock limited company on 27 December 1995. The registered address and head office address of the Company is Qingdao, Shandong province, the PRC, with a total share capital of RMB482,400,000 at establishment.

The Company's H shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited since 15 July 1993, and its A shares have been listed on the Shanghai Stock Exchange since 27 August 1993. The total share capital upon issue amounted to RMB900,000,000. Subsequently, the Company increased its total share capital to RMB1,308,219,178 after issuing new RMB ordinary shares and convertible corporate bonds, which were converted into H shares.

As approved by the Circular [2008] No. 445 issued by the China Securities Regulatory Commission, the Company issued convertible bonds with detachable warrants subscription rights on 2 April 2008 at a total size of RMB1.5 billion with the term of 6 years. Upon the exercise period ended on 19 October 2009, 42,763,617 additional A shares of the Company were issued domestically. The Company's total share capital was increased from 1,308,219,178 to 1,350,982,795.

In 2020, the Company implemented equity incentives with 13.2 million restricted shares, and the total number of shares of the Company was increased from 1,350,982,795 shares to 1,364,182,795 shares. In 2021, the Company granted 294,000 restricted shares to participants. From 2021 to 2023, the Company repurchased and cancelled 280,007 restricted shares. As at 30 June 2025, the total number of shares was 1,364,196,788.

The Company and its subsidiaries (collectively the "Group") are principally engaged in the production and distribution of beer products.

For the period from 1 January to 30 June 2025, the major subsidiaries included in the scope of consolidation are disclosed in Note (VII).

2. Date of approval for the issue of the financial statements

The Company's and consolidated financial statements were approved by the Company's Board of Directors on 26 August 2025.

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Preparation basis

The Group has adopted the Accounting Standards for Business Enterprises ("ASBEs") and relevant regulations issued by the Ministry of Finance. The Group also discloses relevant financial information in accordance with the "Rules Governing the Preparation of Information Disclosure by Publicly Offered Companies No. 15 - General Requirements for Financial Reporting (Revised in 2023)". In addition, the financial statements include relevant disclosures required by the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. Going concern

The Group assessed its ability to continue as a going concern for the 12 months from 30 June 2025 and did not notice any events or circumstances that may cast significant doubt upon its ability to continue as a going concern. The financial statements have been prepared on a going concern basis.

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

3. Basis of accounting and principle of measurement

The Group has adopted the accrual basis of accounting. Except for certain financial instruments which are measured at fair value, the Group adopts the historical cost as the principle of measurement in the financial statements. Where assets are impaired, provisions for impairment are made in accordance with relevant requirements.

Where the historical cost is adopted as the measurement basis, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are measured at the amount of proceeds or assets received or the contractual amounts for assuming the present obligation, or, at the amounts of cash or cash equivalents expected to be paid to settle the liabilities in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Regardless of whether that price is directly observable or estimated using another valuation technique, fair values measured and disclosed in these financial statements are determined on such a basis.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than inputs included within Level 1, that are observable for the assets or liabilities, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the assets or liabilities.

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Statement of Compliance with the ASBEs

The financial statements of the Company have been prepared in accordance with the ASBEs, and present truly and completely, the consolidated and the Company's financial position as at 30 June 2025, and the consolidated and the Company's results of operations, changes in shareholders' equity and cash flows for the period from 1 January to 30 June 2025.

2. Accounting period

The Group has adopted the calendar year as its accounting year, i.e., from 1 January to 31 December.

3. Functional currency

Renminbi ("RMB") is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose RMB as their functional currency. The overseas subsidiaries of the Company determine Hong Kong Dollar (HKD), Macau Pataca (MOP) and Vietnamese Dong (VND) as their functional currencies based on the currencies of the primary economic environment in which they operate. The Company adopts RMB to prepare its financial statements.

4. Determination method for materiality criteria and basis for selection

An item in the financial statements is material if there is a reasonable expectation that its omission or misstatement would affect the economic decisions that users make on that basis. In judging materiality, the Group makes judgements based on the specific environment in which it operates, in terms of both the nature (whether it is part of the Group's ordinary activities, whether it significantly affects the Group's financial position, results of operations and cash flows, and other factors) and the amount of the item (as a proportion of the Group's key financial indicators, including revenue, net profit, total assets and total shareholders' equity, or the proportion of the amount of the item listed separately in the financial statements to which it belongs).

Item	Materiality criteria
Subsidiaries with significant non-controlling interests	Non-controlling interests in any individual subsidiary account for more than 1% of the consolidated shareholders' equity of the Group at the end of the period, or non-controlling interests in any individual subsidiary account for more than 25% of the consolidated noncontrolling interests of the Group at the end of the period
Significant joint ventures and associates	Carrying amount of long-term equity investments in any individual joint venture or associate accounts for more than 1% of the consolidated total assets of the Group at the end of the period

5. Accounting treatment of business combinations involving enterprises under common control and business combinations not involving enterprises under common control

Business combinations are classified into business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

5.1 Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

Assets and liabilities obtained shall be measured at their respective carrying amounts as recorded by the combined entities at the date of the combination. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination is adjusted to share premium under capital surplus. If the capital surplus is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss for the period in which they are incurred.

5.2 Business combination not involving enterprises under common control and goodwill

A business combination not involving enterprises under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

The cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree. The intermediary expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other associated general and administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

5. **Accounting treatment of business combinations involving enterprises under common control and business combinations not involving enterprises under common control (Cont'd)**

5.2 Business combination not involving enterprises under common control and goodwill (Cont'd)

The acquiree's identifiable assets, liabilities and contingent liabilities, acquired by the acquirer in a business combination, that meet the recognition criteria shall be measured at fair value at the acquisition date.

Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is treated as an asset and recognized as goodwill, which is measured at cost on initial recognition. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer firstly reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and measurement of the cost of combination. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer recognizes the remaining difference immediately in profit or loss for the current period.

Goodwill arising from a business combination is measured at cost less accumulated impairment losses, and is presented separately in the consolidated financial statements.

6. **Judgment criteria for control and preparation of consolidated financial statements**

6.1 Judgment criteria for control

Control is the power over the investee, exposures or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to the elements of control.

6.2 Preparation of consolidated financial statements

The scope of consolidation in the consolidated financial statements is determined on the basis of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary.

For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

6. Judgment criteria for control and preparation of consolidated financial statements (Cont'd)

6.2 Preparation of consolidated financial statements (Cont'd)

No matter when the business combination occurs in the Reporting Period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated statement of profit or loss and other comprehensive income and consolidated cash flow statement, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company.

Influence over the consolidated financial statements arising from intra-group transactions are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as non-controlling interests and presented as "non-controlling interests" under shareholders' equity in the consolidated balance sheet. The portion of net profit or loss of subsidiaries for the period attributable to non-controlling interests is presented as "profit or loss attributable to non-controlling interests" under "net profit" in the consolidated income statement.

When losses attributable to the minority shareholders of a subsidiary in the Group's consolidated financial statements exceeds the minority shareholders' share of the opening balance of owners' equity of the subsidiary, the excess amount is still allocated against non-controlling interests.

Acquisition of non-controlling interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Company's interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is adjusted to capital surplus under owners' equity. If the capital surplus is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

7. Classification and accounting treatment of joint arrangements

A joint arrangement is classified into joint operation and joint venture, depending on the rights and obligations of the parties to the arrangement, which is assessed by considering the structure and the legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. The Group's joint arrangements are joint ventures.

The Group accounts for investments in joint ventures using equity method. Refer to Note (III) "14.3.2 Long-term equity investments accounted for using the equity method" for details.

8. Recognition criteria of cash and cash equivalents

Cash comprises cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are the Group's short-term (generally due within three months from the acquisition date), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

9. Translation of transactions and financial statements denominated in foreign currencies

9.1 Translation of transactions

Foreign currency transactions are translated at initial recognition using the spot exchange rates at the dates of the transactions.

At the balance sheet date, foreign currency monetary items are translated into RMB using the spot exchange rates at the balance sheet date. Exchange differences arising from the differences between the spot exchange rates prevailing at the balance sheet date and those on initial recognition or at the previous balance sheet date are recognized in profit or loss for the period.

When the consolidated financial statements include foreign operation(s), if there is foreign currency monetary item constituting a net investment in a foreign operation, exchange difference arising from changes in exchange rates are recognized as "exchange differences arising on translation of financial statements denominated in foreign currencies" in other comprehensive income, and in profit or loss for the period upon disposal of the foreign operation.

Foreign currency non-monetary items measured at historical cost are translated to the amounts in functional currency at the spot exchange rates on the dates of the transactions. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes of exchange rate) and is recognized in profit or loss or as other comprehensive income.

9.2 Translation of financial statements denominated in foreign currencies

For the purpose of preparing the consolidated financial statements, financial statements of a foreign operation are translated from the foreign currency into RMB using the following method: assets and liabilities on the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date; shareholders' equity items are translated at the spot exchange rates at the dates on which such items arose; all items in the income statement as well as items reflecting the distribution of profits are translated at exchange rates that approximate the actual spot exchange rates on the dates of the transactions; The difference between the translated assets and the aggregate of liabilities and shareholders' equity items is recognized as other comprehensive income and included in shareholders' equity.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at an exchange rate which approximates the spot exchange rate on the date of the cash flows. The effect of foreign exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the cash flow statement as "effect of foreign exchange rate changes on cash and cash equivalents".

The closing balances and the comparative figures of the prior year are presented at the translated amounts in the financial statements.

10. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are measured at fair value on initial recognition (the method of determining the fair value of financial assets and financial liabilities is set out in related disclosure of basis of accounting and principle of measurement under Note (II)). For financial assets and financial liabilities at fair value through profit or loss, transaction costs are immediately recognized in profit or loss. For other financial assets and financial liabilities, transaction costs are included in their initial recognized amounts. For accounts receivable excluding significant financing components or regardless of financing components of contracts less than on year recognized based on Accounting Standards for Business Enterprises No. 14 - Revenue, accounts receivable initially recognized shall be measured at transaction price defined based on the Revenue Standard on initial recognition.

The amortized cost of a financial asset or a financial liability is the initially recognized amount net of principal repaid, plus or less the cumulative amortized amount arising from amortization of the difference between the initially recognized amount and the amount at the maturity date using the effective interest method, and then net of cumulative loss allowance (only applicable to financial assets).

10.1 Classification, recognition and measurement of financial assets

After initial recognition, the Group's financial assets of various types are subsequently measured at amortized cost, at fair value through other comprehensive income ("FVTOCI") or at fair value through profit or loss ("FVTPL"), respectively.

If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, such asset is classified into financial asset measured at amortized cost which include cash at bank and on hand, accounts receivable, other receivables, and debt investments, etc. The Group's debt investments with a maturity of more than one year from the date of acquisition are presented as other debt investments, and those maturing within one year (inclusive) from the balance sheet date are presented as current portion of non-current assets. Financial assets that meet the following conditions are classified as at FVTOCI: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets of such type are presented as other debt investments if they are due after one year since the acquisition, or presented under current portion of non-current assets if they are due within one year (inclusive) since the balance sheet date.

Financial assets at FVTPL include financial assets classified as at FVTPL and financial assets designated as at FVTPL:

- Financial assets not satisfying the criteria of classification as financial assets at amortized cost and financial assets at FVTOCI are classified as financial assets at FVTPL.

- Upon initial recognition, the Group may irrevocably designate the financial assets as at FVTPL if doing so eliminates or significantly reduces accounting mismatch.

Financial assets at FVTPL other than derivative financial assets are presented as held-for-trading financial assets. Financial assets with a maturity over one year since the balance sheet date (or without a fixed maturity) and expected to be held for over one year are presented under other non-current financial assets.

10. Financial instruments (Cont'd)

10.1 Classification, recognition and measurement of financial assets (Cont'd)

10.1.1 Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. Any gains or losses arising from impairment or derecognition are included in profit or loss. For financial assets at amortized cost, the Group recognizes interest income using the effective interest method.

10.1.2 Financial assets at FVTPL

Financial assets at FVTPL are subsequently measured at fair value, with gains or losses on changes in fair value and related dividends and interest income included in profit or loss for the period.

10.2 Impairment of financial instruments

For financial assets at amortized cost, the Group accounts for the impairment and recognizes the loss allowance on the basis of expected credit loss ("ECL").

For all notes receivable and accounts receivable arising from transactions regulated by the Revenue Standards, the Group measures the loss allowance at an amount equivalent to the lifetime ECL.

For other financial instruments, the Group assesses the changes in credit risk since initial recognition of relevant financial instruments at each balance sheet date. If the credit risk has increased significantly since initial recognition of the financial instruments, the Group recognizes the loss allowance at an amount equivalent to lifetime ECL; if the credit risk has not increased significantly since initial recognition of the financial instruments, the Group recognizes the loss allowance at an amount equivalent to 12-month ECL. The increase or reversal of credit loss allowance for financial assets other than those classified as at FVTOCI is recognized as an impairment loss or gain and included in profit or loss for the period.

Where the Group has measured the loss allowance at an amount equivalent to lifetime ECL of a financial instrument in prior accounting period, but the financial instrument no longer satisfies the criteria of significant increase in credit risk since initial recognition at the current balance sheet date, the Group recognizes the loss allowance of the financial instrument at an amount equivalent to 12-month ECL at the current balance sheet date, with any resulting reversal of loss allowance recognized as impairment gains in profit or loss for the period.

10.2.1 Significant increase in credit risk

The Group makes use of reasonable and supportable forward-looking information that is available to determine whether credit risk has increased significantly since initial recognition through comparing the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition.

10. Financial instruments (Cont'd)

10.2 Impairment of financial instruments (Cont'd)

10.2.2 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Based on the Group's internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

10.2.3 Determination of ECL

The Group determines the ECL of relevant financial instruments using the following method:

For notes receivable and accounts receivable arising from daily operations such as the sales of goods and rendering of services, regardless of whether there is a significant financing component, the Group measures the loss allowance at an amount equivalent to lifetime ECL.

Except for the above notes receivable and accounts receivable, at each balance sheet date, the ECL of financial instruments at different stages is measured separately. If there is no significant increase in the credit risk of a financial instrument since initial recognition (Stage I), the Group measures the loss allowance based on the 12-month ECL; if there is a significant increase in the credit risk of a financial instrument since initial recognition but it is not credit-impaired (Stage II), the Group measures the loss allowance based on the lifetime ECL; and if a financial instrument has become credit-impaired since initial recognition (Stage III), the Group measures the loss allowance based on the lifetime ECL.

For the financial instruments with lower credit risk at the balance sheet date, the Group assumes that the credit risk has not significantly increased since the initial recognition (Stage I), and measures the loss allowance based on the 12-month ECL.

For the financial instruments in Stage I and Stage II, the interest income is calculated by applying the effective interest rate to the gross carrying amount (before net of impairment provision). For the financial instruments in Stage III, the interest income is calculated by applying the effective interest rate to the amortized cost (gross carrying amount net of impairment provision).

10. Financial instruments (Cont'd)

10.2 Impairment of financial instruments (Cont'd)

10.2.3 Determination of ECL (Cont'd)

The credit risk characteristics of financial assets in each class for which expected credit losses are calculated on an individual basis are significantly different from those of other financial assets within that class. When the ECL of an individual financial asset cannot be evaluated at a reasonable cost, the Group classifies receivables into different portfolios based on their credit risk characteristics and calculates ECL on a portfolio basis. The basis for grouping and the method for provision are as follows:

Portfolio of bank acceptances	Banks with lower credit risk
Portfolio of accounts receivable	Dealers, with overdue date as the starting point for default
Portfolio of accounts receivable	Subsidiaries, with overdue date as the starting point for default
Portfolio of other receivables	Guarantee deposits
Portfolio of other receivables	Receivables from subsidiaries
Portfolio of other receivables	Receivables from other entities

The Group's measurement of ECL of financial instruments reflects factors including unbiased probability weighted average amount recognized by assessing a series of possible results, time value of money, reasonable and supportable information related to historical events, current condition and forecast of future economic position that is available without undue cost or effort at the balance date.

For accounts receivable and notes receivable arising from daily operations which are classified into portfolios, such as the sales of goods and rendering of services, the Group calculates ECL with reference to historical credit loss experience, taking into account current conditions and forecasts of future economic conditions, and based on the exposure at default and the lifetime ECL rates. For other receivables which are classified into portfolios, the Group calculates ECL with reference to historical credit loss experience, taking into account current conditions and forecasts of future economic conditions, and based on the exposure at default and the 12-month ECL or lifetime ECL rates.

The Group recognizes the loss allowance made or reversed in profit or loss for the period.

10.2.4 Written-off of financial assets

The Group shall directly reduce the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

10. Financial instruments (Cont'd)

10.3 Transfer of financial assets

The Group derecognizes a financial asset if one of the following conditions is satisfied: (1) the contractual rights to the cash flows from the financial asset expire; or (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset are transferred to the transferee; or (3) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control of the financial asset.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred; and (2) the sum of the consideration received from the transfer and any cumulative gain or loss that has been recognized in other comprehensive income, is recognized in profit or loss.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognize the transferred financial asset in its entirety. The consideration received from transfer of assets is recognized as a liability upon receipt.

10.4 Classification of financial liabilities and equity instruments

Financial instruments issued by the Group or their components are classified into financial liabilities or equity instruments on the basis of not only the legal form but also the contractual arrangements and their economic substance, together with the definition of financial liability and equity instrument.

10.4.1 Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

10.4.1.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading (including derivative financial liabilities) and financial liabilities designated as at FVTPL. The Group has no financial liabilities designated as at fair value through profit or loss. Except for derivative financial liabilities which are presented separately, financial liabilities at FVTPL are presented as financial liabilities held for trading.

Financial liabilities held for trading are subsequently measured at fair value. Any profits or losses arising from changes in fair value and any dividend or interest cost paid on the financial liabilities are recognized in profit or loss for the period.

10.4.1.2 Other financial liabilities

Except for financial liabilities and financial guarantee contracts arising from transfer of financial assets that do not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets, other financial liabilities are subsequently measured at amortized cost, with gain or loss arising from derecognition or amortization recognized in profit or loss.

10. Financial instruments (Cont'd)

10.4 Classification of financial liabilities and equity instruments (Cont'd)

10.4.2 Derecognition of financial liabilities

The Group derecognizes a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. An agreement between the Group (an existing borrower) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognizes a financial liability or a part of it, it recognizes the difference between the carrying amount of the financial liability (or part of the financial liability) derecognized and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss for the period.

10.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognized as changes of equity. Change in fair value of equity instruments is not recognized by the Group. Transaction costs related to equity transactions are deducted from equity.

The Group recognizes the distribution to holders of the equity instruments as distribution of profits, and dividends paid do not affect total amount of shareholders' equity.

10.5 Offsetting financial assets and financial liabilities

Where the Group has a legal right that is currently enforceable to set off the recognized financial assets and financial liabilities, and intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

11. Accounts receivable

11.1 Determination basis and accounting treatment for ECL of accounts receivable

The Group determines the ECL of accounts receivable in accordance with Note (III) 10.2.3. The amount of increase or reversal of the allowance for ECL of accounts receivable is recognized as a credit impairment loss or gain in profit or loss.

11.2 Calculation of aging for portfolios of credit risk characteristics determined based on aging

The Group uses the aging of accounts receivable as a credit risk characteristic to determine its credit losses using an impairment matrix. The aging is calculated from their overdue date.

11.3 Judgment criteria for individual provision made for bad debts

The Group estimates the ECL of accounts receivable on an individual asset basis, considering the significant financial difficulty of the debtor, etc.

12. Other receivables

12.1 Determination basis and accounting treatment for ECL of other receivables

The Group determines the ECL of other receivables in accordance with Note (III) 10.2.3. The amount of increase or reversal of the allowance for ECL of other receivables is recognized as a credit impairment loss or gain in profit or loss.

12.2 Judgment criteria for individual provision made for bad debts

The Group estimates the ECL of other receivables on an individual asset basis, considering the significant financial difficulty of the debtor, etc.

13. Inventories

13.1 Category of inventories, valuation method of the inventories upon delivery, inventory system, amortization method for low-cost and short-lived consumables and packaging materials

13.1.1 Category of inventories

The Group's inventories mainly include raw materials, packaging materials, low-cost and short-lived consumables, work in progress and goods on hand, etc. Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

13.1.2 Valuation method of inventories upon delivery

The actual cost of inventories upon delivery is calculated using the weighted average method.

13.1.3 Inventory count system

The perpetual inventory system is maintained for stock system.

13.1.4 Amortization method for low-cost and short-lived consumables and packaging materials

Low-cost and short-lived consumables and packaging materials are amortized using the immediate write-off and straight-line amortization method, respectively.

13.2 Recognition criteria and accrual method for provision for decline in value of inventories

At the balance sheet date, inventories are measured at the lower of cost and net realizable value. If the net realizable value is below the cost of inventories, a provision for decline in value of inventories is made.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated expenses necessary to make the sale and the relevant taxes. Net realizable value is determined on the basis of clear evidence obtained, and takes into consideration the purposes of holding inventories and effect of post balance sheet events.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realizable value of inventories is higher than their carrying amount, the original provision for decline in value is reversed and the reversal is included in profit or loss for the period.

13. Inventories (Cont'd)

13.3 Category of portfolios for which the provision for decline in value of inventories is made on a portfolio basis and the basis for determining the provision, and the basis for determining the net realizable value of different categories of inventories

For inventories produced and sold in the same region and with the same or similar end-use, and cannot be practicably evaluated separately from other items in that product line, the Group makes provision for decline in value of inventories on an aggregate basis.

14. Long-term equity investments

14.1 Determination criteria of joint control and significant influence

Control is the power over the investee, exposures or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating policy decisions relating to the activity require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When determining whether an investing enterprise is able to exercise control or significant influence over an investee, the effect of potential voting rights of the investee (for example, warrants and convertible debts) held by the investing enterprises or other parties that are currently exercisable or convertible shall be considered.

14.2 Determination of initial investment cost

For a long-term equity investment acquired through business combination involving enterprises under common control, shares of carrying amount of owners' equity of combined party in financial statements of ultimate controlling party is recognized as initial investment cost of long-term equity investment at the date of combination. The difference between initial investment cost of long-term equity investment and cash paid, non-cash assets transferred and carrying amount of liabilities assumed, is adjusted in capital surplus. If the balance of capital surplus is not sufficient to absorb the difference, any excess is adjusted to retained earnings. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investment is the share of carrying amount of owners' equity of the acquired entity in the ultimate controlling party's consolidated financial statements at the date of combination. The aggregate face value of the shares issued is accounted for as share capital. The difference between the initial investment cost and the aggregate face value of the shares issued is adjusted to capital surplus. If the balance of capital surplus is not sufficient to absorb the difference, any excess is adjusted to retained earnings.

For a long-term equity investment acquired through business combination not involving enterprises under common control, the investment cost of the long-term equity investment is the cost of acquisition.

The intermediary expenses incurred by the combining party or acquirer in respect of auditing, legal services, valuation and consultancy services, etc., and other associated general and administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

Long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee, the cost of long-term equity investments is the sum of the fair value of previously-held equity investments determined in accordance with Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments (ASBEs No. 22) and the additional investment cost.

14. Long-term equity investments (Cont'd)

14.3 Subsequent measurement and recognition of profit or loss

14.3.1 Long-term equity investment accounted for using the cost method

The Company's separate financial statements adopted the cost method to account for the long-term equity investments in subsidiaries. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognized in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

14.3.2 Long-term equity investment accounted for using the equity method

The Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence and a joint venture is an entity over which the Group exercises joint control along with other investors.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognized in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, the Group recognizes its share of the net profit or loss and other comprehensive income of the investee for the period as investment income and other comprehensive income for the period. Meanwhile, carrying amount of long-term equity investment is adjusted: the carrying amount of long-term equity investment is decreased in accordance with its share of the investee's declared profit or cash dividends; Other changes in owners' equity of the investee other than net profit or loss and other comprehensive income are correspondingly adjusted to the carrying amount of the long-term equity investment, and recognized in the capital surplus. The Group recognizes its share of the investee's net profit or loss based on the fair value of the investee's individual identifiable assets, etc. at the acquisition date after making appropriate adjustments. When the investors' accounting policies and accounting period are inconsistent with those of the Company, the Company recognizes investment income and other comprehensive income after making appropriate adjustments to conform to the Company's accounting policies and accounting period. However, unrealized gains or losses resulting from the Group's transactions with its associates and joint ventures, which do not constitute a business, are eliminated based on the proportion attributable to the Group and then investment gains or losses or is recognized. However, unrealized losses resulting from the Group's transactions with its associates and joint ventures which represent impairment losses on the transferred assets are not eliminated.

14. Long-term equity investments (Cont'd)

14.3 Subsequent measurement and recognition of profit or loss (Cont'd)

14.3.2 Long-term equity investment accounted for using the equity method (Cont'd)

The Group discontinues recognizing its share of net losses of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, a provision is recognized according to the expected obligation, and recorded as investment loss for the period. Where net profit is subsequently made by the investee, the Group resumes recognizing its share of the profit only after its share of the profit exceeds the share of loss previously not recognized.

14.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and receivable and the carrying amount is recognized in profit or loss for the period. For a long-term equity investment accounted for using the equity method, if remaining shares after the disposal are still accounted for using the equity method, other comprehensive income is accounted on the basis of directly disposed related assets and liabilities of investee and carried forward proportionately; Other owners' equity recognized from changes of owners' equity except for net profit or loss, other comprehensive income and profit distribution is recognized in profit or loss of current period and carried forward proportionately.

15. Investment properties

Investment property is property held to earn rentals or for capital appreciation or both. It includes a land use right that is leased out; a land use right held for transfer upon capital appreciation; and a building that is leased out.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the cost can be measured reliably. Other subsequent expenditures are recognized in profit or loss for the period in which they are incurred.

The Group adopts the cost model for subsequent measurement of investment properties. Investment properties are depreciated over their useful lives using the straight-line method. The estimated useful lives, estimated net residual value rates and annual depreciation (amortization) rates of each category of investment properties are as follows:

Category	Estimated useful life	Estimated net residual value rate	Annual depreciation (amortization) rate
Buildings	20 - 40 years	3% to 5%	2.4% to 4.9%
Land use rights	50 years	-	2.0%

An investment property is derecognized when it is disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal.

The difference between proceeds from sales, transfer, retirement or damage of an investment property, net of its carrying amount and related taxes, is recognized in profit or loss for the period.

16. Fixed assets

16.1 Recognition criteria

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of more than one accounting year. A fixed asset is recognized only when it is probable that economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably, which includes buildings, machinery and equipment, transportation vehicles and other equipment. Fixed assets are initially measured at cost. The fixed assets contributed by the State-owned shareholders at the time of reform of corporate system into a corporation are recognized based on the revaluated amounts approved by the state-owned assets administration department.

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset if it is probable that economic benefits associated with the asset will flow to the Group and the subsequent expenditures can be measured reliably. Meanwhile, the carrying amount of the replaced part is derecognized. Other subsequent expenditures are recognized in profit or loss for the period in which they are incurred.

16.2 Depreciation methods

A fixed asset is depreciated over its useful life using the straight-line method since the month subsequent to the one in which it is ready for intended use. The estimated useful life, estimated net residual value rate and annual depreciation rate of each category of fixed assets are as follows:

Category	Estimated useful life	Estimated net residual value rate	Annual depreciation rate
Buildings	20 - 40 years	3% to 5%	2.4% to 4.9%
Machinery and equipment	5 - 14 years	3% to 5%	6.8% to 19.4%
Transportation vehicles	5 - 12 years	3% to 5%	7.9% to 19.4%
Other equipment	5 - 10 years	3% to 5%	9.5% to 19.4%

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

16. Fixed assets (Cont'd)

16.3 Other explanations

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognized. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognized in profit or loss for the period.

The Group reviews the useful life and the estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and accounts for any change as a change in an accounting estimate.

17. Construction in progress

Construction in progress is measured at its actual costs. The actual costs include various construction expenditures during the construction period and other relevant costs. Construction in progress is not depreciated.

Construction in progress is transferred to a fixed asset when it is ready for intended use.

18. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized when expenditures for such asset and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Where funds are borrowed under a specific-purpose borrowing, the amount of interest to be capitalized is the actual interest expenses incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. Where funds are borrowed under general-purpose borrowings, the Group determines the amount of interest to be capitalized on such borrowings by applying a capitalization rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific-purpose borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

19. Intangible assets

19.1 Useful life and the basis for determination, estimation, method of amortization or review procedures

Intangible assets include land use rights, trademarks, technology known-how, marketing networks, software, and others.

Intangible assets are initially measured at cost. The intangible assets contributed by the State-owned shareholders at the time of reform of corporate system into a corporation are recognized based on the revaluated amounts approved by the state-owned assets administration department.

19. Intangible assets (Cont'd)

19.1 Useful life and the basis for determination, estimation, method of amortization or review procedures (Cont'd)

The amortization method, useful life and estimated net residual value of each category of intangible assets are as follows:

Category	Amortization method	Useful life (year)	Residual value rate (%)
Land use rights	Straight-line method	30 - 50 years	-
Trademarks - other trademarks	Straight-line method	5 - 10 years	-
Marketing networks	Straight-line method	5 - 10 years	-
Technology known-how	Straight-line method	10 years	-
Computer software	Straight-line method	5 - 10 years	-
Trademarks - "TSINGTAO BEER" trademark *(Note 1)*	An intangible asset with an indefinite useful life is not amortized		

For an intangible asset with a finite useful life, review of its estimated useful life and amortization method is performed at the end of each year, with adjustment made as appropriate.

Note 1: Trademarks mainly include the "TSINGTAO BEER" trademark which was contributed by the founding shareholders to the Company on 16 June 1993 as their capital contributions. The trademark is recorded based on the value assessed by the state-owned assets administration department. Based on the forecast of beer industry and the industry position of the Company, the management is of the view that the "TSINGTAO BEER" trademark has an indefinite useful life, accordingly, it is not subject to amortization but annual impairment assessments.

19.2 Scope of aggregation and accounting treatment of research and development expenditures

Expenditure during the research phase is recognized as an expense in the period in which it is incurred.

Expenditure during the development phase that meets all of the following conditions at the same time is recognized as intangible asset. Expenditure during development phase that does not meet the following conditions is recognized in profit or loss for the period:

(1) it is technically feasible to complete the intangible asset so that it will be available for use or sale;

(2) the Group has the intention to complete the intangible asset and use or sell it;

(3) the Group can demonstrate the ways in which the intangible asset will generate economic benefits, including the evidence of the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

(4) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and

(5) the expenditure attributable to the intangible asset during its development phase can be reliably measured.

19. Intangible assets (Cont'd)

19.2 Scope of aggregation and accounting treatment of research and development expenditures (Cont'd)

If the expenditures cannot be distinguished between the research phase and development phase, the Group recognizes all of them in profit or loss for the period. The cost of an intangible asset resulting from internal development activities includes only the total expenditure incurred from the point in time when the conditions for capitalization are met to the point in time when the intangible asset reaches its intended use, and no further adjustments are made to expenditures on the same intangible asset that have already been expensed and recognized in profit or loss before meeting the conditions for capitalization in the course of the development process.

The Group's research and development expenditures mainly include expenditures on materials consumed for the implementation of the Group's research and development activities, employees' remuneration for personnel involved in research and development activities, depreciation and amortization of assets used in research and development, such as equipment and software, research and development testing, and research and development technical service fees.

20. Impairment of long-term assets

The Group reviews the long-term equity investments, fixed assets, construction in progress, right-of-use assets, intangible assets with a finite useful life, investment properties measured under the cost model, other non-current assets - advances to suppliers for construction and equipment, etc., at each balance sheet date to determine whether there is any indication that they have suffered an impairment loss. If there is any indication that such assets may be impaired, recoverable amounts are estimated for such assets. Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired.

Recoverable amount is estimated on individual basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. The recoverable amount of an asset or asset group is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group.

If such recoverable amount is less than its carrying amount, a provision for impairment losses in respect of the deficit is recognized in profit or loss for the period.

Goodwill is tested for impairment at least at the end of each year. For the purpose of impairment testing, goodwill is considered together with the related asset group(s), i.e., goodwill is reasonably allocated to the related asset group(s) or each of asset group(s) expected to benefit from the synergies of the combination. An impairment loss is recognized if the recoverable amount of the asset group or sets of asset groups (including goodwill) is less than its carrying amount. The impairment loss is firstly allocated to reduce the carrying amount of any goodwill allocated to such asset group or sets of asset groups, and then to the other assets of the group pro-rata on the basis of the carrying amount of each asset (other than goodwill) in the group.

Once an impairment loss of the above-mentioned assets is recognized, it will not be reversed in any subsequent period.

21. Long-term prepaid expenses

Long-term prepaid expenses represent expenses incurred that should be borne and amortized over the current and subsequent periods (together of more than one year), including leasehold improvements, etc. Long-term prepaid expenses are amortized using the straight-line method over the expected periods in which benefits are derived.

22. Contract liabilities

Contract liability refers to the Group's obligation to transfer goods or services to a customer for consideration received or receivable from the customer. Contract assets and contract liabilities under the same contract will be presented on a net basis.

23. Employee benefits

23.1 Accounting treatment of short-term benefits

In an accounting period in which an employee has rendered service to the Group, the Group recognizes the short-term employee benefits for that service as a liability, and the related expenditures are either charged to profit or loss for the period when they are incurred or included in cost of related assets. Employee welfare expenses incurred by the Group are recognized in profit or loss for the period or the costs of relevant assets based on the actually incurred amounts when they are actually incurred. Non-monetary employee welfare expenses are measured at fair value.

Payment made by the Group of social security contributions for employees such as premiums or contributions on medical insurance, work injury insurance and maternity insurance, etc. and payments of housing funds, as well as labor union funds and employee education funds provided in accordance with relevant requirements, are calculated according to prescribed bases and percentages in determining the amount of employee benefits and recognized as relevant liabilities, with a corresponding charge to profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

23.2 Accounting treatment of post-employment benefits

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

In an accounting period in which an employee has rendered service to the Group, the amount payable calculated in accordance with the defined contribution plan is recognized as a liability by the Group and charged to profit or loss for the period, or included in cost of related assets.

For defined benefit plans, the Group calculates defined benefit plan obligations using projected unit credit method and the service cost resulting from employee service in the current period is recorded in profit or loss or the cost of related assets. Defined benefit costs are categorized as follows:

(1) service cost (including current service cost, past service cost, as well as gains and losses on settlements);

(2) net interest of net liabilities or assets of defined benefit plan (including interest income of planned assets, interest expenses of defined benefit plan liabilities and effect of asset ceiling); and

(3) Changes arising from remeasurement of net liabilities or net assets of defined benefit plans.

Service costs and net interest of net liabilities and net assets of defined benefit plans are recognized in profit or loss of current period or costs of related assets. Remeasurements of the net defined benefit liability (asset) (including actuarial gains and losses, the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)) are recognized in other comprehensive income.

23. Employee benefits (Cont'd)

23.3 Accounting treatment of termination benefits

A liability for a termination benefit is recognized in profit or loss at the earlier of when the Group cannot unilaterally withdraw from the termination plan or the redundancy offer and when it recognizes any related restructuring costs.

24. Share-based payments

A share-based payment is a transaction which the Group grants equity instruments, or incurs liabilities for amounts that are determined based on the price of equity instruments, in return for services rendered by employees. The Group's Restricted Share Incentive Scheme represents share-based payments granted by the Group to the relevant incentive recipients settled in consideration of the Company's own equity instruments.

24.1 Equity-settled share-based payments

Equity-settled share-based payments in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to employees at the grant date. Such amount is recognized as related costs or expenses on a straight-line basis over the vesting period, based on the best estimate of the number of equity instruments expected to vest/as related costs or expenses at the grant date, with a corresponding increase in capital surplus.

At each balance sheet date during the vesting period, the Group makes the best estimate according to the subsequent latest information of change in the number of employees who are granted with options that may vest, whether or not the required performance conditions have been met, etc. and revises the number of equity instruments expected to vest. The effect of the above estimate is recognized as related costs or expenses, with a corresponding adjustment to capital surplus.

25. Revenue

The Group's revenue is from the sales of goods.

The Group recognizes revenue based on the amount of consideration the Group expects to be entitled when the Group satisfies a performance obligation in the contract, namely, when the customer obtains control over relevant goods or services. A performance obligation is a commitment that the Group transfers a distinct good or service to a customer in the contract.

The Group assesses a contract at contract inception, identifies each individual performance obligation included in the contract, and determines whether the Group satisfies the performance obligation over time or the Group satisfies the performance obligation at a point in time. It is a performance obligation satisfied over time and the Group recognizes revenue over time according to the progress of performance if one of the following conditions is met: (1) the customer obtains and consumes economic benefits at the same time of the Group's performance; (2) the customer is able to control goods or services in progress during the Group's performance; (3) goods or services generated during the Group's performance have irreplaceable utilization, and the Group is entitled to collect amounts of cumulative performance part which have been done up to now. Otherwise, revenue is recognized at a point in time when the customer obtains control over the relevant goods or services.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to a customer. In determining the transaction price, the Group considers the impact of consideration payable to customers and other factors.

25. Revenue (Cont'd)

If the contract includes consideration payable to a customer, the Group shall account for consideration payable to a customer as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service, and recognized the reduction of revenue when (or as) the later of either of the following events occurs: 1) the Group recognizes revenue for the transfer of the related goods or services to the customer; and 2) the Group pays or promises to pay the consideration.

26. Government grants

Government grants are monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognized only when the Group can comply with the conditions attaching to the grant and the Group will receive the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable.

26.1 Basis of judgment and accounting treatment of government grants related to assets

The Group's government grants related to assets are stated in Note (V) 31. The relevant grants are government grants used to acquire, construct or otherwise form long-term assets, which are government grants related to assets.

A government grant related to an asset is recognized as deferred income, and charged to profit or loss over the useful lives of the related assets on a straight-line basis.

26.2 Basis of judgment and accounting treatment of government grants related to income

Government grants related to income are government grants other than those related to assets. The Group's government grants related to income are stated in Note (V) 45.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred income and recognized in profit or loss for the period in which the related costs or losses are recognized; if the grant is a compensation for related expenses or losses already incurred, the grant is recognized immediately in profit or loss for the period.

A government grant related to the Group's daily activities is recognized in other income based on the substance of economic activities; a government grant not related to the Group's daily activities is recognized in non-operating income.

27. Leases

A lease is a contract whereby the lessor conveys to the lessee in return for a consideration the right to use an asset for an agreed period of time.

27.1 The Group as lessee

27.1.1 Right-of-use assets

Except for short-term leases and leases of low-value assets, at the commencement date of the lease, the Group recognizes a right-of-use asset. The Group measures the right-of-use assets at cost.

The Group depreciates right-of-use assets by reference to the relevant depreciation provisions of Accounting Standards for Business Enterprises No. 4 - Fixed Assets. The Group follows the provisions of Accounting Standards for Business Enterprises No. 8 - Impairment of Assets to determine whether right-of-use assets are impaired and to account for the identified impairment losses.

27.1.2 Lease liabilities

Except for short-term leases and leases of low-value assets, at the commencement date of the lease, the Group measures the lease liabilities at the present value of the lease payments that are not paid at that date. Lease payments include, among other things, fixed payments and payments that would be required if it were reasonably certain that a purchase option or lease termination option would be exercised.

After the commencement date of the lease, the Group calculates interest expenses of lease liabilities for each period of the lease term based on fixed periodic rate, and recognizes such expenses in profit or loss or cost of related assets.

After the commencement date of the lease term, the Group remeasures the lease liabilities and adjusts the corresponding right-of-use assets if any of the following occurs. If the carrying amount of the right-of-use asset has been reduced to zero, but the lease liabilities need to be reduced further, the Group will recognize the difference in profit or loss for the period:

- there is a change in the lease term, or in the assessment of an option to purchase the underlying asset, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment;
- there is a change in the amounts expected to be payable under a residual value guarantee, or in future lease payments resulting from a change in an index or a rate used to determine those payments, in which case the related lease liability is remeasured by discounting the revised lease payments using the unchanged discount rate.

27.1.3 Basis of judgment and accounting treatment of short-term leases and leases of low-value assets as a simplified treatment for lessees

The Group chooses not to recognize right-of-use assets and lease liabilities for short-term leases of buildings, machinery and equipment, transportation vehicles, electronic equipment, appliances and furniture. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain a purchase option. A lease of low-value assets is a lease that the single underlying asset, when is new, is of low value.

27. Leases (Cont'd)

27.1 The Group as lessee (Cont'd)

27.1.4 Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the lease modification expanded the scope of the lease by adding the right-of-use of one or more lease assets; and

- the increased consideration is equivalent to the amount of stand-alone price of the expanded lease scope adjusted according to the contract.

If the lease modification is not accounted for as an individual lease, on the effective date of the lease modification, the Group reallocates the consideration of the contract after the change, re-determines the lease term, and re-measures lease liabilities based on the changed lease payments and the present value calculated by the revised discount rate.

27.2 The Group as lessor

27.2.1 Separating components of a lease

For a contract that contains lease components and non-lease components, the Group allocates the contract consideration in accordance with the Accounting Standards for Business Enterprises No. 14 - Revenue on allocation of transaction prices, based on the respective stand-alone prices of the lease components and the non-lease components.

27.2.2 Classification criteria and accounting treatment of leases as lessors

Leases are classified as finance leases whenever the terms of the leased assets transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

27.2.2.1 The Group as lessor under operating leases

Receipts of lease under operating leases are recognized as rental income on a straight-line basis over the term of the relevant lease. Initial direct costs related to operating leases incurred by the Group are capitalized when incurred, and are recognized in profit or loss for the current period on the same basis as recognition of rental income over the lease term.

28. Deferred tax assets/deferred tax liabilities

The income tax expenses include current income tax and deferred income tax.

28.1 Current income tax

At the balance sheet date, current income tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

28. Deferred tax assets/deferred tax liabilities (Cont'd)

28.2 Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognized as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognized using the balance sheet liability method.

Deferred tax is generally recognized for all temporary differences. Deferred tax assets for deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable profits (or deductible losses) at the time of transaction and will not result in taxable temporary differences and deductible temporary differences in equal amounts, no deferred tax asset or liability is recognized.

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible losses and tax credits can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the period in which the asset is realized or the liability is settled.

Current and deferred tax expenses or income are recognized in profit or loss for the period, except when they arise from transactions or events that are directly recognized in other comprehensive income or in shareholders' equity, in which case they are recognized in other comprehensive income or in shareholders' equity; and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilized. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

28.3 Income tax offsetting

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity which intend either to settle current tax assets and liabilities on a net basis or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

29. Critical judgements in applying accounting policies and key assumptions and uncertainties in accounting estimates

In the application of the Group's accounting policies, which are described in Note (III), the Group is required to make judgements, estimates and assumptions about the carrying amounts of items in the financial statements that cannot be measured accurately, due to the internal uncertainties of operating activities. These judgements, estimates and assumptions are based on historical experience of the Group's management as well as other factors that are considered to be relevant. Actual results may differ from these estimates.

The aforementioned judgements, estimates and assumptions are reviewed regularly on a going concern basis. The effect of a change in accounting estimate is recognized in the period of the change, if the change affects that period only; or recognized in the period of the change and future periods, if the change affects both.

Significant accounting estimates and key assumptions

At the balance sheet date, the key assumptions and uncertainties that are probable to cause significant adjustments to the carrying amounts of assets and liabilities in future periods include:

29.1 Accounting estimates on impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment. The recoverable amount of asset group or portfolio of asset groups is the present value of the expected future cash flows. Its calculation requires use of estimates (Note (V) 16).

If the management revises the sales growth rate during the forecast period, the perpetual growth rate, the gross profit margin or the pre-tax discount rate that are used in the calculation of the future cash flows of asset group or portfolio of asset groups, and the revised sales growth rate during the forecast period, the revised perpetual growth rate and the gross profit margin are lower than the rates currently used, or the revised pre-tax discount rate is higher than the one currently applied, the Group would need to recognize further impairment of goodwill. If the actual sales growth rate during the forecast period, the perpetual growth rate and gross profit margin are higher or pretax discount rate is lower than the management's estimates, the impairment losses of goodwill previously provided for shall not be reversed.

29.2 Accounting estimates on impairment of fixed assets

According to the accounting policies stated in Note (III) 16, the Group tests whether fixed assets have suffered any impairment on the balance sheet date. The recoverable amount of fixed assets is the higher of fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset. Its calculation requires the use of accounting estimates.

For the period from 1 January to 30 June 2025, the Group has not made impairment loss on fixed assets under assessment (for the period from 1 January to 30 June 2024: RMB3,026,192); As at 30 June 2025, the carrying amount of the provision for impairment of fixed assets is RMB503,117,130 (31 December 2024: RMB540,634,666) (Note (V) 12).

If the management revises the growth rate, gross profit margin or pre-tax discount rate that are used in the calculation of the future cash flows of the asset group to which fixed assets belong, and the growth rate and gross profit margin are lower than the rates currently used, or the revised pre-tax discount rate is higher than the one currently applied, the Group would need to recognize further impairment of fixed assets. If the actual growth rate and gross profit margin are higher or pretax discount rate is lower than the management's estimates, the impairment losses of fixed assets previously provided for shall not be reversed.

29. Critical judgements in applying accounting policies and key assumptions and uncertainties in accounting estimates (Cont'd)

Significant accounting estimates and key assumptions (Cont'd)

29.3 Accounting estimates on recognition of deferred tax assets

The estimates of deferred tax assets require estimates of future taxable income and applicable income tax rates of respective years. The realization of deferred tax assets depends on whether sufficient taxable income will be available in the future. The change in future income tax rates and timing of reversal of temporary differences would affect income tax expenses (benefits) and balance of deferred tax. Change in aforesaid estimates would result in material adjustment to deferred income tax.

As at 30 June 2025, the Group's deferred tax assets before offsetting amounted to RMB2,536,913,381 (31 December 2024: RMB2,342,757,380). As stated in Note (V) 18, as at 30 June 2025, the Group had unrecognized deferred tax assets amounting to approximately RMB564,980,000 (31 December 2024: RMB632,996,000), which were mainly attributable to the accumulated losses of certain subsidiaries of the Group that are deductible against taxable income under the tax law in the next five years and deductible temporary differences of these subsidiaries. The Group does not recognize deferred tax assets for such deductible losses and deductible temporary differences due to the fact that it is uncertain whether these subsidiaries would suffer losses or make profits and whether it is probable that sufficient taxable income will be available in future periods to allow the benefits of the deferred tax assets to be utilized. If the future taxable income of the subsidiaries is more than expected, additional deferred tax assets will be recognized.

29.4 Actuarial of supplementary post-employment benefits

As stated in Note (III) 23, the Group's obligations for supplementary post-employment benefits are estimated on an actuarial basis. The actuarial is the best estimate on the amount of supplementary post-employment benefits that the Group is committed to pay to eligible employees at the balance sheet date, in which discount rate is determined with reference to the yield of the government bonds of China and the mortality rate published by China Life Insurance Mortality Table 2010 - 2013. If the underlying assumptions change in the future, the actuarial estimates will change accordingly, which will be recognized in other comprehensive income in future years.

29.5 Measurement of ECL

The Group calculates the ECL based on the exposure at default and the ECL rate and determines the ECL rate based on the probability of default and the loss given default or based on an aging matrix. When determining the ECL rate, the Group uses internal historical credit loss experience and other data and adjusts the historical data in combination with the current conditions and forward-looking information.

When considering the forward-looking information, the Group considers different macroeconomic scenarios. The Group regularly monitors and reviews the important macroeconomic assumptions and parameters related to the calculation of ECL, including the risk of economic downturn, external market environment, changes in customer conditions, gross domestic product and consumer price index, etc. As at 30 June 2025, the Group has considered the uncertainties under different macroeconomic scenarios and updated relevant assumptions and parameters accordingly.

30. Significant changes in accounting policies

There were no significant changes in accounting policies during the Reporting Period.

(IV) TAXES

1. The main categories and tax rates are set out below:

Category of tax	Basis of tax computation	Tax rate
Enterprise income tax *(Note 1)*	Taxable income	3% - 12%, 15%, 16.5% 20% and 25%
Value-added tax ("VAT") *(Note 2)*	Taxable value-added amount (Tax payable is calculated using the taxable sales amount multiplied by the effective tax rate less deductible input VAT of the current period or calculated using the taxable sales amount multiplied by the effective tax rate)	13%, 9%, 6% and 3%
Consumption tax	Product types and prices Beer	Consumption tax per unit
	More than or equal to RMB3,000 per ton	RMB250 per ton
	Less than RMB3,000 per ton	RMB220 per ton
City maintenance and construction tax	VAT and consumption tax paid	5% and 7%
Education surcharge and local education surcharge	VAT and consumption tax paid	5%

Note 1: ***Enterprise income tax***

(i) Applicable tax rates:

All of the Group's intra-group companies located in Chinese Mainland are subject to an enterprise income tax rate of 25%, except for the subsidiary, Nanning Tsingtao Brewery Co., Ltd. ("Nanning Company"), which is subject to an enterprise income tax rate of 15% and some of its subsidiaries which are small and low-profit enterprises.

The Company's subsidiaries, Tsingtao Brewery Hong Kong Trading Co., Ltd. ("Hong Kong Company"), Asia Brewery (Macau) Co., Ltd. ("Macau Company") and Tsingtao Brewery Vietnam Co., Ltd. ("Vietnam Company"), were established in Hong Kong SAR, Macau SAR and Vietnam and subject to Hong Kong profits tax, Macau profits supplemental tax and Vietnam corporate income tax respectively.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated taxable income for the period. Macau profits supplemental tax has been provided at a progressive tax rate ranging from 3% to 12% on the estimated taxable income for the period. Vietnam corporate income tax has been provided at the rate of 20% on the estimated taxable income for the period.

(IV) TAXES (CONT'D)

1. The main categories and tax rates are set out below: (Cont'd)

Note 1: ***Enterprise income tax (Cont'd)***

(ii) Pursuant to the Notice issued by the Ministry of Finance and the State Administration of Taxation on the Deduction Policies of Relevant Enterprise Income Tax for Equipment and Instruments (Cai Shui [2018] No. 54) and the Announcement of the Ministry of Finance and the State Taxation Administration on Extending the Implementation Period of Certain Preferential Tax Policies (Cai Shui [2021] No. 6), during the period from 1 January 2018 to 31 December 2023, the newly purchased equipment under RMB5 million can be recognized in costs and expenses of the current period in the month after the assets are put into use, and can be deducted when calculating the taxable income (depreciation is no longer provided). Pursuant to the Notice issued by the Ministry of Finance and the State Administration of Taxation on the Deduction Policies of Relevant Enterprise Income Tax for Equipment and Instruments (Cai Shui [2023] No. 37), during the period from 1 January 2024 to 31 December 2027, the newly purchased equipment under RMB5 million can be recognized in costs and expenses of the current period in the month after the assets are put into use, and can be deducted when calculating the taxable income (depreciation is no longer provided).

(iii) According to Article 1 of the Announcement of the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on Continuing the Enterprise Income Tax Policies for the Large-Scale Development of Western China (Announcement [2020] No. 23), from 1 January 2021, to 31 December 2030, enterprises encouraged in industries located in the western regions shall be subject to a reduced enterprise income tax rate of 15%. This preferential tax policy applies to Nanning Company, a subsidiary of the Company.

Note 2: ***VAT***

The Group calculates output VAT at the rate of 13% on the sales revenue of beer and other products. The applicable VAT rates for the financial business income of Tsingtao Brewery Finance Co., Ltd. ("Finance Company") and the construction business income of Tsingtao Brewery Construction Co., Ltd. ("Construction Company") are 6% and 9% respectively. Input VAT paid for purchase of goods, machinery and equipment for production or taxable services can be deducted from output VAT. VAT payable is the balance of output tax less the deductible input tax.

Some subsidiaries of the Company are small-scale taxpayers and are subject to VAT at the rate of 3%.

Pursuant to the Announcement on Further Strengthening the Implementation of the Policies Regarding the Refund of Term-End Excess Input Value-Added Tax Credits (Cai Shui [2022] No. 14), the Announcement on Further Accelerating the Progress of Implementation of the Policies Regarding the Refund of Term-End Excess Input Value-Added Tax Credits (Cai Shui [2022] No. 17) and the Announcement on Keeping Accelerating the Implementation of the Policies Regarding the Refund of Term-End Excess Input Value-Added Tax Credits (Cai Shui [2022] No. 19) jointly issued by the Ministry of Finance and the State Taxation Administration, qualified small and micro enterprises and enterprises in the manufacturing industry and other industries can apply to the competent tax authorities for refund of outstanding VAT credits starting from the tax declaration period in April 2022; qualified small enterprises and medium-sized enterprises in the manufacturing industry and other industries can apply to the competent tax authorities for refund of outstanding VAT credits in one lump sum starting from the tax declaration period in May 2022; and qualified large enterprises in the manufacturing industry and other industries can apply to the competent tax authorities for refund of outstanding VAT credits in one lump sum starting from the tax declaration period in June 2022.

(IV) TAXES (CONT'D)

1. The main categories and tax rates are set out below: (Cont'd)

Note 3: ***Withholding enterprise income tax***

According to the Notice on the Issues concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-share Holders Which Are Overseas Nonresident Enterprises issued by the State Administration of Taxation on 6 November 2008 (Guo Shui Han [2008] No. 897), the Company shall withhold the enterprise income tax on the basis of 10% of the dividends, when it pays dividends to its H-share holders which are overseas nonresident enterprises.

2. Tax incentives

According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Industrial and Commercial Households (Announcement [2023] No. 12), the calculation for taxable income of small low-profit enterprises is reduced by 25% and the applicable enterprise income tax is 20%. The policy is extended to 31 December 2027.

(V) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash at bank and on hand

RMB

Item	30 June 2025	31 December 2024
Cash on hand	**79,509**	69,483
Bank deposits	**1,498,692,409**	2,952,526,043
Interbank deposits *(Note 1)*	**14,572,086,919**	14,270,488,863
Deposits in the central bank *(Note 2)*	**729,488,934**	718,530,910
Other monetary funds *(Note 3)*	**42,103,305**	37,157,597
Total	**16,842,451,076**	17,978,772,896
Including: Total funds deposited overseas *(Note 4)*	**131,370,226**	115,326,793

Note 1: Interbank deposits represent the bank deposits and interest receivable deposited in domestic banks by Finance Company, a subsidiary of the Company.

Note 2: Deposits in the central bank represent the statutory reserve and interest receivable deposited in the People's Bank of China by Finance Company, a subsidiary of the Company. As at 30 June 2025, the statutory reserve ratio is 5% (31 December 2024: 5%) of the balance of deposits.

Note 3: As at 30 June 2025, other monetary funds included housing maintenance fund of RMB33,374,726 deposited in the banks, balance of the e-commerce platform account of RMB8,727,124 and other deposits of RMB1,455 (31 December 2024: housing maintenance fund of RMB33,356,936 deposited in the banks, balance of the e-commerce platform account of RMB3,800,521 and other deposits of RMB140).

Note 4: As at 30 June 2025, the funds deposited overseas represent the cash on hand, bank deposits and interest receivable of Hong Kong Company, Macau Company and Vietnam Company held in Hong Kong, Macau and Vietnam respectively. There is no restriction on the repatriation of funds deposited overseas.

Note 5: As at 30 June 2025, the Group has cash at bank and on hand with restricted rights of use amounting to RMB762,865,115 (31 December 2024: RMB751,887,986), which are mainly statutory reserve, housing maintenance fund and other deposits placed with the Central Bank by the Company's subsidiary, Finance Company.

2. Financial assets held for trading

RMB

Item	30 June 2025	31 December 2024
Financial assets at FVTPL	**5,179,128,769**	2,021,804,089
Including: Debt instruments *(Note)*	**5,179,128,769**	2,021,804,089

Note: It mainly represents structured deposits and fund investments purchased by the Group, as at 30 June 2025, the fair value of structured deposits was determined based on an assessment of future cash flows and the fair value of fund investments was determined based on an assessment of quoted prices in an active market.

3. Accounts receivable

RMB

Item	30 June 2025	31 December 2024
Accounts receivable	**321,141,080**	269,289,669
Less: Provision for bad debt	**152,203,496**	166,869,322
Total	**168,937,584**	102,420,347

(1) The aging analysis of accounts receivable by accounting date is as follows:

RMB

Aging	Gross carrying amount at 30 June 2025	Gross carrying amount at 31 December 2024
Within 1 year	**169,359,901**	102,495,602
1 to 2 years	**162,993**	1,111
2 to 3 years	**-**	-
3 to 4 years	**-**	38,202
4 to 5 years	**-**	-
Over 5 years	**151,618,186**	166,754,754
Total	**321,141,080**	269,289,669

Accounts receivable is mainly recorded based on the dates of transaction. The ageing of accounts receivable represented on their recording date is basically the same as the ageing represented on the dates of invoice.

3. Accounts receivable (Cont'd)

(2) Disclosure by provision method for bad debt

RMB

	30 June 2025				
	Gross carrying amount		Allowance for bad debt		
Category	**Amount**	**Proportion (%)**	**Amount**	**Proportion (%)**	**Carrying amount**
Allowance for bad debt made on an individual basis	**26,242,020**	**8.2**	**26,242,020**	**100.0**	**-**
Allowance for bad debt made on a portfolio basis	**294,899,060**	**91.8**	**125,961,476**	**42.7**	**168,937,584**
Total	**321,141,080**	**100.0**	**152,203,496**	**/**	**168,937,584**

RMB

	31 December 2024				
	Gross carrying amount		Allowance for bad debt		
Category	Amount	Proportion (%)	Amount	Proportion (%)	Carrying amount
Allowance for bad debt made on an individual basis	26,242,020	9.7	26,242,020	100.0	-
Allowance for bad debt made on a portfolio basis	243,047,649	90.3	140,627,302	57.9	102,420,347
Total	269,289,669	100.0	166,869,322	/	102,420,347

3. Accounts receivable (Cont'd)

(2) Disclosure by provision method for bad debt (Cont'd)

Allowance for bad debt made on an individual basis

RMB

	30 June 2025			
Name	**Gross carrying amount**	**Allowance for bad debt**	**Proportion (%)**	**Reason**
Gansu Nongken Brewery Co., Ltd.	**14,996,236**	**14,996,236**	**100.0**	**The funds are difficult to be recovered**
Beijing Tsingtao Brewery Sales Co., Ltd. ("Beijing Sales Company")	**11,245,784**	**11,245,784**	**100.0**	**The funds are difficult to be recovered**
Total	**26,242,020**	**26,242,020**	**/**	**/**

RMB

	31 December 2024			
Name	Gross carrying amount	Allowance for bad debt	Proportion (%)	Reason
Gansu Nongken Brewery Co., Ltd.	14,996,236	14,996,236	100.0	The funds are difficult to be recovered
Beijing Sales Company	11,245,784	11,245,784	100.0	The funds are difficult to be recovered
Total	26,242,020	26,242,020	/	/

The Group has ceased all business transactions with the above companies, and assessed the cash flows expected to be recovered under different scenarios and made allowance for bad debt based on the present value of the difference between these cash flows and the cash flows receivable from the contracts. The Group is of the view that the funds are difficult to be recovered, therefore, full allowance for bad debt has been made in prior years.

3. Accounts receivable (Cont'd)

(2) Disclosure by provision method for bad debt (Cont'd)

Allowance for bad debt made on a portfolio basis

As part of the Group's credit risk management, the Group uses the aging of accounts receivable to assess the expected credit loss of accounts receivable. Based on the Group's assessment of credit risk, the aging information is indicative of the customer's ability to pay the accounts receivable when due. The majority of the Group's sales are made by way of receipts in advance or bank acceptances, while the remaining sales are accompanied by a credit period of 30 - 100 days. The credit risk of and bad debt of accounts receivable are as follows:

RMB

	30 June 2025			
Aging	**Expected average loss rate (%)**	**Gross carrying amount**	**Allowance for bad debt**	**Carrying amount**
Not overdue	**-**	**157,857,127**	**-**	**157,857,127**
Overdue within 1 year	**5**	**11,661,274**	**583,064**	**11,078,210**
Overdue 1 to 2 years	**50**	**4,493**	**2,246**	**2,247**
Overdue more than 2 years	**100**	**125,376,166**	**125,376,166**	**-**
Total	**/**	**294,899,060**	**125,961,476**	**168,937,584**

RMB

	31 December 2024			
Aging	Expected average loss rate (%)	Gross carrying amount	Allowance for bad debt	Carrying amount
Not overdue	-	100,969,381	-	100,969,381
Overdue within 1 year	5	1,527,332	76,366	1,450,966
Overdue 1 to 2 years	50	-	-	-
Overdue more than 2 years	100	140,550,936	140,550,936	-
Total	/	243,047,649	140,627,302	102,420,347

(3) Allowance for bad debt

RMB

		Changes for the year				
Category	31 December 2024	Provision	Currency translation differences	Recovery or reversal	Write-off	**30 June 2025**
Accounts receivable	166,869,322	469,721	(28)	-	15,135,519	**152,203,496**

There is no significant recovery or reversal of allowance for bad debt in the current year.

3. Accounts receivable (Cont'd)

(4) For the period from 1 January to 30 June 2025, the Group wrote off accounts receivable amounting to RMB15,135,519 (for the period from 1 January 2024 to 30 June 2024: nil).

(5) Top five accounts receivable in closing balance categorized by debtors

RMB

Item	Balance	Allowance for bad debt	Proportion to total accounts receivable
Total of top five accounts receivable	99,238,983	26,501,689	31%

4. Advances to suppliers

(1) Disclosure of advances to suppliers by aging

RMB

	30 June 2025		31 December 2024	
Aging	**Amount**	**Proportion (%)**	Amount	Proportion (%)
Within 1 year	**234,517,352**	**99.5**	240,470,903	99.5
1 to 2 years	**391,045**	**0.2**	318,868	0.1
2 to 3 years	**259,664**	**0.1**	328,786	0.1
Over 3 years	**431,621**	**0.2**	778,203	0.3
Total	**235,599,682**	**100.0**	241,896,760	100.0

As at 30 June 2025, advances to suppliers aged over one year amounted to RMB1,082,330 (31 December 2024: RMB1,425,857). The counterparty has not yet been requested to deliver the products due to the production plan or other reasons.

(2) Top five advances to suppliers in closing balance categorized by receivers

As at 30 June 2025, the closing balance of the top five advances to suppliers is RMB110,557,652 (31 December 2024: RMB107,919,422), accounting for 47% of the total closing balance of advances to suppliers (31 December 2024: 45%).

5. Other receivables

5.1 Summary of other receivables

RMB

Category	30 June 2025	31 December 2024
Other receivables	**90,523,821**	83,284,378
Total	**90,523,821**	83,284,378

5. Other receivables (Cont'd)

5.2 Other receivables

(1) Disclosure by aging:

RMB

Aging	Gross carrying amount at 30 June 2025	Gross carrying amount at 31 December 2024
Not overdue	**89,975,670**	83,142,414
Overdue within 1 year	**500,927**	128,883
Overdue 1 to 2 years	**144,541**	15,039,050
Overdue more than 2 years	**71,000,920**	57,602,799
Total	**161,622,058**	155,913,146

(2) Disclosure by nature:

RMB

Nature	Gross carrying amount at 30 June 2025	Gross carrying amount at 31 December 2024
Guarantee deposits	**39,178,559**	42,807,365
Receivables from materials	**18,364,725**	26,899,102
Refund of land and buildings receivable	**17,441,647**	17,441,647
Receivables from construction and equipment *(Note 1)*	**16,167,846**	9,124,860
Petty cash	**8,463,010**	8,592,468
Receivables from disposal of land	**3,507,780**	3,507,780
Export tax rebates	**1,171,248**	676,725
Others	**57,327,243**	46,863,199
Total	**161,622,058**	155,913,146

Note 1: It represents receivables from related parties and other external entities of Tsingtao Brewery Machinery and Equipment Co., Ltd. ("Machinery and Equipment Company"), Tsingtao Brewery Equipment Manufacturing Co., Ltd. ("Equipment Manufacturing Company") and Construction Company, subsidiaries of the Company, for construction and equipment.

5. Other receivables (Cont'd)

5.2 Other receivables (Cont'd)

(3) Allowance for bad debt

RMB

Allowance for bad debt	Stage I 12-month ECL	Stage II Lifetime ECL (not credit-impaired)	Stage III Lifetime ECL (credit-impaired)	Total
Balance at 1 January 2025	25,969	-	72,602,799	72,628,768
Balance at 1 January 2025 transferred during the period				
– to Stage III	-	-	-	-
Provision	71,348	-	102,723	174,071
Reversal	-	-	2,400	2,400
Currency translation differences	-	-	(708)	(708)
Write-off	-	-	1,701,494	1,701,494
Balance at 30 June 2025	**97,317**	**-**	**71,000,920**	**71,098,237**

(4) Allowance for bad debt for the period

Category	31 December 2024	Changes for the period Provision	Currency translation differences	Reversal	Write-off	30 June 2025
Other receivables	72,628,768	174,071	(708)	2,400	1,701,494	**71,098,237**

(5) For the period from 1 January 2025 to 30 June 2025, the allowance for bad debt of other receivables actually written off amounted to RMB1,701,494 (for the period from 1 January 2024 to 30 June 2024: nil).

(6) Top five other receivables in closing balance categorized by debtors:

RMB

Name of the entity	Gross carrying amount at 30 June 2025	Proportion to total other receivables as at 30 June 2025 (%)	Nature	Aging	Closing balance of allowance for bad debt
No. 1	15,000,000	9.3	Security deposits for land receivable	2 - 3 years	15,000,000
No. 2	8,584,437	5.3	Refund of land receivable	Over 5 years	8,584,437
No. 3	5,000,000	3.1	Receivables from materials	Over 5 years	5,000,000
No. 4	4,616,730	2.9	Receivables from materials	Over 5 years	4,616,730
No. 5	3,110,000	1.9	Receivables from disposal of land	Over 5 years	3,110,000
Total	36,311,167	22.5			36,311,167

(7) The Group does not have amounts attributed to other parties and presented in other receivables as a result of centralized management of funds.

6. Inventories

(1) Category of inventories

RMB

Item	30 June 2025 Gross carrying amount	30 June 2025 Provision for decline in value	30 June 2025 Carrying amount	31 December 2024 Gross carrying amount	31 December 2024 Provision for decline in value	31 December 2024 Carrying amount
Raw materials	**540,304,495**	**568,513**	**539,735,982**	657,782,989	568,513	657,214,476
Packaging materials	**625,399,311**	**4,894,271**	**620,505,040**	843,507,955	4,894,271	838,613,684
Low-cost and short-lived consumables	**88,310,007**	**-**	**88,310,007**	79,162,141	-	79,162,141
Work in progress	**397,257,260**	**-**	**397,257,260**	478,344,613	-	478,344,613
Goods on hand	**426,869,011**	**-**	**426,869,011**	1,523,052,623	-	1,523,052,623
Total	**2,078,140,084**	**5,462,784**	**2,072,677,300**	3,581,850,321	5,462,784	3,576,387,537

(2) Provision for decline in value of inventories

RMB

Item	31 December 2024	Increase in the period	Reversal	Write-off	30 June 2025
Raw materials	568,513	-	-	-	**568,513**
Packaging materials	4,894,271	-	-	-	**4,894,271**
Total	5,462,784	-	-	-	**5,462,784**

RMB

Item	31 December 2023	Increase in the period	Reversal	Write-off	30 June 2024
Raw materials	867,241	-	-	(26,379)	840,862
Packaging materials	4,611,059	-	-	-	4,611,059
Total	5,478,300	-	-	(26,379)	5,451,921

Item	Specific basis for determining net realizable value	Reasons for reversal/write-off
Raw materials and packaging materials	Estimated selling price less estimated costs to be incurred to completion, estimated selling and distribution expenses and related taxes	Sold or net realizable value rebounded

7. Current portion of non-current assets

RMB

Item	30 June 2025	31 December 2024
Other non-current financial assets due within one year *(Note (V)10)*	**29,869,178**	51,713,930

8. Other current assets

RMB

Item	**30 June 2025**	31 December 2024
Treasury bonds reverse repurchase investments *(Note)*	**200,042,109**	130,029,342
VAT to be deducted	**156,999,232**	347,281,015
Interbank deposits *(Note)*	**119,226,736**	108,358,937
Input VAT to be verified	**80,338,481**	95,195,085
Prepaid enterprise income tax	**50,852,781**	439,522,554
Credit and factoring business *(Note)*	**3,002,900**	12,014,386
Others	**1,960,288**	439,727
Less: Impairment provision for other current assets	**69,720**	205,422
Total	**612,352,807**	1,132,635,624

Note: It represents the treasury bonds reverse repurchase investments, interbank deposits due within one year purchased by Finance Company, a subsidiary of the Company, and the loans granted to the dealers. The management holds this type of investment for the purpose of obtaining contractual cash flow rather than trading at any time. The characteristics of contractual cash flow are consistent with the basic loan arrangement, so it is included in other current assets at amortized cost, and classified in Stage 1.

9. Long-term equity investments

RMB

		Changes for the period									
Investees	Gross carrying amount at 31 December 2024	Increased investment	Decreased investment	Investment income or loss recognized under equity method	Adjustment to other comprehensive income	Other changes in equity	Cash dividends or profits declared	Other changes	Gross carrying amount at 30 June 2025	Opening balance of provision for impairment	Closing balance of provision for impairment
I. Joint venture											
Hebei Jiahe Beer Co., Ltd. ("Hebei Jiahe Company") *(Note 1)*	214,012,611	-	-	7,765,409	-	-	(6,500,000)	-	**215,278,020**	-	-
II. Associates											
Shandong Yantai Brewery Co., Ltd. ("Yantai Brewery Company")	161,728,607	-	-	11,855,842	-	-	(33,842,175)	-	**139,742,274**	-	-
Qingdao Zhaoshang Logistics Co., Ltd. ("Zhaoshang Logistics Company")	12,180,009	-	-	1,088,559	-	(7,123)	-	-	**13,261,445**	-	-
Tsingtao Brewery Europe Trading Co., Ltd. ("European Company")	3,952,576	-	-	3,254,379	683,436	-	-	-	**7,890,391**	-	-
Liaoning Shenqing Tsingtao Brewery Co., Ltd. ("Liaoning Shenqing Company") *(Note 2)*	-	-	-	-	-	-	-	-	**-**	-	-
Others	1,220,000	-	-	-	-	-	-	-	**1,220,000**	(1,220,000)	(1,220,000)
Total	393,093,803	-	-	23,964,189	683,436	(7,123)	(40,342,175)	-	**377,392,130**	(1,220,000)	(1,220,000)

9. Long-term equity investments (Cont'd)

RMB

Investees	Gross carrying amount at 31 December 2023	Changes for the period: Increased investment	Decreased investment	Investment income or loss recognized under equity method	Adjustment to other comprehensive income	Other changes in equity	Cash dividends or profits declared	Other changes	Gross carrying amount at 30 June 2024	Opening balance of provision for impairment	Closing balance of provision for impairment
I. Joint venture											
Hebei Jiahe Company *(Note 1)*	216,772,296	-	-	2,853,258	-	-	(7,500,000)	-	212,125,554	-	-
II. Associates											
Yantai Brewery Company	132,501,116	-	-	6,815,197	-	-	(7,775,267)	-	131,541,046	-	-
Zhaoshang Logistics Company	11,917,798	-	-	1,632,734	-	2,407	-	-	13,552,939	-	-
European Company	3,545,770	-	-	3,210,376	(108,885)	-	-	-	6,647,261	-	-
Liaoning Shenqing Company *(Note 2)*	-	-	-	-	-	-	-	-	-	-	-
Others	1,220,000	-	-	-	-	-	-	-	1,220,000	(1,220,000)	(1,220,000)
Total	365,956,980	-	-	14,511,565	(108,885)	2,407	(15,275,267)	-	365,086,800	(1,220,000)	(1,220,000)

Note 1: The share of equity interests and voting rights held by the Company are both 50% in Hebei Jiahe Company, so the Company owns joint control over Hebei Jiahe Company and accounts for it as a joint venture.

Note 2: Liaoning Shenqing Company's net assets are negative due to continuous losses, and the Group has no obligation to bear additional losses. Therefore, when recognizing the Group's share of net loss incurred, the carrying amount of long-term equity investments is written down to zero. As at 30 June 2025, the accumulative investment loss unrecognized is RMB482,143 (31 December 2024: RMB519,463).

10. Other non-current financial assets

RMB

Item	**30 June 2025**	31 December 2024
Debt instruments	**2,316,376,278**	2,549,493,680
Others	**600,000**	600,000
Less: Debt instruments due within one year	**29,869,178**	51,713,930
Total	**2,287,107,100**	2,498,379,750

Debt instruments represent the secondary capital bonds purchased by Finance Company, a subsidiary of the Company, from the bank, whose contractual cash flow characteristics are inconsistent with the basic credit arrangement, and which are expected to be held for more than one year, and will be included in other non-current financial assets at fair value; the part that can be recovered within one year is listed as current portion of non-current assets. The Group's maximum exposure to this investment is the carrying amount of the Group's purchased shares at the balance sheet date.

11. Investment properties

(1) Investment properties measured at cost

RMB

Item	Buildings	Land use rights	Total
I. Original cost			
1. 31 December 2024	80,630,220	18,491,891	99,122,111
2. Increase in the period	1,401,449	448,165	1,849,614
(1) Transfer from fixed assets and intangible assets	1,401,449	448,165	1,849,614
3. Decrease in the period	3,400,001	-	3,400,001
(1) Transfer to fixed assets	3,400,001	-	3,400,001
4. 30 June 2025	**78,631,668**	**18,940,056**	**97,571,724**
II. Accumulated depreciation and accumulated amortization			
1. 31 December 2024	44,942,277	4,949,562	49,891,839
2. Increase in the period	1,606,513	373,093	1,979,606
(1) Provision or amortization	821,458	213,018	1,034,476
(2) Transfer from fixed assets and intangible assets	785,055	160,075	945,130
3. Decrease in the period	914,718	-	914,718
(1) Transfer to fixed assets	914,718	-	914,718
4. 30 June 2025	**45,634,072**	**5,322,655**	**50,956,727**
III. Provision for impairment			
Balance at 31 December 2024 and 30 June 2025	**8,091,354**	**-**	**8,091,354**
IV. Carrying amount			
1. 30 June 2025	**24,906,242**	**13,617,401**	**38,523,643**
2. 31 December 2024	27,596,589	13,542,329	41,138,918

11. Investment properties (Cont'd)

(1) Investment properties measured at cost (Cont'd)

RMB

Item	Buildings	Land use rights	Total
I. Original cost			
1. 31 December 2023	87,639,510	20,130,316	107,769,826
2. Increase in the period	912,997	247,295	1,160,292
(1) Purchases	912,997	-	912,997
(2) Transfer from intangible assets	-	247,295	247,295
3. Decrease in the period	9,475,181	1,885,720	11,360,901
(1) Transfer to fixed assets and intangible assets	9,475,181	1,885,720	11,360,901
4. 30 June 2024	79,077,326	18,491,891	97,569,217
II. Accumulated depreciation and accumulated amortization			
1. 31 December 2023	49,198,203	5,478,353	54,676,556
2. Increase in the period	959,156	304,034	1,263,190
(1) Provision or amortization	959,156	211,979	1,171,135
(2) Transfer from intangible assets	-	92,055	92,055
3. Decrease in the period	6,405,298	1,044,804	7,450,102
(1) Transfer to fixed assets and intangible assets	6,405,298	1,044,804	7,450,102
4. 30 June 2024	43,752,061	4,737,583	48,489,644
III. Provision for impairment			
1. 31 December 2023	8,928,400	-	8,928,400
2. Decrease in the period	837,046	-	837,046
(1) Transfer to fixed assets	837,046	-	837,046
3. 30 June 2024	8,091,354	-	8,091,354
IV. Carrying amount			
1. 30 June 2024	27,233,911	13,754,308	40,988,219
2. 31 December 2023	29,512,907	14,651,963	44,164,870

(2) As at 30 June 2025, the Group has no investment properties without ownership certificates (31 December 2024: nil).

12. Fixed assets

12.1 Summary of fixed assets

RMB

Item	30 June 2025	31 December 2024
Fixed assets	**11,613,195,647**	11,804,204,661
Disposal of fixed assets	**13,384,815**	13,445,973
Total	**11,626,580,462**	11,817,650,634

12. Fixed assets (Cont'd)

12.2 Fixed assets

(1) Details of fixed assets

RMB

Item	Buildings	Machinery and equipment	Transportation vehicles	Other equipment	Total
I. Original cost					
31 December 2024	8,831,682,509	12,376,267,447	252,850,187	1,454,068,334	22,914,868,477
Increase in the period	262,021,287	285,398,718	505,858	44,626,266	592,552,129
(1) Purchases	-	108,583,709	505,858	22,301,874	131,391,441
(2) Transfer from construction in progress	258,621,286	176,815,009	-	22,324,392	457,760,687
(3) Transfer from investment properties	3,400,001	-	-	-	3,400,001
Decrease in the year	290,026,162	280,036,237	12,933,347	20,860,546	603,856,292
(1) Disposal or retirement	135,650,256	118,748,550	12,933,347	19,807,693	287,139,846
(2) Transfer to construction in progress	152,974,457	161,287,687	-	1,052,853	315,314,997
(3) Transfer to investment properties	1,401,449	-	-	-	1,401,449
30 June 2025	**8,803,677,634**	**12,381,629,928**	**240,422,698**	**1,477,834,054**	**22,903,564,314**
II. Accumulated depreciation					
31 December 2024	2,549,574,213	6,918,853,289	173,970,780	927,630,868	10,570,029,150
Increase in the period	119,240,241	314,815,324	3,568,722	78,306,732	515,931,019
(1) Provision	118,325,523	314,815,324	3,568,722	78,306,732	515,016,301
(2) Transfer from investment properties	914,718	-	-	-	914,718
Decrease in the period	80,002,562	187,544,383	12,012,683	19,149,004	298,708,632
(1) Disposal or retirement	56,270,591	84,065,490	12,012,683	18,197,437	170,546,201
(2) Transfer to construction in progress	22,946,916	103,478,893	-	951,567	127,377,376
(3) Transfer to investment properties	785,055	-	-	-	785,055
30 June 2025	**2,588,811,892**	**7,046,124,230**	**165,526,819**	**986,788,596**	**10,787,251,537**
III. Provision for impairment					
31 December 2024	148,874,897	383,084,137	2,798,501	5,877,131	540,634,666
Decrease in the period	22,914,927	13,424,884	465,265	712,460	37,517,536
(1) Disposal or retirement	22,914,927	13,424,884	465,265	712,460	37,517,536
30 June 2025	**125,959,970**	**369,659,253**	**2,333,236**	**5,164,671**	**503,117,130**
IV. Carrying amount					
30 June 2025	**6,088,905,772**	**4,965,846,445**	**72,562,643**	**485,880,787**	**11,613,195,647**
31 December 2024	6,133,233,399	5,074,330,021	76,080,906	520,560,335	11,804,204,661

12. Fixed assets (Cont'd)

12.2 Fixed assets (Cont'd)

(1) Details of fixed assets (Cont'd)

RMB

Item	Buildings	Machinery and equipment	Transportation vehicles	Other equipment	Total
I. Original cost					
31 December 2023	8,290,325,344	12,062,862,209	251,159,242	1,255,991,655	21,860,338,450
Increase in the period	35,710,969	202,028,540	5,620,838	42,445,773	285,806,120
(1) Purchases	-	21,694,711	5,620,838	10,927,289	38,242,838
(2) Transfer from construction in progress	26,235,788	180,333,829	-	31,518,484	238,088,101
(3) Transfer from investment properties	9,475,181	-	-	-	9,475,181
Decrease in the period	69,836,439	307,984,871	11,281,317	14,974,930	404,077,557
(1) Disposal or retirement	56,520,295	170,865,480	11,281,317	13,936,330	252,603,422
(2) Transfer to construction in progress	13,316,144	137,119,391	-	1,038,600	151,474,135
30 June 2024	8,256,199,874	11,956,905,878	245,498,763	1,283,462,498	21,742,067,013
II. Accumulated depreciation					
31 December 2023	2,393,522,944	6,689,119,756	185,188,280	866,227,751	10,134,058,731
Increase in the period	116,358,746	317,717,742	5,969,371	55,116,186	495,162,045
(1) Provision	109,953,448	317,717,742	5,969,371	55,116,186	488,756,747
(2) Transfer from investment properties	6,405,298	-	-	-	6,405,298
Decrease in the period	40,152,163	174,583,383	10,295,312	13,462,705	238,493,563
(1) Disposal or retirement	31,182,417	118,178,484	10,295,312	12,742,897	172,399,110
(2) Transfer to construction in progress	8,969,746	56,404,899	-	719,808	66,094,453
30 June 2024	2,469,729,527	6,832,254,115	180,862,339	907,881,232	10,390,727,213
III. Provision for impairment					
31 December 2023	177,481,914	410,251,403	2,533,805	4,189,654	594,456,776
Increase in the period	876,078	2,422,068	259,062	306,030	3,863,238
(1) Provision	39,032	2,422,068	259,062	306,030	3,026,192
(2) Transfer from investment properties	837,046	-	-	-	837,046
Decrease in the period	20,978,968	30,910,763	421,928	616,629	52,928,288
(1) Disposal or retirement	20,978,968	30,910,763	421,928	616,629	52,928,288
30 June 2024	157,379,024	381,762,708	2,370,939	3,879,055	545,391,726
IV. Carrying amount					
30 June 2024	5,629,091,323	4,742,889,055	62,265,485	371,702,211	10,805,948,074
31 December 2023	5,719,320,486	4,963,491,050	63,437,157	385,574,250	11,131,822,943

12. Fixed assets (Cont'd)

12.2 Fixed assets (Cont'd)

(2) Temporarily idle fixed assets

30 June 2025

RMB

Item	Original cost	Accumulated depreciation	Provision for impairment	Carrying amount
Machinery and equipment	**152,666,229**	**111,547,566**	**5,774,396**	**35,344,267**
Buildings	**2,610,435**	**1,135,690**	**-**	**1,474,745**
Total	**155,276,664**	**112,683,256**	**5,774,396**	**36,819,012**

31 December 2024

RMB

Item	Original cost	Accumulated depreciation	Provision for impairment	Carrying amount
Machinery and equipment	175,175,359	125,854,958	4,980,370	44,340,031
Buildings	19,460,959	9,438,826	7,981,754	2,040,379
Total	194,636,318	135,293,784	12,962,124	46,380,410

As at 30 June 2025, the buildings and the machinery and equipment with carrying amount of RMB36,819,012 (Original cost: RMB155,276,664) are temporarily idle for product update or other reasons (31 December 2024: carrying amount of RMB46,380,410 (Original cost: RMB194,636,318)). The management plans to reallocate these assets within the Group or upgrade these assets.

(3) The Group has no fixed assets leased out under operating leases.

(4) Fixed assets without ownership certificates as at 30 June 2025

RMB

Item	**Carrying amount at 30 June 2025**	Carrying amount at 31 December 2024	**Reason for not obtaining ownership certificates**
Buildings	**128,904,000**	118,288,000	In process
Buildings	**129,323,000**	132,855,000	Unable to obtain the ownership certificates

The directors of the Company are of the view that there are no substantial legal impediments to buildings with ownership certificates in the process, and buildings for which ownership certificates cannot be obtained will not affect the Group's normal use of these buildings, and have no significant impact on the normal operations of the Group, therefore, no provision for impairment of fixed assets has been made.

12. Fixed assets (Cont'd)

12.2 Fixed assets (Cont'd)

(5) As at 30 June 2025, the Group has no fixed assets pledged as collateral for bank borrowings (31 December 2024: nil).

12.3 Disposal of fixed assets

RMB

Item	**30 June 2025**	31 December 2024
Machinery and equipment	**13,384,815**	13,445,973

13. Construction in progress

(1) Details of construction in progress

RMB

Item	**30 June 2025**			31 December 2024		
	Gross carrying amount	**Provision for impairment**	**Carrying amount**	Gross carrying amount	Provision for impairment	Carrying amount
A production line improvement in Ludong	**321,257,663**	**-**	**321,257,663**	198,930,329	-	198,930,329
A production line improvement in Ludong	**205,357,017**	**-**	**205,357,017**	155,113,919	-	155,113,919
A plant construction project in Luzhong	**150,073,590**	**-**	**150,073,590**	36,931,666	-	36,931,666
A production line improvement in Lunan	**47,108,801**	**-**	**47,108,801**	9,711,978	-	9,711,978
A R&D Center in Ludong	**46,607,403**	**-**	**46,607,403**	39,221,157	-	39,221,157
A production line improvement in Jiangsu	**35,963,264**	**-**	**35,963,264**	44,752,346	-	44,752,346
A production line improvement in Lunan	**31,865,200**	**-**	**31,865,200**	10,035,929	-	10,035,929
A production line construction in Ludong	**29,846,191**	**-**	**29,846,191**	15,660,587	-	15,660,587
A production line improvement in Ludong	**23,907,098**	**-**	**23,907,098**	5,396,132	-	5,396,132
A production line improvement in Shanghai	**19,454,843**	**-**	**19,454,843**	2,881,116	-	2,881,116
A production line construction in Luxi	**7,156,691**	**-**	**7,156,691**	7,756,774	-	7,756,774
A production line improvement in Anhui	**6,069,911**	**-**	**6,069,911**	3,303,065	-	3,303,065
A production line construction in Heilongjiang	**3,754,986**	**-**	**3,754,986**	11,390,582	-	11,390,582
A production line improvement in Henan	**1,128,239**	**-**	**1,128,239**	6,948,972	-	6,948,972
A production line improvement in Hubei	**-**	**-**	**-**	7,900,687	-	7,900,687
Others	**113,062,082**	**-**	**113,062,082**	74,939,380	-	74,939,380
Total	**1,042,612,979**	**-**	**1,042,612,979**	630,874,619	-	630,874,619

13. Construction in progress (Cont'd)

(2) Movements in significant construction in progress in the current period

The significant construction in progress of the Group is listed as follows:

RMB

Item	Budget	31 December 2024	Increase in the period	Transfer to fixed assets	**30 June 2025**	Proportion of expenditures to budget (%)	Project progress (%)	Source of funds
A production line improvement in Ludong	784,095,000	198,930,329	154,647,483	32,320,149	**321,257,663**	52	51	Self-funding
A production line improvement in Ludong	474,983,484	155,113,919	54,357,647	4,114,549	**205,357,017**	72	73	Self-funding
A plant construction project in Luzhong	353,599,845	36,931,666	114,791,347	1,649,423	**150,073,590**	50	44	Self-funding
A production line improvement in Lunan	60,000,000	9,711,978	42,922,572	5,525,749	**47,108,801**	88	88	Self-funding
A R&D Center in Ludong	454,974,247	39,221,157	7,942,051	555,805	**46,607,403**	96	96	Self-funding
A production line improvement in Jiangsu	112,264,119	44,752,346	33,471,368	42,260,450	**35,963,264**	82	69	Self-funding
A production line improvement in Lunan	63,304,782	10,035,929	22,913,698	1,084,427	**31,865,200**	56	56	Self-funding
A production line construction in Ludong	269,574,966	15,660,587	29,261,777	15,076,173	**29,846,191**	63	63	Self-funding
A production line improvement in Ludong	120,239,916	5,396,132	18,510,966	-	**23,907,098**	56	45	Self-funding
A production line improvement in Shanghai	61,782,440	2,881,116	30,693,573	14,119,846	**19,454,843**	90	90	Self-funding
A production line construction in Luxi	30,238,530	7,756,774	14,251,329	14,851,412	**7,156,691**	73	73	Self-funding
A production line improvement in Anhui	12,659,897	3,303,065	6,992,170	4,225,324	**6,069,911**	94	94	Self-funding
A production line construction in Heilongjiang	23,509,729	11,390,582	7,586,684	15,222,280	**3,754,986**	82	82	Self-funding
A production line improvement in Henan	68,693,814	6,948,972	124,763,971	130,584,704	**1,128,239**	67	67	Self-funding
A production line improvement in Hubei	15,735,145	7,900,687	7,834,458	15,735,145	**-**	100	100	Self-funding
Others	N/A	74,939,380	198,557,953	160,435,251	**113,062,082**	N/A	N/A	Self-funding
Total	/	630,874,619	869,499,047	457,760,687	**1,042,612,979**	/	/	/

RMB

Item	Budget	31 December 2023	Increase in the period	Transfer to fixed assets	30 June 2024	Proportion of expenditures to budget (%)	Project progress (%)	Source of funds
A R&D Center in Ludong	579,460,000	223,807,829	46,017,893	-	269,825,722	47	47	Self-funding
A production line improvement in Ludong	403,277,000	98,416,913	67,489,263	-	165,906,176	49	43	Self-funding
A production line construction in Luxi	445,100,000	53,439,453	77,837,036	147,771	131,128,718	49	33	Self-funding
A production line construction in Ludong	240,406,000	37,186,221	28,081,945	23,127,147	42,141,019	66	66	Self-funding
A production line improvement in Ludong	142,798,374	9,733,072	28,827,632	8,918,993	29,641,711	95	45	Self-funding
A production line construction in Fujian	21,927,816	-	18,092,179	910,619	17,181,560	83	83	Self-funding
A production line construction in Heilongjiang	37,211,376	-	16,940,704	-	16,940,704	46	46	Self-funding
A relocation project in Lunan	751,680,000	7,116,349	7,292,298	124,229	14,284,418	96	96	Self-funding
A production line improvement in Ludong	58,218,884	7,476,515	7,546	-	7,484,061	69	69	Self-funding
A production line improvement in Ludong	584,920,000	4,009,522	20,089,510	18,944,489	5,154,543	99	99	Self-funding
A relocation project in Ludong	326,410,000	5,342,740	5,395,020	9,105,626	1,632,134	80	79	Self-funding
Others	N/A	52,046,345	218,294,989	176,809,227	93,532,107	N/A	N/A	Self-funding
Total	/	498,574,959	534,366,015	238,088,101	794,852,873	/	/	/

For the period from 1 January to 30 June 2025, there are no additional borrowing costs capitalized (for the period from 1 January 2024 to 30 June 2024: nil).

(3) As at 30 June 2025, the Group has no construction in progress for which provision for impairment is required.

14. Right-of-use assets

(1) Presentation of right-of-use assets

RMB

Item	Buildings	Land use rights	Machinery and equipment	Others	Total
I. Original cost					
31 December 2024	233,761,425	7,210,018	2,619,729	1,503,192	245,094,364
Increase in the period	35,034,565	-	20,912	67,504	35,122,981
(1) New leases	35,034,565	-	20,912	67,504	35,122,981
Decrease in the period	26,654,667	-	-	148,233	26,802,900
(1) Termination of leases	26,654,667	-	-	148,233	26,802,900
30 June 2025	**242,141,323**	**7,210,018**	**2,640,641**	**1,422,463**	**253,414,445**
II. Accumulated depreciation					
31 December 2024	123,578,518	3,167,796	1,931,468	743,957	129,421,739
Increase in the period	24,942,655	269,640	466,194	233,809	25,912,298
(1) Provision	24,942,655	269,640	466,194	233,809	25,912,298
Decrease in the period	26,154,184	-	-	148,234	26,302,418
(1) Termination of leases	26,154,184	-	-	148,234	26,302,418
30 June 2025	**122,366,989**	**3,437,436**	**2,397,662**	**829,532**	**129,031,619**
III. Provision for impairment					
Balance at 31 December 2024 and 30 June 2025	**-**	**-**	**-**	**-**	**-**
IV. Carrying amount					
30 June 2025	**119,774,334**	**3,772,582**	**242,979**	**592,931**	**124,382,826**
31 December 2024	110,182,907	4,042,222	688,261	759,235	115,672,625

14. Right-of-use assets (Cont'd)

(1) Presentation of right-of-use assets (Cont'd)

RMB

Item	Buildings	Land use rights	Machinery and equipment	Others	Total
I. Original cost					
31 December 2023	235,823,105	7,210,018	5,519,424	349,486	248,902,033
Increase in the period	40,275,056	-	-	1,194,084	41,469,140
(1) New leases	40,275,056	-	-	1,194,084	41,469,140
Decrease in the period	21,222,982	-	3,031,501	7,676	24,262,159
(1) Termination of leases	21,222,982	-	3,031,501	7,676	24,262,159
30 June 2024	254,875,179	7,210,018	2,487,923	1,535,894	266,109,014
II. Accumulated depreciation					
31 December 2023	122,449,266	2,628,516	4,047,868	229,505	129,355,155
Increase in the period	29,719,761	269,640	489,463	314,333	30,793,197
(1) Provision	29,719,761	269,640	489,463	314,333	30,793,197
Decrease in the period	19,943,308	-	3,031,501	7,676	22,982,485
(1) Termination of leases	19,943,308	-	3,031,501	7,676	22,982,485
30 June 2024	132,225,719	2,898,156	1,505,830	536,162	137,165,867
III. Provision for impairment					
Balance at 31 December 2023 and 30 June 2024	-	-	-	-	-
IV. Carrying amount					
30 June 2024	122,649,460	4,311,862	982,093	999,732	128,943,147
31 December 2023	113,373,839	4,581,502	1,471,556	119,981	119,546,878

(2) As at 30 June 2025, the Group has no right-of-use assets for which provision for impairment is required.

15. Intangible assets

(1) Details of intangible assets

RMB

Item	Land use rights	Trademarks	Technology known-how	Marketing networks	Software and others	Total
I. Original cost						
31 December 2024	3,060,177,380	449,743,612	18,629,100	974,935,670	933,707,706	5,437,193,468
Increase in the period	-	-	-	-	47,311,894	47,311,894
(1) Purchases	-	-	-	-	47,311,894	47,311,894
Decrease in the period	28,636,195	-	-	-	4,874,090	33,510,285
(1) Disposal or retirement	28,188,030	-	-	-	4,874,090	33,062,120
(2) Transfer to investment properties	448,165	-	-	-	-	448,165
30 June 2025	**3,031,541,185**	**449,743,612**	**18,629,100**	**974,935,670**	**976,145,510**	**5,450,995,077**
II. Accumulated amortization						
31 December 2024	831,376,428	386,184,019	18,629,100	974,935,670	541,947,667	2,753,072,884
Increase in the period	34,529,162	41,821	-	-	50,358,533	84,929,516
(1) Provision	34,529,162	41,821	-	-	50,358,533	84,929,516
Decrease in the period	7,073,933	-	-	-	4,222,631	11,296,564
(1) Disposal or retirement	6,913,858	-	-	-	4,222,631	11,136,489
(2) Transfer to investment properties	160,075	-	-	-	-	160,075
30 June 2025	**858,831,657**	**386,225,840**	**18,629,100**	**974,935,670**	**588,083,569**	**2,826,705,836**
III. Provision for impairment						
Balance at 31 December 2024 and 30 June 2025	**-**	**-**	**-**	**-**	**-**	**-**
IV. Carrying amount						
30 June 2025	**2,172,709,528**	**63,517,772**	**-**	**-**	**388,061,941**	**2,624,289,241**
31 December 2024	2,228,800,952	63,559,593	-	-	391,760,039	2,684,120,584

15. Intangible assets (Cont'd)

(1) Details of intangible assets (Cont'd)

RMB

Item	Land use rights	Trademarks	Technology known-how	Marketing networks	Software and others	Total
I. Original cost						
31 December 2023	2,844,791,731	449,743,612	18,629,100	974,935,670	803,317,789	5,091,417,902
Increase in the period	159,501,815	-	-	-	28,838,289	188,340,104
(1) Purchases	157,616,095	-	-	-	28,838,289	186,454,384
(2) Transfer from investment properties	1,885,720	-	-	-	-	1,885,720
Decrease in the period	247,295	-	-	-	14,866	262,161
(1) Disposal or retirement	-	-	-	-	14,866	14,866
(2) Transfer to investment properties	247,295	-	-	-	-	247,295
30 June 2024	3,004,046,251	449,743,612	18,629,100	974,935,670	832,141,212	5,279,495,845
II. Accumulated amortization						
31 December 2023	764,818,304	384,737,256	18,629,100	970,662,194	459,501,980	2,598,348,834
Increase in the period	34,192,921	1,404,941	-	4,273,476	40,846,165	80,717,503
(1) Provision	33,148,117	1,404,941	-	4,273,476	40,846,165	79,672,699
(2) Transfer from investment properties	1,044,804	-	-	-	-	1,044,804
Decrease in the period	92,055	-	-	-	11,151	103,206
(1) Disposal or retirement	-	-	-	-	11,151	11,151
(2) Transfer to investment properties	92,055	-	-	-	-	92,055
30 June 2024	798,919,170	386,142,197	18,629,100	974,935,670	500,336,994	2,678,963,131
III. Provision for impairment						
Balance at 31 December 2023 and 30 June 2024	-	-	-	-	-	-
IV. Carrying amount						
30 June 2024	2,205,127,081	63,601,415	-	-	331,804,218	2,600,532,714
31 December 2023	2,079,973,427	65,006,356	-	4,273,476	343,815,809	2,493,069,068

As at 30 June 2025, the Group has no intangible assets pledged as collateral for bank borrowings (31 December 2024: nil).

As at 30 June 2025, the Group has no intangible assets formed through internal research and development (31 December 2024: nil).

(2) As at 30 June 2025, the Group has no land use rights without an appropriate ownership certificate.

(3) As at 30 June 2025, the Group has no intangible assets for which provision for impairment is required.

16. Goodwill

(1) Original cost of goodwill

RMB

Asset group	31 December 2024	Increase in the period: Goodwill arising from business combinations	Decrease in the period: Disposal	**30 June 2025**
Shandong Region - Immense Brewery Company	958,868,617	-	-	**958,868,617**
Shandong Region - Lulansa Company	227,026,482	-	-	**227,026,482**
South China Region - Nanning Company	130,895,740	-	-	**130,895,740**
Southeast Region - Fuzhou Company/ Xiamen Company/Zhangzhou Company/Dongnan Sales Company	114,031,330	-	-	**114,031,330**
North China Region - Three Ring Company/Beifang Sales Company	24,642,782	-	-	**24,642,782**
Others	49,049,770	-	-	**49,049,770**
Total	1,504,514,721	-	-	**1,504,514,721**

RMB

Asset group	31 December 2023	Increase in the period: Goodwill arising from business combinations	Decrease in the period: Disposal	30 June 2024
Shandong Region - Immense Brewery Company	958,868,617	-	-	958,868,617
Shandong Region - Lulansa Company	227,026,482	-	-	227,026,482
South China Region - Nanning Company	130,895,740	-	-	130,895,740
Southeast Region - Fuzhou Company/ Xiamen Company/Zhangzhou Company/Dongnan Sales Company	114,031,330	-	-	114,031,330
North China Region - Three Ring Company/Beifang Sales Company	24,642,782	-	-	24,642,782
Others	49,049,770	-	-	49,049,770
Total	1,504,514,721	-	-	1,504,514,721

16. Goodwill (Cont'd)

(2) Provision for impairment of goodwill

RMB

Asset group	31 December 2024	Increase in the period Provision	Decrease in the period Disposal	**30 June 2025**
South China Region - Nanning Company	130,895,740	-	-	**130,895,740**
North China Region - Three Ring Company/Beifang Sales Company	24,642,782	-	-	**24,642,782**
Others	41,872,217	-	-	**41,872,217**
Total	197,410,739	-	-	**197,410,739**

RMB

Asset group	31 December 2023	Increase in the period Provision	Decrease in the period Disposal	30 June 2024
South China Region - Nanning Company	130,895,740	-	-	130,895,740
North China Region - Three Ring Company/Beifang Sales Company	24,642,782	-	-	24,642,782
Others	41,872,217	-	-	41,872,217
Total	197,410,739	-	-	197,410,739

16. Goodwill (Cont'd)

(3) Relevant information of asset group(s) to which goodwill belongs

RMB

Name	Composition and basis of asset group(s) or portfolio(s) of asset groups	Operating segments and basis	Whether consistent with prior years
Shandong Region - Immense Brewery Company	Composition: Immense Brewery Company Basis: The asset group is able to generate cash inflows independently	Shandong Region, principal place of business	Yes
Shandong Region - Lulansa Company	Composition: Lulansa Company Basis: The asset group is able to generate cash inflows independently	Shandong Region, principal place of business	Yes
South China Region - Nanning Company	Composition: Nanning Company Basis: The asset group is able to generate cash inflows independently	South China Region, principal place of business	Yes
Southeast Region - Fuzhou Company/Xiamen Company/Zhangzhou Company/Dongnan Sales Company	Composition: Fuzhou Company/Xiamen Company/Zhangzhou Company/Dongnan Sales Company Basis: The asset group is able to generate cash inflows independently	Southeast Region, principal place of business	Yes
North China Region - Three Ring Company/Beifang Sales Company	Composition: Three Ring Company/Beifang Sales Company Basis: The asset group is able to generate cash inflows independently	North China Region, principal place of business	Yes
Other regions	Composition: Company of the asset group in which other goodwill is located Basis: Other asset groups are able to generate cash inflows independently	Other regions, principal place of business	Yes

17. Long-term prepaid expenses

RMB

Item	31 December 2024	Increase in the period	Amortization in the period	**30 June 2025**
Decoration and renovation expenses	72,809,122	1,695,510	16,061,875	**58,442,757**
Gardening, factory hardening and other expenses	12,893,327	844,285	4,096,546	**9,641,066**
Total	85,702,449	2,539,795	20,158,421	**68,083,823**

RMB

Item	31 December 2023	Increase in the period	Amortization in the period	30 June 2024
Decoration and renovation expenses	97,012,458	6,543,560	19,907,606	83,648,412
Gardening, factory hardening and other expenses	14,095,197	703,265	2,976,846	11,821,616
Total	111,107,655	7,246,825	22,884,452	95,470,028

18. Deferred tax assets/deferred tax liabilities

(1) Deferred tax assets before offsetting

RMB

Item	**30 June 2025**		31 December 2024	
	Deductible temporary differences	**Deferred tax assets**	Deductible temporary differences	Deferred tax assets
Provision for impairment of assets	**89,722,868**	**22,430,717**	95,277,228	23,819,307
Deferred income	**2,329,403,552**	**582,350,888**	2,199,047,376	549,761,844
Elimination of intra-group unrealized profit	**36,990,396**	**9,247,599**	247,890,996	61,972,749
Expenses to be paid	**7,570,386,172**	**1,892,596,543**	6,711,648,208	1,677,912,052
Share-based payments	**-**	**-**	5,472,744	1,368,186
Lease liabilities	**121,150,536**	**30,287,634**	111,692,968	27,923,242
Total	**10,147,653,524**	**2,536,913,381**	9,371,029,520	2,342,757,380

18. Deferred tax assets/deferred tax liabilities (Cont'd)

(2) Deferred tax liabilities before offsetting

RMB

Item	30 June 2025 Taxable temporary differences	30 June 2025 Deferred tax liabilities	31 December 2024 Taxable temporary differences	31 December 2024 Deferred tax liabilities
Business combinations not involving enterprises under common control	**342,541,356**	**85,635,339**	352,596,168	88,149,042
Depreciation of fixed assets	**2,042,928,108**	**510,732,027**	2,036,179,312	509,044,828
Changes in fair value of financial assets held for trading	**163,383,220**	**40,845,805**	168,463,892	42,115,973
Right-of-use assets	**130,679,580**	**32,669,895**	125,672,496	31,418,124
Others	**6,645,024**	**1,661,256**	6,951,628	1,737,907
Total	**2,686,177,288**	**671,544,322**	2,689,863,496	672,465,874

(3) Deferred tax assets or liabilities presented on a net basis

RMB

Item	30 June 2025 Offset amount between deferred tax assets and liabilities at the end of the period	30 June 2025 Closing balance of deferred tax assets or liabilities after offsetting	31 December 2024 Offset amount between deferred tax assets and liabilities at the end of the year	31 December 2024 Closing balance of deferred tax assets or liabilities after offsetting
Deferred tax assets	**431,547,581**	**2,105,365,800**	412,717,852	1,930,039,528
Deferred tax liabilities	**431,547,581**	**239,996,741**	412,717,852	259,748,022

(4) Details of unrecognized deferred tax assets

RMB

Item	30 June 2025	31 December 2024
Deductible temporary differences	**1,145,644,158**	1,291,624,503
Deductible losses	**1,114,277,586**	1,240,360,292
Total	**2,259,921,744**	2,531,984,795

Given the loss-making position or unstable profitability of certain subsidiaries, whether it is probable that sufficient taxable income will be available in future periods to offset the deductible losses is highly uncertain. Therefore, the Group has not recognized deferred tax assets of approximately RMB278,569,000 (31 December 2024: RMB310,090,000) arising from the deductible losses that can be offset against the taxable income under tax laws from 2025 to 2030. In addition, given the loss-making position or unstable profitability of certain subsidiaries, whether it is probable that sufficient taxable income will be available in future periods to offset the deductible temporary differences is highly uncertain. Therefore, the Group has not recognized deferred tax assets of approximately RMB286,411,000 (31 December 2024: RMB322,906,000) arising from these deductible temporary differences.

18. Deferred tax assets/deferred tax liabilities (Cont'd)

(5) Deductible losses, for which no deferred tax assets are recognized, will expire in the following years

Years	**30 June 2025**	*RMB* 31 December 2024
2025	**89,486,359**	168,521,437
2026	**233,435,444**	271,802,518
2027	**172,904,912**	194,222,114
2028	**209,065,975**	251,500,563
2029	**302,360,830**	354,313,660
2030	**107,024,066**	-
Total	**1,114,277,586**	1,240,360,292

19. Other non-current assets

Item	**30 June 2025**	*RMB* 31 December 2024
Time deposits due after one year	**5,352,255,068**	4,592,148,411
Advances to suppliers for construction and equipment	**184,982,746**	136,764,968
Total	**5,537,237,814**	4,728,913,379

20. Notes payable

Item	**30 June 2025**	*RMB* 31 December 2024
Acceptances of Finance Company	**192,306,659**	79,265,804
Commercial acceptances	**84,644,628**	137,893,869
Total	**276,951,287**	217,159,673

As at 30 June 2025, the Group has no notes payable that are due and unpaid (31 December 2024: nil).

21. Accounts payable

(1) Presentation of accounts payable

RMB

Item	**30 June 2025**	31 December 2024
Payable for materials and packing materials	**3,420,810,403**	2,617,780,464
Payable for handling and transportation costs *(Note)*	**594,910,123**	290,539,248
Payable to related parties for beer purchase *(Note (XI) 6)*	**150,681,376**	84,704,658
Payable for promotional goods	**139,302,385**	52,213,486
Others	**15,125,357**	8,276,973
Total	**4,320,829,644**	3,053,514,829

Note: As at 30 June 2025, payable for handling and transportation costs includes payable to related parties amounting to RMB315,429,102 (31 December 2024: RMB202,435,516) (Note (XI) 6).

(2) The aging analysis of accounts payable by accounting date is as follows:

RMB

Aging	**30 June 2025**	31 December 2024
Within 1 year	**4,316,088,763**	3,046,919,946
1 - 2 years	**1,877,945**	2,676,232
2 - 3 years	**1,455,994**	1,402,482
Over 3 years	**1,406,942**	2,516,169
Total	**4,320,829,644**	3,053,514,829

Accounts payable is mainly recorded based on the dates of transaction. The ageing of accounts payable represented on their recording date is basically the same as the ageing represented on the dates of invoice.

(3) As at 30 June 2025, accounts payable aged over one year amounted to RMB4,740,881 (31 December 2024: RMB6,594,883), which mainly consisted of the payable for materials. The amount had not yet been settled.

22. Contract liabilities

(1) Details of contract liabilities

RMB

Item	**30 June 2025**	31 December 2024
Distributor contract liabilities	**5,439,176,353**	8,312,560,682

(2) As at 30 June 2025, a majority of contract liabilities included in the opening balance have been transferred to revenue.

23. Employee benefits payable

(1) Presentation of employee benefits payable

RMB

Item	**30 June 2025**	31 December 2024
1. Short-term employee benefits	**1,572,951,082**	1,545,440,415
2. Defined contribution plans	**22,628,965**	22,713,634
3. Termination benefits	**188,585,731**	198,633,651
Total	**1,784,165,778**	1,766,787,700

(2) Presentation of short-term employee benefits

RMB

Item	31 December 2024	Increase in the period	Decrease in the period	30 June 2025
I. Wages and salaries, bonuses, allowances and subsidies	1,055,855,174	1,833,299,226	1,820,525,171	**1,068,629,229**
II. Staff welfare	568,151	100,498,738	100,487,596	**579,293**
III. Social security contributions	10,162,722	147,082,715	147,357,334	**9,888,103**
Including: Medical insurance	6,949,072	135,330,449	135,619,448	**6,660,073**
Work injury insurance	1,695,473	9,481,595	9,464,028	**1,713,040**
Maternity insurance	1,518,177	2,270,671	2,273,858	**1,514,990**
IV. Housing funds	16,503,522	182,047,612	182,104,996	**16,446,138**
V. Labor union funds and employee education funds	462,350,846	64,423,946	49,366,473	**477,408,319**
Total	1,545,440,415	2,327,352,237	2,299,841,570	**1,572,951,082**

RMB

Item	31 December 2023	Increase in the period	Decrease in the period	30 June 2024
I. Wages and salaries, bonuses, allowances and subsidies	1,195,793,626	1,697,071,972	1,772,839,900	1,120,025,698
II. Staff welfare	13,182	101,294,080	101,265,540	41,722
III. Social security contributions	10,715,995	147,034,571	147,299,055	10,451,511
Including: Medical insurance	7,489,044	134,934,596	135,189,910	7,233,730
Work injury insurance	1,706,406	9,351,310	9,358,215	1,699,501
Maternity insurance	1,520,545	2,748,665	2,750,930	1,518,280
IV. Housing funds	16,717,953	174,200,117	174,258,875	16,659,195
V. Labor union funds and employee education funds	455,195,948	61,163,808	49,968,410	466,391,346
Total	1,678,436,704	2,180,764,548	2,245,631,780	1,613,569,472

23. Employee benefits payable (Cont'd)

(3) Defined contribution plans

RMB

Item	31 December 2024	Increase in the period	Decrease in the period	**30 June 2025**
1. Basic pension	18,804,066	275,375,253	275,445,056	**18,734,263**
2. Unemployment insurance	3,807,552	11,019,329	11,036,261	**3,790,620**
3. Enterprise annuity	102,016	82,090,080	82,088,014	**104,082**
Total	22,713,634	368,484,662	368,569,331	**22,628,965**

RMB

Item	31 December 2023	Increase in the period	Decrease in the period	30 June 2024
1. Basic pension	19,045,299	273,417,700	273,229,043	19,233,956
2. Unemployment insurance	3,798,064	10,921,103	10,914,124	3,805,043
3. Enterprise annuity	41,218,209	88,285,571	-	129,503,780
Total	64,061,572	372,624,374	284,143,167	152,542,779

The Group pays the basic pension and unemployment insurance to the local labor and social security department on a monthly basis, following the demanding proportion and base. The Group has no forfeited contributions that can be used to offset the Group's contributions payable on behalf of the employees for the current and future periods.

(4) Termination benefits

RMB

Item	**30 June 2025**	31 December 2024
Early retirement benefits payable *(Note (V) 30)*	**85,498,413**	95,546,333
Other termination benefits *(Note)*	**103,087,318**	103,087,318
Total	**188,585,731**	198,633,651

Note: For the period from 1 January to 30 June 2025, other termination benefits paid by the Group for termination of labor relationship amounted to RMB5,593,301 (for the period from 1 January 2024 to 30 June 2024: RMB4,992,335).

24. Taxes payable

RMB

Item	**30 June 2025**	31 December 2024
Enterprise income tax	**398,593,208**	166,451,087
Consumption tax	**237,241,989**	107,440,393
VAT	**236,988,921**	53,311,791
City maintenance and construction tax	**28,650,233**	7,635,795
Education surcharge	**21,576,102**	5,676,806
Others	**62,905,164**	52,421,130
Total	**985,955,617**	392,937,002

25. Other payables

25.1 Summary of other payables

RMB

Item	**30 June 2025**	31 December 2024
Dividends payable	**1,460,701,740**	912,000
Other payables	**3,232,915,188**	3,268,799,751
Total	**4,693,616,928**	3,269,711,751

25.2 Dividends payable

RMB

Item	**30 June 2025**	31 December 2024
Dividends to ordinary shares	**1,441,152,192**	-
Dividends to minority shareholders	**19,549,548**	912,000
Total	**1,460,701,740**	912,000

25. Other payables (Cont'd)

25.3 Other payables

RMB

Nature	**30 June 2025**	31 December 2024
Guarantee deposits payable	**1,032,097,131**	988,251,532
Payable for equipment and construction work	**1,028,997,349**	1,074,929,395
Advertising and marketing expenses payable	**427,291,954**	362,745,117
Compensation received in advance for land acquisition	**100,000,000**	203,500,000
Energy costs payable	**61,692,486**	43,597,788
Labor costs payable	**55,192,151**	41,836,572
General and administrative expenses payable	**27,629,747**	29,974,408
Withholding of employees' social security contributions	**16,944,871**	18,947,720
Deposits taken by Finance Company from related parties *(Note)*	**9,173,544**	79,178,094
Restricted shares repurchase obligations *(Note (XII))* *(Note (V) 34)*	**22,222**	1,501,239
Others	**473,873,733**	424,337,886
Total	**3,232,915,188**	3,268,799,751

Note: It represents the principal and interest of deposits taken from the Company's associates by Finance Company, a subsidiary of the Company (Note (XI) 6).

As at 30 June 2025, other payables aged over one year of RMB449,781,402 (31 December 2024: RMB715,610,122) are mainly compensation received in advance for land acquisition and warranty deposits payable for equipment and construction work.

26. Current portion of non-current liabilities

RMB

Item	**30 June 2025**	31 December 2024
Lease liabilities due within one year *(Note (V) 28)*	**39,893,898**	42,063,828

27. Other current liabilities

RMB

Item	**30 June 2025**	31 December 2024
Deferred output VAT	**88,863,800**	467,595,834

28. Lease liabilities

RMB

	30 June 2025	31 December 2024
Lease liabilities	**117,952,045**	110,300,538
Less: Lease liabilities included in current portion of non-current liabilities	**39,893,898**	42,063,828
Net amount	**78,058,147**	68,236,710

As at 30 June 2025 and 31 December 2024, the matters that are not included in lease liabilities but will lead to potential cash outflow are as follows:

As at 30 June 2025, the future minimum rent payable for the short-term lease contracts that are treated under simplified methods by the Group is RMB15,161,635 (31 December 2024: RMB12,491,651), all of which are payable within one year.

29. Long-term payables

RMB

Item	30 June 2025	31 December 2024
Special payables	**16,033,772**	16,090,646

Note: Special payables mainly represent the relocation compensation received by the Group from the government.

30. Long-term employee benefits payable

30.1 Long-term employee benefits payable

RMB

Item	30 June 2025	31 December 2024
1. Early retirement benefits	**249,797,639**	285,205,964
Less: Early retirement benefits payable within one year	**85,498,413**	95,546,333
2. Supplementary post-employment benefits	**548,435,611**	557,489,068
Total	**712,734,837**	747,148,699

30. Long-term employee benefits payable (Cont'd)

30.2 Early retirement benefits

Early retirement benefits are provided to those employees who meet certain criteria as approved by the Company. As at the balance sheet date, the main actuarial assumptions used in estimating the early retirement benefits payable by the Group are as follows:

	30 June 2025	31 December 2024
Discount rate (yield-to-maturity of the government bonds with the same term)	**1.34% - 1.64%**	1.08% - 1.66%

Early retirement benefits included in profit or loss for the period:

RMB

Item	**Period from 1 January 2025 to 30 June 2025 (Amount incurred in the current period)**	Period from 1 January 2024 to 30 June 2024 (Amount incurred in the prior period)
General and administrative expenses	**15,806,182**	12,979,109
Finance expenses	**1,985,199**	3,152,560

30.3 Post-employment benefits – Net liabilities of defined benefit plans

Supplementary post-employment benefits are provided to those employees who meet certain criteria as approved by the Company. The benefits that the employees can receive depend on their positions and seniorities, etc. As at the balance sheet date, the Group's supplementary post-employment benefits payable is calculated by external independent actuary Towers Watson Management Consulting (Shenzhen) Co., Ltd. (a member of China Association of Actuaries) according to the projected unit credit method.

(1) Post-employment benefits – Net liabilities of defined benefit plans payable by the Group:

RMB

Item	**30 June 2025**	31 December 2024
Defined benefit obligations	**732,171,497**	735,820,743
Less: Fair value of plan assets	**183,735,886**	178,331,675
Defined benefit liabilities	**548,435,611**	557,489,068

30. Long-term employee benefits payable (Cont'd)

30.3 Post-employment benefits - Net liabilities of defined benefit plans (Cont'd)

(2) Changes in defined benefit plans

Present value of defined benefit obligations

RMB

Item	**Amount incurred in the current period**	**Amount incurred in the prior period**
I. Opening balance	735,820,743	663,935,553
II. Defined benefit costs recognized in profit or loss for the period	10,884,359	12,799,499
1. Current service costs	3,693,361	3,830,499
2. Net interest	7,190,998	8,969,000
III. Defined benefit costs recognized in other comprehensive income	-	-
1. Actuarial gains (losses) *(Note (V) 35)*	-	-
IV. Other changes	(14,533,605)	(12,795,723)
1. Benefits paid	(14,533,605)	(12,795,723)
V. Closing balance	732,171,497	663,939,329

Plan assets

RMB

Item	**Amount incurred in the current period**	**Amount incurred in the prior period**
I. Opening balance	178,331,675	-
II. Defined benefit costs recognized in profit or loss for the period	-	-
III. Defined benefit costs recognized in other comprehensive income	-	-
IV. Other changes	5,404,211	-
1. Contributions paid by the employer and employees	5,118,451	-
2. Benefits paid	(1,506,239)	-
3. Investment income from plan assets	1,791,999	-
V. Closing balance	183,735,886	-

30. Long-term employee benefits payable (Cont'd)

30.3 Post-employment benefits - Net liabilities of defined benefit plans (Cont'd)

(2) Changes in defined benefit plans (Cont'd)

Net liabilities of defined benefit plans

RMB

Item	**Amount incurred in the current period**	**Amount incurred in the prior period**
I. Opening balance	557,489,068	663,935,553
II. Defined benefit costs recognized in profit or loss for the period	10,884,359	12,799,499
III. Defined benefit costs recognized in other comprehensive income	-	-
IV. Other changes	(19,937,816)	(12,795,723)
V. Closing balance	548,435,611	663,939,329

(3) Main actuarial assumptions for the present value of defined benefit obligations

	30 June 2025	31 December 2024
Discount rate	**2.00%**	2.00%

Mortality refers to China Life Insurance Mortality Table (2010-2013).

The salary growth rate of in-service personnel is determined based on the Group's policies on post-employment benefits and the growth rate of average social salary.

(4) The sensitivity analysis of the main actuarial assumptions for the present value of defined benefit obligations is as follows:

Item	**Changes in discount rate**	**Impact on present value of defined benefit obligations**
Increase in discount rate	0.25%	Decrease by 3.36%
Decrease in discount rate	0.25%	Increase by 3.54%

If the discount rate increases (decreases) by 0.25%, the present value of the defined benefit plan obligations will decrease by RMB24,715,000 (increase by RMB26,076,000).

The sensitivity analysis above is based on a change in an assumption while all other assumptions held constant. However, various assumptions may be correlated in practice. The projected unit credit method is also applied in calculating the present value of defined benefit obligations in the sensitivity analysis above.

30. Long-term employee benefits payable (Cont'd)

30.3 Post-employment benefits - Net liabilities of defined benefit plans (Cont'd)

(5) The weighted average duration of the present value of the Group's supplementary post-employment benefit obligations is 14.1 years (31 December 2024: 14.1 years).

(6) Supplementary post-employment benefits payable expose the Group to various risks, mainly including the risk of changes in interest rates of government bonds. A decrease in interest rates of government bonds will result in an increase in defined benefit liabilities; supplementary retirement benefit obligations are linked to inflation, an increase of which would result in an increase in defined benefit liabilities.

31. Deferred income

RMB

Item	31 December 2024	Amount of grants increased in the period	Amount included in other income in the period	Amount included in gains from disposal of assets in the period	**30 June 2025**	Reason
Government grants	2,947,288,445	114,338,844	137,409,233	1,898,777	**2,922,319,279**	Grants for project construction and technological improvement projects, etc.

RMB

Item	31 December 2023	Amount of grants increased in the period	Amount included in other income in the period	Amount included in gains from disposal of assets in the period	30 June 2024	Reason
Government grants	2,887,543,652	202,544,922	138,921,410	56,871	2,951,110,293	Grants for project construction and technological improvement projects, etc.

32. Share capital

RMB

		Changes for the period			
	31 December 2024	Issue of new shares	Cancellation of treasury stock	Sub-total	**30 June 2025**
RMB ordinary shares *(Note)*	709,127,610	-	-	-	**709,127,610**
Foreign shares listed overseas	655,069,178	-	-	-	**655,069,178**
Total shares	1,364,196,788	-	-	-	**1,364,196,788**

32. Share capital (Cont'd)

RMB

		Changes for the period			
	31 December 2023	Issue of new shares	Cancellation of treasury stock	Sub-total	30 June 2024
RMB ordinary shares *(Note)*	709,127,610	-	-	-	709,127,610
Foreign shares listed overseas	655,069,178	-	-	-	655,069,178
Total shares	1,364,196,788	-	-	-	1,364,196,788

Note: For the restricted share incentive plan carried out by the Group, please refer to Note (XII) for details.

33. Capital surplus

RMB

Item	31 December 2024	Increase in the period	Decrease in the period	**30 June 2025**
Share premium	4,103,536,849	5,346,711	-	**4,108,883,560**
Other capital surplus	94,571,272	201,555	5,506,917	**89,265,910**
Including: Changes in equity other than comprehensive income and profit distribution of investees accounted for using the equity method	(10,172,572)	(7,123)	-	**(10,179,695)**
Share-based payments recognized in shareholders' equity *(Note)*	5,310,224	195,008	5,505,232	**-**
Transfer from capital surplus recognized under the previous accounting system	93,338,214	-	-	**93,338,214**
Others	6,095,406	13,670	1,685	**6,107,391**
Total	4,198,108,121	5,548,266	5,506,917	**4,198,149,470**

RMB

Item	31 December 2023	Increase in the period	Decrease in the period	30 June 2024
Share premium	3,930,935,521	5,570,862	1,126,758	3,935,379,625
Other capital surplus	276,520,090	23,171,208	6,899,860	292,791,438
Including: Changes in equity other than comprehensive income and profit distribution of investees accounted for using the equity method	(10,173,615)	2,407	-	(10,171,208)
Share-based payments recognized in shareholders' equity *(Note)*	188,161,481	23,168,801	6,889,361	204,440,921
Transfer from capital surplus recognized under the previous accounting system	93,338,214	-	-	93,338,214
Others	5,194,010	-	10,499	5,183,511
Total	4,207,455,611	28,742,070	8,026,618	4,228,171,063

33. Capital surplus (Cont'd)

Note: As described in Note (XII), for the period from 1 January to 30 June 2025, the Group has recognized general and administrative expenses and research and development expenses totaling RMB195,413 for the Restricted Share Incentive Plan and included the portion attributable to minority shareholders of RMB405 in non-controlling interests, with the difference of RMB195,008 included in capital surplus. As at 30 June 2025, deferred tax assets and other capital surplus are offset by RMB158,521 due to changes in the Company's share price. In addition, the Group adjusts other capital surplus corresponding to the unlocked portion of restricted shares of RMB5,346,711 to share premium.

34. Treasury stock

RMB

Item	31 December 2024	Increase in the period	Decrease in the period	30 June 2025
Treasury stock	1,501,239	-	1,479,017	**22,222**

RMB

Item	31 December 2023	Increase in the period	Decrease in the period	30 June 2024
Treasury stock	77,643,806	-	10,359,615	67,284,191

For the period from 1 January to 30 June 2025, the Company has distributed cash dividends of RMB212,667 to incentive recipients of the restricted shares for the part that are expected to be unlocked in the future, thereby offsetting treasury stock and other payables by RMB212,667. As at 30 May 2025, 95,000 restricted shares were unlocked, and the Company offset treasury stock by RMB1,266,350.

35. Other comprehensive income

RMB

Item	31 December 2024	Amount incurred in the current period: Amount before tax incurred in the period	Less: Amount previously included in other comprehensive income and transferred to profit or loss in the year	Less: Income tax expenses	Attributable to the Company, net of tax	Attributable to minority shareholders, net of tax	30 June 2025
I. Other comprehensive income that cannot be reclassified to profit or loss	(165,312,000)	-	-	-	-	-	**(165,312,000)**
Including: Changes arising from re-measurement of net liabilities of defined benefit plans *(Note (V) 30.3(2))*	(165,312,000)	-	-	-	-	-	**(165,312,000)**
II. Other comprehensive income that will be reclassified to profit or loss	11,771,607	(2,603,882)	-	-	(2,240,923)	(362,959)	**9,530,684**
Including: Exchange differences on translation of financial statements denominated in foreign currencies	12,540,793	(3,287,318)	-	-	(2,924,359)	(362,959)	**9,616,434**
Other comprehensive income that will be reclassified to profit or loss under the equity method	(769,186)	683,436	-	-	683,436	-	**(85,750)**
Total	(153,540,393)	(2,603,882)	-	-	(2,240,923)	(362,959)	**(155,781,316)**

35. Other comprehensive income (Cont'd)

RMB

Item	31 December 2023	Amount incurred in the current period: Amount before tax incurred in the period	Less: Amount previously included in other comprehensive income and transferred to profit or loss in the year	Less: Income tax expenses	Attributable to the Company, net of tax	Attributable to minority shareholders, net of tax	30 June 2024
I. Other comprehensive income that cannot be reclassified to profit or loss	(91,694,000)	-	-	-	-	-	(91,694,000)
Including: Changes arising from re-measurement of net liabilities of defined benefit plans *(Note (V) 30.3(2))*	(91,694,000)	-	-	-	-	-	(91,694,000)
II. Other comprehensive income that will be reclassified to profit or loss	10,632,655	214,504	-	-	176,135	38,369	10,808,790
Including: Exchange differences on translation of financial statements denominated in foreign currencies	11,236,954	323,389	-	-	285,020	38,369	11,521,974
Other comprehensive income that will be reclassified to profit or loss under the equity method	(604,299)	(108,885)	-	-	(108,885)	-	(713,184)
Total	(81,061,345)	214,504	-	-	176,135	38,369	(80,885,210)

36. Surplus reserve

RMB

Item	31 December 2024	Increase in the period	Decrease in the period	**30 June 2025**
Statutory surplus reserve *(Note)*	1,400,704,380	-	-	**1,400,704,380**

RMB

Item	31 December 2023	Increase in the period	Decrease in the period	30 June 2024
Statutory surplus reserve *(Note)*	1,400,704,380	-	-	1,400,704,380

Note: In accordance with the Company Law of the People's Republic of China and the Company's Articles of Association, the Company should appropriate 10% of the net profit for the year to the statutory surplus reserve, and it may cease the appropriation when the statutory surplus reserve accumulates to more than 50% of the registered capital. The statutory surplus reserve can be used to make up for the losses or increase share capital after approval from the appropriate authorities. The Company has appropriated the statutory surplus reserve of RMB1,400,704,380, which has exceeded 50% of the registered capital. Therefore, it is resolved at the Twentieth Meeting of the Tenth Session of the Board of Directors that the Company would not appropriate the statutory surplus reserve.

37. General reserve

RMB

Item	31 December 2024	Increase in the period	Decrease in the period	**30 June 2025**
General reserve	301,761,292	-	-	**301,761,292**

RMB

Item	31 December 2023	Increase in the period	Decrease in the period	30 June 2024
General reserve	301,761,292	-	-	301,761,292

Pursuant to the Administrative Measures for the Provision of Reserves of Financial Enterprises (Cai Jin [2012] No. 20) issued by the Ministry of Finance, Finance Company, a subsidiary of the Company, provides general reserve at 1.5% of the balance of risk assets at the balance sheet date, taking into account the risk profile exposed to the Company.

38. Undistributed profits

RMB

Item	Current period	Prior period
Undistributed profits at the beginning of the period	21,950,655,578	20,334,065,296
Add: Net profit attributable to owners of the Company for the period	3,904,325,353	3,641,652,772
Less: Dividends payable to ordinary shares *(Note 1)*	3,001,232,934	2,728,393,576
Undistributed profits at the end of the period	**22,853,747,997**	**21,247,324,492**

Note 1: Cash dividends approved at the General Meeting of Shareholders during the year

Pursuant to the resolution of the General Meeting of Shareholders dated 20 May 2025, the Company distributed cash dividends for 2024 at RMB2.20 per share (tax included). Based on 1,364,196,788 shares issued, as at 11 July 2025, the Company has distributed cash dividends of RMB3,001,232,934 in total (In 2024, the Company distributed cash dividends for 2023 at RMB2.00 per share (tax included). Based on 1,364,196,788 shares issued, as at 9 August 2024, the Company distributed cash dividends of RMB2,728,393,576 in total).

39. Revenue and cost of sales

(1) Revenue and cost of sales

RMB

	Amount incurred in the current period		**Amount incurred in the prior period**	
Item	**Revenue**	**Cost of sales**	**Revenue**	**Cost of sales**
Main operation	20,214,060,489	11,387,010,424	19,828,139,761	11,587,189,408
Other operations	277,107,256	150,060,439	240,168,169	132,014,508
Total	**20,491,167,745**	**11,537,070,863**	**20,068,307,930**	**11,719,203,916**

39. Revenue and cost of sales (Cont'd)

(2) Revenue from contracts

a. Main operation

RMB

Name of industry	Amount incurred in the current period		Amount incurred in the prior period	
	Revenue from main operation	Cost of main operation	Revenue from main operation	Cost of main operation
Sales of beer, etc.	20,214,060,489	11,387,010,424	19,828,139,761	11,587,189,408

Please refer to Note (XV) for revenue and cost of sales presented by operating segments.

Revenue from the Group's main operation is recognized at a point in time.

b. Other operations

RMB

Name of industry	Amount incurred in the current period		Amount incurred in the prior period	
	Revenue from other operations	Cost of other operations	Revenue from other operations	Cost of other operations
Catering related	75,778,309	42,861,356	75,179,463	42,122,686
Sales of packaging materials	72,841,691	40,272,629	72,138,459	39,159,548
Tourism related	59,966,894	19,752,393	37,713,928	11,080,461
Sales of materials	2,660,005	2,155,881	6,166,313	3,107,472
Others	65,860,357	45,018,180	48,970,006	36,544,341
Total	**277,107,256**	**150,060,439**	**240,168,169**	**132,014,508**

Except for the income from the rendering of integrated services, revenue from the Group's other operations is recognized at a point in time.

(3) Description of performance obligations

The Group's beer sales business is a performance obligation fulfilled at a point in time, with revenue recognized at a point in time when the customer obtains control over the relevant goods or services.

(4) Explanation of allocation to remaining performance obligations

As at 30 June 2025, the amount of revenue corresponding to the Group's performance obligations under contracts entered into but not yet fulfilled was RMB5,439,176,353 (31 December 2024: RMB8,312,560,682), and the Group expects to recognize the revenue within 1 year.

40. Taxes and surcharges

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Consumption tax	1,007,381,854	977,460,694
City maintenance and construction tax	170,687,029	159,803,339
Education surcharge	126,487,782	118,494,928
Real estate tax	40,006,294	36,760,780
Land use tax	29,285,961	28,329,199
Stamp duty	20,161,431	19,532,018
Others	4,834,277	4,136,980
Total	**1,398,844,628**	**1,344,517,938**

41. Selling and distribution expenses

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Employee benefits	1,245,698,663	1,182,981,030
Advertising and publicity expenses	658,851,265	724,153,465
Information service expenses	51,631,792	14,264,806
Labor costs	48,890,072	46,363,286
General and administrative expenses	44,322,605	50,964,948
Lease expenses	44,222,356	44,573,354
Depreciation and amortization expenses	30,911,316	39,811,137
Consumption of materials	21,768,046	25,104,732
Others	40,985,902	41,052,770
Total	**2,187,282,017**	**2,169,269,528**

42. General and administrative expenses

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Employee benefits	413,103,369	376,323,969
Depreciation and amortization expenses	140,436,208	123,509,077
General and administrative expenses	30,905,769	35,543,444
Repair expenses	25,801,811	25,901,613
Agency fees	20,028,014	20,751,336
Security and firefighting expenses	14,428,415	14,461,140
Labor costs	4,024,071	3,853,258
Insurance expenses	3,932,126	3,996,774
Consumption of materials	2,935,738	3,385,649
Security fund for the disabled	2,925,471	3,420,918
Share-based payments	191,205	23,201,354
Others	24,279,759	32,153,836
Total	**682,991,956**	**666,502,368**

43. Research and development expenses

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Employee benefits and labor costs	24,906,230	20,078,894
Depreciation and amortization expenses	6,807,426	2,134,718
Repair expense	6,274,985	4,312,541
Consumption of materials	1,423,052	1,333,863
Share-based payments	4,208	460,981
Others	4,296,060	1,084,851
Total	**43,711,961**	**29,405,848**

44. Finance expenses

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Interest expenses	4,846,659	11,174,771
Less: Interest income	222,322,168	315,777,423
Discounted interest on long-term employee benefits payable	7,384,195	12,121,560
Foreign exchange losses	1,041,589	350,545
Others	1,258,268	1,134,504
Total	**(207,791,457)**	**(290,996,043)**

Among others, the interest expenses on lease liabilities for the period from 1 January to 30 June 2025 are RMB2,633,802 (for the period from 1 January to 30 June 2024: RMB3,099,629).

45. Other income

RMB

By nature	Amount incurred in the current period	Amount incurred in the prior period
Government grants		
– Related to assets	132,645,531	130,778,855
– Related to income	62,308,159	155,255,354
Total	**194,953,690**	**286,034,209**

46. Investment income

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Income from long-term equity investments accounted for using the equity method	26,647,332	19,983,389
Investment income from disposal of financial assets held for trading	10,401,031	8,127,958
Investment income from other non-current financial assets	2,955,754	1,754,098
Investment income from interbank certificates of deposits	907,969	31,418,034
Others	322,971	123,287
Total	**41,235,057**	**61,406,766**

47. Profits (Losses) arising from changes in fair value

RMB

Source of profits arising from changes in fair value	Amount incurred in the current period	Amount incurred in the prior period
Current portion of non-current assets - Debt instruments	35,270,936	32,324,965
Financial assets held for trading - Debt instruments	27,312,563	37,996,602
Other non-current financial assets - Debt instruments	(9,084,591)	66,897,200
Total	**53,498,908**	**137,218,767**

48. Credit impairment (losses) gains

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Credit impairment losses of accounts receivable	(469,721)	(459,153)
Credit impairment losses of other receivables	(171,671)	(754,045)
Impairment gains of other current assets	135,702	1,408,475
Total	**(505,690)**	**195,277**

49. Asset impairment losses

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Impairment losses of fixed assets	-	(3,026,192)

50. Gains (Losses) on disposal of assets

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Gains (Losses) on disposal of intangible assets	107,855,591	(27,783)
Gains (Losses) on disposal of fixed assets	4,122,784	(93,110)
Gains (Losses) on disposal of right-of-use assets	127,195	(68,614)
Total	**112,105,570**	**(189,507)**

For the period from 1 January to 30 June 2025, gains or losses on disposal of assets are all included in non-recurring profit or loss for the period.

51. Non-operating income

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Gains from unpayable debts	9,366,092	2,627,923
Penalty income	2,678,591	649,642
Others	2,785,126	936,012
Total	**14,829,809**	**4,213,577**

For the period from 1 January to 30 June 2025, non-operating income is all included in non-recurring profit or loss for the year.

52. Non-operating expenses

RMB

	Amount incurred in the current period		Amount incurred in the prior period	
Item	Amount	Amount included in non-recurring profit or loss for the current year	Amount	Amount included in non-recurring profit or loss for the prior year
Compensation, liquidated damage and overdue fines	1,475,871	1,475,871	6,429,645	6,429,645
Donations	205,672	205,672	11,700	11,700
Others	336,178	237,128	181,364	181,364
Total	**2,017,721**	**1,918,671**	**6,622,709**	**6,622,709**

Except for carbon sinks and other expenses related to production and operation business of RMB99,050 (for the period from 1 January to 30 June 2024: carbon emission rights of RMB0), non-operating expenses for the period from 1 January to 30 June 2025 are included in non-recurring profit or loss for the period.

53. Income tax expenses

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Current income tax calculated according to tax laws and relevant regulations - PRC enterprise income tax	1,471,708,910	1,272,698,843
Current income tax calculated according to tax laws and relevant regulations - Hong Kong profits tax	12,490,144	802,417
Current income tax calculated according to tax laws and relevant regulations - Macau profits supplemental tax	228,102	317,026
Deferred income tax	(195,236,074)	(85,312,475)
Total	**1,289,191,082**	**1,188,505,811**

Reconciliation of income tax expenses to total profit is as follows:

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Total profit	5,263,157,400	4,909,634,563
Income tax expenses calculated at applicable tax rate (25%)	1,315,789,350	1,227,408,641
Effect of different tax rates applied by subsidiaries	(1,464,273)	(1,947,293)
Effect of non-taxable income	(9,887,913)	(10,389,767)
Effect of non-deductible costs, expenses and losses	29,907,830	22,264,243
Effect of utilizing deductible losses and deductible temporary differences not recognized for deferred tax assets for prior period	(83,222,266)	(91,501,782)
Effect of deductible losses and deductible temporary differences not recognized for deferred tax assets	38,068,354	42,671,769
Total	**1,289,191,082**	**1,188,505,811**

54. Earnings per share

(1) Basic earnings per share

Item	Amount incurred in the current period	Amount incurred in the prior period
Consolidated net profit attributable to shareholders of the Company	3,904,325,353	3,641,652,772
Less: Cash dividends on restricted shares expected to be unlocked in the future	-	8,665,060
Consolidated net profit attributable to ordinary shareholders of the Company	3,904,325,353	3,632,987,712
Weighted average number of outstanding ordinary shares of the Company	1,364,100,121	1,359,783,703
Basic earnings per share	2.862	2.672
Including:– Basic earnings per share from continuing operation	2.862	2.672

54. Earnings per share (Cont'd)

(1) Basic earnings per share (Cont'd)

Basic earnings per share are calculated by dividing the consolidated net profit attributable to ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares of the Company.

(2) Diluted earnings per share

Item	Amount incurred in the current period	Amount incurred in the prior period
Consolidated net profit attributable to shareholders of the Company	3,904,325,353	3,641,652,772
Weighted average number of outstanding ordinary shares of the Company	1,364,100,121	1,359,783,703
Increase in weighted average number of ordinary shares as a result of share-based payments	67,799	3,208,756
Weighted average number of outstanding ordinary shares after dilution	1,364,167,920	1,362,992,459
Diluted earnings per share	2.862	2.672
Including:– Diluted earnings per share from continuing operation	2.862	2.672

Diluted earnings per share are calculated by dividing the consolidated net profit attributable to ordinary shareholders of the Company, adjusted for dilutive potential ordinary shares, by the adjusted weighted average number of outstanding ordinary shares of the Company. For the six months ended 30 June 2025, the restricted shares incentive plan implemented by the Company has a dilutive effect on earnings per share.

55. Supplementary information to the income statement

The cost of sales, selling and distribution expenses, general and administrative expenses and research and development expenses in the income statement classified by nature are as follows:

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Raw materials, packaging materials and consumables used	6,849,447,032	7,179,554,634
Employee benefits	2,720,929,743	2,575,094,986
Changes in inventories of finished goods and work in progress	1,177,270,965	1,143,924,642
Handling and transportation costs	1,090,008,489	1,055,967,366
Advertising and publicity expenses	658,851,265	724,153,465
Finished goods purchased from outside	644,285,021	625,015,835
Depreciation and amortization expenses	643,169,807	619,170,176
Repair expenses	148,655,508	166,634,905
Labor costs	105,519,478	107,549,446
Lease expenses	85,953,064	83,320,254
General and administrative expenses	79,634,869	89,053,955
Share-based payment expenses	195,413	23,662,335
Others	247,136,143	191,279,661
Total	**14,451,056,797**	**14,584,381,660**

56. Notes to items in the cash flow statement

(1) Other cash receipts relating to operating activities

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Guarantee deposits	321,069,618	324,043,210
Government grants received	169,585,793	347,961,140
Others	48,629,105	63,362,035
Total	**539,284,516**	**735,366,385**

(2) Other cash payments relating to operating activities

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Marketing and promotion expenses	874,878,478	762,744,938
Advertising and publicity expenses	427,762,341	595,937,811
Guarantee deposits	188,068,146	140,491,163
General and administrative expenses	134,799,276	135,495,723
Lease payments	61,579,049	61,356,582
Others	131,930,057	67,086,498
Total	**1,819,017,347**	**1,763,112,715**

(3) Cash receipts from disposals and recovery of investments

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Cash receipts from disposals and recovery of time and structured deposits	7,249,811,923	1,480,000,000
Cash receipts from redemption of bonds related investments	607,852,430	499,999,000
Cash receipts from redemption of wealth management products and funds	249,997,000	595,996,000
Cash receipts from redemption of interbank certificates of deposits	-	1,944,770,500
Total	**8,107,661,353**	**4,520,765,500**

56. Notes to items in the cash flow statement (Cont'd)

(4) Cash payments to acquire investments

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Cash payments to purchase time and structured deposits	9,352,702,438	9,280,000,000
Cash payments to purchase bonds related investments	407,852,430	1,499,999,000
Cash payments to purchase wealth management products and funds	379,996,000	50,000,000
Cash payments to purchase interbank certificates of deposits	9,959,830	9,803,830
Total	**10,150,510,698**	**10,839,802,830**

(5) Other cash receipts relating to investing activities

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Interest income from deposits in Finance Company	22,819,661	162,791,192
Bidding deposits received and others	306,310	12,089,926
Total	**23,125,971**	**174,881,118**

(6) Other cash payments relating to investing activities

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Deposit reserve paid by Finance Company	10,990,000	118,860,000
Bidding deposits and others paid	1,920,774	16,221,052
Total	**12,910,774**	**135,081,052**

(7) Other cash payments relating to financing activities

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Repayment of lease liabilities	28,108,738	33,472,127
Purchase of non-controlling interests	-	18,065,000
Interest expenses on pledged repurchase of Finance Company *(Note)*	-	1,108,196
Total	**28,108,738**	**52,645,323**

56. Notes to items in the cash flow statement (Cont'd)

(7) Other cash payments relating to financing activities (Cont'd)

Note: Cash flows relating to Finance Company's pledged repurchase and interbank lending operations are presented on a net basis due to their characteristics of fast turnover, large amount and short maturity.

(8) Changes in liabilities arising from financing activities

RMB

Item	Opening balance	Increase in the period		Decrease in the period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Dividends	912,000	-	3,056,169,218	1,596,379,478	-	1,460,701,740
Lease liabilities and lease liabilities due within one year	110,300,538	-	36,387,922	28,108,738	627,677	117,952,045
Others (including those due within one year)	1,501,239	-	-	-	1,479,017	22,222
Total	**112,713,777**	**-**	**3,092,557,140**	**1,624,488,216**	**2,106,694**	**1,578,676,007**

57. Supplementary information to the cash flow statement

(1) Supplementary information to the cash flow statement

RMB

Supplementary information	Amount incurred in the current period	Amount incurred in the prior period
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	3,973,966,318	3,721,128,752
Add: Provision for impairment of assets	-	3,026,192
Credit impairment losses (gains)	505,690	(195,277)
Depreciation of fixed assets	515,016,301	488,756,747
Depreciation of investment properties	1,034,476	1,171,135
Depreciation of right-of-use assets	25,912,298	30,793,197
Amortization of intangible assets	84,929,516	79,672,699
Amortization of long-term prepaid expenses	20,158,421	22,884,452
Share-based payment expenses	195,413	23,662,335
(Gains) Losses on disposal of fixed assets, intangible assets and other long-term assets	(112,105,570)	189,507
Profits arising from changes in fair value	(53,498,908)	(137,218,767)
Finance expenses	(208,030,932)	(300,739,829)
Investment income	(41,235,057)	(61,406,766)
Increase in deferred tax assets	(175,484,793)	(85,281,404)
Decrease in deferred tax liabilities	(19,751,281)	(31,071)
Amortization of deferred income	(137,409,233)	(138,921,410)
Decrease in inventories	1,504,255,429	1,326,545,993
Decrease in operating receivables	518,219,646	508,482,900
(Decrease) Increase in operating payables	(1,097,133,577)	231,353,125
Net cash flow from operating activities	4,799,544,157	5,713,872,510
2. Net changes in cash and cash equivalents:		
Closing balance of cash and cash equivalents	4,607,496,049	7,959,172,830
Less: Opening balance of cash and cash equivalents	4,046,010,946	9,292,085,271
Net increase (decrease) in cash and cash equivalents	561,485,103	(1,332,912,441)

57. Supplementary information to the cash flow statement (Cont'd)

(2) Composition of cash and cash equivalents

RMB

Item	**30 June 2025**	31 December 2024
I. Cash		
Cash on hand	**79,509**	69,483
Bank deposits that can be readily withdrawn on demand	**4,406,803,754**	3,915,827,757
II. Cash equivalents		
Principal of treasury bonds reverse repurchase	**199,998,000**	129,999,000
Cash at non-financial institutions that can be readily withdrawn on demand	**614,786**	114,706
III. Closing balance of cash and cash equivalents	**4,607,496,049**	4,046,010,946

Cash and cash equivalents presented in the cash flow statement:

RMB

Item	**30 June 2025**	31 December 2024
Cash at bank and on hand	**16,842,451,076**	17,978,772,896
Deposits with non-financial institutions	**614,786**	114,706
Principal of treasury bonds reverse repurchase	**199,998,000**	129,999,000
Less: Restricted deposits with the central bank	**729,488,934**	718,530,910
Other restricted cash at bank and on hand	**33,376,181**	33,357,076
Time deposits over three months	**11,552,563,698**	13,149,842,431
Interest receivable on deposits	**120,139,000**	161,145,239
Closing balance of cash and cash equivalents	**4,607,496,049**	4,046,010,946

58. Foreign currency monetary items

(1) Foreign currency monetary items

RMB

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Cash at bank and on hand			
Including: USD	26,420,276	7.1586	189,132,188
HKD	109,349,751	0.9120	99,726,973
MOP	33,162,397	0.8847	29,338,773
EUR	2,714,192	8.4024	22,805,727
VND	5,511,689,265	0.0003	1,653,507
Total			**342,657,168**
Accounts receivable			
Including: HKD	30,898,477	0.9120	28,179,411
USD	3,888,384	7.1586	27,835,386
GBP	2,414,946	9.8300	23,738,919
EUR	2,775,238	8.4024	23,318,660
MOP	4,719,490	0.8847	4,175,333
CAD	301,028	5.2358	1,576,122
VND	364,304,091	0.0003	109,291
Total			**108,933,122**
Other receivables			
Including: HKD	56,721,914	0.9120	51,730,386
MOP	317,956	0.8847	281,296
VND	347,500,000	0.0003	104,250
Total			**52,115,932**
Accounts payable			
Including: HKD	40,809,042	0.9120	37,217,846
VND	32,717,870,484	0.0003	9,815,361
MOP	3,266,151	0.8847	2,889,564
Total			**49,922,771**

58. Foreign currency monetary items (Cont'd)

(1) Foreign currency monetary items (Cont'd)

RMB

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Other payables			
Including: USD	589,207	7.1586	4,217,897
HKD	1,960,787	0.9120	1,788,238
VND	4,341,871,113	0.0003	1,302,561
MOP	535,430	0.8847	473,695
Total			**7,782,391**
Current portion of non-current liabilities			
Including: HKD	3,129,904	0.9120	2,854,472
MOP	51,881	0.8847	45,899
Total			**2,900,371**
Lease liabilities			
Including: MOP	43,678	0.8847	38,642
Total			**38,642**

Foreign currencies mentioned above refer to all currencies other than RMB (the scope is different from the foreign currency items in Note IX (1)).

59. Leases

(1) The Group as a lessee

The Group recognizes a right-of-use asset on the commencement date of the lease term and recognizes a lease liability for the present value of the outstanding lease payments. Lease payments include, fixed payments and payments that would be required if it were reasonably certain that a purchase option or lease termination option would be exercised. Variable rentals determined as a percentage of sales are not included in the lease payments and are recognized in profit or loss when they are actually incurred. For the period from 1 January to 30 June 2025, variable lease payments not included in the measurement of the lease liabilities amounted to RMB804,266.

For the period from 1 January to 30 June 2025, the short-term lease expenses under simplified treatment and recognized in profit or loss amounted to RMB74,950,453 (for the period from 1 January to 30 June 2024: RMB82,430,365).

For the period from 1 January to 30 June 2025, total cash outflows related to leases amounted to RMB89,687,787 (for the period from 1 January to 30 June 2024: RMB94,828,709), and all cash outflows are included in operating activities, except for the amount paid for the repayment of lease liabilities, which is included in financing activities as described in Note (V) 56 (7).

59. Leases (Cont'd)

(2) The Group as a lessor

The Group as a lessor under operating leases

RMB

Item	**Rental income**	**Including: Income related to variable lease payments not included in lease receipts**
Investment properties	2,258,908	-
Others	10,288,726	-
Total	**12,547,634**	**-**

RMB'0000

	Undiscounted lease receipts	
	30 June 2025	31 December 2024
1st year subsequent to the balance sheet date	**373**	342
2nd year subsequent to the balance sheet date	**158**	239
3rd year subsequent to the balance sheet date	**119**	203
4th year subsequent to the balance sheet date	**118**	180
5th year subsequent to the balance sheet date	**3**	30
Subsequent years	**-**	-
Total	**771**	994

(VI) CHANGE IN CONSOLIDATION SCOPE

1. Change in consolidation scope due to other reasons

Name of investee	**Principal operating activities**	**Reason for change**	**Shareholding ratio**
Tsingtao Brewery Biotechnology Co., Ltd. ("Biotechnology Company") *(Note 1)*	Manufacturing	Establishment	100%

Note 1: Pursuant to the resolution of the Board of Directors dated 28 March 2025, the Board of Directors deliberated and approved the establishment of Biotechnology Company, a wholly-owned subsidiary of the Company, with a registered capital of RMB421,000,000. Biotechnology Company was established in May 2025 and the Company has contributed RMB6,000,000 as at the date of approval for the issue of the financial statements.

(VII) INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Composition of the Group

Name of subsidiary	Place of operation	Registered capital RMB	Place of incorporation	Nature of business	Total shareholding proportion of the Group (%) Directly	Indirectly	Acquisition method
Shenzhen Tsingtao Brewery Huanan Holding Co., Ltd. ("Huanan Holding Investment")	Shenzhen, the PRC	200,000,000	Shenzhen, the PRC	Industrial investment	100	-	Establishment or investment
Tsingtao Brewery (Zhuhai) Co., Ltd. ("Zhuhai Company")	Zhuhai, the PRC	60,000,000	Zhuhai, the PRC	Manufacturing	-	100	Establishment or investment
Tsingtao Brewery (Huangshi) Co., Ltd. ("Huangshi Company")	Huangshi, the PRC	168,630,000	Huangshi, the PRC	Manufacturing	97.18	2.82	Establishment or investment
Tsingtao Brewery (Yingcheng) Co., Ltd. ("Yingcheng Company")	Yingcheng, the PRC	97,070,000	Yingcheng, the PRC	Manufacturing	95.11	4.89	Establishment or investment
Shenzhen Huanan Tsingtao Brewery Sales Co., Ltd. ("Huanan Sales Company")	Guangdong, the PRC	20,000,000	Shenzhen, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery (Changsha) Co., Ltd. ("Changsha Company")	Changsha, the PRC	68,000,000	Changsha, the PRC	Manufacturing	70	30	Establishment or investment
Shanghai Tsingtao Brewery Huadong (Holding) Co., Ltd. ("Huadong Holding Company")	Shanghai, the PRC	100,000,000	Shanghai, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery Huadong Shanghai Sales Co., Ltd. ("Huadong Sales Company")	Shanghai, the PRC	100,300,000	Shanghai, the PRC	Wholesale and retail sale	97.01	2.99	Establishment or investment
Nanjing Tsingtao Brewery Huadong Sales Co., Ltd. ("Nanjing Sales Company")	Jiangsu, the PRC	1,000,000	Nanjing, the PRC	Wholesale and retail sale	-	100	Establishment or investment
Tsingtao Brewery (Wuhu) Co., Ltd. ("Wuhu Company")	Wuhu, the PRC	314,290,000	Wuhu, the PRC	Manufacturing	94.27	5.73	Establishment or investment
Tsingtao Brewery (Maanshan) Co., Ltd. ("Maanshan Company")	Maanshan, the PRC	85,000,000	Maanshan, the PRC	Manufacturing	94.12	5.88	Establishment or investment
Tsingtao Brewery (Shouguang) Co., Ltd. ("Shouguang Company")	Shouguang, the PRC	60,606,060	Shouguang, the PRC	Manufacturing	99	-	Establishment or investment
Tsingtao Brewery (Weifang) Co., Ltd. ("Weifang Company")	Weifang, the PRC	75,000,000	Weifang, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (Xuzhou) Huaihai Sales Co., Ltd.	Jiangsu, the PRC	131,000,000	Xuzhou, the PRC	Wholesale and retail sale	-	100	Establishment or investment
Tsingtao Brewery (Xuecheng) Co., Ltd. ("Xuecheng Company")	Xuecheng, the PRC	45,000,000	Xuecheng, the PRC	Manufacturing	-	85	Establishment or investment
Tsingtao Brewery (Tengzhou) Co., Ltd. ("Tengzhou Company")	Tengzhou, the PRC	61,020,000	Tengzhou, the PRC	Manufacturing	76.65	23.35	Establishment or investment
Tsingtao Brewery (Heze) Co., Ltd. ("Heze Company")	Heze, the PRC	130,000,000	Heze, the PRC	Manufacturing	93.08	6.92	Establishment or investment
Tsingtao Brewery (Langfang) Co., Ltd. ("Langfang Company")	Langfang, the PRC	99,000,000	Langfang, the PRC	Manufacturing	80.81	19.19	Establishment or investment
Tsingtao Brewery Xi'an Han's Group Co., Ltd. ("Xi'an Han's")	Shaanxi, the PRC	236,976,728	Xi'an, the PRC	Manufacturing, wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery Baoji Co., Ltd. ("Baoji Company")	Baoji, the PRC	130,000,000	Baoji, the PRC	Manufacturing	-	100	Establishment or investment
Tsingtao Brewery (Anshan) Co., Ltd. ("Anshan Company")	Anshan, the PRC	50,000,000	Anshan, the PRC	Manufacturing	80	-	Establishment or investment
Tsingtao Brewery (Xingkaihu) Co., Ltd. ("Xingkaihu Company")	Jixi, the PRC	240,000,000	Jixi, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (Mishan) Co., Ltd. ("Mishan Company")	Mishan, the PRC	118,000,000	Mishan, the PRC	Manufacturing	100	-	Establishment or investment

1. Interests in subsidiaries (Cont'd)

(1) Composition of the Group (Cont'd)

Name of subsidiary	Place of operation	Registered capital RMB	Place of incorporation	Nature of business	Total shareholding proportion of the Group (%) Directly	Indirectly	Acquisition method
Tsingtao Brewery (Harbin) Co., Ltd. ("Harbin Company")	Harbin, the PRC	155,600,000	Harbin, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery International Trade Co., Ltd. ("Tsingtao Brewery International")	Qingdao, the PRC	11,000,000	Qingdao, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery (Dezhou) Co., Ltd. ("Dezhou Company")	Dezhou, the PRC	25,000,000	Dezhou, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (Rizhao) Co., Ltd. ("Rizhao Company")	Rizhao, the PRC	290,000,000	Rizhao, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (Luzhou) Co., Ltd. ("Luzhou Company")	Luzhou, the PRC	111,110,000	Luzhou, the PRC	Manufacturing	95	-	Establishment or investment
Hong Kong Company	Hong Kong, the PRC	HKD40,500,000	Hong Kong, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery (Hanzhong) Co., Ltd. ("Hanzhong Company")	Hanzhong, the PRC	29,410,000	Hanzhong, the PRC	Manufacturing	34	66	Establishment or investment
Beijing Tsingtao Brewery Beifang Sales Co., Ltd. ("Beifang Sales Company")	Beijing, the PRC	89,980,000	Beijing, the PRC	Wholesale and retail sale	95	5	Establishment or investment
Qingdao Guangrunlong Real Estate Co., Ltd. ("Guangrunlong Real Estate")	Shandong, the PRC	6,184,000	Qingdao, the PRC	Real estate services and retail industry	100	-	Establishment or investment
Tsingtao Brewery (Xiamen) Co., Ltd. ("Xiamen Company")	Xiamen, the PRC	90,000,000	Xiamen, the PRC	Manufacturing	-	100	Establishment or investment
Xiamen Tsingtao Brewery Dongnan Sales Co., Ltd. ("Dongnan Sales Company")	Fujian, the PRC	215,000,000	Xiamen, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery (Jinan) Co., Ltd. ("Jinan Company")	Jinan, the PRC	560,000,000	Jinan, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (Chengdu) Co., Ltd. ("Chengdu Company")	Chengdu, the PRC	280,000,000	Chengdu, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (Yulin) Co., Ltd. ("Yulin Company")	Yulin, the PRC	55,000,000	Yulin, the PRC	Manufacturing	-	100	Establishment or investment
Tsingtao Brewery (Chengyang) Sales Co., Ltd. ("Chengyang Sales Company")	Qingdao, the PRC	8,000,000	Qingdao, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery Chenzhou Sales Co., Ltd. ("Chenzhou Sales Company")	Chenzhou, the PRC	1,000,000	Chenzhou, the PRC	Wholesale and retail sale	-	100	Establishment or investment
Machinery and Equipment Company	Qingdao, the PRC	2,000,000	Qingdao, the PRC	Industrial engineering	-	100	Establishment or investment
Tsingtao Brewery (Shijiazhuang) Co., Ltd. ("Shijiazhuang Company")	Shijiazhuang, the PRC	321,010,000	Shijiazhuang, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (Taiyuan) Co., Ltd. ("Taiyuan Company")	Taiyuan, the PRC	200,000,000	Taiyuan, the PRC	Manufacturing	100	-	Establishment or investment
Finance Company	Qingdao, the PRC	2,000,000,000	Qingdao, the PRC	Financing	100	-	Establishment or investment
Tsingtao Brewery (Jieyang) Co., Ltd. ("Jieyang Company")	Jieyang, the PRC	200,000,000	Jieyang, the PRC	Manufacturing	75	-	Establishment or investment
Tsingtao Brewery (Shaoguan) Co., Ltd. ("Shaoguan Company")	Shaoguan, the PRC	200,000,000	Shaoguan, the PRC	Manufacturing	100	-	Establishment or investment

(VII) INTERESTS IN OTHER ENTITIES (CONT'D)

1. Interests in subsidiaries (Cont'd)

(1) Composition of the Group (Cont'd)

Name of subsidiary	Place of operation	Registered capital RMB	Place of incorporation	Nature of business	Total shareholding proportion of the Group (%) Directly	Indirectly	Acquisition method
Tsingtao Brewery Electronic Commerce Co., Ltd. ("Electronic Commerce Company")	Qingdao, the PRC	8,000,000	Qingdao, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery (Jiujiang) Co., Ltd. ("Jiujiang Company")	Jiujiang, the PRC	200,000,000	Jiujiang, the PRC	Manufacturing	90	-	Establishment or investment
Tsingtao Brewery (Pingdu) Sales Co., Ltd. ("Pingdu Sales Company")	Qingdao, the PRC	5,000,000	Qingdao, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Shanghai Tsingtao Brewery Sales Co., Ltd. ("Shanghai Sales Company")	Shanghai, the PRC	96,300,000	Shanghai, the PRC	Wholesale and retail sale	-	100	Establishment or investment
Tsingtao Brewery (Xuzhou) Enterprise Management Service Co., Ltd. ("Xuzhou Enterprise Management")	Xuzhou, the PRC	10,000,000	Xuzhou, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery (Luoyang) Co., Ltd. ("Luoyang Company")	Luoyang, the PRC	200,000,000	Luoyang, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (Shanghai) Industrial Co., Ltd. ("Shanghai Industrial Company")	Shanghai, the PRC	416,800,000	Shanghai, the PRC	Wholesale and retail sale	100	-	Establishment or investment
Tsingtao Brewery (Zhangjiakou) Co., Ltd. ("Zhangjiakou Company")	Zhangjiakou, the PRC	200,000,000	Zhangjiakou, the PRC	Manufacturing	100	-	Establishment or investment
Vietnam Company	Vietnam	USD1,000,000	Vietnam	Wholesale and retail sale	-	100	Establishment or investment
Tsingtao Brewery (Zaozhuang) Co., Ltd. ("Zaozhuang Company")	Zaozhuang, the PRC	200,000,000	Zaozhuang, the PRC	Manufacturing	100	-	Establishment or investment
Tsingtao Brewery (West Coast) Cultural Tourism Development Co., Ltd. ("West Coast Cultural Tourism")	Qingdao, the PRC	240,000,000	Qingdao, the PRC	Wholesale, retail sale and services	96.25	3.75	Establishment or investment
Tsingtao Brewery Fashion Industry Development Co., Ltd.	Qingdao, the PRC	100,000,000	Qingdao, the PRC	Services	-	100	Establishment or investment
Tsingtao Brewery Technology Research and Development Center Co., Ltd. ("Research and Development Center")	Qingdao, the PRC	480,000,000	Qingdao, the PRC	Technology promotion and application	100	-	Establishment or investment
Tsingtao Brewery (Weifang) Manufacturing Co., Ltd. "(Weifang Manufacturing Company")	Weifang, the PRC	300,000,000	Weifang, the PRC	Manufacturing	100	–	Establishment or investment
Qingdao Jiuyuan Technology Co., Ltd. ("Jiuyuan Technology Company")	Qingdao, the PRC	50,000,000	Qingdao, the PRC	Software and IT services industry	100	-	Establishment or investment
Tsingtao Brewery (Sanshui) Co., Ltd. ("Sanshui Company")	Sanshui, the PRC	USD5,000,000	Sanshui, the PRC	Manufacturing	-	75	Business combinations not involving enterprises under common control
Tsingtao Brewery (Chenzhou) Co., Ltd. ("Chenzhou Company")	Chenzhou, the PRC	70,000,000	Chenzhou, the PRC	Manufacturing	88.80	11.20	Business combinations not involving enterprises under common control

(VII) INTERESTS IN OTHER ENTITIES (CONT'D)

1. Interests in subsidiaries (Cont'd)

(1) Composition of the Group (Cont'd)

Name of subsidiary	Place of operation	Registered capital RMB	Place of incorporation	Nature of business	Total shareholding proportion of the Group (%)		Acquisition method
					Directly	Indirectly	
Shenzhen Tsingtao Brewery Asahi Co., Ltd. ("Shenzhen Asahi")	Shenzhen, the PRC	USD30,000,000	Shenzhen, the PRC	Manufacturing	51	-	Business combinations not involving enterprises under common control
Nanning Company	Nanning, the PRC	730,000,000	Nanning, the PRC	Manufacturing	-	75	Business combinations not involving enterprises under common control
Beijing Tsingtao Brewery Three Ring Co., Ltd. ("Three Ring Company")	Beijing, the PRC	USD29,800,000	Beijing, the PRC	Manufacturing	75	25	Business combinations not involving enterprises under common control
Beijing Tsingtao Brewery Five Star Co., Ltd. ("Five Star Company")	Beijing, the PRC	862,000,000	Beijing, the PRC	Manufacturing	37.64	25	Business combinations not involving enterprises under common control
Tsingtao Brewery (Weinan) Co., Ltd. ("Weinan Company")	Weinan, the PRC	50,000,000	Weinan, the PRC	Manufacturing	28	72	Business combinations not involving enterprises under common control
Tsingtao Brewery (Gansu) Nongken Co., Ltd ("Gansu Nongken Company")	Lanzhou, the PRC	174,420,800	Lanzhou, the PRC	Manufacturing	50	5.06	Business combinations not involving enterprises under common control
Tsingtao Brewery (Wuwei) Co., Ltd. ("Wuwei Company")	Wuwei, the PRC	36,100,000	Wuwei, the PRC	Manufacturing	-	99.72	Business combinations not involving enterprises under common control
Tsingtao Brewery (Rongcheng) Co., Ltd. ("Rongcheng Company")	Rongcheng, the PRC	20,000,000	Rongcheng, the PRC	Manufacturing	70	-	Business combinations not involving enterprises under common control
Tsingtao Brewery (Suizhou) Co., Ltd. ("Suizhou Company")	Suizhou, the PRC	24,000,000	Suizhou, the PRC	Manufacturing	-	90	Business combinations not involving enterprises under common control

(VII) INTERESTS IN OTHER ENTITIES (CONT'D)

1. Interests in subsidiaries (Cont'd)

(1) Composition of the Group (Cont'd)

Name of subsidiary	Place of operation	Registered capital RMB	Place of incorporation	Nature of business	Total shareholding proportion of the Group (%)		Acquisition method
					Directly	Indirectly	
Tsingtao Brewery (Fuzhou) Co., Ltd. ("Fuzhou Company")	Fuzhou, the PRC	USD26,828,100	Fuzhou, the PRC	Manufacturing	-	100	Business combinations not involving enterprises under common control
Tsingtao Brewery (Zhangzhou) Co., Ltd. ("Zhangzhou Company")	Zhangzhou, the PRC	100,000,000	Zhangzhou, the PRC	Manufacturing	-	90	Business combinations not involving enterprises under common control
Construction Company	Qingdao, the PRC	13,142,176	Qingdao, the PRC	Construction	100	-	Business combinations not involving enterprises under common control
Tsingtao Brewery (Penglai) Co., Ltd. ("Penglai Company")	Penglai, the PRC	37,500,000	Penglai, the PRC	Manufacturing	80	-	Business combinations not involving enterprises under common control
Tsingtao Brewery Culture Communication Co., Ltd. ("Cultural Communication Company")	Qingdao, the PRC	73,500,000	Qingdao, the PRC	Services	100	-	Business combinations not involving enterprises under common control
Tsingtao Brewery Beverage Co., Ltd. ("Beverage Company")	Qingdao, the PRC	130,000,000	Qingdao, the PRC	Manufacturing	100	-	Business combinations not involving enterprises under common control
Immense Brewery Company	Shandong, the PRC	USD18,760,000	Mengyin, the PRC	Manufacturing, wholesale and retail sale	75	25	Business combinations not involving enterprises under common control
Tsingtao Brewery (Hangzhou) Co., Ltd. ("Hangzhou Company")	Jiande, the PRC	230,000,000	Jiande, the PRC	Manufacturing	100	-	Business combinations not involving enterprises under common control
Macau Company	Macau, the PRC	MOP 200,000	Macau, the PRC	Wholesale and retail sale	-	60	Business combinations not involving enterprises under common control

(VII) INTERESTS IN OTHER ENTITIES (CONT'D)

1. Interests in subsidiaries (Cont'd)

(1) Composition of the Group (Cont'd)

Name of subsidiary	Place of operation	Registered capital RMB	Place of incorporation	Nature of business	Total shareholding proportion of the Group (%)		Acquisition method
					Directly	Indirectly	
Tsingtao Brewery (Shanghai) Market Service Co., Ltd.	Shanghai, the PRC	334,578,898	Shanghai, the PRC	Wholesale and retail sale	-	100	Business combinations not involving enterprises under common control
Shandong Lulansa Brewery Co., Ltd. ("Lulansa Company")	Zibo, the PRC	100,000,000	Zibo, the PRC	Manufacturing	90	-	Business combinations not involving enterprises under common control
Equipment Manufacturing Company	Qingdao, the PRC	2,897,600	Qingdao, the PRC	Manufacturing	-	100	Business combinations not involving enterprises under common control
Tsingtao Brewery (Shanghai) Investing Co., Ltd. ("Shanghai Investing Company")	Shanghai, the PRC	907,320,000	Shanghai, the PRC	Industrial investment	100	-	Business combinations not involving enterprises under common control
Tsingtao Brewery Shanghai Songjiang Manufacturing Co., Ltd. ("New Songjiang Manufacturing Company")	Shanghai, the PRC	50,000,000	Shanghai, the PRC	Manufacturing	-	100	Business combinations not involving enterprises under common control
Tsingtao Brewery (Suqian) Co., Ltd. ("Suqian Company")	Suqian, the PRC	100,000,000	Suqian, the PRC	Manufacturing	75	25	Business combinations not involving enterprises under common control
Tsingtao Brewery (Xuzhou) Pengcheng Co., Ltd. ("Pengcheng Company")	Xuzhou, the PRC	155,000,000	Xuzhou, the PRC	Manufacturing	-	100	Business combinations not involving enterprises under common control
Tsingtao Brewery (Xuzhou) Co., Ltd. ("Xuzhou Company")	Xuzhou, the PRC	39,336,899	Xuzhou, the PRC	Manufacturing	-	66	Business combinations not involving enterprises under common control
Tsingtao Brewery (Yangzhou) Co., Ltd. ("Yangzhou Company")	Yangzhou, the PRC	200,000,000	Yangzhou, the PRC	Manufacturing	50	50	Business combinations not involving enterprises under common control

(VII) INTERESTS IN OTHER ENTITIES (CONT'D)

1. Interests in subsidiaries (Cont'd)

(1) Composition of the Group (Cont'd)

Name of subsidiary	Place of operation	Registered capital RMB	Place of incorporation	Nature of business	Total shareholding proportion of the Group (%) Directly	Total shareholding proportion of the Group (%) Indirectly	Acquisition method
Tsingtao Brewery (Kunshan) Co., Ltd. ("Kunshan Company")	Kunshan, the PRC	731,535,952	Kunshan, the PRC	Manufacturing	-	100	Business combinations not involving enterprises under common control
Tsingtao Brewery (Lianyungang) Co., Ltd. ("Lianyungang Company")	Lianyungang, the PRC	378,293,523	Lianyungang, the PRC	Manufacturing	56.09	43.91	Business combinations not involving enterprises under common control
Tsingtao Brewery Shanghai Minhang Co., Ltd. ("Shanghai Minhang Company")	Shanghai, the PRC	377,251,025	Shanghai, the PRC	Manufacturing	-	96.48	Business combinations not involving enterprises under common control
Biotechnology Company	Qingdao, the PRC	421,000,000	Qingdao, the PRC	Manufacturing	100	-	Establishment or investment

1. Interests in subsidiaries (Cont'd)

(1) Composition of the Group (Cont'd)

Except Gansu Nongken, whose corporate category is incorporated company by shares, all of the above-mentioned subsidiaries are limited liability companies. None of the Company's subsidiaries has issued stocks or bonds.

(2) Significant non-wholly owned subsidiary

RMB

Name of subsidiary	Share proportion of minority shareholders	Profit or loss attributable to non-controlling interests for the period	Dividends declared to minority shareholders for the period	Closing balance of non-controlling interests
Shenzhen Asahi	49%	24,350,613	40,238,800	208,611,671

(3) Significant financial information of significant non-wholly owned subsidiary

RMB

	30 June 2025					
Name of subsidiary	**Current assets**	**Non-current assets**	**Total assets**	**Current liabilities**	**Non-current liabilities**	**Total liabilities**
Shenzhen Asahi	**300,795,709**	**381,061,258**	**681,856,967**	**227,868,950**	**27,750,310**	**255,619,260**

RMB

	31 December 2024					
Name of subsidiary	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shenzhen Asahi	294,267,468	389,442,968	683,710,436	197,742,475	27,451,399	225,193,874

RMB

	Amount incurred in the current period			
Name of subsidiary	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Shenzhen Asahi	404,309,011	49,841,146	49,841,146	39,601,990

RMB

	Amount incurred in the prior period			
Name of subsidiary	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Shenzhen Asahi	396,362,383	43,501,867	43,501,867	48,746,509

Financial information above represents the amounts of subsidiaries in the Group before elimination. For the period from 1 January to 30 June 2025, the dividends declared to minority shareholders have been paid in the current period.

(VII) INTERESTS IN OTHER ENTITIES (CONT'D)

2. Interests in joint ventures and associates

(1) Significant joint ventures

Name of joint venture or associate	Place of operation	Place of incorporation	Nature of business	Shareholding proportion (%)		Accounting treatment for investments in joint ventures or associates
				Directly	Indirectly	
I. Joint venture						
Hebei Jiahe Company	Shijiazhuang, the PRC	Shijiazhuang, the PRC	Manufacturing	50	-	Equity method

(2) Key financial information of significant joint ventures

RMB

Hebei Jiahe Company	30 June 2025	31 December 2024
Current assets	**142,503,606**	106,479,374
Including: Cash and cash equivalents	**79,975,800**	68,857,101
Non-current assets	**76,392,095**	77,368,045
Total assets	**218,895,701**	183,847,419
Current Liabilities:	**63,816,845**	33,183,389
Total liabilities	**63,816,845**	33,183,389
Total shareholders' equity	**155,078,856**	150,664,030
Adjustment based on fair value of identifiable net assets of the joint venture at the time of acquisition of the investment	**47,619,966**	49,503,974
Equity attributable to shareholders of the Company after adjustment	**202,698,822**	200,168,004
Share of net assets calculated based on shareholding proportion *(Note)*	**101,349,411**	100,084,002
Adjusting item		
– Goodwill	**113,928,609**	113,928,609
Carrying amount of equity investments in joint venture	**215,278,020**	214,012,611
Fair value of equity investments in joint venture for which publicly quoted price is available	**N/A**	N/A

2. Interests in joint ventures and associates (Cont'd)

(2) Key financial information of significant joint ventures (Cont'd)

RMB

Hebei Jiahe Company	Amount incurred in the current period	Amount incurred in the prior period
Revenue	200,976,833	177,130,042
Finance expenses	(183,928)	(425,070)
Income tax expenses	5,804,942	2,943,177
Net profit	17,414,826	8,829,531
Other comprehensive income	-	-
Total comprehensive income	17,414,826	8,829,531
Adjustment based on fair value of identifiable net assets of the joint venture at the time of acquisition of the investment	(1,884,008)	(3,123,015)
Total comprehensive income attributable to the Company after adjustment	15,530,818	5,706,516
Dividends received from the joint venture in the year	6,500,000	7,500,000

Note: The share of net assets of the joint venture is calculated by the shareholding proportion of the Group, based on the amount attributable to the Company in the financial statements of the joint venture. For amounts in the financial statements of the joint venture, the fair value of the identifiable assets and liabilities of the joint venture at the time of acquisition of the investment and the impact of uniform accounting policies are taken into consideration.

(3) Key financial information of significant associates

The Group determines significant associates by taking into account factors such as the proportion of the carrying amount of the associates to the Group's consolidated total assets and the proportion of income from long-term equity investments accounted for under equity method to the Group's consolidated net profit. The Group does not have any significant associates.

(4) Summarized financial information of insignificant associates

RMB

	30 June 2025/ Amount incurred in the current period	31 December 2024/ Amount incurred in the prior period
Associates		
Total carrying amount of the investment	**162,114,110**	179,081,192
Aggregate of the following calculated based on the shareholding proportion		
– Net profit *(Note)*	**16,198,780**	11,658,307
– Other comprehensive income (loss) *(Note)*	**683,436**	(108,885)
– Total comprehensive income	**16,882,216**	11,549,422

Note: For net profit and other comprehensive income, the fair value of identifiable assets and liabilities at the time of acquisition of the investment and the impact of adjustments to the uniform accounting policies are taken into consideration.

2. Interests in joint ventures and associates (Cont'd)

(5) When measured by equity method, the accounting policy difference between the Group and all of its joint ventures and associates is unnoticeable. In addition, there are no significant restrictions on the realization of such long-term investments and the repatriation of the investment income, nor on the ability of joint ventures and associates to transfer capital to the Group.

(6) Excess losses of joint ventures or associates

RMB

Name of joint venture or associate	Accumulated unrecognized losses in the prior period	Net profit shared in the current period	Accumulated unrecognized losses at the end of current period
Liaoning Shenqing Company	519,463	37,320	482,143

(7) As at 30 June 2025, the Group has no unrecognized commitment related to investments in joint ventures or contingent liabilities related to investments in joint ventures or associates.

(VIII) GOVERNMENT GRANTS

1. Liability items involving government grants

RMB

Financial statements items	31 December 2024	Amount of grants increased in the period	Amount included in other income in the period	Amount included in gains from disposal of assets in the period	30 June 2025	Related to assets/income
Deferred income	2,840,221,411	13,780,688	132,645,531	1,898,777	**2,719,457,791**	Related to assets
Deferred income	107,067,034	100,558,156	4,763,702	-	**202,861,488**	Related to income
Total	2,947,288,445	114,338,844	137,409,233	1,898,777	**2,922,319,279**	

At the end of the prior period and the end of the current period, the Group has no government grants recognized at the amount receivable.

2. Government grants included in profit or loss for the period

RMB

Category	Amount incurred in the current period	Amount incurred in the prior period
Related to assets	**132,645,531**	130,778,855
Related to income	**62,308,159**	155,255,354
Total	**194,953,690**	286,034,209

(IX) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk, interest rate risk and other price risk), credit risk and liquidity risk. The financial risks mentioned above and risk management policies adopted by the Group to reduce the risks are as follows:

The Board of Directors is responsible for planning and establishing risk management framework of the Group, formulating risk management policies and related guidelines of the Group and supervising the implementation of risk management measures. The Group has developed risk management policies to identify and analyze risks faced by the Group. These risk management policies explicitly stipulate specific risks, covering the management of market risks, credit risks, liquidity risk and many other aspects. The Group assesses the changes in market environment and the Group's operating activities regularly to determine whether the policies and systems of risk management should be updated. The Group's risk management is launched by relevant departments in accordance with the policies approved by the Board of Directors. These departments identify, evaluate and avoid related risks through close cooperation with other business departments of the Group. Internal audit department of the Group conducts regular inspections on the control and procedures of risk management and reports the result to the audit committee of the Group.

The Group adopts sensitivity analysis technique to analyses how profit or loss for the period and shareholders' equity would have been affected by reasonably possible changes in the relevant risk variables. As it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have significant effect on the amount ultimately influenced by the changes in a single risk variable, the following are based on the assumption that the change in each risk variable is on a stand-alone basis.

1. Risk management objectives, policies and procedures and the changes in the year

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimize the adverse impacts of risks on the Group's operation performance, and maximize the benefits of the shareholders and other stakeholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyzes the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implement risk management, and monitors regularly and effectively these exposures to ensure the risks are monitored at a certain level.

1.1 Market risk

1.1.1 Currency risk

The Group's major operating activities are carried out in Chinese Mainland and a majority of the transactions are denominated in RMB. The Group has foreign exchange risk from recognized foreign currency assets and liabilities and future foreign currency transactions (foreign currency assets and liabilities and foreign currency transactions are mainly denominated in USD). The Group continuously monitors foreign currency transactions and the scale of foreign currency assets and liabilities to minimize the foreign exchange risk. As at 30 June 2025, the Group has no foreign currency borrowings and has not entered into any forward exchange contracts or currency swap contracts to hedge foreign exchange risk.

As at 30 June 2025, the amounts of foreign currency financial assets and liabilities held by companies within the Group whose functional currency is RMB are translated into RMB as follows:

RMB

Item	**30 June 2025**	31 December 2024
Cash at bank and on hand	**211,247,830**	92,221,576
Accounts receivable	**79,243,166**	49,390,919
Other payables	**4,217,897**	5,997,426

(IX) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONT'D)

1. Risk management objectives, policies and procedures and the changes in the year (Cont'd)

1.1 Market risk (Cont'd)

1.1.1 Currency risk (Cont'd)

Sensitivity analysis on currency risk

As at 30 June 2025, for various financial assets and liabilities denominated in USD of companies whose functional currency is RMB, if USD had strengthened or weakened by 5% against RMB while all other variables remain unchanged, the Group's net profit and shareholders' equity will increase or decrease by approximately RMB7,952,000 (31 December 2024: approximately RMB3,816,000). For financial assets and financial liabilities denominated in other foreign currencies held by the companies choosing RMB as their functional currencies, if other foreign currencies had strengthened or weakened by 5% against RMB while other variables remain unchanged, the Group's net profit and shareholders' equity will increase or decrease by approximately RMB2,783,000 (31 December 2024: approximately RMB1,270,000).

1.1.2 Interest rate risk - risk of changes in cash flows

Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed rate and floating rate contracts depending on the prevailing market conditions. As at 30 June 2025, there are no long-term borrowings (31 December 2024: nil). There is no material interest rate risk in the view of the directors of the Company.

The Group's head office continuously monitors the interest rate position of the Group. Increase in interest rate will increase the cost of new interest-bearing debts and the interest expenses on the Group's outstanding interest-bearing debts at floating rate and therefore could have an adverse impact on the Group's financial performance. The management of the Group will make timely adjustments according to the latest market conditions, and these adjustments may involve interest rate swap arrangements to reduce interest rate risk. For the period from 1 January to 30 June 2025 and period from 1 January to 30 June 2024, the Group has no interest rate swap arrangements. The directors of the Company are of the view that the future interest rate changes will not have a material adverse impact on the Group's operating performance.

1.1.3 Other price risk

Other price risk of the Group mainly arises from the investments in debt instruments, where risk of price changes exists (including interest rate risk). As at 30 June 2025, if the expected price of the Group's investments in various debt instruments increases or decreases by 0.5% while other variables remain unchanged, the Group's net profit and shareholders' equity will increase or decrease by approximately RMB28,108,000 (31 December 2024: approximately RMB17,142,000).

1. Risk management objectives, policies and procedures and the changes in the year (Cont'd)

1.2 Credit risk

As at 30 June 2025, the Group's maximum exposure to credit risk which will cause a financial loss to the Group is mainly losses on the Group's financial assets due to the counterparty's failure to discharge an obligation, including: cash at bank and on hand (Note (V) 1), accounts receivable (Note (V) 3), other receivables (Note (V) 5), other current assets (Note (V) 8) and investments in debt instruments at fair value through profit or loss that are not included in the scope of impairment assessment, etc. (Note (V) 2, 7 and 10).

In order to minimize the credit risk, the Group is responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of trade debt at each balance sheet date to ensure that adequate allowance for ECL is made. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The Group believes that there is no significant credit risk associated with cash at bank and on hand considering they are deposited at joint-stock commercial banks and other large and medium-sized commercial banks with high credit rating, and it does not expect that there will be any significant losses resulting from non-performance by these banks.

Investments in debt instruments held by the Group are mainly bonds with high credit ratings. The Group controls its exposure to credit risk by setting overall investment limits, which are reviewed and approved on a yearly basis. The Group regularly monitors the credit risk exposure of bond investments, changes in credit ratings of the bonds and other relevant information to ensure that the overall credit risk is limited to a controllable extent.

Sales are mainly settled by advances from customers, and accordingly, there is no significant credit risk related to dealers.

In addition, the Group has policies to limit the credit risk exposure on accounts receivable and other receivables, etc. The Group assesses the credit quality of and sets credit periods on its dealers by taking into account their financial position, the availability of guarantee from third parties, their credit history and other factors such as current market conditions. The credit history of the dealers is regularly monitored by the Group. In respect of dealers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure that the overall credit risk of the Group is limited to a controllable extent.

As at 30 June 2025, the Group holds no significant collateral or other credit enhancements due to the debtor's mortgage (31 December 2024: nil).

1.3 Liquidity risk

Cash flow forecasting is performed by each subsidiary of the Group and aggregated by the Group's head office. The Group monitors rolling forecasts of the Group's short-term and long-term liquidity requirements to ensure that it has sufficient cash reserves and marketable securities that are readily realizable, while continuously monitoring the compliance with borrowing agreements and obtaining commitments from major financial institutions for sufficient standby funds to meet its short-term and long-term liquidity requirements.

(IX) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONT'D)

1. Risk management objectives, policies and procedures and the changes in the year (Cont'd)

1.3 Liquidity risk (Cont'd)

As at 30 June 2025, the financial liabilities of the Group are analyzed by their maturity date below at their undiscounted contractual cash flows:

RMB

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Notes payable	276,951,287	-	-	-	**276,951,287**
Accounts payable	4,320,829,644	-	-	-	**4,320,829,644**
Other payables	4,593,616,928	-	-	-	**4,593,616,928**
Lease liabilities	42,471,532	21,770,152	42,508,467	30,797,237	**137,547,388**

(X) DISCLOSURE OF FAIR VALUE

1. Fair value of assets and liabilities measured at fair value at the end of the period

RMB

Item	Level 2 fair value measurement 30 June 2025
Other non-current financial assets - Debt instruments	**2,286,507,100**
Financial assets held for trading - Fund investments	**1,132,227,112**
Current portion of non-current assets - Debt instruments	**29,869,178**

Item	Level 3 fair value measurement 30 June 2025
Financial assets held for trading - Other debt instruments	**4,046,901,657**
Other non-current financial assets - Equity instruments	**600,000**

2. Valuation techniques and qualitative and quantitative information of key parameters adopted in continuous level 2 fair value measurement

RMB

Item	Fair value at 30 June 2025	Valuation technique
Other non-current financial assets – Debt instruments	2,286,507,100	The fair value is calculated based on the valuation results obtained from a third-party pricing service (e.g., Central Treasury Bonds Registration & Settlement Company Ltd.)
Financial assets held for trading – Fund investments	1,132,227,112	The fair value is calculated based on the valuation results obtained from a third-party pricing service (e.g., China Bond Financial Valuation Center & China Securities Index Co., Ltd.)
Current portion of non-current assets – Debt instruments	29,869,178	The fair value is calculated based on the valuation results obtained from a third-party pricing service (e.g., Central Treasury Bonds Registration & Settlement Company Ltd.)

3. Valuation techniques and qualitative and quantitative information of key parameters adopted in continuous level 3 fair value measurement

RMB

Item	Fair value at 30 June 2025	Valuation technique	Input
Financial assets held for trading – Others debt instruments	4,046,901,657	Discounted cash flow technique	Discount rate reflecting counterparty's credit risk
Other non-current financial assets – Equity instruments	600,000	Discounted cash flow technique	Income growth rate and systematic risk factor

4. Reconciliation between opening and closing carrying amounts of items measured at Level 3 fair value continuously:

Level 3 fair value measurement

RMB

		Total gains or losses for the period		Purchase, issuance and settlement				
Item	1 January 2025	Included in profit or loss	Included in other comprehensive income	Purchase	Issuance	Settlement	30 June 2025	Changes in unrealized gains or losses included in profit or loss in respect of the assets held at the end of the Reporting Period
Financial assets held for trading – Other debt instruments	1,013,496,918	34,095,927	-	3,137,900,000	-	(138,591,188)	**4,046,901,657**	34,234,529
Other non-current financial assets – Equity instruments	600,000	-	-	-	-	-	**600,000**	-
Total	1,014,096,918	34,095,927	-	3,137,900,000	-	(138,591,188)	**4,047,501,657**	34,234,529

5. Assets and liabilities not measured at fair value but the fair values of which should be disclosed

Financial assets and financial liabilities measured at amortized cost of the Group mainly include cash at bank and on hand, accounts receivable, other receivables, other current assets, notes payable, accounts payable, other payables, other current liabilities and long-term payables, etc. The difference between the carrying amounts and fair values of those financial assets and liabilities not measured at fair value is small.

(XI) RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Information about the parent company

RMB'0000

Name of parent company	Place of incorporation	Nature of business	Registered capital	Parent company's shareholding in the Company (%)	Parent company's voting rights in the Company (%)
Tsingtao Brewery Group Co., Ltd. ("Tsingtao Brewery Group")	Qingdao, Shandong Province, the PRC	Operation and investment of state-owned assets	134,372	32.51	32.51

The ultimate controlling party of the Company is the State-owned Assets Supervision and Administration Commission of Qingdao Municipal People's Government, and its place of operation is in Qingdao.

2. Information about the subsidiaries of the Group

The information about the subsidiaries of the Group is set out in Note (VII) 1 (1).

3. Information about the joint ventures and associates of the Group

The information about the joint ventures and associates of the Group is set out in Note (VII) 2(1).

Except for the information about the significant joint ventures and associates disclosed in Note (VII) 2 (1), information about other associates having related party transactions with the Group is set out below:

Name of related party	Relationship with the Group
Beijing Sales Company	Associate
European Company	Associate
Zhaoshang Logistics Company	Associate
Liaoning Shenqing Company	Associate
Yantai Brewery Company	Associate

4. Information about other related parties of the Group

Name of other related party	Relationship with the Group
Tsingtao Brewery Youjia Health Drinks Co., Ltd. ("Youjia Health")	Subsidiary of Tsingtao Brewery Group
Tsingtao Brewery Youjia Health Drinks (Shanghai) Co., Ltd. ("Youjia Shanghai")	Subsidiary of Tsingtao Brewery Group
Tsingtao Brewery Youjia (Tianjin) Natural Mineral Water Co., Ltd. ("Youjia Tianjin")	Subsidiary of Tsingtao Brewery Group
Yunnan Dashan Beverage Co., Ltd. ("Yunnan Dashan")	Subsidiary of Tsingtao Brewery Group
Qingdao Smart Chain Success Delivery Technology Co., Ltd. ("Smart Chain Success Delivery")	Subsidiary of Tsingtao Brewery Group
Qingdao Qiji Urban Distribution Co., Ltd. ("Qiji Chengpei Company")	Subsidiary of Tsingtao Brewery Group
Shanghai Dasheng Smart Supply Chain Co., Ltd. ("Dasheng Smart Chain")	Subsidiary of Tsingtao Brewery Group
Qingdao Chengfa Real Estate Investment Co., Ltd. ("Chengfa Real Estate Investment")	Subsidiary of Tsingtao Brewery Group
Tsingtao Brewery Real Estate Development Co., Ltd. ("Tsingtao Brewery Real Estate")	Subsidiary of Tsingtao Brewery Group

On 14 January 2025, the Company issued the Announcement of Tsingtao Brewery Co., Ltd. on Signing the Related Party Transaction Framework Agreement and Daily Related Party Transaction with the Controlling Shareholder and Its Subsidiaries. At the 19th Meeting of the 10th Session of the Board of Directors of the Company, it was considered and approved that the Company entered into the 2025 Entrusted Production and Purchase and Sales of Products Framework Agreement with Youjia Health, the Trademark License Agreement with Youjia Health and its subsidiaries and related company, Youjia Shanghai, the 2025 Supply Chain Business Service Framework Agreement with Zhilian Shunda, and the 2025 Comprehensive Service Framework Agreement with Tsingtao Brewery Group (together with its subsidiaries, Youjia Health and its subsidiaries and related companies, Zhilian Shunda and its subsidiaries, the "Associated Persons").

5. Related party transactions

(1) Purchases and sales of goods, rendering and receipt of services

Purchases of goods/receipt of services

RMB

Related party	Content of related party transaction	Approved transaction amount	Whether the transaction amount is exceeded	Amount incurred in the current period	Amount incurred in the prior period
Yantai Brewery Company	Purchase of beer	N/A	N/A	381,587,877	341,866,991
Youjia Health *(Note 1)* *	Purchase of beverage	79,006,200	No	5,873,807	117,345
Youjia Shanghai *(Note 1)* *	Purchase of beverage		No	613,473	-
Hebei Jiahe Company	Purchase of beer	N/A	N/A	199,572,300	175,879,385
Zhaoshang Logistics Company	Receipt of logistics service	N/A	N/A	85,496,368	104,904,386
Zhaoshang Logistics Company	Receipt of leasing services	N/A	N/A	4,324,346	-
Zhaoshang Logistics Company	Receipt of warehousing service	N/A	N/A	115,962	262,390
Smart Chain Success Delivery *(Note 1)* *	Receipt of logistics service	919,930,000	No	476,625,559	401,718,058
Qiji Chengpei Company *(Note 1)* *	Receipt of logistics service		No	16,995,690	12,568,573
Dasheng Smart Chain *(Note 1)* *	Receipt of logistics service		No	2,367	-
Smart Chain Success Delivery *(Note 1)* *	Receipt of warehousing service		No	4,396,278	11,628,121
Qiji Chengpei Company *(Note 1)* *	Receipt of warehousing service		No	1,051,176	999,804
Qiji Chengpei Company *(Note 1)* *	Receipt of packing service		No	5,440,408	1,781,031
Smart Chain Success Delivery *(Note 1)* *	Receipt of packing service		No	1,592,287	2,117,815
Chengfa Real Estate Investment *(Note 1)* *	Receipt of leasing services	30,020,000	No	166,667	-

5. Related party transactions (Cont'd)

(1) Purchases and sales of goods, rendering and receipt of services (Cont'd)

Sales of goods/rendering of services

RMB

Related party	Content of related party transaction	Approved transaction amount	Whether the transaction amount is exceeded	Amount incurred in the current period	Amount incurred in the prior period
European Company	Sales of beer and materials	N/A	N/A	41,672,539	50,071,994
Liaoning Shenqing Company	Sales of beer and materials	N/A	N/A	16,121,853	12,055,164
Youjia Shanghai *(Note 2)* *	Sales of beer	79,006,200	No	78,818	108,339
Yunnan Dashan *(Note 2)* *	Sales of beer		No	5,192	-
Youjia Health *(Note 2)* *	Sales of beer		No	-	-
Youjia Shanghai *(Note 2)* *	Rendering of commissioned processing		No	787,264	986,666
Youjia Shanghai *(Note 2)* *	Rendering of the right to use trademarks	2,283,400	No	61,866	21,441
Youjia Tianjin *(Note 2)* *	Rendering of the right to use trademarks		No	47,923	17,342
Yunnan Dashan *(Note 2)* *	Rendering of the right to use trademarks		No	1,934	-
Smart Chain Success Delivery *(Note 2)* *	Sales of beer and materials	919,930,000	No	1,886,718	12,577
Dasheng Smart Chain *(Note 2)* *	Sales of beer		No	1,435,250	-
Qiji Chengpei Company *(Note 2)* *	Sales of beer		No	-	1,542
Smart Chain Success Delivery *(Note 2)* *	Rendering of warehouse rental service		No	724,286	439,116
Dasheng Smart Chain *(Note 2)* *	Rendering of warehouse rental service		No	77,122	168,059
Smart Chain Success Delivery *(Note 2)* *	Rendering of outsourcing services		No	161,978	-
Tsingtao Brewery Group *(Note 2)* *	Rendering of comprehensive service in respect of human resources and information, etc.	30,020,000	No	5,391,340	5,356,027
Smart Chain Success Delivery *(Note 2)* *	Rendering of comprehensive service in respect of human resources and information, etc.		No	1,332,679	1,207,941
Youjia Health *(Note 2)* *	Rendering of comprehensive service in respect of human resources and information, etc.		No	601,649	766,807
Tsingtao Brewery Real Estate *(Note 2)* *	Rendering of comprehensive service in respect of human resources and information, etc.		No	168,989	148,848
Yunnan Dashan *(Note 2)* *	Rendering of comprehensive service in respect of human resources and information, etc.		No	140,604	82,643
Youjia Shanghai *(Note 2)* *	Rendering of comprehensive service in respect of human resources and information, etc.		No	40,285	98,905
Zhaoshang Logistics Company	Sales of beer	N/A	N/A	-	6,205

5. Related party transactions (Cont'd)

(1) Purchases and sales of goods, rendering and receipt of services (Cont'd)

Explanation of related party transactions of purchase and sales of goods, rendering and receipt of service

Purchase of goods and receipt of services

Pricing by agreement with reference to market prices

Note 1: These transactions are continuing connected transactions that have complied with the disclosure requirements of Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong, which indicate the purchases of goods and receipt of labor services from Youjia Health, Smart Chain Success Delivery and its subsidiary Qiji Chengpei Company.

Sales of goods and rendering of services

Pricing by agreement with reference to market prices

Note 2: These transactions are continuing connected transactions that have complied with the disclosure requirements of Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong, which indicate the sales of goods and the rendering of services to Tsingtao Brewery Group, Youjia Health, Smart Chain Success Delivery, Youjia Shanghai, Tsingtao Brewery Real Estate, Yunnan Dashan, Dasheng Smart Chain, Youjia Tianjin, Qiji Chengpei Company, and Zhaoshang Logistics Company.

* The approved transaction amounts of RMB81,289,600, RMB919,930,000 and RMB30,020,000 for Youjia Health and its subsidiaries, Smart Chain Success Delivery and its subsidiaries and Tsingtao Brewery Group and its subsidiaries represent the combined amounts of all the approved transactions.

(2) Financing

As at 30 June 2025, there is no financing with related parties (Balance of financing at 31 December 2024: nil).

(3) Deposits from related parties

RMB

Related party	**Amount incurred in the current period**	**Amount incurred in the prior period**
Yantai Brewery Company	405,061,058	389,041,901

(4) Interest expenses

RMB

Related party	**Amount incurred in the current period**	**Amount incurred in the prior period**
Yantai Brewery Company	55,217	109,062

5. Related party transactions (Cont'd)

(5) Service charges from related parties

RMB

Related party	Amount incurred in the current period	Amount incurred in the prior period
Yantai Brewery Company	4,631	4,332

(6) Compensation for key management personnel

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Share-based payments	-	1,475,029
Compensation for key management personnel	3,808,867	4,175,724

For the period from 1 January to 30 June 2025, there is no loan provided to key management personnel from the Group (for the period from 1 January to 30 June 2024: nil).

6. Receivable and payable balances with related parties

(1) Receivables from related parties

RMB

		30 June 2025		31 December 2024	
Item	Related party	**Gross carrying amount**	**Allowance for bad debt**	Gross carrying amount	Allowance for bad debt
Accounts receivable	European Company	**23,179,862**	**-**	15,827,014	-
Accounts receivable	Beijing Sales Company	**11,245,784**	**11,245,784**	11,245,784	11,245,784

6. Receivable and payable balances with related parties (Cont'd)

(2) Payables to related parties

RMB

Item	Related party	**30 June 2025**	31 December 2024
Accounts payable	Smart Chain Success Delivery	**272,573,082**	164,379,463
Accounts payable	Yantai Brewery Company	**108,061,132**	81,500,724
Accounts payable	Hebei Jiahe Company	**41,507,805**	3,203,934
Accounts payable	Zhaoshang Logistics Company	**32,622,823**	31,808,268
Accounts payable	Qiji Chengpei Company	**10,233,197**	6,247,785
Accounts payable	Youjia Health	**988,462**	-
Accounts payable	Youjia Shanghai	**123,977**	-
Other payables	Yantai Brewery Company	**9,173,544**	79,178,094
Other payables	Zhaoshang Logistics Company	**5,843,752**	7,905,520
Other payables	Smart Chain Success Delivery	**2,260,544**	3,960,843
Other payables	Qiji Chengpei Company	**885,681**	1,225,994
Contract liabilities and other current liabilities	Liaoning Shenqing Company	**1,896,003**	14,069,690

(XII) SHARE-BASED PAYMENTS

1. Restricted Share Incentive Plan

On 8 June 2020, the Company held the 2019 Annual General Meeting of Shareholders and the first meeting of A-share and H-share shareholders in 2020, deliberated and approved the Proposal of Tsingtao Brewery Co., Ltd. Restricted A Share Incentive Plan (Draft) and its Summary, the Proposal of the Implementation of Evaluation and Management Measures for the Restricted A Share Incentive Plan of Tsingtao Brewery Co., Ltd. and the Proposal for the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Restricted A Share Incentive Plan. On 29 June 2020, the Company held the eighth extraordinary meeting of the ninth session of Board of Directors in 2020, deliberated and approved the Proposal of Tsingtao Brewery Co., Ltd. on the First Grant of Restricted A Share to Incentive Recipients (the "Incentive Plan"). According to the Incentive Plan, the Company granted 13,200,000 restricted shares to 627 incentive recipients. The grant date was 29 June 2020, and the grant price was RMB21.18 per share. The unlocking periods for restricted shares granted are 24 months, 36 months, and 48 months from the equity registration date. According to the Company's performance assessment and personal performance assessment, 1/3, 1/3, and 1/3 of restricted shares will be unlocked respectively. According to the Incentive Plan, if the incentive recipients resign before the expiration of the unlocking period, the shares shall not be unlocked, and the Company must repurchase and cancel the restricted shares at corresponding repurchase price.

According to the Incentive Plan, the Company, in 2020, received an aggregate amount of RMB279,576,000 as contributions from the incentive recipients, and recognized liabilities of RMB279,576,000 and treasury stock of RMB279,576,000 for the obligation to repurchase restricted shares accordingly.

(XII) SHARE-BASED PAYMENTS (CONT'D)

1. Restricted Share Incentive Plan (Cont'd)

On 22 March 2021, the Company held the first extraordinary meeting of the ninth session of Board of Directors in 2021, deliberated and approved the Proposal on Granting Reserved Part of Restricted A Shares to Incentive Recipients (the "Plan for Granting Reserved Restricted Shares"). According to the Plan for Granting Reserved Restricted Shares, the Company granted 300,000 restricted shares to 35 incentive recipients, with the grant date of 22 March 2021 and the grant price of RMB21.18 per share. The unlocking periods for the restricted shares granted are 24 months, 36 months and 48 months from the equity registration date. According to the Company's performance assessment and personal performance assessment, 1/3, 1/3 and 1/3 of the restricted shares will be unlocked respectively. According to the Plan for Granting Reserved Restricted Shares, if the incentive recipients resign before the expiration of the unlocking period, the shares shall not be unlocked, and the Company must repurchase and cancel the restricted shares at corresponding repurchase price. Among the 35 incentive recipients, 1 incentive recipient has waived the subscription due to personal reasons.

According to the Plan for Granting Reserved Restricted Shares, the Company, in 2021, received an aggregate amount of RMB6,226,920 as contributions from the incentive recipients, and recognized liabilities of RMB6,226,920 and treasury stock of RMB6,226,920 for the obligation to repurchase restricted shares.

According to the resolution of the 2020 Annual General Meeting of Shareholders, a cash dividend of RMB10,028,999 was distributed to the above-mentioned recipients for restricted shares expected to be unlocked in the future, and the repurchase obligation was offset accordingly.

On 29 September 2021, the Company held the second extraordinary meeting of the tenth session of Board of Directors in 2021, deliberated and approved the Proposal on the Company's Repurchase and Cancellation of Part of Restricted A Shares under the Incentive Plan. As at the meeting of the Board of Directors, 12 incentive recipients under the Incentive Plan have resigned for personal reasons, resulting in changes in their personal circumstances, which triggered the conditions for repurchase and cancellation of restricted shares. In 2021, the Company cancelled 122,002 restricted shares, and offset liabilities of RMB2,584,002 and treasury stock of RMB2,584,002 for the obligation to repurchase restricted shares.

As at 31 December 2021, under the Restricted Share Incentive Plan, the Company recognized liabilities of RMB273,189,919 and treasury stock of RMB273,189,919 for the obligation to repurchase restricted shares.

In 2022, a cash dividend of RMB14,483,492 was distributed to the above-mentioned recipients for restricted shares expected to be unlocked in the future, and the repurchase obligation was offset accordingly.

On 28 September 2022, the Company held the eighth extraordinary meeting of the tenth session of Board of Directors in 2022, deliberated and approved the Proposal on the Company's Repurchase and Cancellation of Part of Restricted A Shares under the Incentive Plan. From 1 September 2021 to the date of meeting of the Board of Directors, 14 incentive recipients under the Incentive Plan have resigned for personal reasons, resulting in changes in their personal circumstances, which triggered the conditions for repurchase and cancellation of restricted shares. In 2022, the Company cancelled 122,003 restricted shares, and offset liabilities of RMB2,584,024 and treasury stock of RMB2,584,024 for the obligation to repurchase restricted shares.

On 8 July 2022, the Company held the sixth extraordinary meeting of the tenth session of Board of Directors in 2022, deliberated and approved the Proposal on Fulfillment of the Unlocking Conditions for the First Unlocking Period in respect of the First Grant of the Restricted Shares under the Restricted A Share Incentive Plan. On 25 July 2022, the Company unlocked 4,359,428 restricted shares, and offset liabilities of RMB84,267,743 and treasury stock of RMB84,267,743 for the obligation to repurchase restricted shares.

1. Restricted Share Incentive Plan (Cont'd)

As at 31 December 2022, under the Restricted Share Incentive Plan, the Company recognized liabilities of RMB171,854,660 and treasury stock of RMB171,854,660 for the obligation to repurchase restricted shares.

In 2023, a cash dividend of RMB15,697,613 was distributed to the above-mentioned recipients for restricted shares expected to be unlocked in the future, and the repurchase obligation was offset accordingly.

On 17 October 2023, the Company held the sixth extraordinary meeting of the tenth session of Board of Directors in 2023, deliberated and approved the Proposal on the Company's Repurchase and Cancellation of Part of Restricted A Shares under the Incentive Plan. From 29 September 2022 to the date of meeting of the Board of Directors, 7 incentive recipients under the Incentive Plan have resigned for personal reasons, resulting in changes in their personal circumstances, which triggered the conditions for repurchase and cancellation of restricted shares. In 2023, the Company cancelled 36,002 restricted shares, and offset liabilities of RMB762,522 and treasury stock of RMB762,522 for the obligation to repurchase restricted shares.

On 5 May 2023, the Company held the second extraordinary meeting of the tenth session of the Board of Directors in 2023, deliberated and approved the Proposal on Fulfillment of the Unlocking Conditions for the First Unlocking Period in respect of the Reserve Grant of the Restricted Shares under the Restricted A Share Incentive Plan. On 26 May 2023, the Company unlocked 96,667 restricted shares, and offset liabilities of RMB1,868,573 and treasury stock of RMB1,868,573 for the obligation to repurchase restricted shares. On 10 July 2023, the Company held the fifth extraordinary meeting of the tenth session of the Board of Directors in 2023, deliberated and approved the Proposal on Fulfillment of the Unlocking Conditions for the Second Unlocking Period in respect of the First Grant of the Restricted Shares under the Restricted A Share Incentive Plan. On 24 July 2023, the Company unlocked 4,328,702 restricted shares, and offset liabilities of RMB75,882,146 and treasury stock of RMB75,882,146 for the obligation to repurchase restricted shares.

As at 31 December 2023, under the Restricted Share Incentive Plan, the Company recognized liabilities of RMB77,643,806 and treasury stock of RMB77,643,806 for the obligation to repurchase restricted shares.

In 2024, the Company paid cash dividends amounting to RMB8,665,060 to the above incentive recipients who are expected to unlock restricted shares in the future, thus offsetting the repurchase obligation accordingly.

On 16 May 2024, the Third Extraordinary Meeting of the Tenth Session of the Board of Directors of the Company in 2024 considered and passed the "Proposal on the fulfillment of the conditions for the release of restricted shares during the second release period of the restricted shares reserved for grant under the Restricted Share Incentive Plan for A Shares". On 27 May 2024, the Company unlocked 96,666 shares of restricted shares, thus eliminating the liabilities of repurchase obligation of RMB1,694,555 and treasury stock of RMB1,694,555. On 16 July 2024, the Company held the Sixth Extraordinary Meeting of the Tenth Session of the Board of Directors in 2024, deliberated and approved the Proposal on Fulfillment of the Unlocking Conditions for the Third Unlocking Period in respect of the First Grant of the Restricted Shares under the Restricted A Share Incentive Plan. On 24 July 2024, the Company unlocked 4,235,863 restricted shares, and offset liabilities of RMB65,782,952 and treasury stock of RMB65,782,952 for the obligation to repurchase restricted shares.

As at 31 December 2024, a total of RMB1,501,239 of repurchase obligation liabilities and RMB1,501,239 of treasury stock were recognized under the Restricted Share Incentive Plan.

In 2025, a cash dividend of RMB212,667 was distributed to the above-mentioned recipients for restricted shares expected to be unlocked in the future, and the repurchase obligation was offset accordingly.

1. **Restricted Share Incentive Plan (Cont'd)**

On 20 May 2025, the Company held the first meeting of the eleventh session of Board of Directors, deliberated and approved the Proposal on Fulfillment of the Unlocking Conditions for the Third Unlocking Period the Restricted Shares under the Restricted A Share Incentive Plan. On 20 May 2025, the Company unlocked 95,000 restricted shares, and offset liabilities of RMB1,266,350 and treasury stock of RMB1,266,350 for the obligation to repurchase restricted shares.

As at 30 June 2025, under the Restricted Share Incentive Plan, the Company recognized liabilities of RMB22,222 and treasury stock of RMB22,222 for the obligation to repurchase restricted shares.

2. **Changes in restricted shares for the period from 1 January to 30 June 2025**

Item	Amount incurred in the current period	Amount incurred in the prior period
Restricted shares (number of shares) issued at the beginning of the period	96,667	4,429,196
Restricted shares (number of shares) unlocked during the period	(95,000)	(96,666)
Restricted shares (number of shares) cancelled during the period	-	-
Restricted shares (number of shares) issued at the end of the period	1,667	4,332,530
Share-based payment expenses for the period	195,413	23,662,335
Accumulated share-based payment expenses	659,401,575	658,530,942

Share-based payment expenses for the period from 1 January to 30 June 2025 amounted to RMB195,413, and the amounts included in general and administrative expenses and research and development expenses were RMB191,205 and RMB4,208, respectively (for the period from 1 January to 30 June 2024: RMB23,201,354 and RMB460,981).

Item	Maturity	Remaining maturity
2020 Tsingtao Brewery Company Limited A-share Restricted Share Incentive Plan	24 July 2026	1.07 years
2021 Tsingtao Brewery Company Limited A-share Restricted Share Incentive Plan	26 May 2027	1.90 years

The weighted average share price of the restricted shares unlocked on 30 May 2025 was RMB73.972 based on the unlocking date.

3. **Method for determining the fair value of restricted shares on the grant date**

The Group determines the fair value of restricted shares based on the closing price of the circulating shares on the date when the restricted shares are granted.

(XIII) COMMITMENTS AND CONTINGENCIES

1. Significant commitments

(1) Capital commitments

RMB

	30 June 2025	31 December 2024
Capital commitments that have been entered into but have not been recognized in the financial statements:		
– Commitment for acquisition and construction of long-term assets	**1,106,622,904**	591,671,473

As at 30 June 2025, the Group has no other commitments to be disclosed.

2. Contingencies

As at 30 June 2025, the Company is not involved in significant contingencies.

(XIV) EVENTS AFTER THE BALANCE SHEET DATE

1. Acquisition of equity

According to the resolution of the Board of Directors dated 28 March 2025, the Company entered into Equity Transfer Agreements with Hiking Group Co., Ltd. ("Hiking Group"), Shandong Lujin Imp. & Exp. Group Co., Ltd. ("Lujin Group"), and Shandong Jimo Yellow Wine Factory Co., Ltd. ("Jimo Yellow Wine") on 7 May 2025. Pursuant to this agreement, the Company proposes to acquire 100% equity interest of Jimo Yellow Wine held collectively by Hiking Group and Lujin Group, with the consideration amounting to RMB665 million plus the profit or loss during the price adjustment period. As at the date of approval for the issue of the financial statements, the above transaction has not yet been completed.

2. Capital increase in the subsidiary

Pursuant to the resolution of the Board of Directors dated 28 March 2025, the Board of Directors deliberated and approved the capital increase of RMB1,000,000,000 by the Company with its own funds to Finance Company, a subsidiary of the Company. As at the date of approval for the issue of the financial statements, the Company has completed the capital increase of the Finance Company.

(XV) OTHER SIGNIFICANT EVENTS

1. Segment reporting

(1) Basis for determining reporting segments and related accounting policies

As the Group is mainly engaged in the production and sales of beer, the reporting segments of the Group are business units operating in different regions. Different regions require different marketing strategies, and the Group, therefore, separately manages the production and operation of each reporting segment and evaluates their operating results respectively, so as to make decisions on resources allocation and to assess their performance.

Finance Company, a subsidiary of the Group, is principally engaged in the financial businesses of wealth management and agency collection and payment for its members. Due to the unique business characteristics of Finance Company, the Group manages its operation independently and evaluates its operating results separately, so as to determine its resources allocation and assess its performance.

1. Segment reporting (Cont'd)

(1) Basis for determining reporting segments and related accounting policies (Cont'd)

The Group identified seven reporting segments as follows:

— Shandong region segment, which is responsible for the production and sales in Shandong region and surrounding regions
— South China region segment, which is responsible for the production and sales in South China region
— North China region segment, which is responsible for the production and sales in North China region
— East China region segment, which is responsible for the production and sales in East China region
— Southeast China region segment, which is responsible for the production and sales in Southeast China region
— Hong Kong, Macau and other overseas region segments, which are responsible for the sales in Hong Kong, Macau and other overseas regions
— Finance Company segment, which is engaged in the financial businesses of wealth management and agency collection and payment for its members

Inter-segment transfers are measured based on mutually agreed prices.

Assets are allocated based on the operation of the segments and the physical location of the assets. Liabilities are allocated based on the operation of the segments.

(2) Financial information of the reporting segments

For the period from 1 January to 30 June 2025/30 June 2025

RMB

Item	Shandong Region	South China Region	North China Region	East China Region	Southeast region	Hong Kong, Macau and other overseas regions	Finance Company	Unallocated amount	Inter-segment offsetting	Total
Revenue from external customers	13,108,585,144	1,458,599,511	3,820,155,114	1,457,721,006	353,760,372	286,794,974	196,451	5,355,173	-	20,491,167,745
Inter-segment revenue	1,708,867,275	524,385,347	1,379,111,236	224,943,106	8,678,879	198,823,174	7,449,636	55,503,570	(4,107,762,223)	-
Cost of sales	9,192,799,661	1,280,438,208	3,422,917,330	1,128,463,120	282,607,786	382,216,046	52,147,639	60,757,735	(4,265,276,662)	11,537,070,863
Selling and distribution expenses	1,492,320,804	141,219,121	277,199,265	173,779,222	73,082,755	29,680,850	-	-	-	2,187,282,017
Interest income	26,464,596	5,954,498	13,721,403	3,626,417	484,965	2,888,156	162,862,158	63,525,932	(57,205,957)	222,322,168
Interest expenses	33,311,445	1,255,991	680,379	3,545,462	1,106,372	98,143	52,097,172	-	(87,248,305)	4,846,659
Share of profits of associates and a joint venture	-	-	-	-	-	-	-	26,647,332	-	26,647,332
Credit impairment gains (losses)	14,555,253	(53,280)	2,400	-	-	(574,266)	(14,435,797)	50,000,000	(50,000,000)	(505,690)
Asset impairment losses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization expenses	299,179,726	71,555,941	120,647,324	67,819,665	17,650,093	3,055,764	868,019	66,756,973	(482,493)	647,051,012
Total profit (loss)	3,314,897,898	372,121,343	1,152,848,610	285,557,898	(21,230,776)	80,492,904	122,252,031	(132,283,422)	88,500,914	5,263,157,400
Income tax expenses	777,087,189	73,949,557	295,959,857	51,692,080	1,606,395	27,613,796	29,781,143	-	31,501,065	1,289,191,082
Net profit (loss)	2,537,810,709	298,171,786	856,888,753	233,865,818	(22,837,171)	52,879,108	92,470,888	(132,283,422)	56,999,849	3,973,966,318
Total assets	20,501,032,448	4,135,090,731	7,630,787,654	3,628,476,258	775,336,604	690,795,660	18,849,754,835	10,371,689,536	(16,319,329,509)	50,263,634,217
Total liabilities	17,319,688,469	1,890,768,909	4,580,993,089	2,508,768,086	463,233,909	72,959,702	14,757,527,307	223,633,588	(20,458,973,719)	21,358,599,340
Non-cash expenses other than depreciation and amortization expenses	5,753,412	35,465	988,981	72,870	5,913	-	11,571	707,188	-	7,575,400
Long-term equity investments in associates and joint ventures	-	-	-	-	-	-	-	376,172,130	-	376,172,130
Increase (Decrease) in non-current assets *(Note)*	1,430,049,764	56,547,586	29,908,951	249,589,166	1,263,291	(520,095)	1,415,229	7,310,943	(46,497,047)	1,729,067,788

Note: Non-current assets exclude financial assets, long-term equity investments and deferred tax assets.

1. Segment reporting (Cont'd)

(2) Financial information of the reporting segments (Cont'd)

For the period from 1 January to 30 June 2024/30 June 2024

RMB

Item	Shandong Region	South China Region	North China Region	East China Region	Southeast region	Hong Kong, Macau and other overseas regions	Finance Company	Unallocated amount	Inter-segment offsetting	Total
Revenue from external customers	12,910,961,373	1,464,791,331	3,738,606,822	1,356,765,366	355,533,844	236,338,103	142,804	5,168,287	-	20,068,307,930
Inter-segment revenue	1,536,027,255	493,212,532	1,328,420,705	173,712,086	3,897,937	98,838,993	2,796,882	151,848,404	(3,788,754,794)	-
Cost of sales	9,179,447,138	1,265,095,438	3,392,096,037	1,078,383,404	282,167,404	241,758,958	-	156,664,561	(3,876,409,024)	11,719,203,916
Selling and distribution expenses	1,452,734,952	175,639,268	268,499,423	168,046,827	70,017,535	34,331,523	-	-	-	2,169,269,528
Interest income	37,983,025	14,962,722	28,683,477	5,435,665	1,308,556	2,194,126	244,738,378	76,391,065	(95,919,591)	315,777,423
Interest expenses	3,235,357	1,464,130	685,749	3,261,628	1,199,879	225,313	103,767,249	-	(102,664,534)	11,174,771
Share of profits of associates and a joint venture	-	-	-	-	-	-	-	19,983,389	-	19,983,389
Credit impairment gains (losses)	381,414	-	(48,981)	(589,459)	-	(459,153)	911,456	8,000,000	(8,000,000)	195,277
Asset impairment losses	(1,075,688)	(66,316)	(1,323,681)	-	(560,507)	-	-	-	-	(3,026,192)
Depreciation and amortization expenses	294,290,951	70,904,671	117,486,731	65,326,076	17,448,521	3,625,268	852,052	53,343,960	-	623,278,230
Total profit (loss)	2,988,148,950	330,121,164	1,088,478,564	108,862,065	(19,288,043)	59,625,858	282,440,970	(15,927,441)	87,172,476	4,909,634,563
Income tax expenses	743,948,489	69,811,051	233,243,842	30,866,132	731,405	11,579,412	70,644,545	-	27,680,935	1,188,505,811
Net profit (loss)	2,244,200,461	260,310,113	855,234,722	77,995,933	(20,019,448)	48,046,446	211,796,425	(15,927,441)	59,491,541	3,721,128,752
Total assets	18,364,764,979	4,547,775,420	8,937,769,885	3,596,701,827	835,661,223	604,261,241	23,987,636,559	11,995,219,411	(22,173,692,589)	50,696,097,956
Total liabilities	15,660,811,958	1,879,613,571	4,655,604,250	2,591,662,955	467,062,575	68,195,730	19,205,210,521	204,507,345	(21,380,502,223)	23,352,166,682
Non-cash expenses other than depreciation and amortization expenses	24,786,614	2,322,825	4,305,111	2,120,506	499,001	273,083	208,708	1,268,047	-	35,783,895
Long-term equity investments in associates and joint ventures	-	-	-	-	-	-	-	363,866,800	-	363,866,800
Increase (Decrease) in non-current assets *(Note)*	678,703,127	26,719,401	69,477,986	63,827,735	23,961,024	14,090,358	-	1,041,763,201	(1,027,564,140)	890,978,692

Note: Non-current assets exclude financial assets, long-term equity investments and deferred tax assets.

(3) Revenue from external customers:

RMB

Revenue from external customers	**Amount incurred in the current year**	**Amount incurred in the prior period**
Chinese Mainland	20,178,128,670	19,719,640,669
Hong Kong and Macau SAR	83,949,059	90,496,611
Other overseas countries and regions	229,090,016	258,170,650
Total	**20,491,167,745**	**20,068,307,930**

(XV) OTHER SIGNIFICANT EVENTS (CONT'D)

1. Segment reporting (Cont'd)

(4) Total non-current assets by geographical location:

Total non-current assets:

RMB

Item	30 June 2025	31 December 2024
Chinese Mainland	**17,374,082,016**	17,193,176,736
Hong Kong and Macau SAR	**18,649,816**	17,725,846
Total	**17,392,731,832**	17,210,902,582

In the regional information above, non-current assets are attributed to the region in which the assets are located. Total non-current assets exclude financial assets and deferred tax assets.

(XVI) CAPITAL MANAGEMENT

The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern, so as to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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

For the period from 1 January to 30 June 2025, the Group's strategy, which is unchanged from the prior year, is to maintain the cash balance above a certain standard to meet the Group's business development needs. Cash balance is cash and cash equivalents less short-term borrowings. The cash balances as at 30 June 2025 and 31 December 2024 are as follows:

RMB

Item	30 June 2025	31 December 2024
Cash and cash equivalents	**4,607,496,049**	4,046,010,946
Less: Short-term borrowings	**-**	-
Cash balance after deducting borrowings	**4,607,496,049**	4,046,010,946

(XVII) NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

RMB

Item	30 June 2025	31 December 2024
Accounts receivable	**1,922,955,448**	1,559,370,720
Less: Allowance for bad debt	**55,353,875**	54,848,762
Total	**1,867,601,573**	1,504,521,958

1. Accounts receivable (Cont'd)

(1) Disclosure by aging

RMB

Aging	**Gross carrying amount at 30 June 2025**	Gross carrying amount at 31 December 2024
Within 1 year	**1,469,720,493**	1,146,751,030
1 to 2 years	**150,545,215**	133,296,358
2 to 3 years	**111,805,098**	81,056,910
3 to 4 years	**35,824,156**	31,053,298
4 to 5 years	**18,054,725**	33,105,564
Over 5 years	**137,005,761**	134,107,560
Total	**1,922,955,448**	1,559,370,720

Accounts receivable is mainly recorded based on the dates of transaction. The ageing of accounts receivable represented on their recording date is basically the same as the ageing represented on the dates of invoice.

(2) Disclosure by allowance method for bad debt

RMB

	30 June 2025				
	Gross carrying amount		**Allowance for bad debt**		
Category	**Amount**	**Proportion (%)**	**Amount**	**Proportion (%)**	**Carrying amount**
Allowance for bad debt made on an individual basis	**11,245,784**	**0.6**	**11,245,784**	**100.0**	**-**
Allowance for bad debt made on a portfolio basis	**1,911,709,664**	**99.4**	**44,108,091**	**2.3**	**1,867,601,573**
Subsidiaries	**1,793,078,198**	**93.2**	**-**	**-**	**1,793,078,198**
Dealers	**118,631,466**	**6.2**	**44,108,091**	**37.2**	**74,523,375**
Total	**1,922,955,448**	**100.0**	**55,353,875**	**/**	**1,867,601,573**

RMB

	31 December 2024				
	Gross carrying amount		Allowance for bad debt		
Category	Amount	Proportion (%)	Amount	Proportion (%)	Carrying amount
Allowance for bad debt made on an individual basis	11,245,784	0.7	11,245,784	100.0	-
Allowance for bad debt made on a portfolio basis	1,548,124,936	99.3	43,602,978	2.8	1,504,521,958
Subsidiaries	1,464,700,772	93.9	-	-	1,464,700,772
Dealers	83,424,164	5.4	43,602,978	52.3	39,821,186
Total	1,559,370,720	100.0	54,848,762	/	1,504,521,958

1. Accounts receivable (Cont'd)

(2) Disclosure by allowance method for bad debt (Cont'd)

Allowance for bad debt made on an individual basis

RMB

Name	Gross carrying amount (30 June 2025)	Allowance for bad debt (30 June 2025)	Proportion (%) (30 June 2025)	Reason
Beijing Sales Company	**11,245,784**	**11,245,784**	**100.0**	**The funds are difficult to be recovered**

RMB

Name	Gross carrying amount (31 December 2024)	Allowance for bad debt (31 December 2024)	Proportion (%) (31 December 2024)	Reason
Beijing Sales Company	11,245,784	11,245,784	100.0	The funds are difficult to be recovered

Accounts receivable for which allowance for bad debt is made based on the portfolio of subsidiaries:

This portfolio consists of accounts receivable arising from purchase and sale transactions between the Company and the subsidiaries, and the related bad debt is low, therefore, no allowance for bad debt has been made.

Accounts receivable for which allowance for bad debt is made based on the portfolio of dealers:

As at 30 June 2025, the credit risks and bad debt of accounts receivable are summarized as follows:

RMB

Aging	30 June 2025			
	Expected average loss rate %	**Gross carrying amount**	**Allowance for bad debt**	**Carrying amount**
Not overdue	**-**	**63,455,318**	**-**	**63,455,318**
Overdue within 1 year	**5**	**11,650,586**	**582,529**	**11,068,057**
Overdue more than 2 years	**100**	**43,525,562**	**43,525,562**	**-**
Total	**/**	**118,631,466**	**44,108,091**	**74,523,375**

1. **Accounts receivable (Cont'd)**

(2) Disclosure by allowance method for bad debt (Cont'd)

As at 31 December 2024, the credit risks and bad debt of accounts receivable are summarized as follows:

RMB

	31 December 2024			
Aging	Expected average loss rate %	Gross carrying amount	Allowance for bad debt	Carrying amount
Not overdue	-	38,370,220	-	38,370,220
Overdue within 1 year	5	1,527,332	76,366	1,450,966
Overdue more than 2 years	100	43,526,612	43,526,612	-
Total	/	83,424,164	43,602,978	39,821,186

(3) Allowance for bad debt

RMB

		Changes for the period			
Category	**31 December 2024**	**Provision**	**Transfer or write-off**	**Other changes**	**30 June 2025**
Accounts receivable	54,848,762	505,113	-	-	**55,353,875**

There is no significant recovery or reversal of allowance for bad debt in the current period.

(4) Accounts receivable actually written off in the current period

For the period from 1 January to 30 June 2025, the Company has no accounts receivable actually written off (for the period from 1 January to 30 June 2024: nil).

(5) Top five accounts receivable in closing balance categorized by debtors

RMB

Item	**Balance**	**Allowance for bad debt**	**Proportion to total accounts receivable**
Total of top five accounts receivable	783,421,952	-	41%

2. Other receivables

2.1 Summary of other receivables

RMB

Category	30 June 2025	31 December 2024
Dividends receivable	**193,948,800**	-
Other receivables	**65,976,955**	69,213,725
Total	**259,925,755**	69,213,725

2.2 Dividends receivable

RMB

Item	Gross carrying amount at 30 June 2025	Gross carrying amount at 31 December 2024
Dividends receivable from subsidiaries	**193,948,800**	-

As at 30 June 2025, the Company has no dividends receivable overdue, no credit loss allowance made for dividends receivable or dividends receivable actually written off (31 December 2024: nil).

2.3 Other receivables

(1) Disclosure by aging

RMB

Aging	Gross carrying amount at 30 June 2025	Gross carrying amount at 31 December 2024
Not overdue	**65,493,667**	69,081,761
Overdue within 1 year	**500,927**	128,883
Overdue 1 - 2 years	**14,815**	19,050
Overdue more than 2 years	**36,942,138**	36,952,395
Total	**102,951,547**	106,182,089

2. Other receivables (Cont'd)

2.3 Other receivables (Cont'd)

(2) Disclosure of other receivables by nature

RMB

Item	**Gross carrying amount at 30 June 2025**	Gross carrying amount at 31 December 2024
Amounts due from subsidiaries	**56,412,400**	54,095,366
Refund of land and buildings receivable	**17,441,647**	17,441,647
Petty cash	**7,065,013**	6,946,111
Guarantee deposits	**3,271,702**	4,418,636
Others	**18,760,785**	23,280,329
Total	**102,951,547**	106,182,089

The Company does not have amounts attributed to other parties and presented in other receivables due to centralized management of funds.

(3) Allowance for bad debt

RMB

Allowance for bad debt	Stage I 12-month ECL	Stage II Lifetime ECL (not credit-impaired)	Stage III Lifetime ECL (credit-impaired)	**Total**
Balance at 1 January 2025	15,970	-	36,952,394	**36,968,364**
Balance at 1 January 2025 transferred during the period				
– to Stage II	-	-	-	**-**
– to Stage III	-	-	-	**-**
– back to Stage II	-	-	-	**-**
– back to Stage I	-	-	-	**-**
Provision	16,484	-	26,380	**42,864**
Reversal	-	-	-	**-**
Write-off	-	-	36,636	**36,636**
Balance at 30 June 2025	32,454	-	36,942,138	**36,974,592**

(4) Allowance for bad debt for the period

The allowance for bad debt of other receivables made for the current period was RMB42,864; there was no allowance for bad debt of other receivables recovered or reversed for the current period.

(5) For the current period, the allowance for bad debt of other receivables actually written off amounted to RMB36,636 and the corresponding gross carrying amount was RMB36,636.

2. Other receivables (Cont'd)

2.3 Other receivables (Cont'd)

(6) Top five other receivables in closing balance categorized by debtors:

RMB

Name of entity	30 June 2025	Proportion to total other receivables as at 30 June 2025 (%)	Nature	Aging	Allowance for bad debt	Carrying amount
No. 1	**25,919,846**	**25.2**	Amount due from subsidiaries	1-2 years	-	25,919,846
No. 2	**8,584,437**	**8.3**	Refund of land receivable	Over 5 years	8,584,437	-
No. 3	**7,410,412**	**7.2**	Amount due from subsidiaries	Within 1 year	-	7,410,412
No. 4	**2,868,995**	**2.8**	Amount due from subsidiaries	Within 1 year	-	2,868,995
No. 5	**2,583,204**	**2.5**	Amount due from subsidiaries	Within 1 year	-	2,583,204
Total	**47,366,894**	**46.0**	/	/	8,584,437	38,782,457

3. Inventories

(1) Category of inventories

RMB

Item	30 June 2025			31 December 2024		
	Gross carrying amount	**Provision for decline in value**	**Carrying amount**	Gross carrying amount	Provision for decline in value	Carrying amount
Raw materials	**286,910,523**	**-**	**286,910,523**	365,586,596	-	365,586,596
Packaging materials	**73,022,141**	**662,025**	**72,360,116**	73,417,884	662,025	72,755,859
Low-cost and short-lived consumables	**22,915,122**	**-**	**22,915,122**	20,953,447	-	20,953,447
Work in progress	**96,982,236**	**-**	**96,982,236**	103,698,389	-	103,698,389
Goods on hand	**140,412,341**	**-**	**140,412,341**	1,068,625,078	-	1,068,625,078
Total	**620,242,363**	**662,025**	**619,580,338**	1,632,281,394	662,025	1,631,619,369

(2) Provision for decline in value of inventories

RMB

Item	31 December 2024	Increase in the period	Write-off in the period	**30 June 2025**
Packaging materials	662,025	-	-	**662,025**

4. Long-term equity investments

RMB

Item	30 June 2025			31 December 2024		
	Gross carrying amount	**Provision for impairment**	**Carrying amount**	Gross carrying amount	Provision for impairment	Carrying amount
Investments in subsidiaries	**14,469,488,766**	**1,992,788,870**	**12,476,699,896**	14,369,396,481	1,992,788,870	12,376,607,611
Investments in associates and joint ventures	**369,501,739**	**1,220,000**	**368,281,739**	389,141,227	1,220,000	387,921,227
Total	**14,838,990,505**	**1,994,008,870**	**12,844,981,635**	14,758,537,708	1,994,008,870	12,764,528,838

(1) Subsidiaries

RMB

Investees	31 December 2024	Changes for the period			30 June 2025	Opening balance of provision for impairment	Charged for the period	Closing balance of provision for impairment	Cash dividends or profits declared (*Note 2*)
		Increased investment	Decreased investment	Share-based payments (*Note 1*)					
Shenzhen Asahi	129,455,430	-	-	-	**129,455,430**	-	-	-	41,881,200
Chenzhou Company	65,059,968	-	-	-	**65,059,968**	-	-	-	88,800,000
Huanan Sales Company	53,377,231	-	-	-	**53,377,231**	-	-	-	-
Chenzhou Sales Company	3,739,988	-	-	3,944	**3,743,932**	-	-	-	-
Huanan Holding Investment	208,790,000	-	-	-	**208,790,000**	-	-	-	-
Zhuhai Company	2,818,363	-	-	-	**2,818,363**	-	-	-	-
Sanshui Company	2,196,022	-	-	-	**2,196,022**	-	-	-	-
Suizhou Company	2,771,536	-	-	-	**2,771,536**	-	-	-	-
Nanning Company	2,322,270	-	-	-	**2,322,270**	-	-	-	-
Huadong Holding Company	96,855,102	-	-	-	**96,855,102**	(96,855,102)	-	(96,855,102)	-
Shouguang Company	63,147,098	-	-	-	**63,147,098**	-	-	-	-
Five Star Company	26,229,478	-	-	-	**26,229,478**	(24,656,410)	-	(24,656,410)	-
Three Ring Company	172,395,579	-	-	-	**172,395,579**	(69,457,513)	-	(69,457,513)	-
Beifang Sales Company	89,598,000	-	-	-	**89,598,000**	(83,984,000)	-	(83,984,000)	-
Xi'an Hans	358,261,694	-	-	9,467	**358,271,161**	-	-	-	600,000,000
Baoji Company	3,081,699	-	-	-	**3,081,699**	-	-	-	-
Gansu Nongken Company	53,452,357	-	-	-	**53,452,357**	-	-	-	9,500,000
Wuwei Company	2,454,374	-	-	-	**2,454,374**	-	-	-	-
Yulin Company	3,389,549	-	-	-	**3,389,549**	-	-	-	-
Weinan Company	17,373,191	-	-	-	**17,373,191**	-	-	-	14,000,000
Anshan Company	50,762,068	-	-	-	**50,762,068**	-	-	-	-
Xingkaihu Company	242,327,964	-	-	-	**242,327,964**	(129,430,000)	-	(129,430,000)	-
Mishan Company	118,520,000	-	-	-	**118,520,000**	(118,520,000)	-	(118,520,000)	-
Harbin Company	216,263,678	-	-	-	**216,263,678**	(109,940,000)	-	(109,940,000)	-
Penglai Company	30,000,000	-	-	-	**30,000,000**	(30,000,000)	-	(30,000,000)	-
Rongcheng Company	68,129,774	-	-	-	**68,129,774**	(65,103,434)	-	(65,103,434)	-
Tsingtao Brewery International	11,210,000	-	-	-	**11,210,000**	-	-	-	-
Tsingtao Brewery (Laoshan) Co., Ltd.	18,089,491	-	-	-	**18,089,491**	-	-	-	-
Hong Kong Company	41,728,681	-	-	-	**41,728,681**	-	-	-	-
Qingdao Xianghong Shangwu Co., Ltd.	5,760,000	-	-	-	**5,760,000**	-	-	-	-
Dongnan Sales Company	299,072,340	-	-	3,945	**299,076,285**	-	-	-	-
Xiamen Company	2,405,835	-	-	-	**2,405,835**	-	-	-	-
Fuzhou Company	3,075,771	-	-	-	**3,075,771**	-	-	-	-
Zhangzhou Company	1,319,305	-	-	-	**1,319,305**	-	-	-	-
Changsha Company	49,033,988	-	-	-	**49,033,988**	-	-	-	-
Jinan Company	563,057,135	-	-	-	**563,057,135**	-	-	-	131,287,832
Guangrunlong Real Estate	16,465,405	-	-	-	**16,465,405**	-	-	-	-
Cultural Communication Company	79,076,385	-	-	3,156	**79,079,541**	-	-	-	-
Chengdu Company	282,758,796	-	-	-	**282,758,796**	(118,855,583)	-	(118,855,583)	-

4. Long-term equity investments (Cont'd)

(1) Subsidiaries (Cont'd)

RMB

Investees	31 December 2024	Changes for the period			**30 June 2025**	Opening balance of provision for impairment	Charged for the period	Closing balance of provision for impairment	Cash dividends or profits declared *(Note 2)*
		Increased investment	Decreased investment	Share-based payments *(Note 1)*					
Rizhao Company	342,438,349	-	-	-	**342,438,349**	-	-	-	126,219,418
Weifang Company	76,406,967	-	-	-	**76,406,967**	-	-	-	-
Dezhou Company	24,748,277	-	-	-	**24,748,277**	-	-	-	-
Construction Company	4,393,499	-	-	-	**4,393,499**	-	-	-	-
Langfang Company	82,081,062	-	-	-	**82,081,062**	-	-	-	-
Heze Company	127,667,832	-	-	-	**127,667,832**	(51,301,600)	-	(51,301,600)	93,080,000
Tengzhou Company	49,878,712	-	-	-	**49,878,712**	-	-	-	-
Tsingtao Brewery Shanghai Co., Ltd.	1,570,000	-	-	-	**1,570,000**	-	-	-	-
Wuhu Company	274,666,268	-	-	-	**274,666,268**	(274,290,000)	-	(274,290,000)	-
Huadong Sales Company	97,300,000	-	-	-	**97,300,000**	(47,300,000)	-	(47,300,000)	-
Maanshan Company	82,837,659	-	-	-	**82,837,659**	-	-	-	47,058,800
Shijiazhuang Company	324,095,534	-	-	-	**324,095,534**	-	-	-	53,183,428
Taiyuan Company	203,083,671	-	-	-	**203,083,671**	-	-	-	129,397,986
Chengyang Sales Company	8,000,000	-	-	-	**8,000,000**	-	-	-	215,370,519
Finance Company	2,004,169,465	-	-	8,678	**2,004,178,143**	-	-	-	-
Immense Brewery	1,414,117,998	-	-	-	**1,414,117,998**	-	-	-	600,000,000
Hangzhou Company	250,081,858	-	-	9,467	**250,091,325**	-	-	-	-
Jieyang Company	152,469,234	-	-	-	**152,469,234**	-	-	-	-
Beverage Company	31,947,919	-	-	-	**31,947,919**	-	-	-	-
Shaoguan Company	201,922,685	-	-	8,678	**201,931,363**	(150,000,000)	-	(150,000,000)	-
Electronic Commerce Company	8,000,000	-	-	-	**8,000,000**	-	-	-	-
Pingdu Sales Company	5,000,000	-	-	-	**5,000,000**	-	-	-	-
Jiujiang Company	182,352,063	-	-	-	**182,352,063**	-	-	-	9,000,000
Xuzhou Enterprise Management	10,000,000	-	-	-	**10,000,000**	(10,000,000)	-	(10,000,000)	14,266,564
Xuecheng Company	1,788,359	-	-	-	**1,788,359**	-	-	-	-
Luoyang Company	202,857,999	-	-	8,678	**202,866,677**	-	-	-	100,000,000
Shanghai Industrial Company	200,895,228	-	-	-	**200,895,228**	(200,895,228)	-	(200,895,228)	-
Nanjing Sales Company	6,863,142	-	-	8,520	**6,871,662**	-	-	-	-
Shanghai Sales Company	6,438,255	-	-	7,240	**6,445,495**	-	-	-	-
Luzhou Company	120,857,127	-	-	-	**120,857,127**	-	-	-	-
Zhangjiakou Company	202,332,974	-	-	-	**202,332,974**	-	-	-	-
Lulansa Company	561,968,028	-	-	-	**561,968,028**	-	-	-	-
Huangshi Company	166,130,808	-	-	-	**166,130,808**	-	-	-	48,590,000
Yingcheng Company	93,989,969	-	-	-	**93,989,969**	-	-	-	-
Hanzhong Company	28,458,947	-	-	-	**28,458,947**	-	-	-	-
Shanghai Investing Company	1,920,654,036	-	-	-	**1,920,654,036**	-	-	-	-
Xuzhou Company	2,057,553	-	-	-	**2,057,553**	-	-	-	-
Pengcheng Company	2,804,775	-	-	-	**2,804,775**	-	-	-	-
New Songjiang Manufacturing Company	3,411,828	-	-	-	**3,411,828**	-	-	-	-
Shanghai Minhang Company	2,408,340	-	-	8,678	**2,417,018**	-	-	-	-
Kunshan Company	2,460,403	-	-	-	**2,460,403**	-	-	-	-
Lianyungang Company	214,622,958	-	-	-	**214,622,958**	(212,200,000)	-	(212,200,000)	-
Yangzhou Company	102,976,311	-	-	11,834	**102,988,145**	-	-	-	-
Tsingtao Brewery Shanghai Yangpu Co., Ltd.	200,000,000	-	-	-	**200,000,000**	(200,000,000)	-	(200,000,000)	-
Suqian Company	77,512,621	-	-	-	**77,512,621**	-	-	-	-
Zaozhuang Company	201,852,223	-	-	-	**201,852,223**	-	-	-	-
West Coast Cultural Tourism	231,000,000	-	-	-	**231,000,000**	-	-	-	-
Research and Development Center	250,000,000	-	-	-	**250,000,000**	-	-	-	-
Weifang Manufacturing Company	100,000,000	100,000,000	-	-	**200,000,000**	-	-	-	-
Jiuyuan Technology Company	50,000,000	-	-	-	**50,000,000**	-	-	-	-
Total	14,369,396,481	100,000,000	-	92,285	**14,469,488,766**	(1,992,788,870)	-	(1,992,788,870)	2,321,635,747

4. Long-term equity investments (Cont'd)

(2) Joint ventures and associates

RMB

Investees	31 December 2024	Changes for the period: Investment income or loss recognized under equity method	Adjustment to other comprehensive income	Other changes in equity	Provision for impairment	Cash dividends or profits declared *(Note 2)*	**30 June 2025**	Opening balance of provision for impairment	Closing balance of provision for impairment
I. Joint venture									
Hebei Jiahe Company	214,012,611	7,765,409	-	-	-	(6,500,000)	**215,278,020**	-	-
II. Associates									
Yantai Brewery Company	161,728,607	11,855,842	-	-	-	(33,842,175)	**139,742,274**	-	-
Zhaoshang Logistics Company	12,180,009	1,088,559	-	(7,123)	-	-	**13,261,445**	-	-
Liaoning Shenqing Company	-	-	-	-	-	-	**-**	-	-
Others	1,220,000	-	-	-	-	-	**1,220,000**	(1,220,000)	(1,220,000)
Total	**389,141,227**	**20,709,810**	**-**	**(7,123)**	**-**	**(40,342,175)**	**369,501,739**	**(1,220,000)**	**(1,220,000)**

Note 1: The Company is obliged to settle the share-based payments to restricted share incentive recipients who are employees of the Company's subsidiaries. For the period from 1 January to 30 June 2025, the Company recognized long-term equity investments of RMB92,285 according to the settlement obligation.

Note 2: For the period from 1 January to 30 June 2025, the cash dividends declared represent the dividends distributed to the Company.

5. Revenue and cost of sales

(1) Revenue and cost of sales

RMB

Item	Amount incurred in the current period: Revenue	Amount incurred in the current period: Cost of sales	Amount incurred in the prior period: Revenue	Amount incurred in the prior period: Cost of sales
Main operation	14,664,635,061	10,464,984,506	14,508,821,767	10,671,162,840
Other operations	954,517,249	931,215,674	1,082,655,709	1,053,934,430
Total	**15,619,152,310**	**11,396,200,180**	**15,591,477,476**	**11,725,097,270**

(2) Revenue from contracts

a. Main operation

RMB

Name of industry	Amount incurred in the current period: Revenue from main operation	Amount incurred in the current period: Cost of main operation	Amount incurred in the prior period: Revenue from main operation	Amount incurred in the prior period: Cost of main operation
Sales of beer, etc.	14,664,635,061	10,464,984,506	14,508,821,767	10,671,162,840

5. Revenue and cost of sales (Cont'd)

(2) Revenue from contracts (Cont'd)

b. Other operations

RMB

Name of industry	Amount incurred in the current period		Amount incurred in the prior period	
	Revenue from other operations	Cost of other operations	Revenue from other operations	Cost of other operations
Sales of raw materials	916,937,446	895,553,184	1,051,318,643	1,023,889,356
Others	37,579,803	35,662,490	31,337,066	30,045,074
Total	**954,517,249**	**931,215,674**	**1,082,655,709**	**1,053,934,430**

(3) Description of performance obligations

The Group's beer sales business is a performance obligation fulfilled at a point in time, with revenue recognized at a point in time when the customer obtains control over the relevant goods or services.

The Company is mainly engaged in production and sales of beer.

6. Investment income

(1) Details of investment income

RMB

Item	Amount incurred in the current period	Amount incurred in the prior period
Income from long-term equity investments accounted for using the cost method *(Note)*	2,321,635,747	788,913,000
Income from long-term equity investments accounted for using the equity method	23,392,953	16,773,013
Investment loss from disposal of financial assets held for trading	(2,500)	-
Others	1,866,889	2,379,581
Total	**2,346,893,089**	**808,065,594**

There are no significant restrictions on the repatriation of the investment income.

Note: Income from long-term equity investments accounted for using the cost method is the profit distribution declared by subsidiaries to the Company (Note (XVII) 4).

(XVIII) SUPPLEMENTARY INFORMATION

1. Breakdown of non-recurring profit or loss

Item	*RMB* **Amount incurred in the current period**
Profit or loss on disposal of non-current assets, including write-off of provision for impairment of assets	112,105,570
Government grants recognized in profit or loss for the current period, except for those that are closely related to the normal operation of the business, conform to national policies and regulations, are enjoyed in accordance with defined criteria, and have a continuing impact on the Company's profit or loss	179,963,670
Profit or loss on changes in fair value of financial assets and financial liabilities held by non-financial enterprises and gain or loss on disposal of financial assets and financial liabilities, except for effective hedging business related to the Company's normal business operations	34,141,903
Other non-operating income and expenses other than the above	12,911,138
Income tax effects	(57,118,507)
Effects attributable to non-controlling interests (after tax)	(9,318,687)
Total	**272,685,087**

In 2023, the China Securities Regulatory Commission promulgated the Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1 - Non-Recurring Profit or Loss (Revised in 2023) (hereinafter referred to as the "2023 Explanatory Announcement No. 1"), which came into force on the date of promulgation. The Group prepared a breakdown of non-recurring profit or loss in accordance with the provisions of the 2023 Explanatory Announcement No. 1.

According to the provisions of the 2023 Explanatory Announcement No. 1, non-recurring profit or loss arises from transactions or events that are not directly related to the normal business operations, or transactions and events that are related to normal business operations, but are so extraordinary that would have an impact on users of the financial statements when making proper judgements on the performance and profitability of the Company.

2. Return on net assets and earnings per share

The return on net assets and earnings per share have been prepared by the Group in accordance with the Information Disclosure and Presentation Rules for Companies Offering Securities to the Public No. 9 - Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revised in 2010) issued by the China Securities Regulatory Commission.

		Earnings per share	
Profit for the Reporting Period	**Weighted average return on net assets (%)**	**Basic earnings per share**	**Diluted earnings per share**
Net profit attributable to ordinary shareholders of the Company	12.80	2.862	2.862
Net profit after deducting non-recurring profit or loss attributable to ordinary shareholders of the Company	11.90	2.662	2.662

(I) INTRODUCTION OF GENERAL INFORMATION OF THE COMPANY'S OPERATING ACTIVITIES DURING THE REPORTING PERIOD

The first half of 2025 witnessed a complex and volatile market environment. Enterprises above the designated size in China's beer industry achieved a total output of 19.04 million kiloliters, representing a decrease of 0.3% year-on-year (Source: National Bureau of Statistics; Statistical Scope: All industrial corporate entities with an annual main business revenue of RMB20 million or above).

During the Reporting Period, the Company adhered to innovation-driven high-quality development, fully leveraged Tsingtao Brewery's advantages in brand, quality, and distribution network, etc. to actively explore domestic and overseas markets, continuously optimized product structure enhancement, and improved operational efficiency. Key operating indicators maintained steady growth. In the first half of 2025, the Company achieved a product sales volume of 4.732 million kiloliters, a year-on-year increase of 2.3%; realized operating revenue of RMB20.49 billion, a year-on-year increase of 2.1%; and achieved net profit attributable to shareholders of the listed company of RMB3.90 billion, a year-on-year increase of 7.2%.

During the Reporting Period, the Company continued to deepen its presence in the domestic market. With a growth-oriented, structure-supported, and innovation-driven approach, the Company strengthened its advantages across all price levels, product categories, and channels and continued to promote the integrated development of regional markets. These efforts led to further enhancements in the Company's advantages in traditional base markets and growth in both volume and profits in the three strategic zones. In the international market, the Company continued to advance product distribution coverage in the overseas market and brand promotion, further elevating Tsingtao Brewery's global brand influence.

The Company upheld an all-channel strategy, continuously strengthening its market position in mainstream channels while maintaining industry leadership in emerging channels. During the Reporting Period, the Company deepened the operations of traditional platforms for online channels and focused on expanding new media and new channels. For instant retail business, the Company reinforced the development of new formats such as flash warehouses and liquor specialty stores, achieving rapid transaction growth for the fifth consecutive year.

During the Reporting Period, the Company continued to implement its branding strategy of promoting "Tsingtao Beer as Core Brand + Laoshan Beer as Secondary Brand." The Company actively carried out brand promotion and product marketing campaigns focusing on sports and music marketing. These multi-scenario marketing efforts contributed to an enriched consumer experience and deeper engagement, consistently strengthening brand and product competitiveness while fostering consumption expansion and upgrading.

The Company accelerated the cultivation of major single products and innovative category-based products, continued to improve its brands and product structure, and further accelerated the development of the "1+1+1+2+N" product portfolio under Tsingtao's primary brand. Among these, the Classic series* (經典系), Tsingtao White Beer*(青島白啤), 1L aluminum bottles of premium draft beer*(高端生鮮1L鋁瓶), and ultra-premium products all maintained steady growth in sales volume. During the Reporting Period, Tsingtao Brewery's primary brands achieved a total product sales volume of 2.713 million kiloliters, representing an increase of 3.9% year-on-year. In particular, mid-to-high-end and above products achieved a sales volume of 1.992 million kiloliters, representing an increase of 5.1% year-on-year.

During the Reporting Period, the Company focused on "new demographics, new demands, new products, new channels, and new scenarios" to develop new growth space and continuously drive product innovation and upgrading. During the Reporting Period, the Company developed and launched several featured products, including "Light Dry* (輕干)", "Cherry Blossom White Beer* (櫻花味白啤)", "Hazy IPA* (渾濁IPA)" and "All-Malt Guochao* (全麥國潮)", and "All-Malt Yipin* (全麥逸品)", meeting multi-layered consumption needs for personalization, health, premium quality, innovative taste, and portable packaging.

(II) CORE COMPETITIVENESS ANALYSIS

The Company's core competitiveness and the discussion and analysis on the Company's future developments (including the Company's development strategy and business plan) did not change during the Reporting Period. Please refer to the Company's 2024 Annual Report for details.

(III) ANALYSIS OF PRINCIPAL FINANCIALS DURING THE REPORTING PERIOD (CALCULATED IN ACCORDANCE WITH CHINA'S ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES)

1. Analysis of changes to items in Income Statements

Unit: '000 Yuan Currency: RMB

Item	Current Reporting Period	Corresponding period in the previous year	Increase/ Decrease *(%)*
Revenue	20,491,168	20,068,308	2.11
Cost of sales	11,537,071	11,719,204	-1.55
Selling and distribution expenses	2,187,282	2,169,270	0.83
General and administrative expenses	682,992	666,502	2.47
Finance expenses	-207,791	-290,996	
Research and development expenses	43,712	29,406	48.65
Other income	194,954	286,034	-31.84
Investment income	41,235	61,407	-32.85
Profits arising from changes in fair value	53,499	137,219	-61.01
Gains on disposal of assets	112,106	-190	
Non-operating income	14,830	4,214	251.95
Non-operating expenses	2,018	6,623	-69.53
Net cash flow from operating activities	4,799,544	5,713,873	-16.00
Net cash flow from investing activities	-2,616,463	-6,951,897	
Net cash flow from financing activities	-1,624,083	-96,443	

(1) Revenue

In the first half of 2025, revenue increased by 2.11% from the corresponding period in prior year, which was mainly due to an increase in the sales volume during the Reporting Period.

(2) Cost of sales

In the first half of 2025, cost of sales decreased by 1.55% from the corresponding period in prior year, which was mainly due to the decrease in the costs of some raw materials during the Reporting Period.

(3) Selling and distribution expenses

In the first half of 2025, selling and distribution expenses increased by 0.83% from the corresponding period in prior year, which was basically the same as prior year.

(4) General and administrative expenses

In the first half of 2025, general and administrative expenses increased by 2.47% from the corresponding period in prior year, which was basically the same as prior year.

(5) Finance expenses

In the first half of 2025, finance expenses increased by RMB83,205 thousand yuan from the corresponding period in prior year, which was mainly due to a decrease in interest income resulting from declining interest rates during the Reporting Period compared to the corresponding period in prior year.

(6) Research and development expenses

In the first half of 2025, R&D expenses increased by 48.65% from the corresponding period in prior year, which was mainly due to that the R&D spending on new products in the Reporting Period increased from the corresponding period in prior year.

(7) Other income

In the first half of 2025, other income decreased by 31.84% from the corresponding period in prior year, which was mainly due to that the government subsidies related to daily operating activities received by some subsidiaries in the Reporting Period decreased from the corresponding period in prior year.

(8) Investment income

In the first half of 2025, investment income decreased by 32.85% from the corresponding period in prior year, which was mainly due to the fact that the scale and interest rates of interbank certificate of deposit businesses held by Finance Company, a wholly-owned subsidiary of the Company, during the Reporting Period decreased from the corresponding period in prior year.

(9) Gains on fair value changes

In the first half of 2025, gains on fair value changes decreased by 61.01% from the corresponding period in prior year, which was mainly due to a year-on-year decline in the gains on fair value changes generated from debt instruments such as bonds held by the Finance Company, a wholly-owned subsidiary of the Company, during the Reporting Period.

(10) Gains from disposal of assets

In the first half of 2025, gains from disposal of assets increased by 112,296 thousand yuan from the corresponding period in prior year, which was mainly due to the recognition of gains from the disposal of land use rights by some subsidiaries during the Reporting Period.

(11) Non-operating income

In the first half of 2025, non-operating income increased by 251.95% from the corresponding period in prior year, which was mainly due to the fact that the income irrelevant to routine operating activities recognized by some subsidiaries during the Reporting Period increased from the corresponding period in prior year.

(12) Non-operating expenditure

In the first half of 2025, non-operating expenditure decreased by 69.53% from the corresponding period in prior year, which was mainly due to the fact that the expenditures irrelevant to routine operating activities recognized by some subsidiaries during the Reporting Period decreased from the corresponding period in prior year.

(13) Net cash flow from operating activities

In the first half of 2025, net cash flow from operating activities decreased by 16.00% from the corresponding period in prior year, which was mainly due to an increase in tax payments during the Reporting Period compared to the corresponding period in prior year, coupled with a year-on-year decrease in cash received from sales of goods resulting from changes in advance receipts from customers.

(14)Net cash flow from investing activities

In the first half of 2025, net cash flow from investing activities increased by RMB4,335,434 thousand yuan from the corresponding period in prior year, which was mainly due to the fact that net income from the wealth management of Finance Company, a wholly-owned subsidiary of the Company, during the Reporting Period decreased from the corresponding period in prior year.

(15) Net cash flow from financing activities

In the first half of 2025, net cash flow from financing activities decreased by RMB1,527,640 thousand yuan from the corresponding period in prior year, which was mainly due to a year-on-year increase in cash payments for dividend distributions during the Reporting Period.

2. Information on assets and liabilities

Unit: '000 Yuan Currency: RMB

Item	As of the end of this Reporting Period	Percentage of total assets (%)	As of the end of last year	Figure at end of last year to total assets (%)	Change ratio of figure at the end of this Reporting Period to the end of last year (%)
Financial assets held for trading	5,179,129	9.89	2,021,804	3.93	156.16
Accounts receivable	168,938	0.32	102,420	0.20	64.95
Inventories	2,072,677	3.96	3,576,388	6.96	-42.05
Non-current assets due within one year	29,869	0.06	51,714	0.10	-42.24
Other current assets	612,353	1.17	1,132,636	2.20	-45.94
Construction in progress	1,042,613	1.99	630,875	1.23	65.26
Accounts payable	4,320,830	8.25	3,053,515	5.94	41.50
Contract liabilities	5,439,176	10.39	8,312,561	16.17	-34.57
Taxes payable	985,956	1.88	392,937	0.76	150.92
Other payables	4,693,617	8.96	3,269,712	6.36	43.55
Other current liabilities	88,864	0.17	467,596	0.91	-81.00

(1) Financial assets held for trading

Financial assets held for trading as at the end of the Reporting Period increased by 156.16% from the beginning of the Reporting Period, which was mainly due to the structured deposits and other debt instruments in the Reporting Period.

(2) Accounts receivable

Accounts receivable as at the end of the Reporting Period increased by 64.95% from the beginning of the Reporting Period, which was mainly due to that some subsidiaries' trade receivable increased in the Reporting Period.

(3) Inventory

Inventory as at the end of the Reporting Period decreased by 42.05% from the beginning of the Reporting Period, which was mainly due to the decrease in some subsidiaries' goods on hand in the peak season during the Reporting Period.

(4) Non-current assets due within one year

Non-current assets due within one year as at the end of the Reporting Period decreased by 42.24% from the beginning of the Reporting Period, which was mainly due to the maturity and settlement of the opening interest for the bonds held by Finance Company, a wholly-owned subsidiary of the Company).

(5) Other current assets

Other current assets as at the end of the Reporting Period decreased by 45.94% from the beginning of the Reporting Period, which was mainly due to a reduction in prepaid corporate income tax at the end of the Reporting Period, as well as the utilization of deductible value-added tax (VAT) credits carried forward by some subsidiaries from the end of the previous year during the Reporting Period.

(6) Construction in progress

Construction in progress as at the end of the Reporting Period increased by 65.26% from the beginning of the Reporting Period, which was mainly due to production line renovation and expansion projects carried out by some subsidiaries during the Reporting Period.

(7) Accounts payable

Accounts receivable as at the end of the Reporting Period increased by 41.50% from the beginning of the Reporting Period, which was mainly due to the increase in the accounts payable caused by the purchase of materials in the Reporting Period.

(8) Contract liabilities

Contract liabilities as at the end of the Reporting Period decreased by 34.57% from the beginning of the Reporting Period, which was mainly due to the recognition of revenue from advance payments for alcoholic beverages received by some subsidiaries during the Reporting Period.

(9) Taxes payable

Taxes payable as at the end of the Reporting Period increased by 150.92% from the beginning of the Reporting Period, which was mainly due to the increase in the income taxes, VATs, consumption taxes and other taxes payable as at the end of the Reporting Period.

(10) Other payables

Other payables as at the end of the Reporting Period increased by 43.55% from the beginning of the Reporting Period, which was mainly due to that part of the cash dividends to be distributed according to the resolution at the annual general meeting had yet to be paid as at the end of the Reporting Period.

(11) Other current liabilities

Other current liabilities as at the end of the Reporting Period decreased by 81.00% from the beginning of the Reporting Period, which was mainly due to the decrease in some subsidiaries' output VAT to be recognised in the Reporting Period.

3. Other information

(1) Debt/Capital Ratio

As at 30 June 2025, the Company's debt/capital ratio was 0% (31 December 2024: 0%). The calculation of debt/capital ratio is: total amount of long-term borrowings/(total amount of long-term borrowings + interests attributable to the shareholders of the Company).

(2) Assets mortgage

As at 30 June 2025, the Company did not have any mortgages (31 December 2024: Nil).

(3) Risk of exchange rate fluctuations

As the Company currently relies on imported barley among the raw materials for beer production, the fluctuate exchange rate would indirectly affect the purchase cost of raw materials of the Company; besides, the fluctuate exchange rate would also directly affect the product export income of the Company as some beer products of the Company are exported for sale; these matters would impact the profitability of the Company in certain extent.

(4) Capital expenses

In the first half of year 2025, the Company had invested a total of approximately RMB949 million in new construction, relocation, reconstruction and expansion projects. Based on the current situation of the Company's funds and profitability, there are sufficient self-owned funds and continuous net operating cash inflow to satisfy the Company's needs for funds for its capital projects.

(5) Investments

See details in the notes to the financial statements of the 2025 Interim Report.

(6) Contingent liabilities

Nil.

4. Save as disclosed herein, there has been no material change in information disclosed in the interim report from the information disclosed in the 2024 Annual Report of the Company in relation to matters set out in Appendix D2 of the Hong Kong Listing Rules and there are no other matters that need to be disclosed in this report.

I. LISTING OF RESTRICTED SHARES UNDER THE INCENTIVE PLAN

The Company has convened the meeting of the eleventh session of the Board on 20 May 2025, and the "Resolution on the Fulfillment of the Unlocking Conditions for the Third Unlocking Period under the Reserved Grant of the Restricted Shares under the A Share Incentive Plan (the "Incentive Plan")" was considered and approved by the Board. The third locking period under the reserved grant under the Incentive Plan has expired and the corresponding conditions for unlocking the restricted shares under the Incentive Plan have been fulfilled. The Company shall deal with the unlocking matters in relation to the 32 qualified participants with a total of 95,000 restricted shares. The listing and circulation time of the unlocked shares is 30 May 2025.

For more details of the unlocking and listing of restricted shares under the Incentive Plan, please refer to the relevant announcements of the Company dated 20 May 2025 and 26 May 2025, published on the websites of Shanghai Stock Exchange and Hong Kong Exchanges and Clearing Limited.

Details of movement of the Restricted Shares under the Incentive Plan during the Reporting Period are as follows:

Grantees	Date of grant *(Note 1)*	Vesting date	Outstanding as at 1 January 2025	Granted during the Reporting Period	Number of shares Vested during the Reporting Period	Cancelled/lapsed during the Reporting Period	Outstanding as at 30 June 2025	Fair value as at date of grant *(Note 2)* *(RMB)*
Director								
JIANG Zong Xiang	29 June 2020	-	-	-	-	-	-	4,000,920
HOU Qiu Yan	29 June 2020	-	-	-	-	-	-	3,045,600
SUN Jing	29 June 2020	-	-	-	-	-	-	4,000,920
Five highest paid individuals (total) (excluding Directors)	29 June 2020	-	-	-	-	-	-	20,004,600
Others Employees	29 June 2020 and 22 March 2021	30 May 2025	96,667	-	95,000	-	1,667	637,230,420
Total	-	-	96,667	-	95,000	-	1,667	673,738,260

Notes:

1. The purchase price for the Restricted Shares granted under the first grant and reserved grant under the Incentive Plan was RMB21.18 and their unlocking periods are 24 months, 36 months and 48 months respectively from the date of completion of registration.

2. In accordance with the relevant requirements of the China Accounting Standards for Business Enterprises), the closing prices of A shares on the date of grant shall be taken by the Company as the fair value of the restricted shares. For specific accounting policies, please refer to the disclosures in the "Share-based payment" section in note XII to the interim financial statements.

3. The closing prices of the Company's A shares immediately before the dates of the first grant and the reserved grant were RMB72.20 and RMB79.72 respectively.

4. The weighted average closing prices of the Company's A shares on the trading day (30 May 2025) immediately before the vesting date of 29 May 2025 of the relevant shares granted was RMB75.23.

5. No shares were available for grant under the Incentive Plan as at each of 1 January 2025 and 30 June 2025.

6. The number of shares that may be issued in respect of Restricted Shares granted under the Incentive Plan during the Reporting Period divided by the weighted average number of shares in issue for the Reporting Period was 0%.

II. COMPLETION OF CHANGE OF TERM OF THE BOARD AND ABOLISHMENT OF ESTABLISHMENT OF THE SUPERVISOR COMMITTEE

On 20 May 2025, the Company held the 2024 Annual General Meeting ("AGM"), where the "proposal in relation to the re-election and election of executive directors of the eleventh session of the board of directors" was considered and approved. Mr. JIANG Zong Xiang, Mr. LIU Fu Hua, and Mr. HOU Qiu Yan were elected as executive directors of the Company. The "proposal in relation to the re-election and election of independent non-executive directors of the eleventh session of the board of directors" was also considered and approved. Mr. XIAO Geng, Mr. SHENG Lei Ming, Ms. ZHANG Ran, Mr. ZHAO Chang Wen, and Ms. ZHAO Hong were elected as independent non-executive directors of the Company. On 22 May 2025, following election and approval at the Company's employee representatives' committee, Ms. SUN Jing was elected as an employee director of the Company. In accordance with the provisions of the Company's Articles of Association, the term of office for directors of the eleventh session of the Board is three years, commencing immediately upon the date of approval at the AGM (the term of the employee director commences from the date of election and approval at the meeting) and ending on the expiry of the term of the eleventh session of the Board.

In accordance with the Company Law implemented on 1 July 2024 and the announcement on "The Transitional Period Arrangements for the Implementation of the Rules of the Supporting System of the New 'Company Law'*《關於新(<公司法>配套制度規則實施相關過渡期安排》)" issued by the China Securities Regulatory Commission, the Company has abolished the supervisory committee, removed all references to supervisors and the supervisory committee from the Company's Articles of Association, and transferred the relevant functions and powers to the audit and internal control committee of the Company. At the same time, it has been explicitly stipulated that the audit and internal control committee of the Company shall exercise the functions and powers of the supervisory committee as prescribed by the Company Law. The members of the tenth session of the supervisory committee of the Company, including the tentative convener Ms. LI Yan, independent supervisor Mr. WANG Ya Ping, and supervisors as employees' representatives Mr. HUANG Zu Jiang, Ms. SUN Li Hong, and Mr. MENG Qing Shang, stepped down upon the conclusion of the AGM.

Save as disclosed above, there were no important events affecting the Group which have occurred since the end of the Reporting Period and up to the date of this report.

III. ACQUISITION OF 100% EQUITY INTEREST IN SHANDONG JIMO YELLOW WINE FACTORY COMPANY LIMITED

On 7 May 2025, the Company entered into an Equity Transfer Agreement with Hiking Group Company Limited ("Hiking Group"), Shandong Lujin Import and Export Group Company Limited ("Lujin Group"), and Shandong Jimo Yellow Wine Factory Company Limited ("Jimo Yellow Wine"). Pursuant to the agreement, the Company intends to acquire a 100% equity interest in Jimo Yellow Wine held by Hiking Group and Lujin Group for a total consideration of RMB665 million plus the amount of profit/loss for the price adjustment period. Upon completion of the acquisition, the Company will hold all shares of Jimo Yellow Wine, which means Jimo Yellow Wine will become a wholly-owned subsidiary of the Company and will be consolidated into the Company's financial statements. For further details, please refer to the Company's announcement dated 7 May 2025. As of 26 August 2025, the date the interim results announcement was uploaded, the transaction had not yet been completed.

IV. During the Reporting Period, the Company was not involved in any new significant litigation or arbitration.

CHANGES TO SHARE CAPITAL AND INFORMATION OF SHAREHOLDERS

1. Information of Shareholders

(1) As at 30 June 2025, the total number of shareholders of the Company was 85,449, including 85,212 holders of A-share and 237 holders of H-share. Based on disclosed public information which was known by the Board of Directors of the Company on the latest practicable date prior to the publication of the Interim Report, the number of public shareholding of the Company had satisfied the requirements of the Listing Rules.

(2) As at the end of the Reporting Period, the shareholding of top 10 shareholders of the Company is as follows:

Unit: Share

Shareholder's name	**Class of share**	**Shares held at the end of the Reporting Period**	**Shareholding percentage** *(%)*
HKSCC Nominees Limited *(Note 1)*	H-share	614,011,269	45.01
Tsingtao Brewery Group Company Limited *(Note 2)*	A-share and H-share	443,467,655	32.51
Hong Kong Securities Clearing Company Limited	A-share	23,340,326	1.71
China Securities Finance Corporation Company	A-share	16,015,045	1.17
New China Life Insurance Company Ltd. -Traditional-General Insurance Products-018L- CT001 Shanghai	A-share	7,670,872	0.56
China Construction Bank Co., Ltd.- Penghua CSI Wine Transaction Open Index Securities Investment Fund	A-share	7,584,850	0.56
New China Life Insurance Company Ltd.-Dividends-Individual Dividend-018L-FH002 Shanghai	A-share	6,278,699	0.46
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange-traded Open-end Index Securities Investment Fund	A-share	6,273,050	0.46
China Construction Bank Co., Ltd. – Huitianfu Consumer Industry Mixed Securities Investment Fund	A-share	4,500,074	0.33
China Construction Bank Co., Ltd. – E Fund CSI 300 Exchange Traded Index Sponsored Securities Investment Fund	A-share	4,492,276	0.33

Notes:

1. Both HKSCC Nominees Limited and Hong Kong Securities Clearing Company Limited are wholly-owned subsidiaries of Hong Kong Exchanges and Clearing Limited. The H-shares are held by HKSCC Nominees Limited on behalf of different clients excluding the H-shares held by Tsingtao Group and Xinhaisheng, while the A-shares are held by Hong Kong Securities Clearing Company Limited also on behalf of different clients.

2. Tsingtao Group holds 38,335,600 shares of H-share in the Company itself and through Xinhaisheng and 405,132,055 shares of A-share in the Company by itself.

Apart from the disclosed information above, the Company is unaware of any associations among these top ten shareholders or if any of the parties is acting in concert.

(3) Substantial Shareholders of H-share

Apart from the disclosed information below, the directors of the Company are not aware of any persons other than a director or chief executive of the Company or his/her respective associate(s) who, as at 30 June 2025, had an interest or short position in the shares or underlying shares of the Company which was recorded in the register required under Section 336 of the Securities and Futures Ordinance (Cap. 571):

Name	Nature	Class of Shares	Capacity	*Note*	Number of Shares/ underlying Shares	As a percentage of the entire issued capital	As a percentage of all H Shares
SASACQ	Long position	A-Share	Corporate		405,132,055 A-Share	29.70%	N/A
	Long position	H-Share	Interest of controlled Corporation	*1*	38,335,600 H-Share	2.81%	5.85%
HongKong Xinhaisheng Investment Limited	Long position	H-Share	Beneficial Owner		38,335,600 H-Share	2.81%	5.85%
JPMorgan Chase & Co.	Long position	H-Share	Interest of controlled corporation/ person having security interest in shares/Investment Manager/ Custodian	*2*	43,563,501 H-Share	3.19%	6.65%
	Interest in a lending pool	H-Share			32,142,368 H-Share	2.36%	4.91%
	Short position	H-Share	Beneficial Owner		6,329,249 H-Share	0.46%	0.97%
BlackRock, Inc.	Long position	H-Share	Interest of controlled Corporation	*3*	40,118,605 H-Share	2.94%	6.12%
	Short position	H-Share	Interest of controlled Corporation	*3*	4,000 H-Share	0.00%	0.00%
FIL Limited	Long position	H-Share	Interest of controlled Corporation	*4*	35,348,730 H-Share	2.59%	5.40%
Pandanus Associates Inc.	Long position	H-Share	Interest of controlled Corporation	*4*	35,348,730 H-Share	2.59%	5.40%
Pandanus Partners L.P.	Long position	H-Share	Interest of controlled Corporation	*4*	35,348,730 H-Share	2.59%	5.40%

Notes:

(1) The 38,335,600 H-Shares which were deemed to be interested by SASACQ were held by Hong Kong Xinhaisheng Investment Limited, a wholly-owned subsidiary of Tsingtao Brewery Group, which is controlled by SASACQ. According to the latest disclosure of interest filings, SASACQ was interested in 38,335,600 H-Shares.

(2) The shares in which JPMorgan Chase & Co. was deemed to be interested were held through various controlled wholly-owned subsidiaries of JPMorgan Chase & Co.

(3) The shares in which BlackRock, Inc. was deemed to be interested were held through various controlled wholly-owned subsidiaries of BlackRock, Inc.

(4) The shares in which FIL Limited, Pandanus Associates Inc. and Pandanus Partners L.P were deemed to be interested were held through various controlled wholly-owned subsidiaries of FIL Limited, Pandanus Associates Inc. and Pandanus Partners L.P.

(5) For the latest disclosure of interests filed for the Company's substantial shareholders, please refer to the "Disclosure of Interests" section on the website of Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk).

1. The shareholding of the Company's directors at the end of the Reporting Period

a) Mr. JIANG Zong Xiang, executive director and chairman of the Company, is holding 102,900 tradable A-shares.

b) Mr. HOU Qiu Yan, executive director, CFO of the Company and the joint company secretary, is deemed to hold 76,000 shares, including 60,000 tradable A-shares held by himself and 16,000 tradable A-shares held by his spouse.

c) Ms. SUN Jing, Employee Director of the Company, held 82,500 tradable A-shares.

Note:

All the above interests in the shares are long position.

As at 30 June 2025, apart from the disclosed information above, none of the directors of the Company had any interests or short position in the shares, underlying shares or debentures of the Company or any associated corporations (as defined in Part XV of *SFO*), and such interests or short positions were recorded in the register required to be kept under Section 352 of *SFO* or otherwise notified to the Company and the Stock Exchange pursuant to the *Model Code* set out in Appendix C3 of the Listing Rules.

2. Model Code

The Company has adopted *Model Code* and *Administration Regulations of Shares of the Company Held by Its Directors, Supervisors and Senior Management Officers and the Changes* formulated by the Company as its code of conduct and standards in respect of securities transactions by the directors and supervisors. Specific enquiries were made with all directors and supervisors who had confirmed that they had complied with *Model Code* as well as its code of conduct and standards regarding securities transactions by the directors and supervisors at all applicable times during the Reporting Period.

3. Employees

As at 30 June 2025, the Company (including the subsidiaries) employs a total of 29,448 full-time employees.

During the reporting period, there were no changes to the Company's pay policy. Refer to the Company's Annual Report 2024 for details. For information on employees' payrolls (including bonuses), please refer to "Employee Payroll Payable" in Note 23 to the Financial Statements. During the reporting period, the Company did not implement any share plans either.

In the first half of 2025, the Company deepened its efforts in cultivating digital talents with a focus on specialized data analysis and application skills, achieving a 90% pass rate in core talent training. 6,761 key personnel were trained in general digital competencies. The Company enhanced practical research and training models, aligning with strategic goals and addressing business challenges, with 57 achievements made in practical research. The implementation of job-based certifications was steadily advanced, achieving a 100% certification rate for key positions. The development of dual learning platforms "Elite Micro-Class" and "Charm Perception Micro-Class" was strengthened to rapidly implement and promote best practices. A total of 62 live sessions were organized, attracting 48,000 participants.

PURCHASING, SELLING OR REDEEMING THE SECURITIES

During the six months as of 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

REVIEW OF THE UNAUDITED INTERIM REPORT

The Audit & Internal Control Committee of the Board has reviewed the Company's unaudited 2025 Interim Report.

CODE OF CORPORATE GOVERNANCE

The Company is committed to maintaining and promoting stringent corporate governance standards. The principles of the Company's corporate governance are to promote effective internal control measures and to enhance the work transparency and accountability of the Board to all shareholders.

During the Reporting Period, the Company had complied with the provisions of Part 2 of the Corporate Governance Code contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, except for deviation from code provisions B.2.2 and C.2.1 of the Corporate Governance Code.

Pursuant to code provision B.2.2, among other things, every director (including those appointed for a specific term) should be subject to retirement by rotation at least once every three years. As disclosed in the announcement of the Company dated 21 June 2024, the terms of office of the tenth session of the Board and the supervisory committee of the Company have expired on 28 June 2024. As the nomination of candidates for the new session of the Board and the supervisory committee of the Company had not been completed, in order to maintain the continuity and stability of the work related to the Board and the supervisory committee of the Company, the re-election and appointment of the tenth session of the Board and the supervisory committee of the Company was postponed and the term of office of the tenth session of each specialized Board committee has been correspondingly extended. On 20 May 2025, members of the new session of the Board were appointed or re-elected at the annual general meeting of the Company held on the same date, and the supervisory committee of the Company has been abolished, hence the Company has complied with code provision B.2.2 since that date.

Pursuant to code provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Since 25 December 2024, Mr. Jiang Zong Xiang, an executive director of the Company, has assumed the roles and duties of the Chairman and continues to act as the President of the Company. From 20 May 2025, Mr. Jiang Zong Xiang, the Chairman of the Company, has acted on behalf of the President of the Company. Although the relevant arrangement deviates from code provision C.2.1, the Board considers that under the supervision of other existing members of the Board, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

DEFINITIONS

In this Report, the following expressions have the following respective meanings set adjacent below, unless the context requires otherwise:

the Company	Means	Tsingtao Brewery Company Limited
the Group	Means	the Company and its subsidiaries
the Board	Means	Board of Directors of the Company
Tsingtao Group	Means	Tsingtao Brewery Company Limited
SSE	Means	Shanghai Stock Exchange
the Stock Exchange	Means	The Stock Exchange of Hong Kong Limited
Reporting Period	Means	1 January to 30 June, 2025
Model Code	Means	Model Code for Securities Transactions by Directors of Listed Issuers
Listing Rules	Means	Rules Governing the Listing of Securities on The Stock of Exchange of Hong Kong Limited
Articles of Association	Means	Articles of Association of the Company
Finance Company	Means	Tsingtao Brewery Finance LLC.
SASACQ	Means	State-owned Assets Supervision and Administration Commission of the People's Government of Qingdao
Xinhaisheng	Means	Hongkong Xinhaisheng Investment Limited

COMPANY INFORMATION

1. BASIC INFORMATION

Company Name:	Tsingtao Brewery Company Limited
Legal Representative:	JIANG Zong Xiang
Registered Address:	No. 56 Dengzhou Road, Shibei District, Qingdao, Shandong Province
Office Address:	Tsingtao Beer Tower, No. 35 Donghai West Road, Shinan District, Qingdao, Shandong Province
Postal Code:	266071
Company Website:	www.tsingtao.com.cn

2. CONTACT PERSON AND CONTACT INFORMATION

Joint Company Secretary:	Hou Qiu Yan
Address:	Secretarial Office of the Board, Room 1106, Tsingtao Beer Tower, No. 35 Donghai West Road, Shinan District, Qingdao, Shandong Province
Postal Code:	266071
Tel:	86-532-85713831
Fax:	86-532-85713240

3. STOCK EXCHANGES ON WHICH THE COMPANY'S SHARES ARE LISTED:

A-Share:	Shanghai Stock Exchange
Stock Name:	TSINGTAO BREW
Stock Code:	600600
H-Share:	The Stock Exchange of Hong Kong Limited
Stock Name:	TSINGTAO BREW
Stock Code:	00168

TSINGTAO
青島啤酒

2025
INTERIM REPORT
中期報告

青島啤酒股份有限公司
TSINGTAO BREWERY CO., LTD.

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