Stock Code: 600499 Company Name: Keda Group

Keda Industrial Group Co., Ltd.

2024 Annual Report

Important Notice

I. The Board of Directors, the Board of Supervisors, directors, supervisors and senior management of the Company individually and collectively accept the legal responsibilities and confirm that the contents contained in this Annual Report are true, accurate and complete, and there are no false representations, misleading statements or material omissions.

II. All directors of the Company attended the board meeting.

III. ZHONGXI CPAs SPECIAL GENERAL PARTNERSHIP issued a standard unqualified audit report for the Company.

IV. Bian Cheng, the person in charge of the Company, Zeng Fei, the Accounting Director, and Luo Lin, the person in charge of the Accounting Department have declared that they guarantee the truthfulness, accuracy and completeness of the financial report contained in this Annual Report.

V. The profit distribution plan or the plan of share capital increase through conversion of reserves in the Reporting Period passed in the board resolutions

The Company's profit distribution plan for 2024 is as follows: based on the total number of 1,857,856,529 shares of the Company with the right to profit distribution (the total equity of 1,917,856,391 shares deducting the number of 59,999,862 shares in the Company's special securities account for repurchase), it is proposed to distribute a cash dividend of RMB 2 (including tax) for every 10 shares to all shareholders, with a total cash dividend of RMB 371,571,305.80 (including tax). The plan shall be valid only after being reviewed and approved at the general meeting of shareholders ("General Meeting").

VI. Disclaimer related to forward-looking statements

√ Applicable □ Not applicable

The forward-looking statements such as future plans involved in this Annual Report do not be considered as substantial commitments of the Company to investors. Therefore, investors are kindly reminded to pay attention to possible investment risks.

VII. Whether there is any non-operating capital occupation by the controlling shareholder and its related parties

No

VIII. Whether there are any external guarantees in violation of the specified decision-making procedures

No

IX. Whether there is such a case that more than half of the directors who cannot guarantee the authenticity, accuracy and completeness of the Annual Report disclosed by the Company

No

X. Significant risk warning

In this Annual Report, the Company has described in detail the risks that the Company may face. Please refer to the contents corresponding to the "Potential risks" of the "Discussion and Analysis of the Company's Future Development" in Section III "Management Discussion and Analysis" of this Annual Report.

XI. Others

□ Applicable√ Not applicable

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Documents Available for Inspection	Financial statements signed and sealed by the person in charge of the Company, Accounting Director, and person in charge of accounting department;
	The original audit report signed by the accounting firm and signed and sealed by its CPAs;
	The original manuscripts of all documents and announcements publicly disclosed on *China Securities Journal*, *Securities Times*, *Shanghai Securities News*, the website of the Shanghai Stock Exchange and the SIX Swiss Exchange during the Reporting Period.

Section I Definitions

In the Report, unless otherwise specified, the following terms shall have the following meanings:

Definitions of common terms	
Company, the Company, Keda Group	Keda Industrial Group Co., Ltd. Formerly Known as Keda Clean Energy Co., Ltd.
Keda Ceramic, KEDA	Brand of ceramic machinery named “KEDA”
HLT&DLT	Brand of ceramic machinery named “HLT&DLT”
Keda Foshan Industrial	Keda Foshan Industrial Co., Ltd.
HLT	HLT Industry Co., Ltd.
DLT	DLT Technology Co., Ltd.
HLT Technology	HLT Technology Co., Ltd.
Foshan Keda Equipment	Foshan Keda Equipment Manufacturing Co., Ltd.
Quanitech	Guangdong Quanitech Material Ltd.
Anhui Keda Industrial	Anhui Keda Industrial Co., Ltd.
Keda (Anhui) Clean Energy	Keda (Anhui) Clean Energy Co., Ltd.
Keda Hydraulic	Guangdong Keda Hydraulic Technology Co., Ltd.
Anhui Keda Investment	Anhui Keda Investment Co., Ltd.
Fujian Keda New Energy	Fujian Keda New Energy Technology Co., Ltd.
Anhui New Material	Keda (Anhui) New Material Co., Ltd.
Anhui Keda Smart Energy	Anhui Keda Smart Energy Technology Co., Ltd.
Jiangsu Kehang	Jiangsu Kehang Environmental Protection Co., Ltd
Keda Suremaker	Keda-SUREMAKER (WUHU) INDUSTRIAL CO., LTD
Guangdong Keda Lithium	Guangdong Keda Lithium Industry Co., Ltd.
Jiangsu Weilili	Jiangsu Weilili New Material Co., Ltd.
Guangdong Twyford International	Guangdong Twyford International Holding Ltd
Lanke Lithium Industry	Qinghai Yanhu Lanke Lithium Industry Co., Ltd..
SinoCera Create-Tide	Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.
Salt Lake Industry Equity	Jiaxing Keda Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership)
Guangzhou Sunda	Guangzhou Sunda International Trading Co., Ltd.
Sunda Group	Sunda Group Co., Ltd.
Keda Kenya	Keda (Kenya) Ceramics Company Limited
Keda Ghana	Keda (Ghana) Ceramics Company Limited
Keda Tanzania	Keda (Tanzania) Ceramics Company Limited

Keda Senegal	Keda (SN) Ceramics Company Limited
Keda Cameroon	Keda Cameroon Ceramics Limited
Keda Kisumu	Keda Ceramics International Company Limited
Keda Luxembourg	Keda International Company S.a’r.l.
F.D.S Ettmar	F.D.S. Ettmar S.r.l.
GDR	Global Depository Receipts
SRC, CSRC	China Securities Regulatory Commission
Zhongxi CPAS	Zhongxi CPAS (Special General Partnership)
Yuan, Ten Thousand Yuan, 100 Million Yuan	RMB Yuan, RMB Ten Thousand Yuan, RMB 100 Million Yuan

Section II Profile and Main Financial Indicators

I. Company Information

Name of the Company in Chinese	科达制造股份有限公司
Abbr. of the Company name in Chinese	科达制造
Name of the Company in English	Keda Industrial Group Co., Ltd.
Abbr. of the Company name in English	Keda Group
Legal Representative of the Company	Bian Cheng

II. Contacts and Contact Information

	Secretary of the Board of Directors	Securities Affairs Representative
Name	Peng Qi	Huang Shan
Contact Address	No. 1 West Huanzhen Road, Guanglong Industrial Park, Chencun Town, Shunde District, Foshan, Guangdong	No. 1 West Huanzhen Road, Guanglong Industrial Park, Chencun Town, Shunde District, Foshan, Guangdong
Tel	0757-23833869	0757-23833869
Fax	0757-23836498	0757-23836498
E-mail address	600499@kedachina.com.cn	600499@kedachina.com.cn

III. Basic Information

Registration address	No. 1 West Huanzhen Road, Guanglong Industrial Park, Chencun Town, Shunde District, Foshan, Guangdong
Historical changes of registration address of the Company	For details, please refer to Announcement No. 2005-009 issued by the Company on 16 July 2005
Business address	No. 1 West Huanzhen Road, Guanglong Industrial Park, Chencun Town, Shunde District, Foshan, Guangdong
Postal code of business address	528313
Website	http://www.kedachina.com.cn
E-mail address	600499@kedachina.com.cn

IV. Information Disclosure and Archiving Location

Name and website of the media for disclosure of the Company's Annual Report	China Securities Journal, Securities Times, Shanghai Securities News
Website of the stock exchange for disclosure of the Company's Annual Report	www.sse.com.cn
Archiving location of the Annual Report	The Company, Shanghai Stock Exchange

V. Stock Overview of the Company

Stock Overview of the Company				
Type of stock	Stock exchange for its listing	Abbreviated stock name	Stock code	Abbreviated stock name before change
A-share	Shanghai Stock Exchange	Keda Group	600499	Keda Clean Energy
GDR	SIX Swiss Exchange	Keda Industrial Group Co., Ltd.	KEDA	-

VI. Other Relevant Information

Accounting firm engaged by the Company (in China)	Name	Zhongxi CPAs (Special General Partnership)
	Office address	Room 1101, 11/F, 11 Chongwenmenwai Street, Dongcheng District, Beijing
	Names of signatory accountants	Lv Xiaoyun, Su Shengnan

VII. Main Accounting Data and Financial Indicators of Recent Three Years

(I) Key accounting data

Unit: Ten Thousand Yuan Currency: RMB

Key accounting data	2024	2023	Increase or decrease for the current reporting period over corresponding period last year (%)	2022
Operating revenue	1,260,026.19	969,563.98	29.96	1,115,719.66
Net profit attributable to shareholders of the listed company	100,631.18	209,199.64	-51.90	425,093.18
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	92,067.02	187,875.40	-51.00	421,286.85
Net cash flows from operating activities	55,720.46	73,083.20	-23.76	99,741.06
	End of 2024	End of 2023	Increase or decrease at the end of the current reporting period over the end of corresponding period last year (%)	End of 2022
Net assets attributable to shareholders of the listed company	1,147,893.62	1,139,844.17	0.71	1,138,847.95
Total assets	2,695,019.66	2,360,417.18	14.18	2,115,242.31

(II) Key financial indicators

Key financial indicators	2024	2023	Increase or decrease for the current reporting	2022

			period over corresponding period last year (%)	
Basic earnings per share (RMB per Share)	0.534	1.095	-51.23	2.229
Diluted earnings per share (RMB per Share)	0.534	1.095	-51.23	2.229
Basic earnings per share after deducting non-recurring profit or loss (RMB per Share)	0.488	0.984	-50.41	2.209
Weighted average return on net assets (%)	8.80	18.42	A decrease of 9.62 percentage points	46.73
Weighted average return on net assets after deducting non-recurring profit or loss (%)	8.05	16.54	A decrease of 8.49 percentage points	46.31

Description of the Company's key accounting data and financial indicators for the previous three years at the end of the Reporting Period

□Applicable √Not applicable

VIII. Differences in Accounting Data under Domestic and Overseas Accounting Standards

(I) Differences in net profit and net assets attributable to shareholders of the listed company in the financial reports disclosed under IAS and CAS

□Applicable √Not applicable

(II) Differences in net profit and net assets attributable to shareholders of the listed company in the financial reports disclosed under overseas accounting standards and CAS

□Applicable √Not applicable

(III) Description of differences between domestic and overseas accounting standards:

□Applicable √Not applicable

IX. Key Financial Data by Quarter in 2024

Unit: Ten Thousand Yuan Currency: RMB

	Q1 (January-March)	Q2 (April-June)	Q3 (July-September)	Q4 (October-December)
Operating revenue	256,171.14	293,233.64	306,974.80	403,646.61
Net profit attributable to shareholders of the listed company	31,146.89	14,299.08	24,843.54	30,341.67
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	27,573.16	12,407.37	23,596.60	28,489.89

Net cash flows from operating activities	10,389.99	15,385.96	-23,422.89	53,367.40

Description of differences between quarterly data and data from disclosed periodic reports

□Applicable √Not applicable

X. Non-recurring Profit or Loss Items and Amounts

√Applicable □Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Non-recurring profit or loss items	Amount in 2024	Notes (if applicable)	Amount in 2023	Amount in 2022
Profit or losses on disposal of non-current assets, including the portion offset for provisions for asset impairment	1,474.00		-401.59	-2,120.65
Government grants included in gain and loss of the Reporting Period, except for government grants that are closely related to the Company's normal business operation, comply with national policies and are enjoyed in accordance with defined criteria, and have a continuing impact on the Company's profit or loss	8,147.44		7,298.59	7,731.70
Share payment expense				-5,511.68
Profit or loss on changes in fair value from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, and investment income from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, other debt investment, except for effective hedging transactions that are closely related to the Company’s normal operation	-75.26		1,653.25	360.46
Investment income from disposal of long-term equity investments	-736.76			617.99
Reclassification of impairment loss allowances of receivables separately tested for impairment	4,113.09		1,796.36	2,668.43
Profit or loss on debt restructuring	271.10		-8.70	-126.92
Reclassification of provision for impairment of other current assets				9,201.23

Other non-operating income and expenses apart from the aforementioned items	-1,064.62		13,115.28	-8,609.71
Less: Income tax effect	1,508.76		1,490.91	1,062.85
Effect equities of non-controlling interest (after tax)	2,056.07		638.04	-658.33
Total	8,564.16		21,324.24	3,806.33

For non-recurring profit or loss items that the Company has recognised as non-recurring profit and loss items not listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public--Non-recurring Profit or Loss and the amount of which is material, and the non-recurring profit or loss items listed in the Explanatory Announcement No.1 on Information Disclosure by Companies Offering Securities to the Public--Non-recurring Profit or Loss defined as recurring profit or loss items by the Company, reasons shall be provided.

□Applicable √Not applicable

XI. Items Measured at Fair Value

√Applicable □Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Project	Opening balance	Closing balance	Changes in the current reporting period	Amount of impact on the profit in the current reporting period
Financial assets held for trading	29,089.94	71,659.42	42,569.48	622.76
Accounts receivables financing	23,576.65	21,080.16	-2,496.49	
Other equity instruments investments	81,395.85	420.51	-80,975.34	
Other non-current financial assets	500.00	1,302.52	802.52	-197.48
Assets held for sale		348.18	348.18	
Financial liabilities held for trading	526.28	160.01	-366.27	31.59
Total	135,088.72	94,970.80	-40,117.92	456.87

XII. Others

□Applicable √Not applicable

Section III Management Discussion and Analysis

I. Discussion and analysis of operation status

In 2024, the global economy moved forward in a complex and dynamic environment with high inflation, geopolitical conflicts and accelerated technological innovation. Anchored by its

globalization strategy, Keda Group accelerated the global expansion of its ceramic machinery business to deepen its localized services and drive product iteration and innovation, and steadily promoted the project development and market operation of its building materials business to improve its production capacity layout and market share. During the Reporting Period, the Company reported an operating revenue of RMB 12.6 billion, up 29.96% YoY, and the proportion of overseas business revenue exceeded 63%; the net profit attributable to shareholders of the listed company was RMB 1.006 billion, decline 51.90% YoY due to the performance realized by the Company's stake in Lanke Lithium Industry decreased by more than 80% from the same period of last year. During the Reporting Period, the Company carried out the following key tasks:

i. Forming localized service advantages and achieving remarkable results through globalization

In 2024, Keda Group continued implementing its globalization strategy, and accelerated its transformation into a global ceramics production service provider through the improvement of overseas localized service networks and industrial chain construction. At the same time, the Company deeply practiced the innovation-driven development strategy, with technology empowerment as a catalyst. Through coordinated innovation in digitalization, intelligence, and sustainability, the Company consistently promoted industry transformation and upgrading, moving towards high-quality development. During the Reporting Period, the Company reported an operating revenue of RMB 5.605 billion, up 25.20% YoY, in its building materials machinery business, among which the ceramic machinery business performed outstanding and gained higher market share in the domestic market, maintaining robust growth in overseas markets such as Southeast Asia, the Middle East, and South Asia. The Company also made significant breakthroughs in high-end markets such as Europe, earning recognition from the world's leading ceramic enterprises, and gradually enhancing its brand influence.

In deepening the implementation of its globalization strategy, the Company enhanced its competitive advantages of localization through multiple measures. During the Reporting Period, the Company focused on expanding spare parts & consumables services by leveraging its overseas ceramic machinery channel advantages, continuously improved the layout of overseas parts warehouses and service outlets, actively promoting the construction of the production base in Turkey, and forming local laboratories and ink technology teams. Relying on the comprehensive integration advantage of "equipment + spare parts & consumables + services", the Company's spare parts & consumables service achieved significant growth in the current period, accounting for about 20% of the order amount in the ceramic machinery business and contributing stable and continuous business growth to the Company's ceramic machinery sector.

Meanwhile, during the Reporting Period, the Company accelerated its penetration of technological innovation achievements into the global market, successfully launched in Vietnam its AGV+BOX pre-kiln storage system developed for foreign small and medium production models, won the favor of high-end customers in Turkey and Eastern Europe with its AGV+sponge brick-making machine system, and entered the world's leading ceramic enterprise RAK Group for the first time after Keda Ceramic Machinery's post-kiln complete line secured orders in many markets. In addition, the Company also continuously strengthened technical research and industrial application, and jointly built the "world's first demonstration and mass production line utilizing zero-carbon ammonia-hydrogen combustion technology in ceramics industry" with its subsidiary DLT and put the line in normal production, pioneering the industrialization of zero-carbon combustion in industrial kilns and setting a new benchmark for the carbon neutral transformation of China's ceramic industry. In terms of cross-industry/field application of machinery and equipment, the Company and its subsidiaries continued to expand products such as aluminum wheel forging hydraulic presses and aluminum extrusion machines,

and made the total annual order amount of about RMB 500 million and a breakthrough in foreign markets.

ii. Accelerating business development with the "Large Building Materials" strategy and facing pressure on profitability due to multiple factors

In 2024, the African economy demonstrated resilience amidst multiple challenges, maintaining overall growth. The Company actively seized opportunities such as urbanization and demographic dividends in Africa, firmly advanced the "Large Building Materials" strategy, and actively built production capacity and expanded market layout. During the Reporting Period, the Company's Kisumu sanitary ware project in Kenya, the ceramics project in Cameroon, and the glass project in Tanzania have been put into production. The ceramics project in Côte d'Ivoire and the glass project in Peru are being steadily constructed. At the same time, to promote regional integration and enhance market competitiveness, the Company completed the acquisition of a ceramics project and a glass project in Kenya and Tanzania, respectively; the ceramics project is currently undergoing technological transformation for a differentiated market, while the glass project has been in normal operation since the end of the year. As of now, the Company has 10 factories in six African countries, with 19 ceramic production lines, 2 sanitary ware production lines and 2 glass production lines. In 2024, the Company recorded an output of over 176 million square meters of ceramic products, up 17.62% YoY; an overall revenue of RMB 4.715 billion from the building materials business, up 28.99% YoY; and a gross profit margin of 31.20%, down 4.49 percentage points YoY.

The profitability of the building materials business faced stage-wise pressure, mainly due to the cumulative impact of multiple factors. In the first half of 2024, due to structural competition in the African market and strategic price adjustments for projects, the selling price of ceramic tiles was under short-term pressure. Although the product prices were gradually increased according to market conditions and project progress, it still weighed on the annual performance. Additionally, the glass projects put into production and acquired in the second half of 2024 had short operational period, and the mismatch of related costs and expenses during this period also led to a decrease in the overall profitability of the business. Furthermore, to strengthen the independence and systematic management of the business segments, during the Reporting Period, the Company and Sunda Group established a subsidiary, Guangdong Twyford International, as the management headquarters of its building materials business at the end of 2023. Due to the launch of new building material projects and the shortage of talent with overseas management experience, the increase in the number of Chinese management personnel and their compensation in this business segment led to an increase in related expenses. In the future, with the stabilization of glass project operation and building materials business personnel structure and the further enhancement of business scale, it is expected that the relevant costs and expenses will gradually stabilize and profitability will be improved. At the same time, the Company will continue to deepen its multi-brand development strategy, promote cost reduction and efficiency enhancement projects in factories, and ensure the stable development of its building materials business.

iii. Coping with profitability challenges by reducing cost and enhancing efficiency while facing both capacity release and price depression

In 2024, driven by the dual demands of new energy vehicles and energy storage, China's lithium-ion battery materials production and sales volume will maintain steady growth. However, structural overcapacity in the industry will lead to increased cost pressures and competition, ushering in a new phase where supply-demand relations and structural differentiation proceed in parallel. During the Reporting Period, benefiting from the scaled release of graphitization capacity, the Company

vigorously promoted its graphitization processing business, established cooperative relations with leading industry enterprises, and achieved good development. This business segment realized an operating revenue of approximately RMB 881 million, up about 19.15% YoY. However, due to the adjustment of market supply and demand relations, the price of anode materials remained sluggish, making it harder to make a profit. In response to the industry's adjustment cycle, the Company will optimize its cost structure by improving capacity utilization rates, advancing equipment automation upgrades and the mass application of chamber furnaces. Simultaneously, it will actively develop next-generation mobile graphitization production technologies to reduce energy consumption, laying a foundation for the Company's sustainable development.

In terms of lithium salt investment, the associate company Lanke Lithium Industry reported a lithium carbonate production of approximately 40,000 tons, sales of about 41,600 tons, and an inventory of 1,100 tons during the Reporting Period. Both the production and sales volume achieved good YoY growth. However, due to the depressed market price of lithium carbonate, Lanke Lithium Industry's performance declined significantly. During the Reporting Period, Lanke Lithium Industry reported an operating revenue of RMB 3.074 billion, a net profit of RMB 535 million, a contribution to the Company's net profit attributable to the parent company of RMB 233 million. Its performance decreased by more than 80% from same period of last year, resulting in its impact on the Company's net profit attributable to shareholders of listed companies decreased by more than RMB 1 billion compared to the previous year. The Company and the controlling shareholders of Lanke Lithium Industry will make joint efforts to promote a more in-depth "Double-hundred" Reform in Lanke Lithium Industry, optimize the device system to improve the lithium resource recovery rate, and continuously enhance development quality and efficiency.

II. Industry Situation during the Reporting Period

i. Ceramics and machinery industry

As the world's largest producer, consumer, and exporter of ceramics, China plays a significant role in the stabilization of the global industrial chain and market balance. However, as the domestic industry also faces structural contradictions of "insufficient high-end capacity and excess low-end capacity" and the deep adjustment of the real estate sector led to weak demand, it was inevitable to phase out outdated and inefficient capacities and optimize and upgrade the industrial structure. In recent years, various national departments have issued policies to enforce green building standards, promote energy-saving renovations of ultra-low energy-consumption buildings and existing buildings, and advance intelligentization across the entire green building materials industry chain. Additionally, the grading of ceramic tile quality has been prioritized as a key project to guide enterprises toward innovation and upgrading, fostering a market environment of "premium pricing for premium quality". At the same time, the benefits from policies such as old house renovation and aging-friendly transformation are steering ceramic enterprises to increase their investment in personalized and customized products to prepare for aging-friendly and green scenarios.

Issuing Time	Issuing Department	Policy	Core content
December 2023	Ministry of Industry and Information Technology and other nine	*Implementation Plan for the High-quality Development of Green Building Material Industry*	Promote intelligent production throughout the green building materials industry chain to deeply integrate with the industrial Internet; and advance coordinated industrial development to build green industry and supply chains.

	authorities		
March 2024	National Development and Reform Commission, Ministry of Housing and Urban-Rural Development	*Work Plan for Accelerating Energy Conservation and Carbon Reduction in the Construction Sector*	Improve the energy conservation and carbon reduction system in the construction sector, fully implement green building standards for new urban buildings, and promote the energy-saving renovations of ultra-low energy-consumption buildings and existing buildings; support the research and development of new-generation technologies for ultra-low energy-consumption, near-zero energy consumption, low-carbon and zero-carbon buildings, etc.
March 2024	State Administration for Market Regulation and other six authorities	*Action Plan for Enhancing Equipment Upgrades and Promoting the Trade-in of Consumer Goods through Standards*	Accelerate the upgrade of technical standards for energy consumption and emissions to continuously lead equipment upgrades; formulate and revise the evaluation standards for green building materials, and establish quality grading standards for ceramic tiles and other materials.
March 2024	Ministry of Industry and Information Technology and other six authorities	*Implementation Plan for Promoting Equipment Upgrades in the Industrial Sector*	Promote large-scale equipment upgrades in the industrial sector, and accelerate the green transformation of production equipment; focus on pollution reduction, carbon reduction, energy saving, and consumption reduction in the building materials industry, specifically in cement, glass, and sanitary ceramics sectors, and upgrade related equipment and technologies such as raw material preparation, kiln control, and grinding and crushing.
May 2024	State Council	*2024-2025 Action Plan for Energy Conservation and Carbon Reduction*	New and expanded ceramics projects must meet the energy-efficiency benchmarks and achieve Grade A environmental performance; by the end of 2025, the proportion of production capacity above the energy-efficiency benchmarks in the *ceramics industry* shall reach 30%, and the production capacity below the energy-efficiency benchmarks shall complete technological transformation or be phased out.
July 2024	State Council	*Five-year Action Plan for Deepening the People-centered New Urbanization Strategy*	Promote green building materials and distributed photovoltaic applications, and accelerate the renovation of old residential areas and the construction of affordable housing; advance urban renewal and the construction of green smart cities, providing an incremental market for building ceramics.

Currently, the competitive landscape of China's ceramics industry is characterized by diversification and stratification. Leading enterprises consolidate their market position through scale effects and technological barriers, while small and medium-sized enterprises form differentiated competitive strengths through regional cultivation and unique products. Although the industry faces short-term pressures from weak demand and intense competition, structural opportunities still exist. Ceramic enterprises are actively applying new technologies and innovative thinking to achieve refined operations and provide personalized services. As a ceramics production service provider, the Company will assist downstream ceramic enterprises in transformation and upgrading through technological

innovation, energy efficiency optimization and intelligent manufacturing system integration, propelling the industry towards high-quality sustainable development with a dual drive of "equipment + service".

Looking at the overseas market, in 2023, due to high inflation, rising energy costs, and geopolitical impacts, the overall demand for tiles cooled down, with global tile production decreasing by 5.5% to 15.937 billion square meters. In Asia, tile production dropped from 12.2 billion square meters to 11.6 billion square meters, and in continental Europe, it fell to 1.654 billion square meters. In 2024, the production and sales volumes in some traditional ceramic-producing countries continued to show varying degrees of decline and contraction. According to the Spanish Ceramic Association, Spain's tile production in 2024 was the same as last year, reaching 390 million square meters. However, the export volume declined by 3% to 5%, with an expected export value of USD 3.454 billion. According to the latest data from Confindustria (a general confederation of Italian industries), the sales volume of the Italian ceramics industry in 2024 was expected to increase slightly by 1.9% YoY to 376 million square meters, and the export volume to increase by 2.4% to 291 million square meters, but the output was preliminary estimated to decrease by 2% YoY. At the same time, for the ceramic machinery industry, the latest preliminary data released by the Mecs-Acimac Research Center indicated that due to the economic slowdown, the total sales volume of the Italian ceramic machinery industry fell to EUR 1.8 billion in 2024, marking a 24% decrease compared to the previous year; among them, the sales volume in the domestic market was EUR 480 million, down 26% YoY, while the export value fell to EUR 1.32 billion, down 23.4%. Paolo Lamberti, chairman of Acimac, pointed out that in addition to the cyclical fluctuations in the industry, factors such as increasing international competition, a natural slowdown after large-scale investments by customers in recent years, and rising production costs have had an impact on the current dynamics. Facing these challenges, the Italian ceramic machinery industry is strengthening its competitiveness by developing advanced digital solutions and technological innovations, aiming to adapt to changing market demands and promote sustainable development.

ii. African building materials market

The Company's building materials business mainly covers the building materials demand of the population in Sub-Saharan Africa. According to the *World Population Prospects 2024* released by the United Nations, the population in Sub-Saharan Africa is expected to increase by 79% to 2.2 billion by 2054, and continue to increase by 51% to 3.3 billion by the end of this century. In addition, the McKinsey Global Institute, in *Reimagining economic growth in Africa: Turning diversity into opportunity*, notes that the urban population of Africa has grown by 3.7% since 2000, outpacing the continent's population growth rate of 2.5% as a whole. Over the next 20 years, more than 500 million people in Africa will move to cities. By 2040, Africa will have 12 cities with populations exceeding 10 million and the world's largest working-age population. By 2050, there will be an additional 796 million working-age population, bringing new growth momentum and opportunities to the consumer market.

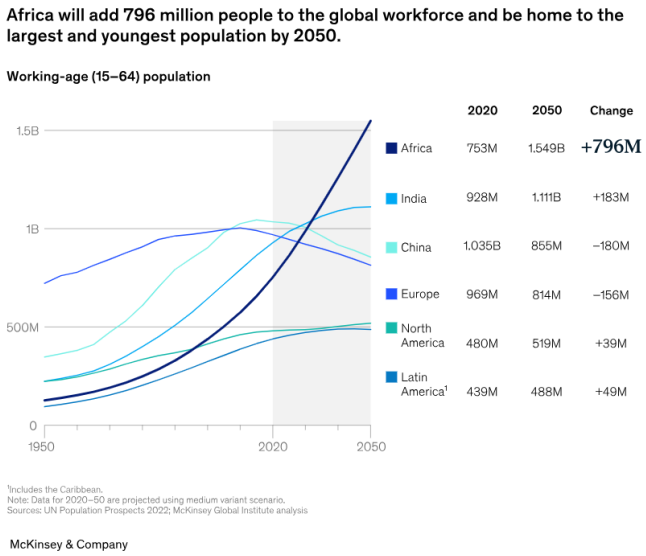


Figure: McKinsey Global Institute: Africa to add 796 million working-age population by 2050

The expansion of Africa's population and the acceleration of urbanization are driving demand for residential housing and infrastructure construction, which will in turn boost the local building materials industry. According to Statista's forecast, the annual compound growth rate of the residential real estate market size in Africa is expected to grow at a CAGR (compound annual growth rate) of 5.93% during the period 2025 to 2029, and the market size is expected to reach USD 18.72 trillion by 2029. Additionally, according to data from the MECS/Acimac Research Center, Africa's ceramic tile production reached 1.178 billion square meters in 2023, up 9.9% YoY; the consumption reached 1.421 billion square meters, up 12.5% YoY, making it the only region in the world having growth in both production and sales. Based on the research center's past forecasts, from 2022 to 2026, Africa will be the fastest-growing region in the global ceramic tile consumption market, with a CAGR of over 6%, indicating significant growth potential for ceramic tile demand.

WORLD MANUFACTURING AREAS			
AREAS	2023 (Sq.mt Mill.)	% on world production	% var. 23/22
EUROPEAN UNION (27)	1,039	6.5%	-18.0%
OTHER EUROPE (Turkey included)	615	3.9%	-4.2%
NORTH AMERICA (Mexico included)	349	2.2%	-7.7%
CENTRAL-SOUTH AMERICA	1,124	7.1%	-10.3%
ASIA	11,627	73.0%	-5.0%
AFRICA	1,178	7.4%	9.9%
OCEANIA	5	0.0%	0.0%
TOTAL	15,937	100.0%	-5.5%

WORLD CONSUMPTION AREAS			
AREAS	2023 (Sq.mt Mill.)	% on world consumption	% var. 23/22
EUROPEAN UNION (27)	831	5.3%	-17.1%
OTHER EUROPE (Turkey included)	636	4.1%	0.2%
NORTH AMERICA (Mexico included)	551	3.5%	-5.0%
CENTRAL-SOUTH AMERICA	1,217	7.8%	-1.9%
ASIA	10,920	69.9%	-6.5%
AFRICA	1,421	9.1%	12.5%
OCEANIA	51	0.3%	0.0%
TOTAL	15,627	100.0%	-5.0%

Figure: Global ceramic tile production and consumption in 2023

III. Business Activities during the Reporting Period

The Company's principal business involves the production and sales of ceramic machinery and building materials. Strategically, it invests in lithium salt business, primarily through Lanke Lithium Industry, and cultivates businesses in lithium-ion battery materials and machinery, hydraulic pumps, and smart energy.

i. Overview of the principal business

1. Ceramics machinery

➢ **Business and product introduction:** The Company's building materials machinery business mainly focuses on ceramic machinery. The core products include press, kilns, polishing & squaring machine, and intelligent post-kiln production lines, mainly providing downstream ceramic manufacturers with manufacturing equipment to produce tiles. The Company also provides downstream ceramic manufacturers with services such as sales of spare parts & consumables, equipment maintenance and modification, digitalization upgrades, and full-line operation and maintenance. Though extending the service chain vertically by combining "equipment + spare parts &consumables + services", the Company aims to become a "global producer and service provider of building ceramics" to create value for customers worldwide.

Complete Plant Equipment for Raw Material Preparation

Press

Kiln & Dryer

Ceramic Digitization Plant

Cutting Equipment

Polishing & Squaring Equipment

Packaging Equipment

Intelligent Storage System

Based on developing the traditional advantage of ceramic machinery, the Company continues to explore cross-industry/field application of mechanical equipment, and continues to enrich the product matrix. At present, the application of the Company's press equipment has been extended to the fields of cookware pressing production, isostatic pressing/roll forming for tableware, metal forging, aluminum-profile extrusion machine and other industries. The kiln equipment has been applied to the sanitary ware, tableware, refractory materials, and lithium-ion battery industry chain.

➢ **Product market position and competitive advantage**

Advantage category	Main content

Market position and brand advantage	Keda Group is the world-leading supplier of ceramic machinery. Starting from the ceramic machinery, it has achieved the historical goals of "localizing the ceramic machinery" and "becoming a world leader in the building materials machinery industry", and has grown into a leader in the ceramic machinery industry in China and the world. It has three well-known brands, namely "Keda", "HLT | DLT" and "ICF & Welko", enjoying high recognition and reputation in the industry.
Advantage in supplying ancillary services	At present, the Company is the only company in Asia that has the capacity to produce and supply in complete plant engineering & production of ceramic machinery. With the deepening of the "Globalization" and "Servitization" strategies, the Company strengthens strategic cooperation to enhance synergy on one hand, by investing in the domestic ceramic pigment & glaze leader SinoCera Create-Tide, and acquiring the Italian mould company F.D.S Ettmar, to deepen the global expansion of spare parts & consumables and empower global value-added services. On the other hand, the Company continues to improve its global expansion to support efficient response, and establishes a rapid response system and feedback mechanism without time differences or language barriers by optimizing service outlets and parts warehouse construction and establishing subsidiaries in key markets. As at the end of the Reporting Period, the Company has subsidiaries in India, Turkey, Italy, and Indonesia, with business extensively covering more than 80 countries and regions, providing comprehensive products and services to global customers.
Advantage in product structure	By leveraging on the technology and craftsmanship of subsidiaries in China and Italy, the Company has gradually improved its product structure, and covered a multi-product chain in order to meet the diverse and personalized needs of customers and to have better product supporting and service capabilities.

➢ Business model

Related model	Main content
Business nature	The Company's ceramic machinery business includes related equipment, spare parts & consumables, and maintenance services. The equipment products are mainly produced and operated by Keda Group and its wholly-owned subsidiaries. In addition to Keda Group and its wholly-owned/holding subsidiaries, the Company also collaborates with its associate company SinoCera Create-Tide (a domestic ceramic pigment & glaze leader) to jointly establish Quanitech in overseas markets, with Keda Group holding the controlling stake and leading the overseas market.
Operations management	The Company adopts the production and operation model of "sales-oriented production", while our own financial leasing companies can provide ancillary financial services. At the same time, through its subsidiaries and overseas offices in Turkey, India and Indonesia, the Company provides spare, consumables, maintenance, and transformation services domestically and to surrounding countries, in order to respond to the needs of overseas customers in a timely manner.
Sales model	Domestic direct sales, and a combination of "direct sales + agency" for international markets.
Market layout	The Company's ceramic machinery business has 13 production and manufacturing bases (including the production bases for key components of equipment) in Foshan, China, Italy, India, and other regions, and the products are sold domestically and to overseas regions. For developing countries with relatively mature building materials industries, the Company implements a deep localization strategy. By establishing subsidiaries or operation bases, it brings forward spare, consumables, and maintenance

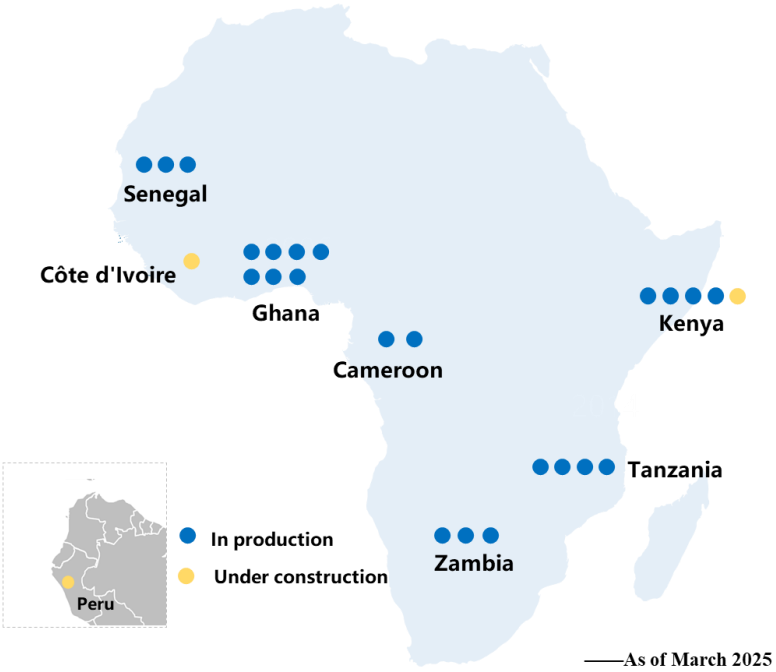
	services to establish a strong localized sales and service team, builds a strong localized sales and service team, and comprehensively upgrades the service system to enhance customer loyalty. For overseas high-end markets such as Europe and the U.S., the Company integrates Italian manufacturing to improve its product lines and product strength. By leveraging local brand channels, setting up sample plants and providing cost-effective complete product lines and subsequent accessories maintenance services solution, the Company enhances the high-end markets' recognition of its ceramic machinery and actively expands into new markets.

➢ **Key performance drivers:** In the domestic market, facing multiple pressures such as declining market demand and rising costs in the ceramics industry, the Company seizes the opportunities of policy-driven, intelligent upgrading, and industry structure optimization. Through digitalization, flexibility, and greening of equipment and overall solutions, it focuses on the stock market's demand for renewal and efficiency improvement of equipment using high-efficiency and low-consumption, flexible production models. In the overseas market, facing the dual challenges of global economic weakness and increased uncertainty, the Chinese ceramics production model of "excellent quality and low cost" is becoming more and more popular. Therefore, the Company actively grasps the demand for upgrading and transformation of old production lines in the mid-to-high-end market, deeply explores the incremental opportunities in the urbanization process of emerging markets, and coordinates the development of spare parts & consumables, achieving synchronous growth in domestic and international revenue and orders for ceramic machinery business during the Reporting Period.

2. Building materials

➢ **Business and product introduction:** In recent years, the Company actively practices the "Large Building Materials" strategy for its building materials business, fully utilizes the channel coordination advantages in Africa, continuously optimizes production capacity layout and expands product categories. At present, it has basically formed a "Ceramics + Sanitary ware + Glass" business structure and strategically extends to other regions with development potential, achieving sustainable development of the building materials business, consolidating and enhancing its competitiveness in the global building materials market. By the end of 2024, the Company has set 10 production bases in 6 African countries (namely Kenya, Ghana, Tanzania, Senegal, Zambia, and Cameroon) to operate its building materials business, comprising 19 ceramics production lines, 2 sanitary ware production lines and 2 glass production lines. In 2024, the Company's ceramics production was about 176 million square meters, exported to East African countries such as Uganda, Rwanda, Malawi, and West African countries such as Togo, Benin, Burkina Faso, Cote d'Ivoire, etc., with sanitary ware production exceeding 2.5 million pieces.

The Overall Production Capacity Layout of Building Materials



➢ Product market position and competitive advantage

Advantage category	Main content
Products' market position	The Company's tile products have become one of the mainstream ceramic products in Africa. In the future, the Company will strengthen the layout of mid-to-high-end brands, build a multi-level brand matrix, and enhance the overall market competitiveness and profitability of its products.
Manufacturing advantage	Part of the equipment for the African joint venture's ceramic production lines and sanitary ware production lines are provided by the Company. Keda Group has over 30 years of experience and technology in producing and manufacturing ceramic machinery, enabling it to provide suitable equipment, spare parts & consumables services, and manufacturing processes locally, thus ensuring production stability and optimizing product quality.
Broad channel advantage	After years of deep cultivation in the African market, the Company's building materials business has widely covered the ceramic tile markets in multiple regions of sub-Saharan Africa through a "domestic sales + export" model, and has formed certain barriers in markets, channels and supply chain through localization.
Capital cost advantage	As building materials industry is a capital-intensive industry, both the Company and Sunda Group possess better financial resources and can provide funds and creditability support for new projects. Meanwhile, the Company's building materials business receives stable financial support through diversified financing channels, including the loans by the financial institution IFC under the World Bank since 2020 and the cooperation with overseas banking syndicates. Compared to high-interest bank loans in Africa, the above financing arrangements lay a solid foundation for the continuous

	expansion of building materials business.

➢ **Business model**

Related model	Main content
Business nature	The Company's building materials business is a joint venture with its strategic partner, Sunda Group. Guangdong Twyford serves as the parent company of this business segment, with Keda Group holding 48.45% and Sunda Group holding 30.88%.
Operations management	The subsidiary Guangdong Twyford International is responsible for the operational management of the building materials business, including production technology, marketing, supply chain management, infrastructure projects and daily administration; it has established wholly-owned subsidiaries in overseas countries, responsible for the production and manufacturing of all building materials plants.
Purchasing model	Building materials are purchased using a "bidding + tender combination, supplemented by inquiry and comparison pricing" model.
Production scheduling model	Production scheduling is carried out using an "order + forecast" model.
Sales model	Sales are mainly conducted through a "distribution" mode.
Market layout	Continuously deepen market layout in Sub-Saharan Africa to achieve extensive coverage of the building materials market in the region; plan to replicate the successful experience in the African market to other potential markets to extend the building materials business footprint.

➢ **Key performance drivers:** Building materials business benefits mainly from population growth and urbanization in Africa, providing ample development space for business expansion. Currently, the Company has 10 factories in six African countries, with continuous capacity release driving steady growth in performance. At the same time, the Company is further enhancing its comprehensive competitiveness through expanding sanitary ware and glass categories, implementing localized operation strategies, and practicing lean management.

3. Strategic investment and cultivation

➢ **Lithium-ion battery materials and machinery**: The Company has established a business structure of "anode materials + lithium-ion battery machinery + lithium salt investment". The anode materials are mainly operated by the subsidiary Fujian Keda New Energy and its subsidiaries, which currently have an annual graphitization capacity of 90,000 tons. Additionally, in 2022, the Company fully launched the applicability of core mechanical equipment in the lithium battery industry through its subsidiary, primarily based on the sintering stage of lithium-ion battery materials, providing sintering equipment to produce cathode materials, anode materials, and Lepidolite mica extraction. As one of the few enterprises in the industry with "material + equipment" synergistic development, the Company has a comprehensive competitive advantage in the lithium battery business field, empowering the production of anode materials to reduce costs and increase efficiency through independently developed core production equipment. Moreover, in 2017, based on the existing anode materials-related business, the Company acquired a 48.58% stake in the Salt Lake lithium extraction company Lanke Lithium

Industry, which currently has an annual production capacity of 40,000 tons of lithium carbonate, making it a significant player in China's salt lake lithium extraction industry.

➢ **Hydraulic pump motor**: Keda Hydraulic focuses on the research, development, and technological innovation of high-end plunger pumps, motors, and hydraulic systems, providing customers with system solutions. The core technology of "high-pressure plunger pump" mastered by the Company has achieved mass production domestically and applications in various sectors. The independently developed large-displacement high-pressure piston pumps and axial piston motors have been applied to leading companies in industries such as industrial machinery, construction machinery, offshore engineering, and major national projects, becoming the leading unit of multiple key national projects and a key enterprise in China's high-end high-pressure plunger pump sector and receiving the National "Little Giant" Enterprise Title for Specialized and New Technology. Currently, Keda Hydraulic focuses on two major fields, namely industrial hydraulics and mobile machinery, and tries to enhance its market competitiveness by consolidating core market shares, expanding into new markets, developing compatible products, and promoting domestic substitution; and it also strengthens comprehensive competitiveness by reducing costs and increasing efficiency, improving quality, and developing new products on the operational side. Moreover, Keda Hydraulic is accelerating the construction of its Anhui base, strengthening the supply chain system, and achieving sustainable development of the enterprise.

➢ **Smart energy:** Keda Smart Energy specializes in the research and development of BIPV (Building Integrated Photovoltaics), the design and construction of new energy PV power storage systems, power and carbon asset trading, distribution network operation, power station operation and maintenance, and other comprehensive energy services. It has already deployed comprehensive energy services in Anhui, Guangdong, Jiangsu, Fujian, Zhejiang, Shandong, and Africa (Kenya, Senegal, Tanzania, Ghana, Zambia) and other regions. During the Reporting Period, Anhui Keda Smart Energy's photovoltaic power station at the Keda Kisumu sanitary ware factory was connected to the grid, and the photovoltaic power station at the Keda Senegal ceramic factory achieved partial successful power delivery. Moving forward, Keda Smart Energy will continue to monitor the domestic and international electricity market situation, empowering the Company's building materials business while timely expanding related services.

IV. Analysis of Core Competitiveness during the Reporting Period

√ Applicable□ Not applicable

In 2024, facing a complex and severe external environment, Keda Group adhered to the development philosophy of "sticking to Keda culture and strategic direction" and followed the integration strategy of "Globalization, Servitization, Digitalization and Youngization" so as to continuously enhance the Company's core competitiveness and build a foundation for quality development.

i. Deepening the globalization strategy and enhancing the value chain through servitization

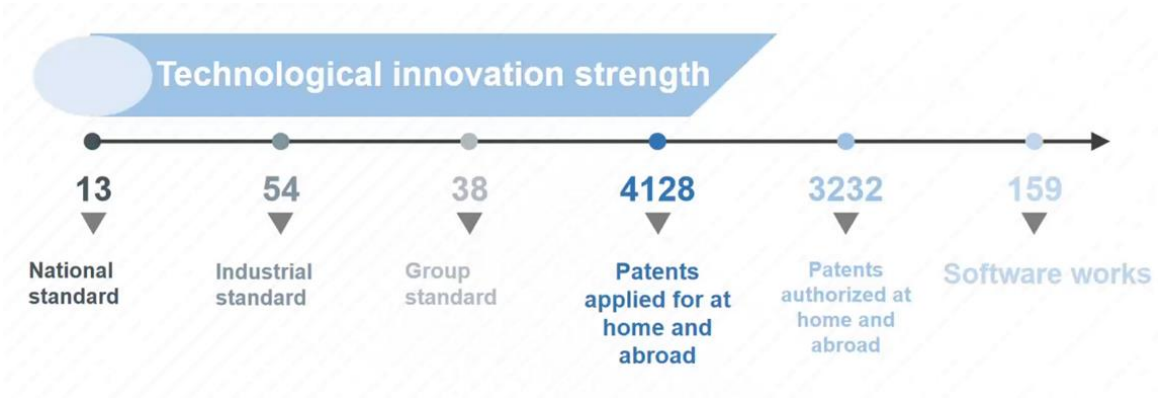
Keda Group continues to uphold the strategy of "Globalization", constantly deepening and accelerating global expansion. In terms of the ceramic machinery business, with the advancement of the "global producer and service provider of building ceramics" strategy, the Company extends the service chain vertically and expands the service scope horizontally, building a new development model driven by both manufacturing and service. On one hand, the Company increases investment in the spare parts & consumables, enriching the "equipment + spare parts & consumables" product supply to bring more competitive integrated solutions to the industry; on the other hand, the Company also improves the

layout of overseas subsidiaries, offices, and parts warehouses to form a global collaborative system integrating R&D, production, sales, and services, which can shorten the service radius, speed up response times, enhance flexibility to market changes, and showcase the synergistic effect of "localized operations + global resources".

In terms of the building materials business, based on the early mover advantage, the business has achieved extensive coverage of the ceramic tile market in Sub-Saharan Africa. During the Reporting Period, the joint venture established for this business segment has integrated its partners' trademarks and main channels related to building materials business globally, further enhancing its independence and brand strength. Additionally, the commissioning of sanitary ware and glass projects will lay the foundation for the segment's continued growth in Africa in the future to support the steady development of the "Large Building Materials" strategy.

ii. Making technological breakthroughs and leading industry development with innovation drivers and green smart manufacturing

Keda Group adheres to the "Relentless pursuit of innovation" philosophy, and sets high-level innovation R&D platforms such as the "National-recognized Enterprise Technology Center" and "Post-doctoral Research Station", as well as industry-academia-research cooperation platforms. Following the national target of "Carbon Peak and Carbon Neutrality", the Company implements the concept of energy conservation and environmental protection throughout the manufacturing process, strengthens the R&D of green manufacturing technology, promotes the transformation of technological achievements into advanced productive forces, and accelerates the green and low-carbon transformation of China's building ceramics industry. During the Reporting Period, the Company launched a series of energy-saving and environmentally friendly spray towers, digital energy-saving continuous ball milling systems, and integrated the post-kiln complete line system with advanced automation technology, promoting the efficient interconnection and energy-saving reduction of the production line. On the track of exploring green fuels, the "world's first demonstration and mass production line utilizing zero-carbon ammonia-hydrogen combustion technology in ceramics industry" jointly built by the subsidiary DLT and five other parties was officially put into operation. The demonstration mass production line's firing kiln uses 100% pure ammonia as fuel to create a truly "zero-carbon industrial kiln", marking a new technological path for China's ceramics industry to achieve carbon neutrality. In addition, the subsidiary Keda Foshan Industrial developed a hydrogen-powered energy-saving ultra-wide-bodied roller kiln, applying hydrogen energy hybrid combustion technology to achieve ultra-low carbon emissions in production.



During the Reporting Period, Keda Group passed the review of as "National Technology Innovation Demonstration Enterprise", and the Company's projects called "R&D and Industrialization of Key

Technologies for AI Vision-Based Intelligent Detection Line for Grading and Color Sorting of Building Ceramic Tiles" and "R&D and Industrialization of Heavy-Duty High-Precision Automated Guided Vehicle (AGV) and Dispatch Technology in the Ceramic Industry" were awarded the first and third prizes of the Science and Technology Innovation Award for 2024 issued by the China Building Ceramics & Sanitaryware Association. Keda Foshan Industrial, Fujian Keda New Energy, and Keda (Anhui) Clean Energy have received the National "Little Giant" Enterprise Title for Specialized and New Technology.

Figure: Several honors and awards received by the Company and its subsidiaries during the Reporting Period

Figure 1: The project titled R&D and Industrialization of Heavy-Duty High-Precision Automated Guided Vehicle (AGV) and Dispatch Technology in the Ceramic Industry is hereby awarded the Third Prize for Scientific and Technological Innovation (Category of Science and Technology Progress) in respect of the 2024 Science and Technology Innovation Award of China's Building and Sanitary Ceramics Industry.

Figure 2: The project titled R&D and Industrialization of Key Technologies for AI Vision-Based Intelligent Detection Line for Grading and Color Sorting of Building Ceramic Tiles is awarded the First Prize of Scientific and Technological Innovation (Category of Science and Technology Progress) in respect of the 2024 Science and Technology Innovation Award of China's Building and Sanitary Ceramics Industry.

iii. Driving smart manufacturing transformation by digitalization, and infusing new vitality into the enterprise with a lean system

Amid the accelerated wave of intelligent and digital transformation (IDT) in manufacturing, Keda Group has anchored its development in digital infrastructure, strengthened operational capabilities through lean practices, driving holistic progress in digital and lean transformation. Internally, the Company aims to enhance production and operational efficiency and improve product delivery quality as the main goals of digital oriented transformation. By introducing digital design tools, transforming digital workshops, and launching business digital upgrade projects, it lays a solid foundation for creating a "Digital Factory". During the Reporting Period, the subsidiary DLT's High-end Kiln Component Digital Intelligent Production Workshop has been certified as a Foshan City Model Digital

and Intelligent Workshop, passing the city government's official assessment, creating a unique "Creation + Quality + Smart" intelligent management model and achieving digitalization of the production process and intelligent control Externally, the Company uses digital collaboration and innovation as the engine to assist industry transformation and upgrading with a new generation of intelligent products. In recent years, the Company has continuously launched digital and intelligent upgraded products in equipment such as deep processing machinery, intelligent warehousing, and packaging machinery, supporting the industry's lean management with collaborative innovation across product lines. During the Reporting Period, the Company upgraded and launched the Digitization Factory Project "ZhenTao MOM3.0", which, by incorporating intelligent production technique modules and collaborating with industry-leading large-scale models, can customize the best process optimization route for ceramic enterprises, thereby promoting energy conservation, consumption reduction, and improving quality and efficiency for enterprises.

At the same time, the Company continues to advance the construction of a lean system, and has achieved significant results by focusing on the vision of "high efficiency, optimal cost, short delivery time, and high quality" and aiming to "build a lean improvement system with self-sustaining capabilities". During the Reporting Period, Keda Ceramic Machinery, as the pioneer and leader of the Group's lean work, focused on the six major lean indicators. It strengthened the transparent PK mechanism and centered on BPD/SW/PSP Improvement Week and Kitting Pull System as core measures. It emphasized talent development and methodological consolidation and made breakthrough progress in cost reduction and efficiency enhancement, reducing stagnant inventory, improving inventory turnover, and lean talent certification, laying a solid foundation for operational efficiency and cost competitiveness. Anhui Keda Industrial, based on the core theme "Lean Self-improvement", focuses on production process optimization and on-site management upgrades; Keda (Anhui) Clean Energy introduces CTPM lean management thinking and carries out a series of lean management activities in multiple dimensions; the building materials sector focuses on the key areas of cost management and production capacity optimization, and systematically pushes forward the lean transformation, injecting new kinetic energy into sustainable growth of the business.

iv. Being talent-oriented and constructing a multi-dimensional talent system to gain new global competitive advantages

Keda Group always adheres to the culture that "people gather when wealth is scattered, and people scatter when wealth is gathered", tries to foster "co-created abilities" through "shared benefits, and builds a multi-level incentive mechanism and a diversified talent reserve system. Driven by the "partnership culture", the Company activates employee initiative by deep binding the core team and key employees to the Company's development, such as offering equity incentives and the Employee Stock Ownership Plans ("ESOP") at the listed company level, and building relevant platforms at the subsidiary level, thereby stimulating the enterprise's growth momentum.

In 2024, the Company focuses on building a core talent team to drive global development; and by constructing a multi-level talent cultivation system, it achieves talent growth, knowledge accumulation, and organizational efficiency enhancement, which transforms the talent advantages into development advantages, improves the Company's core competitiveness and laid a talent foundation for sustainable development. In terms of employment, the Company adheres to the contribution-based and ability-first principle, requiring its management team to have a deep professional technical background, solid academic literacy, rich industry experience, and both local and global perspectives; in terms of talent cultivation, the Company builds a talent training system with professional depth, craftsmanship quality, global vision and ownership spirit as the core, committed to creating a versatile, internationally competent team of talents for the new era; in terms of improving the talent structure, the Company

focuses on discovering and cultivating young talents and overseas talents (with the proportion of overseas employees increasing to 70%) and integrates into local societies with a more localized employment structure and a young talent team, so as to provide strong support for the Company's exploration in global markets.

V. Key Operating Results during the Reporting Period

During the Reporting Period, the Company reported an operating revenue of RMB 12,600.2619 million, up 29.96% YoY, including the overseas revenue of RMB 8,019.9397 million, up 37.95% YoY; reported a net profit of RMB 1,288.4552 million, down 50.60% YoY; reported a net profit attributable to the listed company of RMB 1,006.3118 million, down 51.90% YoY; and reported a net profit attributable to shareholders of the listed company after deducting the non-recurring gains and losses of RMB 920.6702 million, down 51.00% YoY.

i. Main business analysis

1. Analysis of changes in relevant items in the income statement and statement of cash flows

Unit: Ten Thousand Yuan Currency: RMB

Item	Balance in the current period	Amount of same period last year	Proportion of change (%)
Operating revenue	1,260,026.19	969,563.98	29.96
Operating expenses	933,006.95	686,153.82	35.98
Selling expenses	50,676.31	47,550.58	6.57
Administrative expenses	110,829.18	85,042.64	30.32
Financial expenses	13,808.75	25,381.56	-45.60
R&D expenses	34,418.26	29,217.06	17.80
Net cash flows from operating activities	55,720.46	73,083.20	-23.76
Net cash flows from investing activities	-201,324.89	-75,361.28	-167.15
Net cash flows from financing activities	22,569.58	-35,109.56	164.28

The operating costs in the current period increased by 35.98% compared with the same period last year, which was mainly due to the increase in the sales scale of building materials machinery and building ceramics in the current period.

The administrative expenses in the current period increased by 30.32% compared with the same period last year, which was mainly due to the increase in administrative expenses caused by the expansion of overseas building ceramic projects, the establishment of the management framework for the overseas building ceramic headquarters and the increase in the demand for relevant talents for the Company's development.

The financial expenses in the current period decreased by 45.60% compared with the same period last year, which was mainly due to the increase in the Company's exchange gains in the current period.

Explanation of reasons for the change in net cash flows from investing activities: The net cash flows from investing activities in the current period decreased by 167.15% compared with the same period last year, which was mainly due to the decrease in cash dividends received from the associate, Lanke Lithium Industry, and the increase in wealth management products purchased by the Company in the current period.

Explanation of reasons for the change in net cash flows from financing activities: The net cash flows from financing activities in the current period increased by 164.28% compared with the same period last year, which was mainly due to the decrease in the Company's dividends in the current period compared with the same period last year.

Detailed information on the major changes in the Company's business category, profit composition or profit source in the current period

□ Applicable √ Not applicable

2. Revenue and cost analysis

√ Applicable□ Not applicable

During the Reporting Period, the Company reported an operating revenue of RMB 12,600.2619 million, up 29.96% YoY, including the main business revenue of RMB 12,590.1571 million, up 29.96% YoY and the main business expenses of RMB 9,323.8236 million, up 35.98% YoY.

(1) Main business by industry, product, region and sales model

Unit: Ten Thousand Yuan urrency: RMB

Main business by industry						
Industry	Operating revenue	Operating expenses	Gross profit margin (%)	Increase/decrease in operating revenue over the last year (%)	Increase/decrease in operating expenses over the last year (%)	Increase/decrease in gross profit margin over the last year (%)
Machinery and equipment industry	671,864.58	501,578.49	25.35	35.06	39.23	Decrease by 2.24 percentage points
Building materials industry	471,475.64	324,354.20	31.20	28.99	38.00	Decrease by 4.49 percentage points
Lithium material industry	88,121.87	86,032.65	2.37	19.15	28.05	Decrease by 6.79 percentage points
Other industries	27,553.61	20,417.02	25.90	-13.40	-11.94	Decrease by 1.23 percentage points
Main business by product						
Product	Operating revenue	Operating expenses	Gross profit margin (%)	Increase/decrease in operating revenue over the last year (%)	Increase/decrease in operating expenses over the last year (%)	Increase/decrease in gross profit margin over the last year (%)

Building materials machinery	560,543.47	411,654.49	26.56	25.20	28.34	Decrease by 1.80 percentage points
Building materials	471,475.64	324,354.20	31.20	28.99	38.00	Decrease by 4.49 percentage points
New energy equipment	101,138.24	81,472.56	19.44	170.01	172.66	Decrease by 0.78 percentage points
Lithium material	88,121.87	86,032.65	2.37	19.15	28.05	Decrease by 6.79 percentage points
Others	37,736.49	28,868.46	23.50	-14.42	-12.02	Decrease by 2.09 percentage points
Main business by region						
Region	Operating revenue	Operating expenses	Gross profit margin (%)	Increase/decrease in operating revenue over the last year (%)	Increase/decrease in operating expenses over the last year (%)	Increase/decrease in gross profit margin over the last year (%)
Domestic	457,021.74	373,808.60	18.21	17.98	22.78	Decrease by 3.20 percentage points
Abroad	801,993.97	558,573.76	30.35	37.95	46.53	Decrease by 4.08 percentage points

Description of main business by industry, product, region and distribution model

1. During the Reporting Period, the operating revenue of building materials machinery was RMB 5.605 billion, up 25.20% YoY, mainly due to the increase in the sales scale of the Company's overseas market;

2. During the Reporting Period, the operating revenue of building materials was RMB 4.715 billion, up 28.99% YoY, mainly due to the impact of further release of production capacity of the African subsidiary in the current period;

3. During the Reporting Period, the operating revenue of new energy equipment was RMB 1.011 billion, up 170.01% YoY, mainly due to the growth of the Company's clean energy equipment sales in the current period;

4. During the Reporting Period, the operating revenue of lithium-ion battery materials was RMB 881 million, up 19.15% YoY, mainly due to the impact of the release of anode material production capacity;

5. During the Reporting Period, the operating revenue of other products was RMB 377 million, decline 14.42% YoY, mainly due to the decrease in external revenue from the subsidiary Anhui Smart Energy in the current period.

(2) Analysis statement of production and sales

√ Applicable □ Not applicable

Main products	Unit	Production volume	Sales volume	Inventory level	Increase/decrease in	Increase/decrease in sales	Increase/decrease in

					production volume over the previous year (%)	volume over the previous year (%)	inventory level over the previous year (%)
Press	Unit	295.00	301.00	78.00	-12.72	-13.01	-7.14
Polishing machine	Set	453.00	450.00	14.00	28.33	27.84	27.27
Kiln	Set	191.00	199.00	1.00	9.14	17.06	-88.89
Building Ceramics	Hundred Million m²	1.76	1.72	0.27	17.62	21.50	19.26

(3) Performance of major purchase contracts and major sales contracts

□ Applicable √ Not applicable

(4) Cost analysis table

Unit: Ten Thousand Yuan Currency: RMB

Classification by industry							
Industry	Cost components	Current amount	Proportion of current amount to total amount (%)	Amount of the same period in the previous year	Proportion of amount of the same period in the previous year to total cost (%)	Proportion of change in current amount over the same period of previous year (%)	Description
Machinery industry	Direct material	417,765.28	83.28	298,065.17	82.74	40.16	
	Direct labor	21,503.37	4.29	15,673.91	4.35	37.19	
	Manufacturing expenses	57,611.33	11.49	43,473.71	12.07	32.52	
	Depreciation	4,698.51	0.94	3,040.68	0.84	54.52	
	Subtotal	501,578.49	100.00	360,253.47	100.00	39.23	
Building materials	Direct material	184,063.49	56.75	159,146.87	67.71	15.66	
	Direct labor	13,346.30	4.11	8,552.42	3.64	56.05	
	Manufacturing expenses	85,178.57	26.26	43,362.82	18.45	96.43	
	Depreciation	41,765.84	12.88	23,976.98	10.20	74.19	
	Subtotal	324,354.20	100.00	235,039.09	100.00	38.00	
Lithium-ion material industry	Direct material	39,728.09	46.18	25,074.89	37.32	58.44	
	Direct labor	2,733.49	3.18	2,273.11	3.38	20.25	
	Manufacturing expenses	41,325.12	48.03	36,401.07	54.18	13.53	

	Depreciation	2,245.95	2.61	3,437.15	5.12	-34.66	
	Subtotal	86,032.65	100.00	67,186.22	100.00	28.05	
Other industries	Direct material	5,314.06	26.02	6,201.38	26.75	-14.31	
	Direct labor	1,445.00	7.08	1,638.64	7.07	-11.82	
	Manufacturing expenses	11,630.13	56.96	13,144.09	56.69	-11.52	
	Depreciation	1,796.90	8.80	1,860.98	8.03	-3.44	
	Interest	230.93	1.13	339.04	1.46	-31.89	
	Sub-total	20,417.02	99.99	23,184.13	100.00	-11.94	
Classification by product							
Product	Cost components	Current amount	Proportion of current amount to total amount (%)	Amount of the same period in the previous year	Proportion of amount of the same period in the previous year to total cost (%)	Proportion of change in current amount over the same period of previous year (%)	Description
Building materials machinery	Direct material	340,734.50	82.77	266,531.15	83.10	27.84	
	Direct labor	18,424.57	4.48	12,864.67	4.01	43.22	
	Manufacturing expenses	48,489.67	11.78	38,771.44	12.09	25.07	
	Depreciation	4,005.75	0.97	2,578.80	0.80	55.33	
	Subtotal	411,654.49	100.00	320,746.06	100.00	28.34	
Building materials	Direct material	184,063.49	56.75	159,146.87	67.71	15.66	
	Direct labor	13,346.30	4.11	8,552.42	3.64	56.05	
	Manufacturing expenses	85,178.57	26.26	43,362.82	18.45	96.43	
	Depreciation	41,765.84	12.88	23,976.98	10.20	74.19	
	Subtotal	324,354.20	100.00	235,039.09	100.00	38.00	
New energy machinery	Direct material	71,450.71	87.70	25,003.02	83.67	185.77	
	Direct labor	1,913.81	2.35	2,208.12	7.39	-13.33	
	Manufacturing expenses	7,821.48	9.60	2,538.68	8.50	208.09	
	Depreciation	286.56	0.35	130.88	0.44	118.95	
	Subtotal	81,472.56	100.00	29,880.70	100.00	172.66	
Lithium-ion materials	Direct material	39,728.09	46.18	25,074.89	37.32	58.44	
	Direct labor	2,733.49	3.18	2,273.11	3.38	20.25	

	Manufacturing expenses	41,325.12	48.03	36,401.07	54.18	13.53	
	Depreciation	2,245.95	2.61	3,437.15	5.12	-34.66	
	Subtotal	86,032.65	100.00	67,186.22	100.00	28.05	
Others	Direct material	10,894.12	37.73	12,732.38	38.81	-14.44	
	Direct labor	2,609.99	9.04	2,239.76	6.83	16.53	
	Manufacturing expenses	12,930.31	44.79	15,307.68	46.65	-15.53	
	Depreciation	2,203.10	7.63	2,191.98	6.68	0.51	
	Interest	230.93	0.80	339.04	1.03	-31.89	
	Sub-total	28,868.45	99.99	32,810.84	100.00	-12.02	

(5) Changes in the scope of consolidation caused by the changes in the equity of major subsidiaries during the Reporting Period

□ Applicable √ Not applicable

(6) Relevant information about significant changes in or adjustments to the Company's business, products or services during the Reporting Period

(7) Main customers and main suppliers

A. Main customers of the Company

√ Applicable □ Not applicable

The sales to Top 5 customers was RMB 1,917.5667 million, accounting for 15.23% of the total annual sales; among the sales to Top 5 customers, the sales to related parties was RMB 774.5521 million, accounting for 6.15% of the total annual sales.

During the Reporting Period, the proportion of sales to a single customer exceeds 50% of the total amount, and there are new customers among the Top 5 customers or the Company is heavily dependent on a few customers

□ Applicable √ Not applicable

B. Main suppliers of the Company

√ Applicable □ Not applicable

The amount of purchase from Top 5 suppliers was RMB 1,131.9416 million, accounting for 10.68% of the total annual purchase amount; among the amount of purchase from Top 5 suppliers, the amount from related parties was RMB 468.0661 million, accounting for 4.42% of the total annual purchase amount.

During the Reporting Period, the proportion of purchases from a single supplier exceeded 50% of the total amount, and there are new suppliers among the Top 5 suppliers or the Company is heavily dependent on a few suppliers

□ Applicable √ Not applicable

3. Expenses

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Balance in the current period	Amount of same period last year	Change ratio (%)
Selling expenses	50,676.31	47,550.58	6.57
Administrative expenses	110,829.18	85,042.64	30.32
Financial expenses	13,808.75	25,381.56	-45.60

4. R&D investment

1) Table of R&D investment

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Expensed R&D investment in the current period	34,418.26
Capitalized R&D investment in the current period	
Total R&D investment	34,418.26
Proportion of total R&D investment in the operating revenue (%)	2.73
Proportion of capitalized R&D investment (%)	

2) Table of R&D personnel

√ Applicable □ Not applicable

Number of R&D personnel of the Company	899
Proportion of the number of R&D personnel in the total number of the Company (%)	4.75
Education structure of R&D personnel	
Category	Number of people
Doctoral Degree	2
Master's Degree	72
Bachelor's Degree	506
Associate Degree	192
High school and below	127
Age structure of R&D personnel	

Age	Number of people
Under 30 (exclusive) years old	288
30 (inclusive) - 40 (exclusive) years old	316
40 (inclusive) - 50 (exclusive) years old	181
50 (inclusive) - 60 (exclusive) years old	103
60 years old and above	11

3) Description

□ Applicable √ Not applicable

4) Reasons for significant changes in the composition of R&D personnel and their impact on the Company's future development

□ Applicable √ Not applicable

5. Cash flows

□ Applicable √ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	2024	2023	Increase or decrease	Change (%)
Tax refunds	27,110.77	16,076.85	11,033.92	68.63
Cash paid to and on behalf of employees	161,949.06	108,244.13	53,704.93	49.61
Various taxes and surcharges paid	67,576.15	50,779.30	16,796.85	33.08
Cash received from disposal of investments	76,560.93	231.17	76,329.76	33,019.59
Cash received from investment income	45,611.38	145,275.82	-99,664.44	-68.60
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	11,699.18	742.51	10,956.67	1,475.62
Net cash received from disposal of subsidiaries and other business units	165.21		165.21	100.00
Cash paid to acquire and construct fixed assets, intangible assets, and other long-term investments	252,132.31	154,462.98	97,669.33	63.23
Cash paid for investments	6,762.57	152,278.56	-145,515.99	-95.56
Net cash paid to acquire subsidiaries and other business units	4,927.41		4,927.41	100.00
Cash paid for other investing activities	456,925.91	217,805.92	239,119.99	109.79
Cash received from absorption of investments	3,021.79	33,012.50	-29,990.71	-90.85
Cash received from other financing activities	50,428.44	35,903.47	14,524.97	40.46

Cash paid for distribution of dividends and profits or payment of interest	107,025.76	195,452.81	-88,427.05	-45.24

(1) The amount of tax refunds received in the current period increased by 68.63% compared with the amount in the same period last year, which was mainly due to the increase in VAT credit refunds and export tax refunds received by the Company in the current period.

(2) The cash paid to and on behalf of employees increased by 49.61% compared with the same period last year, which was mainly due to the expansion of overseas ceramic projects, the establishment of the management framework of the headquarters of building materials business and the impact of the Company's development on the demand for relevant talents.

(3) The amount of various taxes and surcharges paid in the current period increased by 33.08% compared with that in the same period last year, which was mainly due to the increase in enterprise income tax and VAT paid by the Company in the current period.

(4) The cash received from disposal of investments increased by 33,019.59% compared with the amount in the same period last year, which was mainly due to the disposal of other equity instruments by the Company to invest in Salt Lake Industry Equity in the current period.

(5) The cash received from investment income decreased by 68.60% compared with the amount incurred in the same period last year, which was mainly due to the decrease in the dividends received from the associate, Lanke Lithium Industry.

(6) The net cash received from disposal of fixed assets, intangible assets, and other long-term assets increased by 1,475.62% compared with the amount in the same period last year, which was mainly due to the large amount of cash received from disposal of assets by the subsidiary Jiangsu Kehang in the current period.

(7) The net cash received from disposal of subsidiaries and other business units increased by 100.00% compared with the amount in the same period last year, which was mainly due to the cash received from the disposal of the subsidiary Maanshan Kean New Energy Technology Co., Ltd. in the current period.

(8) The cash paid to acquire and construct fixed assets, intangible assets, and other long-term investments increased by 62.23% compared with the amount in the same period last year, which was mainly due to the large amount of engineering equipment paid by Keda (Tanzania) Ceramics Company Limited, Keda (Kenya) Ceramics Company Limited, Keda Cameroon Ceramics Limited and the trademark-related payments paid by Tilemaster.

(9) The cash paid for investments in the current period decreased by 95.56% compared with the amount in the same period last year, which was mainly due to the Company's investment in Salt Lake Industry Equity in the same period of last year.

(10) The net cash paid to acquire subsidiaries and other business units in the current period increased by 100.00% compared with the amount in the same period last year, which was mainly due to the large net cash paid by the Company to acquire subsidiaries F.D.S Ettmar and Foshan Shunruixinyu Investment Partnership (Limited Partnership) in the current period.

(11) The amount of cash paid for other investing activities in the current period increased by 109.79% compared with that in the same period last year, mainly due to the Company purchased more financial products in the current period.

(12) The cash received from absorption of investments decreased by 90.85% compared with the amount in the same period last year, which was mainly due to the subsidiary, Fujian Keda New Energy, received more cash from absorption of investments from minority shareholders in the same period last year.

(13) The cash received from other financing activities in the current period increased by 40.46% compared with the amount in the same period last year, which was mainly due to the large amount of bill deposits recovered by the Company in the current period.

(14) The amount of cash paid for distribution of dividends and profits or payment of interest in the current period decreased by 45.24% compared with the amount in the same period last year, which was mainly due to the decrease in the Company's dividends in the current period compared with the same period last year.

ii. Notes to major changes in profits from non-main business

□ Applicable √ Not applicable

iii. Analysis of assets and liabilities

√ Applicable □ Not applicable

1. Assets and liabilities

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance of the current period	Proportion of the closing balance of the current period in the total assets (%)	Closing balance of the previous period	Proportion of the closing balance of the previous period in the total assets (%)	Proportion of change of the closing balance of the current period from the closing balance of the previous period (%)	Des cript ion
Cash	295,203.23	10.95	360,218.54	15.26	-18.05	
Financial assets held for trading	71,659.42	2.66	29,089.94	1.23	146.34	
Notes receivable	5,237.31	0.19	5,474.33	0.23	-4.33	
Accounts receivable	225,181.62	8.36	176,691.26	7.49	27.44	
Receivables financing	21,080.16	0.78	23,576.65	1.00	-10.59	
Advanced payments	44,241.35	1.64	41,455.95	1.76	6.72	
Other receivables	24,808.12	0.92	55,297.80	2.34	-55.14	
Inventories	479,429.93	17.79	366,773.97	15.54	30.72	
Contract assets	14,614.29	0.54	24,180.56	1.02	-39.56	

Non-current assets due within one year	76,460.69	2.84	43,894.60	1.86	74.19	
Assets held for sale	348.18	0.01				
Other current assets	65,381.81	2.43	49,919.24	2.11	30.98	
Long-term receivables	42,206.80	1.57	21,198.62	0.90	99.10	
Long-term equity investments	324,817.06	12.05	300,048.39	12.71	8.25	
Other equity instruments investments	420.51	0.02	81,395.85	3.45	-99.48	
Other non-current financial assets	1,302.52	0.05	500.00	0.02	160.50	
Fixed assets	640,352.85	23.76	403,096.25	17.08	58.86	
Construction in progress	100,172.48	3.72	143,181.73	6.07	-30.04	
assets	4,434.39	0.16	1,704.47	0.07	160.16	
Intangible assets	101,694.56	3.77	87,443.00	3.70	16.30	
Goodwill	85,958.84	3.19	91,322.92	3.87	-5.87	
Long-term deferred expenses	49.40	0.00	34.26	0.00	44.19	
Deferred tax assets	51,229.43	1.90	33,185.06	1.41	54.37	
Other non-current assets	18,734.71	0.70	20,733.79	0.88	-9.64	
Total assets	2,695,019.66	100.00	2,360,417.18	100.00	14.18	
Short-term loans	101,792.70	7.74	57,234.79	5.77	77.85	
Financial liabilities held for trading	160.01	0.01	526.28	0.05	-69.60	
Notes payable	43,517.35	3.31	57,889.54	5.84	-24.83	
Accounts payable	295,408.20	22.46	183,950.36	18.55	60.59	
Contract liabilities	228,154.47	17.35	188,871.57	19.05	20.80	
Employee benefits payable	29,149.48	2.22	20,284.62	2.05	43.70	
Taxes payable	19,281.83	1.47	8,736.01	0.88	120.72	
Other payable	18,409.73	1.40	19,808.27	2.00	-7.06	
Non-current liabilities due within one year	141,945.84	10.79	87,969.55	8.87	61.36	
Other current liabilities	18,621.16	1.42	17,436.83	1.76	6.79	
Long-term loans	398,344.55	30.29	339,855.16	34.27	17.21	
Lease liabilities	3,758.30	0.29	1,601.34	0.16	134.70	

Estimated liabilities	4,117.88	0.31	205.18	0.02	1,906.96	
Deferred income	2,733.42	0.21	3,336.86	0.34	-18.08	
Deferred tax liabilities	8,811.23	0.67	1,648.94	0.17	434.36	
Other non-current liabilities	1,007.91	0.08	2,345.81	0.24	-57.03	
Total liability	1,315,214.06	100.00	991,701.11	100.00	32.62	

Other notes:

(1) The closing balance of financial assets held for trading in the current period increased by 146.34% from the previous year, which was mainly due to the Company's purchase of financial products in the current period.

(2) The closing balance of other receivables in the current period decreased by 55.14% from the previous year, which was mainly due to the recovery of dividends from Lanke Lithium Industry in the current period.

(3) The closing balance of inventories in the current period increased by 30.72% from the previous year, which was mainly due to the stocking by overseas ceramics factories to meet the expanding production scale demand and the inventory purchased by Keda Tanzania for glass purchase project.

(4) The closing balance of contract assets in the current period decreased by 39.56% from the previous year, which was mainly due to the existing contract assets were eligible for payment collection and were carried forward to accounts receivable

(5) The closing balance of non-current assets due within one year in the current period increased by 74.19% from the previous year, which was mainly due to the increased financing leases by the Company in the current period.

(6) The closing balance of assets held for sale in the current period is RMB 3.4818 million, which was mainly due to the increase in assets held for sale of the subsidiary Anhui Keda Platinum Platform Energy Technology Co., Ltd. in the current period.

(7) The closing balance of other current assets in the current period increased by 30.98% from the previous year, which was mainly due to the increase in unutilized input VAT in the current period.

(8) The closing balance of long-term receivables in the current period increased by 99.10% from the previous year, which was mainly due to the increased financing leases by the Company in the current period.

(9) The closing balance of other equity instrument investments in the current period decreased by 99.48% from the previous year, which was mainly due to the disposal of Salt Lake Industry Equity by the Company in the current period.

(10) The closing balance of other non-current financial assets in the current period increased by 160.50% from the previous year, which was mainly due to the Company's investment in Huade Chengzhi Zhongke Equity Investment (Beijing) Partnership (Limited Partnership) in the current period.

(11) The closing balance of fixed assets in the current period increased by 58.86% from the previous year, which was mainly due to the transfer from constructions in progress upon completion and the newly purchased fixed assets of Tanzania glass project in the current period.

(12) The closing balance of construction in progress in the current period decreased by 30.04% from the previous year, which was mainly due to the transfer from constructions in progress in places such as Keda Tanzania, Keda Kisumu and Keda Cameroon into fixed assets in the current period.

(13) The closing balance of right-of-use assets in the current period increased by 160.16% from the previous year, which was mainly due to the leasing of land use rights and houses from relevant units engaging in the building materials business in the current period.

(14) The closing balance of deferred income tax assets in the current period increased by 54.37% from the previous year, which was mainly due to the recognition of deductible losses and the increase in the offsetting of unrealized internal profits in the current period.

(15) The closing balance of short-term loans in the current period increased by 77.85% from the previous year, which was mainly due to the Company's new bank loans in the current period.

(16) The closing balance of transactional financial liabilities in the current period decreased by 69.6% from the previous year, which was mainly due to the changes in the fair value of the Company's forward exchange settlement contract in the current period.

(17) The closing balance of accounts payable in the current period increased by 60.59% from the previous year, which was mainly due to the payment for the fixed assets purchased for the glass projects under the building material business in the current period.

(18) The closing balance of employee compensation payable in the current period increased by 43.70% from the previous year, which was mainly due to the additional payment for new projects under the building materials business and the increased demand for relevant talents in the global market expansion in the current period.

(19) The closing balance of taxes payable at the end of the current period increased by 120.72% from the previous year, which was mainly due to the increase in the Company's enterprise income tax payable in the current period.

(20) The closing balance of non-current liabilities due within one year at the end of the current period increased by 61.36% from the previous year, which was mainly due to the increase in the Company's long-term loans due within one year in the current period.

(21) The closing balance of lease liabilities in the current period increased by 134.70% from the previous year, which was mainly due to the new leasing of land use rights and houses from relevant units engaging in the building materials business in the current period.

(22) The closing balance of estimated liabilities in the current period increased by 1,906.96% from the previous year, which was mainly due to the estimated liabilities accrued by the subsidiary Keda (Anhui) Clean Energy according to the Civil Judgment Paper ((2023) Ji 0634 Min Chu 3134) issued by the court and the estimated liabilities accrued by the subsidiary Jiangsu Kehang according to the Civil Judgment Paper ((2023) Su 01 Civil First Instance 4209, (2023) Su 01 Civil First Instance 4210, (2023) Su 01 Civil First Instance 4211, (2024) Su 01 Min Chu 16) issued by the court.

(23) The closing balance of deferred tax liabilities in the current period increased by 434.36% from the previous year, which was mainly due to the deferred tax liabilities recognized for the temporary differences of building materials business.

(24) The closing balance of other non-current liabilities in the current period decreased by 57.03% from the previous year, which was mainly due to the carry-forward of government subsidies projects accepted by the Company to other income.

2. Overseas assets

□ Applicable √ Not applicable

3. Major restricted assets as at the end of the Reporting Period

√ Applicable □ Not applicable

For details, please see the section of "31. Assets with restricted ownership or use rights" in Note 7.

4. Other notes

□ Applicable √ Not applicable

iv. Analysis of industry operating information

√ Applicable □ Not applicable

For details, please refer to the "Industry landscape and trends" of the "Discussion and Analysis of the Company's Future Development" in this chapter.

i. Analysis of investments

Overall analysis of external equity investments

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Investment amount in the Reporting Period	17,568.82
Increase/decrease in investments	-205,022.45
Investment amount in the same period last year	222,591.27
Increase or decrease in investment amount (%)	-92.11

Notes:

(1). In February 2024, Keda Luxembourg invested RMB 24.3032 million to purchase 70% of the equity of F.D.S. Ettmar S.r.l.

(2). In February 2024, the Company invested RMB 31.4528 million to purchase 100% equity of Foshan Shunrui Xinyu Investment Service Partnership (Limited Partnership).

(3). In April 2024, Fujian Keda New Energy invested RMB 50 million to establish Xiamen Keda New Energy Technology Co., Ltd., with Fujian Keda New Energy holding 100% of the equity thereof.

1. Significant equity investments

□ Applicable √ Not applicable

2. Significant non-equity investments

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Project name	Project amount	Project progress (%)	Amount invested during the Reporting Period	Cumulative amount actually invested	Source of funds
Fujian Keda Phase II Project	74,945.89	90.77	42,320.77	68,029.99	Self-financing
Ceramics Factory Phase I Project in Cameroon	48,888.43	100.00	20,733.38	48,042.06	Self-financing
Glass Factory Project in Tanzania	41,395.76	100.00	13,097.05	39,593.59	Self-financing
Keda Equipment Manufacturing Infrastructure Project	40,000.00	90.56	12,885.35	36,223.94	Fund-raising + Self-financing
Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing	33,500.00	93.01	6,707.41	31,157.62	Fund-raising + Self-financing
Ceramics Factory Phase I Project in Cote d'Ivoire	28,883.34	56.93	7,976.63	8,466.69	Self-financing
Sanitary Ware Project of Kisumu Ceramics Factory	18,682.92	100.00	2,922.22	18,776.39	Self-financing
Total	286,296.34		106,642.81	250,290.28	

3. Financial assets measured at fair value

□ Applicable √ Not applicable

Securities investment

□ Applicable √ Not applicable

Securities investment information

□ Applicable √ Not applicable

Private equity fund investment information

√ Applicable □ Not applicable

Private equity fund name	Company's share of private equity fund (%)	Investments by the Company as at the end of the Reporting Period (RMB '0,000)	Investments held by the private equity fund as at the end of the Reporting Period	External investment of private equity fund as at the end of the Reporting Period (RMB '0,000)
Guangzhou Jinday ingfei Venture Capital Fund Partnership (Limited Partnership) (Limited Partnership)	7.00	500.00	Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	1,500.00
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	59.76	15,000.00	GAC AION New Energy Automobile Co., Ltd., Yibin Libode New Materials Co., Ltd., Shanghai Yeloworld Technology Co., Ltd.	25,000.00
Jiaxing Keda Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership)	99.99	130,000.00	-	-
Huade Chengzhi Zhongke Equity Investment (Beijing) Partnership (Limited Partnership)	4.95	1,000.00	Yougan Technology (Beijing) Co., Ltd., Beijing Qingyan Zhishu Technology Co., Ltd., Beijing Zhishu Technology Co., Ltd., Beijing Yiren Yiche Technology Co., Ltd., Zhejiang Lianxin Digital Co., Ltd., China Science Photon Chip (Haining) Technology Co., Ltd.	13,230.00

Note: To effectively control the risks of foreign investment and recover funds to improve the efficiency of capital utilization, the Company's 3rd Meeting of the 9th Board of Directors and the Salt Lake Industry Equity Partners' Meeting resolved on October 29, 2024 to agree to terminate the operation of the Salt Lake Industry Equity ahead of schedule. On February 19, 2025, the Salt Lake Industry Equity completed the business de-registration procedures; ultimately, the Company and Jiangsu Weilili received a total of RMB737.75 million in property distribution payments. For details, please refer to the announcement disclosed on the Shanghai Stock Exchange website (www.sse.com.cn) on February 21, 2025, titled *Announcement on the Completion of De-registration of the Investment Fund Established by Participation*.

Derivatives investments

√ Applicable □ Not applicable

(1). Derivatives investments for hedging purposes during the Reporting Period

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Types of derivative investment	Initial cost	Opening carrying value	Profits and losses on changes in fair value in the current period	Accumulated changes in fair value recognized in equity	Amount acquired during the Reporting Period	Amount sold during the Reporting Period	Closing carrying value	Proportion of closing carrying value to the Company's net assets at the end of the Reporting Period (%)
Forward financial contracts	29,039.07	29,039.07	862.69		94,359.13	37,219.22	77,684.25	6.77
Description of accounting policies and specific principles of accounting for hedging operations during the Reporting Period, as well as whether there were any significant changes compared with the previous Reporting Period	No change							
Description of actual profit and losses during the Reporting Period	The actual profit and loss of forward financial contracts was RMB-5.4956 million.							
Description of hedging effects	The Company conducts hedging business to hedge the risks of exchange rate fluctuations of expected receipts and payments of import/export contracts and funds held in foreign currencies, and the risks of interest rate fluctuations of existing loans. The extent to which changes in the fair value or cash flow of the hedging instrument are able to offset changes in the fair value or cash flow of the hedged item arising from the hedged risk is used to realize the purpose of the hedging.							
Sources of funds for derivative investments	Self-owned fund							
Risk analysis and description of control measures for derivative positions during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	For details of the risk analysis of derivative positions during the Reporting Period and the description of control measures, please see the Announcement on Hedging Business (Announcement No. 2024-020) disclosed by the Company on March 26, 2024 on the website of Shanghai Stock Exchange (www.sse.com.cn).							
The analysis of changes in market prices or fair values of derivatives during the Reporting Period should disclose the specific methods used and the assumptions and parameters set.	The fair value change is determined at the end of each month based on the transaction valuation report provided by the transaction financial institution.							

Involvement in litigation (if applicable)	Not applicable
Disclosure date of the Board of Directors' approval for derivative investments (if any)	March 25, 2024
Disclosure date of the shareholders' meeting approval for derivative investments (if any)	Not applicable

(2). Derivative investments for speculative purposes during the Reporting Period

□ Applicable √ Not applicable

Additional notes:

None

4. Progress of major asset restructuring and integration during the Reporting Period

□ Applicable √ Not applicable

ii. Disposal of significant assets and equity

□ Applicable √ Not applicable

iii. Analysis on major holding and participating companies

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Company name	Main business	Registered capital	Shareholding ratio (%)	Total assets	Net asset	Net profit
Guangdong Keda Lithium Industry Co., Ltd.	Investment platform	RMB1 billion	100.00	213,302.95	213,302.95	20,132.00
DLT Technology Co., Ltd.	Production and sales of ceramics	RMB100 million	100.00	64,487.46	25,507.61	14,616.46
Keda (Ghana) Ceramics Company Limited	Production and sales of ceramics	USD10 million	48.45	149,230.64	43,757.48	33,729.76

iv. Information on structured entities controlled by the Company

□ Applicable √ Not applicable

VI. Discussion and Analysis of the Company's Future Development

i. Industry landscape and trends

√ Applicable □ Not applicable

1. Ceramics and machinery industry

(1) Domestic market Digital and green transformation are faced with multiple challenges

Currently, the Chinese ceramics industry is entering a period of deep adjustment amidst intertwined challenges and opportunities. In the context of a sluggish global economy, a downturn in domestic real estate demand, and the implementation of "Carbon Peak and Carbon Neutrality" policy, the construction of a new development pattern and the cultivation of new growth drivers are essential. Achieving a "dynamic balance" through the continuous optimization and adjustment of supply and demand relationships has become an inevitable choice for industry transformation and upgrading. According to the 2024 Ceramic Tiles (Roof Tiles) Capacity Survey edited by the China Building Ceramic & Sanitaryware Association, between 2022 and 2024, the number of ceramics enterprises in China reduced from 1,040 to 938, and the number of production lines decreased from 2,485 to 2,193. Low-end backward capacity was phased out, but the increase in single-line capacity led to a mere 2.77% decrease in national tile annual capacity to 12.2 billion square meters, with structural overcapacity pressure remaining significant. Moreover, under the multiple pressures of rising production costs, intensifying international trade barriers and China's overseas production capacity expansion, the export situation for Chinese ceramics has become increasingly severe. According to the latest data released by the General Administration of Customs, in 2024, China's ceramics exports amounted to 13.76 million tons, down 1.4% YoY, and the export value was RMB 42.81 billion down 29.5% YoY, reflecting the dual dilemma of intensified international market competition and an urgent need to enhance industrial added value.

Driven by policy regulation and industrial upgrading, the industry will usher in new development opportunities. By the end of 2024, the Politburo meeting of the CPC Central Committee established the tone of "stabilizing the housing market and expanding consumption". The National Housing and Urban-Rural Development Work Conference also pointed out that by 2025, efforts will be made to stabilize and recover the real estate market, promote the construction of a new real estate development model, vigorously implement urban renewal, and advance the renovation of old residential areas. A series of favorable policies are expected to boost market demand in the ceramics industry. Additionally, the government's fiscal support for large-scale equipment upgrades and financial incentives for replacing old consumer goods has injected momentum into the release of secondary renovations and improvement demands. Driven by the Carbon Peak and Carbon Neutrality goals, green building materials are becoming a core track. With consumers' rising demands for living quality and the green building standards to be fully implemented in 2025, the industry will more actively embrace new technologies and materials, accelerating the transition to green and low-carbon. At the same time, technological upgrades and digital transformation will also be the key to breaking through. In recent years, the industry has actively advanced its technology and equipment innovation, and continuously developed and applied more suitable process technologies to meet flexible and high-end production demands. Looking ahead, as a building ceramics production service provider, Keda Group will accelerate the integration of equipment with cutting-edge digital and intelligent technologies, aiding China's transition from a major ceramics manufacturer to a manufacturing powerhouse.

(2) Overseas markets: Traditional ceramics markets face pressure while emerging markets present opportunities.

Amid a sluggish global economic recovery and intensified geopolitical competition, the global ceramics market is showing a divergent trend, with traditional markets experiencing weak growth and emerging markets revealing opportunities. According to MECS-Acimac forecasts, the global tile industry is expected to gradually recover over five years from 2024 to 2028, with the global tile production and consumption growth rates projected at 2.2% and 2.5% per year, respectively; on the production side, Africa, the Middle East, non-EU European countries and the Americas are expected to be the core growth engines, with growth rates in these regions projected to be above average; on the consumption side, Africa is expected to have the highest annual growth rate, followed by South America and non-EU European countries, while demand growth in other regions is expected to slow down.

Currently, companies from traditional ceramics powers like Italy and Spain are still expected to dominate the high-end market with their advanced technology, exquisite design and premium brand image; companies from emerging ceramics producing countries have strong competitiveness in low-end and mid-end markets and are gradually moving towards high-end markets, thanks to their cost advantages and constantly improving product quality. Keda Group will continue to focus on the strategic layout of overseas markets, accelerate the diversified development of globalization and upgrade of localized service system, and provide global customers with comprehensive ceramic production solutions integrating technological advantages, cost-effectiveness, and green and sustainable development with a diversified product matrix and agile local service capabilities, so as to satisfy the differentiated needs of global customers and create greater value for global customers.

2. Building materials: The building materials industry is promising in Africa, where the Company will make a strategic layout to build a competitive advantage

Under the joint promotion of steady economic growth, continuous investment in infrastructure, and policy support and market opening in Africa, the building materials industry in Africa has embraced

new development opportunities. According to the forecast of *Africa's Macroeconomic Performance and Outlook* lately released by the African Development Bank Group, Africa's GDP growth rate is expected to reach 4.1% and 4.4% in 2025 and 2026, respectively. By 2025, it is expected that 24 African countries will have an economic growth rate of over 5%, and Africa is likely to occupy 12 seats among the top 20 fastest-growing economies globally. Meanwhile, Africa's investment demand in the infrastructure sector continues to grow. According to the *Programme for Infrastructure Development in Africa (PIDA): First 10-Year Implementation Report*, Africa plans to invest USD160.7 billion in 69 projects in the fields of transportation, energy, water resources, and information and communication technology (ICT) from 2021 to 2030. Furthermore, the *African Continental Free Trade Agreement* has been implemented in countries such as Cameroon, South Africa, and Ghana. The established African Continental Free Trade Area has reduced trade barriers, provided African building materials enterprises with a broader market, and further promoted trade liberalization and economic integration within the region.

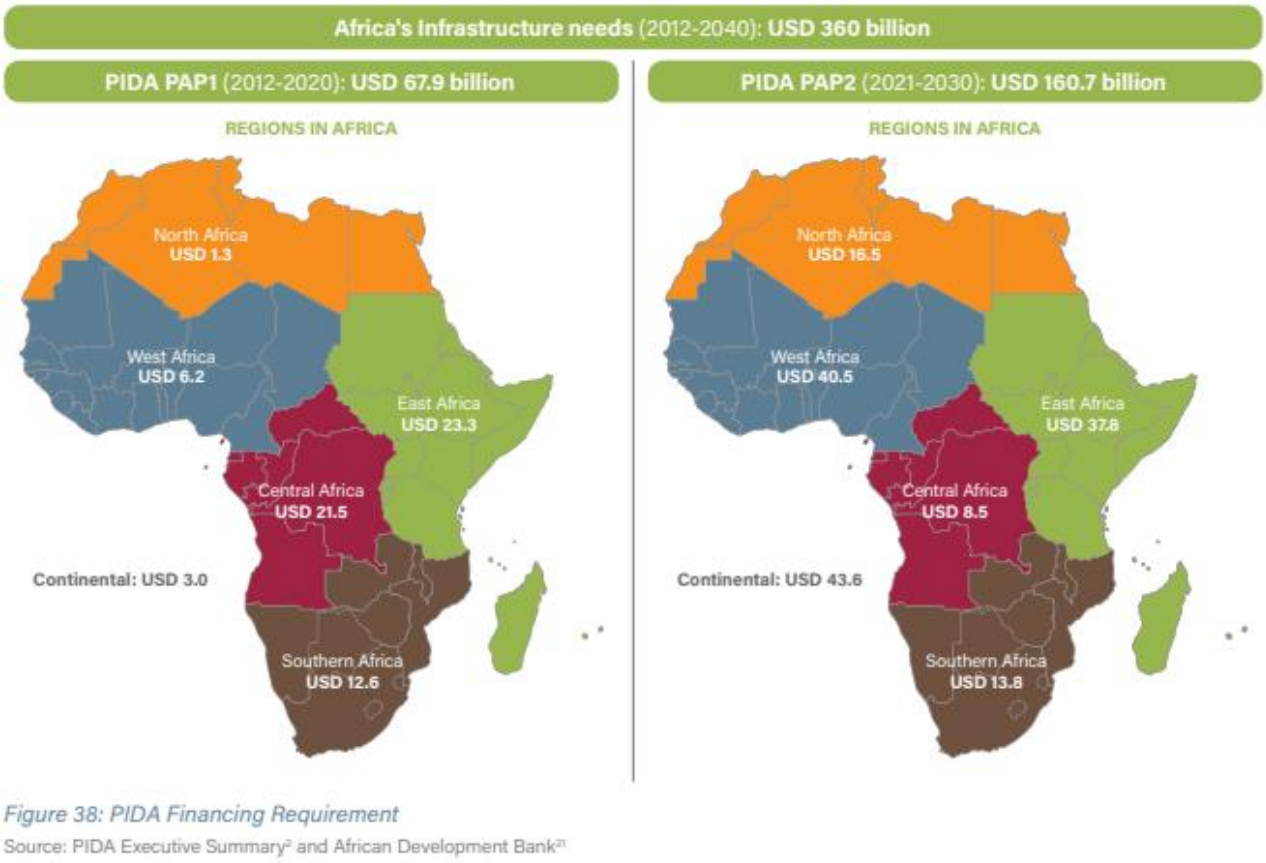


Figure: Funds needed for Africa's infrastructure development plan

In Sub-Saharan Africa, with the expansion of local indigenous capacity, it has gradually replaced the original import share and occupied the main market share. According to past data from ACIMAC, the per capita consumption of ceramic tiles in Africa is only 0.9 square meters, far lower than China's 4.8 square meters. In the future, as the local economy develops and consumption levels increase, the scale and scope of the consumers for the Company's ceramic tiles will also gradually expand. At the same time, the Company will fully utilize its channel advantages in Africa to promote the horizontal expansion of the building materials business, from ceramic tiles to sanitary ware, building glass and other diversified fields, to achieve sustainable business development in Africa; and will appropriately

extend from the development region to other emerging overseas markets to become a large building materials group with international competitiveness.

ii. Company development strategy

√ Applicable □ Not applicable

In recent years, the Company has actively practiced the "Globalization" development strategy, explored the path of "Servitization" in ceramic machinery, and opened up the second core business around the urbanization development in Africa. After 30 years and reaching the target of a revenue scale of tens of billions, Keda Group will closely follow the theme of quality development, focus on core businesses, and in the fourth decade of development, aim to become a global producer and service provider of building ceramics and a large building materials group to work together to achieve the Company's long-term development.

1. Ten-Billion from Ceramic Machinery: Embark on a new journey to the global market from two major development paths

With firm determination and clear strategic planning, the Company's ceramic machinery business closely follows the two major development paths for "Customer" and "Capability", continuously explores new products and new fields, and steadily advance the realization of the "Ten-Billion from Ceramic Machinery" strategic goal (for details, please refer to the Company's *2022 Annual Report*).

In creating customer value, the Company is committed to becoming a "global producer and service provider of ceramics", integrates equipment and services in its business model to extend from single equipment supply to full life-cycle services so as to build a multi-level and cross-regional development pattern. In terms of core competency upgrades, the Company will fully leverage its years of technologies and experience in the ceramic machinery field to achieve extensive growth in capabilities and cross-industry applications of equipment. The Company will intensify its efforts in cutting-edge technologies, and actively integrate the latest achievements in AI, automation, and 5G applications for product iteration to offer new power for the industry's intelligent and green development. At the same time, the Company will strengthen its industrial chain coordination capabilities, continuously improve its "equipment + spare parts & consumables + service" supply capacity, and focus on the generalization of ceramic machinery in order to cover multiple product chains to diverse customer needs and expand performance growth space.

2. Ten-Billion from Building Materials: Capacity layout and category extension go hand in hand, driving the upgrade of the building materials business

To achieve long-term development of the building materials business, the joint venture will base itself on the "Large Building Materials" strategy to actively pursue the "Ten-Billion from Building Materials" target (for specific plans, please refer to the Company's 2022 Annual Report). Currently, focusing on the ceramics project in Côte d'Ivoire, Africa, and the glass project in Peru, South America, the joint venture is making every effort to promote the construction of such projects and ensure their stable operation after commissioning. Simultaneously, the joint venture will adjust its existing production bases through technological upgrades or capacity expansion according to market dynamics and sales performance, so as to enhance their production efficiency and market supply capability.

The joint venture will also actively explore untapped areas in the building materials market for strategic layout, or seize market share and achieve regional integration in specific areas through acquisitions

and mergers. In addition to the planned core products such as tiles, sanitary ware and glass, the Company will also gradually expand its building materials categories based on the reusability of existing sales channels and the empowering effect of brand attributes, according to end-market demand.

iii. Business plan

√ Applicable □ Not applicable

By 2025, the Company will continue to focus on the development of ceramic machinery and building materials business. For the ceramic machinery, the Company will firmly advance the process of globalization, and explore growth points in spare parts & consumables and the generalization of machinery; for the building materials business, the Company will continue to drive the capacity building of various projects and improve the strategic layout of "Large Building Materials". It will strive to achieve group sales revenue of RMB 15 billion. Key tasks for 2025 include:

1. Ceramic machinery: Deepen global expansion, improve the product matrix, and strengthen brand strategy synergy

(1) Enhance overseas operational capabilities: Deepen the global network construction of "regional manufacturing + localized service", optimize the layout of overseas bases, and cultivate local professional teams to enhance the localized operational capabilities in key markets, thereby creating an agile response system. Grasp market trends to improve the local adaptability of products and solutions, meeting the diversified and personalized needs of the global market, while proactively providing value-added services to enhance customer loyalty. Additionally, explore the potential of the spare & consumables market, build a comprehensive spare & consumables sales and storage system, and fully enhance the Company's one-stop service capabilities.

(2) Strengthen R&D to enhance product strength: Better integrate the post-kiln complete line's unified collaborative innovation to achieve efficient interconnection and energy-saving consumption reduction in post-kiln processes; promote the integration and innovation of green manufacturing technology and intelligent technology, and launch highly efficient and intelligent, green and low-carbon innovative products to increase market competitiveness; improve the global spare parts & consumables service system, enhance the product strength of spare parts & consumables , and strengthen the full-cycle service capability of ceramic production.

(3) Adhere to lean and digitalization construction: Optimize the autonomous and continuous lean improvement system, and focus on cultivating a team of lean talents; systematically carry out special process reviews, perfect the autonomous process construction system, and create an efficient process-oriented organizational structure; continuously build a data visualization indicator system, break down data barriers, and promote the deep integration of business and finance.

2. Building materials: Advance projects steadily, and improve quality and efficiency to boost production

(1) Advance the construction and implementation of new projects: Promote the construction of ceramic projects in Côte d'Ivoire, Africa, and glass projects in Peru, South America, and support the technical upgrading and transformation of ceramic and glass factories in regions such as Kenya and Tanzania to enhance their production capacity and technical standards. In addition, the joint venture will continue to conduct research on potential markets in the Americas and Asia, and initiate related projects at the appropriate time to expand its global business footprint.

(2) Consolidate the multi-brand development strategy: Reinforce the brand promotion and dealer system, optimize the layout of brand zones, standalone stores and flagship stores, advance the dealer qualification access and elimination mechanisms, and improve the effectiveness of brand promotion and product knowledge training. Furthermore, the joint venture will upgrade its digitalization promotion strategy, optimize the marketing moat, to enhance brand recognition, customer experience and store operational efficiency.

(3) Deepen the cost reduction and efficiency enhancement pathways: Optimize the raw material supply chain based on local resources in Africa to reduce transportation and procurement costs; establish a coal calorific value detection system, increase the substitution rate of domestic ink, optimize powder management and refine ball milling processes to achieve cost reduction and efficiency enhancement during production. optimize production management processes from multiple aspects such as capacity planning and optimization, lean production management, production line technical upgrades and output increase, quality control and management, process standardization, and inventory control, so as to drive overall production efficiency improvements.

iv. Potential risks

√ Applicable □ Not applicable

1. Macroeconomic, industrial policy and geopolitical risks

In recent years, the Company has actively advanced the globalization strategy, with overseas business revenue exceeding half of the total. However, the global economy faces multiple challenges such as ongoing geopolitical tensions, rising protectionism, expanding global debt and spillover effects from major developed economies' shifts in monetary policy, which would increase the uncertainty of international trade policies, potentially suppress trade growth potential and adversely affecting the Company's overseas business. At the same time, the Company's core business is closely linked to national policies, the real estate market and urbanization development. The government's control policies on credit and real estate industry, as well as the adjustments to industry policies related to energy conservation, environmental protection and emission reduction, will have a certain impact on the production and operation of the upstream and downstream ceramic industry, thereby affecting the Company's product sales.

To effectively respond to challenges that geopolitical factors may pose to the Company's operations, the Company will continue to deepen its analysis and research on macroeconomic trends and industrial policy dynamics, closely follow the national development strategy, actively adapt to industry trends, and keenly capture the opportunities and challenges brought by market changes; strengthen the construction of the trade compliance system, enhance risk prevention and control capabilities, conduct risk assessments and monitoring and early warning for key markets. In addition, the Company will continue to uphold the concept of globalization, constantly enhance its development momentum to ensure stable and sustainable operations.

2. Risks from overseas operations and exchange rate fluctuations

Against the backdrop of profound adjustments in the global economic landscape and intensified geopolitical games, the Company has continued to promote the strategic layout of globalization and has set up a number of holding subsidiaries around the world, with business involving many countries and regions around the world. Influenced by international political and economic factors, the international situation is complex and volatile. In view of the political unrest, armed conflicts and debt

defaults in some regions, as well as the differences in customs, cultures, politics and laws in different countries and regions, the Company's investments in overseas may face certain operational and management risks. Furthermore, as the Company deepens its globalization efforts and increasingly engaged in product exports and overseas investment and financing activities, the scale of its foreign currency loans has increased and the exchange rate fluctuations will have a certain impact on the Company's financial positions. The Company's overseas subsidiaries may also face profit and loss volatility and capital repatriation risks due to the exchange rate fluctuations.

To effectively counter the risks of overseas operations and exchange rate fluctuations, the Company enhances its risk resistance by strengthening overseas market research, improving localized operations and diversifying market layouts. At the same time, the Company closely monitors exchange rate trends and will prudently adopt compliant financial instruments such as foreign exchange hedging, as well as adjust product prices, to mitigate the adverse effects of exchange rate fluctuations.

3. Control risks arising from outward investment and its scale growth

Since 2007, the Company has entered the fields of lithium-ion battery materials, building materials, aluminum-profile extrusion machines, lithium-ion battery material equipment, and ceramic machinery consumables by establishing or acquiring subsidiaries, transitioning from a traditional building materials machinery supplier to a comprehensive service provider. In recent years, the Company has also participated in industrial fund investments, aiming to nurture high-quality targets and strengthen the cooperation with upstream and downstream players in the industry chain. However, given many uncertainties in global economy, there may be risks of investment returns falling short of expectations or investment failures. At the same time, as the Company's business scale and areas continue to expand, the headquarters faces significant challenges in integrating and managing the subsidiaries' operations.

The Company will continue to focus on its core business, make investments while closely following strategic planning and operational plans, strictly adhere to strategic guidance, risk control, collective decision-making and performance assessment principles, and strengthen the risk management throughout the investment project lifecycle. Additionally, the Company will keep improving its management system to enhance the standardized operations and internal controls and ensure the compliance and efficiency in production, procurement, sales, finance and management; and will establish a robust long-term incentive mechanism and focus on talent development to continuously optimize its management team to provide strong talent support for its sustainable growth.

4. Risks of asset impairment

In recent years, the Company has acquired several companies through asset restructuring, capital increases, and equity transfers to meet business development needs. If the performance of these subsidiaries falls short of expectations or investment projects fail to achieve anticipated returns, there may be risks of impairment of assets such as goodwill.

The Company will further refine and improve the management and assessment systems of its subsidiaries, strengthen group financial control, and guide and support its subsidiaries' business expansion through management empowerment and industrial synergy. For subsidiaries that do not meet the performance expectations, the Company will also develop tailored improvement or disposal plans to ensure the effective operation of their assets.

v. Others

□ Applicable √ Not applicable

VII. Facts and causes of non-standard disclosures by the Company due to the inapplicability of some regulations, the requirements for state secrets and trade secrets or other special reasons

□ Applicable √ Not applicable

Section IV Corporate Governance

I. Matters Concerning Corporate Governance

√ Applicable □ Not applicable

During the Reporting Period, the Company continuously improved its governance structure, optimized its internal control system, strictly fulfilled its information disclosure obligations, strengthened investor relations maintenance, and promoted high-quality development in accordance with the *Company Law*, *Securities Law*, *Corporate Governance Guidelines for Listed Companies*, *Stock Listing Rules of Shanghai Stock Exchange*, and other relevant laws, rules and regulations.

i. Enhance the construction of the corporate governance system

During the Reporting Period, the Company convened and held General Meetings, Board of Directors' Meetings, and Board of Supervisors' Meetings in strict accordance with the *Articles of Association* and related rules of procedure; and all directors and supervisors have faithfully and diligently performed their duties to effectively safeguard the interests of all shareholders in strict compliance with relevant laws, regulations and voting procedures. During the Reporting Period, the Company revised and formulated 25 regulations according to the *Company Law* and other laws and regulations, amended the *Articles of Association*, adjusted the number of board members from 12 to 11 in line with equity adjustments and management needs, and successfully completed the election of the new Board of Directors, Board of Supervisors, and senior management. Additionally, the Company lowered the required shareholding ratio for shareholders proposing motions at the general meeting from 3% to 1%, actively safeguarding the rights of small and medium investors to participate in corporate governance.

To further enhance the subsidiaries' compliance governance, on one hand, the Company continued to streamline and adjust the equity structure of each subsidiary, creating clear business segment divisions, strengthening specialized operational capabilities, and improving management efficiency; on the other hand, the Company improved the *Internal Reporting System for Significant Information*, clarified reporting items, and standardized the reporting procedures for significant matters concerning its subsidiaries. Moreover, the Company placed high importance on compliance awareness training for key minority and critical position personnel. While organizing the training on new regulatory rules for listed company directors, supervisors and senior management, the Company also conducted specialized training on the new *Company Law* and important internal management systems for key areas, positions and personnel to further enhance the Company's compliance management culture and continuously strengthen its employees' compliance awareness.

ii. Strengthen the management over information disclosure

In 2024, the Company held 2 general meetings, 9 Board of Directors' meetings, 9 Board of Supervisors' meetings and several special meetings, deliberated and approved various proposals including periodic

reports, related-party transactions, foreign investments, guarantees and share buybacks. During the Reporting Period, the Company disclosed 4 periodic reports, 95 announcements, and several non-public documents, completed the disclosure of related English reports and announcements on the SIX Swiss Exchange, can ensure the information was disclosed in a truthful, accurate, complete, time and fair manner, and has effectively conducted the pre-disclosure confidentiality work and the registration and filing of insider information informants. Additionally, the Company actively studied the reporting guidelines and work manuals for sustainable development to form better working mechanisms and reporting contents, further enhanced the level of non-financial information disclosure, and improve the quality of listed company disclosures.

iii. Enhance the management over investor relations

During the Reporting Period, the Company maintained close communication with investors through online methods such as investor briefings, hotline, company website investor columns, investor emails and SSE E-Interaction, as well as offline methods such as shareholder meetings, investor receptions, and reverse roadshows and strategy meetings. The Company reviewed and approved the *Shareholder Dividend Return Plan (2024-2026)*in May 2024, and disclosed the *2024 Action Plan for Quality Improvement, Efficiency Enhancement, and Good Returns*, further enhancing the predictability of dividends and fully reflecting the importance of reasonable returns to investors; the Company also practiced the "investor-centered" development philosophy through measures such as cash dividends, share buybacks, share cancellations and executive shareholdings to boost market confidence and maintain the Company's market value.

With a sound internal control system in place, the Company's production and operations were normal and compliant. Supported by a competitive compensation and benefits policy, the Company's management team was stable and actively fulfilled their responsibilities. Under the guidance of a scientifically sound corporate governance mechanism, the Company has respectively clarified the responsibilities for its power functions, decision-making bodies, supervisory organs and management to ensure the checks, balances and coordination among them and effective safeguard the interests of the Company and the legitimate rights of the shareholders. The actual state of corporate governance complies with the *Company Law* and the *Code of Corporate Governance for Listed Companies* issued by the China Securities Regulatory Commission ("CSRC") among other regulatory documents.The Company is in compliance with corporate governance requirements applicable to it as a PRC public company listed on the Shanghai Stock Exchange, including the Company Law and the Guidelines for Corporate Governance of Listed Companies and other normative documents issued by the CSRC.

Whether there are significant differences between the Company's governance and the laws, administrative regulations, and CSRC provisions regarding listed company governance. If there are significant differences, the reasons should be explained.

□ Applicable √ Not applicable

II. Specific measures taken by the controlling shareholder or actual controller to ensure the Company's independence in terms of assets, personnel, finances, organization and business, as well as solutions, work progress and follow-up plans for issues affecting the Company's independence

□ Applicable √ Not applicable

The same or similar business as the Company conducted by the controlling shareholder, actual controller and their controlled entities, as well as the impact of competition or significant changes in competition on the Company, solutions implemented, progress of resolution, and subsequent plans

□ Applicable √ Not applicable

III. Brief Introduction of General Meetings

Session	Date	Enquiry Index of the Designated Website for Publishing Resolutions	Date of Disclosure of Resolutions	Resolutions of the Meeting
2023 Annual General Meeting	May 8, 2024	The website of the Shanghai Stock Exchange (www.sse.com.cn)	May 9, 2024	For details, please refer to the Announcement No.2024-034 issued on May 9, 2024
2024 First Extraordinary General Meeting	August 1, 2024	The website of the Shanghai Stock Exchange (www.sse.com.cn)	August 2, 2024	For details, please refer to the Announcement No.2024-054 issued on August 2, 2024

Shareholders of preferred shares with restored voting rights request convening extraordinary general meetings

□ Applicable √ Not applicable

Explanation on the general meetings

√ Applicable □ Not applicable

On April 25, 2024, the Company received a *Letter on the Submission of Provisional Proposals to the 2023 Annual General Meeting of Keda Industrial Group Co., Ltd.* from Mr. Bian Cheng, a shareholder holding 5.07% of the Company's shares. Mr. Bian Cheng proposed that the Company change the purposes of some repurchased shares, and for the 30,563,538 shares repurchased in 2022, change the purpose of the original plan from "for the implementation of the ESOP and/or equity incentives" to "for the cancellation and corresponding reduction of the registered capital". On this basis, Mr. Bian Cheng requested the Board of Directors to add the relevant proposals to the agenda of the 2023 Annual General Meeting to change the purposes of some repurchased shares and to cancel them. The Company has disclosed the relevant contents in accordance with the relevant regulations. For details, please refer to the *Announcement on the Addition of Provisional Proposals at the 2023 Annual General Meeting* (Announcement No. 2024-032) disclosed by the Company on the website of the Shanghai Stock Exchange on April 27, 2024.

IV. Directors, supervisors and senior management

i. Shareholding changes for and remunerations of the current or resigned directors, supervisors and senior management during the Reporting Period

√ Applicable □ Not applicable

Unit: Share

Name	Position	Gender	Age	Term start date	Term end date	Shares held at year start	Shares held at year end	Annual change in shareholding	Reason for change	Total pre-tax remuneration from the Company during the Reporting Period (RMB '0,000)	Having remuneration from related parties of the Company or not
Bian Cheng	Chairman	Male	61	August 1, 2024	July 31,2027	98,699,598	49,349,799	-49,349,799	Due to divorce property settlement	298.00	No
Yang Xuexian	Director, General Manager	Male	56	August 1, 2024	July 31, 2027	30,000	30,000			260.00	No
Shen Yanchang	Director	Male	51	August 1, 2024	July 31, 2027	0	7,646,400	7,646,400	Personal increase in holdings	-	Yes
Li Yuejin	Director	Male	38	August 1, 2024	July 31, 2027	0	0			220.00	No
	Board Secretary (resigned)			August 20, 2021	August 1, 2024						
	Vice President (resigned)			November 28, 2022	August 1, 2024						
Chen Xuwei	Director	Male	54	August 1, 2024	July 31, 2027	0	0			18.00	Yes
Deng Haoxuan	Director	Male	36	August 1, 2024	July 31, 2027	0	0			18.00	Yes
Zuo Manlun	Director	Male	52	August 1, 2024	July 31, 2027	0	0			18.00	Yes
Chen Huan	Independent Director	Male	62	August 1, 2024	July 31, 2027	0	0			15.00	No
Lan Hailin	Independent Director	Male	65	August 1, 2024	July 31, 2027	0	0			15.00	No

Li Songyu	Independent Director	Male	65	August 1, 2024	July 31, 2027	0	0			15.00	No
Long Jiangang	Independent Director	Male	60	August 1, 2024	July 31, 2027	0	0			15.00	No
Zeng Fei	Vice President, Financial Officer	Male	49	August 1, 2024	July 31, 2027	208,200	208,200			150.00	No
Zhou Peng	Vice President	Male	61	August 1, 2024	July 31, 2027	2,049,922	2,049,922			150.00	No
Peng Qi	Secretary of the Board of Directors	Male	35	August 1, 2024	July 31, 2027	2,700	0	-2,700	Personal reductions prior to appointment	58.13	No
Peng Hengxiang	Chairman of the Board of Supervisors	Female	52	August 1, 2024	July 31, 2027	0	0			120.00	No
Chen Haiqin	Supervisor	Male	52	August 1, 2024	July 31, 2027	0	0			-	No
Qiu Hongying	Supervisor as employee representative	Female	42	August 1, 2024	July 31, 2027	0	0			80.00	No
Zhang Zhonghua	Director (resigned)	Male	62	8/20/2021	August 1, 2024	0	0			52.50	No
Zhang Jian	Director (resigned)	Male	51	8/20/2021	August 1, 2024	0	0			10.50	Yes
Total	/	/	/	/	/	100,990,420	59,284,321	-41,706,099	/	1,513.13	/

Note: For some directors and senior management do not hold the position for a full year, the total remuneration is discounted based on the actual term of office. The above numbers represent direct shareholdings and do not include the shares granted under the ESOP.

Name	Main work experience
Bian Cheng	Joined the Company in 1998, served as the Director and General Manager of the Company by August 2012, has been serving as the Chairman of the Company from August 2012 to present, and currently also serves as the Executive Director of HLT Industry Co., Ltd., the Director of Guangdong Twyford International Holding Ltd, the Director of Guangdong Keda Hydraulic Technology Co., Ltd., the Director of Keda Holding (Mauritius) Limited, the Director of Tilemaster Investment Limited, etc.
Yang Xuexian	Joined Foshan Ceramic Machinery Manufacturing General Factory (predecessor of HLT Industry Co., Ltd., a wholly-owned subsidiary of Keda Group) in 1992, successively served as the Sales Manager, Marketing Director and General Manager of HLT Industry Co., Ltd., has been serving as the General Manager and Director of the Company since April and May 2020, respectively, and currently also serves as the General Manager of HLT Industry Co., Ltd., Executive Director of Keda Foshan Industrial Co., Ltd., Executive Director and General Manager of HLT Technology Co., Ltd., Chairman of Guangdong Quanitech Material Ltd., Director of Keda Europe S.r.l., Director of I.C.F.& Welko S.P.A., and also serving as the Director of the Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.
Shen Yanchang	Previously worked at Heilongjiang National Defense Economic and Technological Development Center, Nigeria General Steel Co., Ltd., Guangzhou Okoya Economic and Trade Co., Ltd., Guangzhou Sunda International Trading Co., Ltd., has been serving as the Director of the Company since September 2018, currently also serves as the Executive Director and General Manager of Guangzhou Senyang Investment Co., Ltd., and also serving as the Chairman of Guangdong Twyford International Holding Ltd,, Executive Director of Twyford Guangzhou (home decor) Co., Ltd., etc.
Li Yuejin	Joined the Company in 2017, previously served as the Senior Consultant and Project Manager of Allpku Management Consultants Group Limited, Secretary of the Board of Directors and Investment Head at Yashili International Holdings Ltd, Secretary of the Board of Directors and Vice President of the Company, currently serves as Director of the Company, Head of the Building Materials Division, also serves as Director and General Manager of Guangdong Twyford International Holding Ltd, Director of Guangdong Keda Hydraulic Technology Co., Ltd., General Manager of Twyford Guangzhou (home decor) Co., Ltd., Supervisor of Guangdong Keda Lithium Industry Co., Ltd., Director of Keda Holding (Mauritius) Limited, Director of Tilemaster Investment Limited, and also serving as director of the Qinghai Yanhu Lanke Lithium Industry Co., Ltd.
Chen Xuwei	Previously served as the Finance Department Manager and Chief Financial Officer of Xinzhongyuan Group, has been serving as the Director of the Company since May 2023, and currently serves as the Chief Financial Officer at Guangdong Hongyu Group Co., Ltd., and the Director of Foshan Ceramics Research Institute
Deng Haoxuan	Has been serving as the Director of the Company since May 2023, and currently also serves as the Deputy Director of Investment at Guangdong Hongyu Group Co., Ltd.
Zuo Manlun	Has been a Director of the Company since May 2023, and currently serves as the CEO and Executive Director of China Lesso Group Holdings Limited, and the Non-executive Director of Xingfa Aluminium Holdings Limited, etc.
Chen Huan	Formerly served as the Section Chief and Deputy Director of Guangdong Ceramic Company, Vice President and General Manager of Shenzhen Nanyu Art Ceramics Co., Ltd., Independent Director of Mona Lisa Group Co., Ltd., has been serving as the Secretary-General, Vice President, and President of Guangdong Ceramics Association since November 1998, and has been serving as the Secretary-General and Executive Vice President of Guangdong Building Materials Industry Association since March 2004, currently serves as the Vice Chairman of China Ceramic Industry Association, has been serving as the Independent Director of the Company since June 2020, and also serves as the Independent Director of Guangdong Redwall New Materials Co., Ltd., Director of Foshan Zhongtao Alliance Technology Co., Ltd., and Director of Foshan Uniceramics Development Co., Ltd.
Lan Hailin	Has been a Professor and Doctoral Supervisor at the School of Business Administration, South China University of Technology since September 1997. Previously served as an Independent Director of the Company, has been reappointed as an Independent Director since May 2023,

	and currently also serves as the Executive Director and General Manager of Guangzhou Blue Ocean Enterprise Management Consulting Co., Ltd., and Director of Guangdong Carbonetics Co., Ltd., etc.
Li Songyu	Formerly served as the Deputy Director of the Development Research Center of Henan Provincial People's Government, Division Chief of the People's Bank of China Shenzhen Branch, President of the People's Bank of China Foshan Branch, President of CITIC Bank Guangzhou Branch, President and Senior Advisorof CITIC Bank Shenzhen Branch, has been an Independent Director of the Company since August 2021, and currently also serves as a Director of Palm Eco-Town Development Co., Ltd.
Long Jiangang	Previously worked with the Communist Youth League of Guizhou Province and Foshan University of Science and Technology, has been serving as an Independent Director of the Company since August 2021, and currently also serves as the Principal Investigator of Foshan Commercial Road Research Institute (Limited Partnership), Special Commentator for Southern Daily, and Special Program Host for Foshan TV.
Zeng Fei	Joined the Company in 2002, formerly served as the Secretary of the Board of Directors, has been serving as the Company's Financial Officer since August 2009 to September 2018 and from October 2020 to present, Vice President since May 2015, and concurrently serves as the Director of Anhui Keda Industrial Co., Ltd., Director of Keda (Anhui) Clean Energy Co., Ltd., Director of Anhui Xincheng Financial and Leasing Co., Ltd., Executive Director and General Manager of Anhui Keda Investment Co., Ltd., Executive Director and General Manager of Guangdong Keda Lithium Industry Co., Ltd., Supervisor of HLT Industry Co., Ltd., and also serves as the Supervisor of QinghaiYanhu Lanke Lithium Industry Co., Ltd..
Zhou Peng	Joined the Company in 2002, previously served as the Assistant to the Chairman, General Manager of the Deep Processing Division, Director, and Secretary of the Board of Directors, currently serves as the Vice President of the Company, and concurrently holds positions as Director at Keda (Anhui) Clean Energy Co., Ltd., Director at Fujian Keda New Energy Technology Co., Ltd., and Director at Guangdong Keda Hydraulic Technology Co., Ltd.
Peng Qi	Joined the Company in 2017, served as the Manager of the Strategic Investment Department, Deputy General Manager and Board Secretary of Fujian Keda New Energy Technology Co., Ltd., and has beeing servering as the Company's Board Secretary since August 2024, currently holds positions as Supervisor at Guangdong Twyford International Holding Ltd..
Peng Hengxiang	Joined the Company in 2017, served as the Manager of the Strategic Investment Department, Deputy General Manager and Board Secretary of Fujian Keda New Energy Technology Co., Ltd., and has been serving as the Company's Board Secretary since August 2024, currently holds positions as Supervisor at Guangdong Twyford International Holding Ltd.
Chen Haiqin	Formerly served as the Customer Manager of the Shengtang and Jianfu branches of China Construction Bank Foshan City, Account Manager Supervisor, Senior Risk Manager, Deputy General Manager and General Manager of the Corporate Business Division of China Construction Bank Foshan Branch, General Manager of Foshan Saiermic Fund Management Co., Ltd., and has been the General Manager of the Investment Center of Foshan New Pearl Enterprise Group Co., Ltd since June 2020.
Qiu Hongying	Joined the Company in May 2005, held positions as the chief of General Ledger, General Ledger Accounting Manager, and Audit Department Manager, currently the assistant general manager of Keda Ceramic Machinery, and has been the employee supervisor since Aug. 2021.
Zhang Zhonghua (resigned)	Formerly worked at the National Development and Reform Commission, Shell (China) Co., Ltd., Chongqing Doyen Energy Group, and Tus-Sound Environmental Resources Co., Ltd., served as the Company's director from May 2020 to August 2024, currently the Chairman of Qinghai Yanhu Lanke Lithium Industry Co., Ltd.
Zhang Jian (resigned)	Since April 2002, served as the head of the Strategic Investment Department, Securities Investment Department and Listed Company Department of Macrolink Group, served as the Company's director from September 2018 to August 2024, currently serves as the Director of Sailun Group Co., Ltd. and Executive Director at Macrolink Capital Holdings Limited.

Other information

□ Applicable √ Not applicable

ii. Positions held by the current and resigned directors, supervisors, and senior management during the Reporting Period

1. Positions in the shareholder entities

√ Applicable □ Not applicable

Name	Shareholder	Position	Term start date	Term end date
Chen Xuwei	Guangdong Hongyu Group Co., Ltd.	Chief Financial Officer	April 2017	
Deng Haoxuan	Guangdong Hongyu Group Co., Ltd.	Deputy Director of Investment	June 2017	
Zuo Manlun	Guangdong Lesso Technology Industrial Co., Ltd.	Chairman, Manager	December 1999	
Chen Haiqin	Foshan New Pearl Enterprise Group Co., Ltd.	General Manager of Investment Center	October 2018	
Details about the positions in the shareholder entities	Refer to resume			

2. Positions in other entities

√ Applicable □ Not applicable

Name	Name	Position	Term start date	Term end date
Bian Cheng	Foshan Zhongtao Alliance Technology Co., Ltd.	Director	February 2015	
Bian Cheng	Foshan Uniceramics Development Co., Ltd.	Director	April 2019	
Yang Xuexian	Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	Director	July 2023	
Shen Yanchang	Guangzhou Senyang Investment Co., Ltd.	Executive Director and General Manager	January 2024	
Shen Yanchang	Solipro Limited	Director	September 2017	
Shen Yanchang	Sunda Holding Limited	Director	March 2021	
Shen Yanchang	Kewor Limited	Director	December 2021	
Shen Yanchang	Senbai Hengyi Limited	Director	March 2021	
Shen Yanchang	Softcare Fm Limited	Director	April 2022	September 2024
Shen Yanchang	Sunda (mu) holdings limited	Director	April 2016	
Shen Yanchang	Softcare Limited	Director	February 2022	
Shen Yanchang	Softcare FM (MU) Limited	Director	March 2023	

Shen Yanchang	SUNDA (GHANA) INVESTMENT COMPANY LIMITED	Director	March 2004	
Shen Yanchang	HOMEPRO (GH) COMPANY LIMITED	Director	September 2009	
Shen Yanchang	SUNDA(GH) REAL ESTATES COMPANY LIMITED	Director	April 2011	
Shen Yanchang	SUNDA PAPER MANUFACTURING LIMITED COMPANY	Director	December 2020	
Shen Yanchang	SENYANG LIMITED	Director	May 2009	
Shen Yanchang	SUNDA GROUP CO., LIMITED	Director	September 2019	
Shen Yanchang	Sunda Chemical Industrial Co., Ltd	Director	November 2021	
Shen Yanchang	Chaoyuet Holding Limited	Director	December 2022	
Shen Yanchang	Sunda Enterprise Management Co., Ltd	Director	September 2022	
Shen Yanchang	SUNDA ENTERPRISE LIMITED	Director	July 2024	
Shen Yanchang	SEN YANG GHANA CONSTRUCTION COMPANY LIMITED	Director	May 2011	November 2024
Li Yuejin	Foshan Keda Ceramic Technology Co., Ltd.	Supervisor	July 2020	
Li Yuejin	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Director	May 2021	
Li Yuejin	Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	Director	July 2023	
Chen Xuwei	Foshan Ceramis Research Institute	Director	October 2022	
Chen Xuwei	Wuzhou Panbo Industrial Co., Ltd.	Director	November 2020	
Chen Xuwei	Guangdong Shengtao Technology Co., Ltd.	Director	September 2022	
Chen Xuwei	Jiangmen Hongjia New Material Technology Co., Ltd.	Director	December 2020	December 2024
Chen Xuwei	Foshan Zhifeng Management Consulting Co., Ltd.	Director	January 2021	
Chen Xuwei	Nanchang Bailijia Industrial Co., Ltd.	Supervisor		August 2024
Chen Xuwei	Guangdong Hongyu Mineral Investment Co., Ltd.	Supervisor	November 2020	
Chen Xuwei	Guangdong Dexuan Education Technology Co., Ltd.	Supervisor	August 2022	August 2024
Chen Xuwei	Guangdong Hongjia Mineral Investment Co., Ltd.	Supervisor	January 2021	
Chen Xuwei	Guangdong Hongyu Commercial Management Co., Ltd.	Supervisor	July 2018	
Chen Xuwei	Guangdong Hongyu New Material Technology Holdings Co., Ltd.	Financial Officer		

Deng Haoxuan	Guangdong Dexuan Education Technology Co., Ltd.	Director	August 2022	August 2024
Zuo Manlun	Guangdong Lesso Home Building Materials Co., Ltd.	Chairman, Manager	July 2005	
Zuo Manlun	Lesso Technology Development (Wuhan) Co., Ltd.	Director	May 2001	
Zuo Manlun	Heshan Lesso Industrial Development Co., Ltd.	Director	June 2002	
Zuo Manlun	Lesso Technology Development (Guiyang) Co., Ltd.	Director	December 2005	
Zuo Manlun	Nanjing Lesso Technology Industrial Co., Ltd.	Director	June 2006	
Zuo Manlun	Changchun Lesso Industrial Co., Ltd.	Director	October 2007	
Zuo Manlun	Lesso Municipal Pipeline (Hebei) Co., Ltd.	Director	October 2005	
Zuo Manlun	Daqing Lesso Technology Development Co., Ltd.	Director	August 2008	
Zuo Manlun	Hainan Lesso Technology Industrial Co., Ltd.	Chairman	June 2011	
Zuo Manlun	Yunnan Lesso Technology Development Co., Ltd.	Chairman	July 2011	
Zuo Manlun	Guangdong Liansu EPCO Residential Equipment Design Services Co., Ltd	Director, Vice Chairman, General Manager	August 2011	
Zuo Manlun	Hunan Lesso Technology Industrial Co., Ltd.	Chairman	November 2011	
Zuo Manlun	Guangdong Lesso Security Technology Co., Ltd.	Supervisor	November 2011	
Zuo Manlun	Shandong Lesso Technology Industrial Co., Ltd.	Chairman	March 2012	
Zuo Manlun	Guangdong Fuxing Industrial Design Decoration Engineering Co., Ltd.	Director	July 2012	
Zuo Manlun	Anhui Lesso Technology Industrial Co., Ltd.	Chairman	January 2023	
Zuo Manlun	Foshan Nanhai Yigao Sanitary Ware Co., Ltd.	Director	September 2013	
Zuo Manlun	Xiaogan Lesso Industrial Development Co., Ltd.	Director	September 2019	
Zuo Manlun	Guangdong Lingshang Property Management Co., Ltd.	Chairman	August 2019	
Zuo Manlun	Guangdong Lesso Hardware & Electrical Building Materials Mall Co., Ltd.	Manager	October 2014	
Zuo Manlun	Guangdong Shunde Lingshang Property Management Co., Ltd.	Chairman	August 2019	
Zuo Manlun	Zhejiang Tianjing Plastic Industry Co., Ltd.	Chairman	November 2015	
Zuo Manlun	Lesso Municipal Pipe (Xingtai) Co. Co., Ltd.	Chairman	November 2018	
Zuo Manlun	Guangzhou Environmental Protection Engineering Co., Ltd.	Chairman	April 2016	
Zuo Manlun	Guangdong Huaqing Ecologic Environment Co., Ltd.	Chairman	July 2019	

Zuo Manlun	Zhejiang Lesso Technology Industrial Co., Ltd.	Director	August 2016	
Zuo Manlun	Guangdong Lesso Capital Holdings Co., Ltd.	Director	December 2016	
Zuo Manlun	Guangdong Lesso Venture Capital Fund Management Co., Ltd.	Director	December 2016	
Zuo Manlun	Guangdong Lesso Environmental Enterprise Management Co., Ltd.	Chairman	March 2017	
Zuo Manlun	Fujian Lesso New Material Technology Co., Ltd.	Director	September 2017	
Zuo Manlun	Hainan Baolai Industry and Trade Co., Ltd.	Director	August 2016	
Zuo Manlun	Hebei Lesso Metal Pipeline Technology Co., Ltd.	Chairman	September 2019	
Zuo Manlun	Guangdong Lesso Water Management Co., Ltd.	Chairman	March 2018	December 2024
Zuo Manlun	Guangdong Lesso Testing Management Co., Ltd.	Chairman	May 2018	
Zuo Manlun	Guangdong Xingmai Liya Commercial Management Co., Ltd.	Chairman	July 2018	
Zuo Manlun	Anhui Lesso Huaqing Testing Technology Co., Ltd.	Chairman	July 2019	
Zuo Manlun	Jiangsu Yongbao Environmental Protection Technology Co., Ltd.	Chairman	December 2018	
Zuo Manlun	Shenzhen Lesso Environmental Protection Technology Co., Ltd.	Chairman	December 2018	
Zuo Manlun	Lesso Municipal Pipeline (Xiaogan) Co., Ltd.	Chairman	December 2018	
Zuo Manlun	Shenzhen Huamanyun Logistics Information Service Co., Ltd.	Chairman	May 2019	
Zuo Manlun	Guangzhou Jingxing Construction Technology Co., Ltd.	Director	January 2020	
Zuo Manlun	Guangdong Yeaton Technology Co., Ltd.	Chairman	September 2019	
Zuo Manlun	Jiangxi Lesso Technology Industrial Co., Ltd.	Director	February 2020	
Zuo Manlun	Nanjing Lesso East China Real Estate Development Co., Ltd.	Chairman	December 2020	
Zuo Manlun	Guangdong Lynx Digital Intelligence Technology Limited	Chairman	December 2020	
Zuo Manlun	China National Petroleum (Guangdong) Waterproof Co., Ltd.	Chairman, Manager	November 2020	
Zuo Manlun	Gansu Lesso Technology Industrial Co., Ltd.	Director, Chairman	April 2021	
Zuo Manlun	Guangdong Kaihong Intelligent Equipment Co., Ltd.	Chairman	June 2021	
Zuo Manlun	Hubei Hall New Wind Technology Co., Ltd.	Chairman	August 2021	
Zuo Manlun	Hubei Kangjing Fresh Air Environmental Protection Equipment Co., Ltd.	Chairman	August 2021	

Zuo Manlun	Hunan Wary Tech Co., Ltd.	Director	April 2021	
Zuo Manlun	Guangdong Century Xinghui Creative Park Technology Co., Ltd.	Chairman	July 2021	
Zuo Manlun	Guangdong Lesso Banhao NewEnergy Technology Group Co., Ltd.	Chairman	November 2021	
Zuo Manlun	Guangdong Banhao New Energy Investment Co., Ltd.	Director	February 2022	
Zuo Manlun	Guangxi Lesso Property Management Co., Ltd.	Chairman	March 2022	
Zuo Manlun	Guangxi Lesso Hotel Management Co., Ltd.	Chairman	March 2022	
Zuo Manlun	Guangxi Lesso New Materials Technology Co., Ltd.	Chairman	April 2022	
Zuo Manlun	China Lesso Group Holdings Limited	CEO, Chief Executive Officer, Executive Co-Chief Executive Officer	February 2010	
Zuo Manlun	Xingfa Aluminium Holdings Limited	Non-executive Director	April 2018	
Zuo Manlun	Foshan Zhanhua Management Consulting Co., Ltd.	Executive General Manager	July 2018	
Zuo Manlun	Guangdong Zonggou Supply Chain Management Co., Ltd.	Chairman	December 2020	February 2024
Zuo Manlun	Guangdong Hechuang Lingxing Hardware and Building Materials Co., Ltd.	Chairman	August 2016	January 2024
Zuo Manlun	Foshan Yingsheng Real Estate Co., Ltd.	Chairman	January 2016	
Zuo Manlun	Maoming Lesso Building Materials Co., Ltd.	Supervisor	June 2011	
Zuo Manlun	Guangdong Yingxin Fuxing Hotel Management Co., Ltd.	Chairman	March 2016	
Zuo Manlun	Urumqi Lesso Technology Development Co., Ltd.	Supervisor	December 2007	
Zuo Manlun	Guangdong Lesso Machinery Manufacturing Co., Ltd.	Vice Chairman	July 2005	
Zuo Manlun	Foshan City Gaoming District Dajiahao Real Estate Co., Ltd.	Supervisor	June 2007	
Zuo Manlun	Foshan Shunde District Yingxin Real Estate Management Co., Ltd.	Supervisor	September 2004	
Zuo Manlun	Zhuo Rui Holdings Limited	Chairman	July 2019	
Zuo Manlun	Guangdong Lesso Industrial Special Pipeline Co., Ltd.	Chairman	November 2023	
Zuo Manlun	Henan Lesso Industrial Co., Ltd.	Director	February 2024	
Zuo Manlun	Guangdong Lingshang Yangming Commercial Management Co., Ltd.	Chairman,	February 2024	
Zuo Manlun	Shaanxi Lesso Technology Industrial Co., Ltd.	Chairman	April 2024	

Chen Huan	Guangdong Ceramics Association	President	December 1998	
Chen Huan	Guangdong Building Materials Industry Association	Executive Vice President	March 2004	
Chen Huan	China Ceramic Industry Association	Vice President	December 2007	
Chen Huan	Foshan Zhongtao Alliance Technology Co., Ltd.	Director	February 2015	
Chen Huan	Foshan Uniceramics Development Co., Ltd.	Director	April 2019	
Chen Huan	Guangzhou Zongheng Jianke Exhibition Co., Ltd.	Director	May 2022	
Chen Huan	Guangdong Redwall New Materials Co., Ltd.	Independent Director	June 2023	
Lan Hailin	South China University of Technology	Professor, PhD Supervisor	September 1997	
Lan Hailin	Guangdong Carbonetics Co., Ltd.	Director	June 2018	
Lan Hailin	Guangzhou Blue Ocean Enterprise Management Consulting Co., Ltd.	Executive Director and General Manager	November 2014	
Lan Hailin	Wuxiang Luxury Place (Guangzhou) Cultural Tourism Investment Co., Ltd.	Supervisor	April 2022	
Lan Hailin	Guangzhou Wuxiang Luxury Place Rural Tourism and Cultural Development Co., Ltd.	Supervisor	April 2022	
Li Songyu	Longsi Clearing Services (Guangzhou) Co., Ltd.	Manager	October 2023	
Li Songyu	Palm Eco-Town Development Co., Ltd.	Director	February 2022	
Li Songyu	Yinghuan (Shenzhen) Information Technology Co., Ltd.	Supervisor	September 2020	December 2024
Long Jiangang	Foshan Huajun Commercial Road Research Institute Co., Ltd.	Supervisor	April 2018	
Long Jiangang	Shenzhen Kunyue Culture Media Co., Ltd.	Supervisor	April 2017	
Long Jiangang	Hongchang Fabric & Clothing Design Holding Co., Ltd.	Chairman of the Board of Supervisors	March 2011	
Long Jiangang	Guizhou Plateau Camellia Oil Inc.	Director	May 2018	
Long Jiangang	Foshan Commercial Road Research Institute (Limited Partnership)	Principal Investigator	May 2015	
Zeng Fei	Foshan Keda Ceramic Technology Co., Ltd.	Manager, Director	September 2016	
Zeng Fei	Qinghai Saltlake Lake Lithium Industry Co., Ltd.	Supervisor	May 2021	
Zeng Fei	Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	Supervisor	July 2023	
Peng Hengxiang	Guangzhou Jinpibao Real Estate Co., Ltd.	Supervisor	November 2018	
Peng Hengxiang	Foshan Leyun Innovation Technology Co., Ltd.	Supervisor	May 2018	

Peng Hengxiang	Foshan Nanhai Huijie Real Estate Development Co., Ltd.	Vice Chairman, Director	January 2018	July 2024
Chen Haiqin	Guangdong Pearl Xingrui Energy Investment Co., Ltd.	Chairman	August 2023	
Chen Haiqin	Guangdong Qingneng New Pearl New Energy Development Co., Ltd.	Director	October 2023	
Chen Haiqin	Guangdong Jinkang Pearl Technology Co., Ltd.	Supervisor	November 2022	
Chen Haiqin	Shangqiu Hengshi Tourism Development Co., Ltd.	Supervisor	September 2020	
Chen Haiqin	Shangqiu Henghong Tourism Development Co., Ltd.	Supervisor	September 2020	
Chen Haiqin	Huzhou Yue'an Real Estate Co., Ltd.	Supervisor	November 2020	
Chen Haiqin	Guangdong ABM Environmental Science&Technology Co., Ltd.	Supervisor	July 2023	
Chen Haiqin	Guangdong Guitaishengshi Pearl Wine Co., Ltd.	Supervisor	June 2022	
Zhang Zhonghua	Zhangzhou Juming Graphite Materials Co., Ltd.	Chairman	January 2021	December 2024
Zhang Zhonghua	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Chairman	May 2021	
Zhang Zhonghua	Guangxi Zhonghang Lutong Asphalt Co., Ltd.	Director	January 2021	
Zhang Zhonghua	Xinjiang Taibang Technology Co., Ltd.	Director	July 2017	
Zhang Jian	Sichuan Hongda Co., Ltd.	Director	October 2022	
Zhang Jian	New Power Capital Investment Co., Ltd.	Director	July 2018	
Zhang Jian	Macrolink Capital Holdings Limited	Executive Director	August 2018	
Zhang Jian	Changshi Investment Co., Ltd.	Director	June 2019	
Zhang Jian	Macrolink Asia Industrial Investment Co., Ltd.	Director	May 2016	
Zhang Jian	Beijing Picture Book Journey Education Technology Co., Ltd.	Director	December 2023	
Zhang Jian	Beijing Oujiali Trading Co., Ltd.	Supervisor	April 2020	
Zhang Jian	Beijing Macrolink Industrial Investment Co., Ltd.	Director	February 2016	November 2024
Zhang Jian	Macrolink Development Investment Limited	Director	January 2017	June 2024
Zhang Jian	Sailun Group Co., Ltd	Director	July 2022	
Zhang Jian	Xinbi'an (Hainan) Technology Development Co., Ltd.	Director	April 2022	
Zhang Jian	Hunan Hualian China Industry Co., Ltd.	Director	October 2011	
Zhang Jian	New Silkroad Culturaltainment Limited	Executive Director	February 2004	
Zhang Jian	Macrolink International Development Limited	Director	August 2018	

Details about the employment by other units	Refer to resume

iii. Remuneration of directors, supervisors and Senior Management

√ Applicable □ Not applicable

Decision-making process for the remuneration of directors, supervisors and senior management	The remuneration plan for directors shall be submitted to the Board of Directors and the General Meeting for deliberation and approval after being reviewed and approved by the Remuneration and Appraisal Committee under the Board of Directors. The remuneration plan for supervisors shall be submitted to the Board of Supervisors and the General Meeting for review and approval. The remuneration plan for senior management shall be submitted to the Board of Directors for deliberation and approval after being reviewed and approved by the Remuneration and Appraisal Committee under the Board of Directors.
Whether a director should withdraw himself/herself from the Board of Director's discussion of his/her remuneration matters	Yes
Specific suggestions made by the Remuneration and Appraisal Committee or the Specialized Meeting of Independent Directors on matters the remuneration of directors, supervisors and senior management	On March 25, 2024, the Company held a meeting of the Remuneration and Appraisal Committee under the Board of Directors to review and pass the *Proposal on Establishing the Remuneration Management Scheme for Directors, Supervisors and Senior Officers*, and the *Proposal on the Remuneration Packages for Non-independent Directors*, and the *Proposal on the Remuneration Packages for Senior Officers*. On January 20, 2025, the Company held a meeting of the Remuneration and Appraisal Committee under the Board of Directors to review and pass the *Proposal on Determining the Remuneration for Directors and Senior Management for the Year 2024*, which reviewed the remuneration of the Company's directors and senior management, and considered that the issuance of their remuneration is linked to the operational responsibilities, operational risks, operational performance, etc., and have an incentive and constraint effect in line with the Company's the relevant provisions
Basis for determining the remuneration of directors, supervisors and senior management	According to the *Proposal on Adjusting the Allowance for Independent Directors* approved at the Company's 2nd Extraordinary General Meeting in 2021, the standard allowance for independent directors is set at RMB150 thousand/year. According to the *Proposal on the Remuneration Packages for Non-Independent Directors*, the *Proposal on the Remuneration Packages for Supervisors*, and the *Proposal on the Remuneration Packages for Senior Management* approved at the Company's Annual general meeting in 2023 and the 28th meeting of the 8th Board of Directors, non-independent directors who do not hold any specific positions in the Company are granted a director's allowance of RMB180 thousand/year for fulfilling their duties. Internal directors and senior management who hold specific positions other than director or are actually involved in the Company's operational management are compensated based on their specific positions, actual work performance, and in conjunction with the Company's operational performance among other factors. Director Shen Yanchang is the actual controller of Sunda Group, the strategic partner for the Company's building materials business, and does not receive any compensation or allowance from the Company. Supervisors serving in the Company are compensated based on factors including their duties, actual work performance and the

	Company's operational performance. External supervisors do not receive any compensation or allowance from the Company.
Actual payment to the directors, supervisors, and senior management	The actual payment to the Company's directors, supervisors, and senior management is detailed in this section "(I) Shareholding changes for and remunerations of the current or resigned directors, supervisors and senior management during the Reporting Period".
Total remuneration actually received by all the directors, supervisors, and senior management at the end of the Reporting Period	RMB 15.1313 million

iv. Changes in the Company's directors, supervisors and Senior Management

√ Applicable □ Not applicable

Name	Position	Nature of change	Reason for change
Zhang Zhonghua	Director	Resignation	Re-election
Zhang Jian	Director	Resignation	Re-election
Li Yuejin	Vice President, Secretary of the Board of Directors	Departure	Job transfer
Li Yuejin	Director	Election	Elected as a director of the Company at the 1st Extraordinary General Meeting in 2024
Peng Qi	Secretary of the Board of Directors	Appointment	Appointed as the Secretary of the Board of Directors by the 9th Board of Directors

v. Penalties imposed by securities regulators in the past three years

√ Applicable □ Not applicable

In September 2023, Mr. Zhang Zhonghua, a former director of the Company who had resigned, received an *Administrative Penalty Decision* (([2023] No.3)) from the Hubei Securities Regulatory Bureau. As Mr. Zhang Zhonghua was the person directly responsible for the false records in the 2017 and 2018 annual reports disclosed by TUS Environmental Science and Technology Development Co., Ltd., the Hubei Securities Regulatory Bureau issued a warning to him and imposed a fine of RMB300 thousand. The penalized subject mentioned above is not the Company, and the matter involved is unrelated to the Company. It will not affect the Company's production, operations, or regulatory compliance.

vi. Others

□ Applicable √ Not applicable

V. Meetings of the Board of Directors Held during the Reporting Period

Session	Date	Resolutions of the Meeting
The 27th meeting of the 7th Board of Directors	January 19, 2024	For details, please refer to the *Announcement of the Resolutions of the 27th Meeting of the 8th Board of Directors of Keda Industrial Group Co. Ltd.* disclosed on January 20, 2024 (Announcement No.: 2024-002).

The 28th Meeting of the 8th Board of Directors	March 25, 2024	For details, please refer to the *Announcement of the Resolutions of the 28th Meeting of the 8th Board of Directors of Keda Industrial Group Co. Ltd.* disclosed on March 26, 2024 (Announcement No.: 2024-011).
The 29th Meeting of the 8th Board of Directors	April 26, 2024	For details, please refer to the *Announcement of the Resolutions of the 29th Meeting of the 8th Board of Directors of Keda Industrial Group Co. Ltd.* disclosed on April 27, 2024 (Announcement No.: 2024-026).
The 30th Meeting of the 8th Board of Directors	July 15, 2024	For details, please refer to the *Announcement of the Resolutions of the 30th Meeting of the 8th Board of Directors of Keda Industrial Group Co. Ltd.* disclosed on July 16, 2024 (Announcement No.: 2024-048).
The 1st Meeting of the 9th Board of Directors	August 1, 2024	For details, please refer to the *Announcement of the Resolutions of the 1st Meeting of the 9th Board of Directors of Keda Industrial Group Co. Ltd.* disclosed on August 2, 2024 (Announcement No.: 2024-055).
The 2nd Meeting of the 9th Board of Directors	August 20, 2024	For details, please refer to the *Announcement of the Resolutions of the 2nd Meeting of the 9th Board of Directors of Keda Industrial Group Co. Ltd.* disclosed on August 21, 2024 (Announcement No.: 2024-059).
The 3rd Meeting of the 9th Board of Directors	October 29, 2024	For details, please refer to the *Announcement of the Resolutions of the 3rd Meeting of the 9th Board of Directors of Keda Industrial Group Co. Ltd.* disclosed on October 30, 2024 (Announcement No.: 2024-073).
The 4th Meeting of the 9th Board of Directors	November 12, 2024	The meeting deliberated and approved the *Proposal on the Subsidiaries' Acquisition of Trademarks and Related Party-Transactions*. For details, please refer to the *Announcement on the Subsidiaries' Acquisition of Trademarks and Related Party-Transactions* disclosed on November 13, 2024 by the Company (Announcement No.: 2024-085).
The 5th Meeting of the 9th Board of Directors	December 9, 2024	For details, please refer to the *Announcement of the Resolutions of the 5th Meeting of the 9th Board of Directors of Keda Industrial Group Co. Ltd.* disclosed on December 10, 2024 (Announcement No.: 2024-089).

VI. Directors' Performance of Duties

i. Directors' attendance at the Board Meetings and the General Meetings

Director Name	Independent director or not	Attendance at the Board Meetings						Attendance at the General Meetings
		Number of attendances required	Number of attendances	Number of attendances via telecommunication	Number of attendances by proxy	Number of Absences	Failed to attend two consecutive meetings in person or not	Number of attendances at the General Meetings
Bian Cheng	No	9	9	0	0	0	No	2
Yang Xuexian	No	9	9	3	0	0	No	2
Shen Yanchang	No	9	9	4	0	0	No	2
Li Yuejin	No	5	5	3	0	0	No	1
Chen Xuwei	No	9	9	5	0	0	No	2
Deng Haoxuan	No	9	9	5	0	0	No	2
Zuo Manlun	No	9	9	7	0	0	No	2
Chen Huan	Yes	9	9	4	0	0	No	2
Lan Hailin	Yes	9	9	7	0	0	No	2
Li Songyu	Yes	9	9	4	0	0	No	2
Long Jiangang	Yes	9	9	5	0	0	No	2
Zhang Zhonghua	No	4	4	3	0	0	No	2
Zhang Jian	No	4	4	3	0	0	No	2

Note: Mr. Li Yuejin was elected as a director of the Company on August 1, 2024.

Explanation for the failure of attending two consecutive Board Meetings in person

□ Applicable √ Not applicable

Number of Board Meetings held within the year	9
Including: Number of on-site meetings	0
Number of meetings held via telecommunication	0
Number of meetings held on-site and via telecommunication	9

ii. Objections raised by directors to relevant corporate matters

□ Applicable √ Not applicable

iii. Others

□ Applicable √ Not applicable

VII. Specialized Committees Established under the Board of Directors

√ Applicable □ Not applicable

i. Members of the specialized committees established under the Board of Directors

Types of committees	Names of members
Audit Committee	Li Songyu, Chen Xuwei, Chen Huan, Lan Hailin, Long Jiangang
Nomination Committee	Bian Cheng, Zuo Manlun, Chen Huan, Lan Hailin, Li Songyu
Remuneration and Appraisal Committee	Bian Cheng, Yang Xuexian, Chen Huan, Lan Hailin, Li Songyu
Strategy Committee	Bian Cheng, Li Yuejin, Zuo Manlun, Deng Haoxuan, Lan Hailin

Note: Mr. Zhang Jian, formerly a director and member of the Strategy Committee, resigned in August 2024; upon the deliberation and approval at the 1st meeting of the 9th Board of Directors, Mr. Li Yuejin was elected as a member of the Strategy Committee.

ii. 8 meetings held by the Audit Committee during the Reporting Period

Date	Contents	Key opinions and recommendations	Other performance of duties
January 19, 2024	Deliberating the Proposals on Routine Related Party Transactions of the Company and its Subsidiaries	Deliberating and approving the proceedings, and consenting to submit them for the Board of Directors' review.	None

January 31, 2024	First deliberating the 2023 Financial Statements	Providing a review opinion on the 2023 Financial Statements, and approving them to be the basis of the 2023 financial audit.	Reviewed the 2023 Compliance Review Report on Significant Matters
March 22, 2024	Re-deliberating 4 proposals, including the 2023 Financial Statements, and deliberated the Proposal on the Reappointment of the Accounting Firm.	Providing a review opinion on the 2023 Financial Statements, and approving to prepare Company's annual report based thereon; deliberating and approving other proceedings, and consenting to submit them for the Board of Directors' deliberation.	None
March 25, 2024	Deliberating 5 proposals, including the 2023 Annual Report and Summary	Deliberating and approving the proceedings, and consenting to submit them for the Board of Directors' deliberation.	None
April 26, 2024	Deliberating the Q1 2024 Report	Deliberating and approving the proceedings, and consenting to submit them for the Board of Directors' deliberation.	None
July 29, 2024	Deliberating the Proposal on Appointing the Company's Financial Officer	Deliberating and approving the proceedings, and consenting to submit them for the Board of Directors' deliberation	None
August 20, 2024	Deliberating the 2024 Interim Report and Summary and the Special Report on the Placement and Deposit Use of Raised Funds in the First Half of 2024	Deliberating and approving the proceedings, and consenting to submit them for the Board of Directors' review.	Reviewing the Compliance Review Report on Significant Matters in the First Half of 2024
October 29, 2024	Deliberating the Q3 2024 Report and the Proposal for the Formulation of an Internal Audit Policy	Deliberating and approving the proceedings, and consenting to submit them for the Board of Directors' review	None

iii. 3 meetings held by the Nomination Committee during the Reporting Period

Date	Meeting contents	Key opinions and recommendations	Other performance of duties
July 15, 2024	Deliberating the *Proposal on the Election of the Board of Directors and the Nomination of Candidates as Non-Independent Directors* and the *Proposal on the Election of the Board of Directors and the Nomination of Candidates as Independent Directors*	Carefully examining the qualifications, ability to perform duties and moral character of the candidates for non-independent and independent directors, and approving to nominate the relevant candidates and submiting all proposals for the Board of Directors' review	None
July 29, 2024	Deliberating the *Proposal on Nominating the Company's General Manager and Board*	Carefully examining the qualifications, performance abilities, and moral character of the candidates, approving to	None

	Secretary and the *Proposal on Nominating the Company's Vice Presidents and Financial Officer*.	nominate the relevant candidates and submiting all proposals for the Board of Directors' review.	
August 1, 2024	Deliberating the *Proposal on Electing the Chairman of the Nomination Committee under the 9th Board of Directors of the Company*.	Unanimously approving to elect Mr. Lan Hailin as the Chairman of the Nomination Committee under the 9th Board of Directors of the Company.	None

iv. 7 meetings held by the Remuneration and Appraisal Committee held during the Reporting Period

Date	Contents	Key opinions and recommendations	Other performance of duties
January 19, 2024	Deliberating the *Proposal on Extending the Duration of the 2020 Employee Stock Ownership Plans*.	One member withdrew from voting, while the others agreed on the matters discussed and consented to submit them for the Board of Director's review.	None
January 31, 2024	Deliberating the *Proposal on Determining the 2023 Remuneration Packages for the Company's Directors and Senior Management*.	It is believed that the remuneration of non-independent directors and senior management for the year 2023 is in compliance with the relevant provisions of the Company's remuneration management and performance appraisal. Two members of the Committee withdrew themselves from voting and the other members unanimously agreed.	None
March 25, 2024	Deliberating the *Proposal on the Purchase of Liability Insurance for Directors, Supervisors' and Senior Management*, the *Proposal on the Remuneration Packages for Non-independent Directors of the Company*, the *Proposal on the Remuneration Packages for Senior Management of the Company* and 3 other proposals.	Considering the conflict of interest in the proposal for purchasing the said liability insurance, all committee members withdrew from voting on this proposal; two committee members withdrew from voting on the remuneration packages for non-independent directors, one member withdrew from voting on the remuneration packages for senior management, and all the other members who did not withdraw agreed to these two proposals. The members unanimously agreed on other proceedings and agreed to consent to submit all the proceedings for the Board of Directors' review.	None
April 26, 2024	Deliberating the *Proposal on the Holding Subsidiaries' Capital Increase and Related Party Transactions* and the *Proposal on the Subsidiaries' Receipt of Partnership Property Shares and Related Party Transactions*.	One member withdrew from voting on the Proposal on the Subsidiaries' Acquisition of Partnership Property Shares and Related Party Transactions; other members agreed to the proceedings and consented to submit them for the Board of Directors' review.	None
August 1, 2024	Deliberating the *Proposal on the Election of the Chairman of the Remuneration and Appraisal Committee under the 9th Board of Directors*.	Unanimously approving to elect Mr. Chen Huan as the Chairman of the Remuneration and Appraisal Committee under the 9th Board of Directors.	None

October 29, 2024	Deliberating the *Proposal on the Subsidiaries' Acquisition of Partnership Property Shares and Related Party Transactions*.	Unanimously approving on the proceedings and consented to submit them for the Board of Directors' review.	None
December 9, 2024	Deliberating the *Proposal on Extending the Duration of the 2020 Employee Stock Ownership Plans*	One member withdrew from voting, while the others agreed on the matters discussed and consented to submit them for the Board of Director's review.	None

v. 4 meetings held by the Strategy Committee during the Reporting Period

Date	Contents	Key opinions and recommendations	Other performance of duties
January 19, 2024	Deliberating the *Proposal on Terminating the Planned Spin-off of Holding Subsidiaries for Listing*.	Unanimously approving on the proceedings and consenting to submit them for the Board of Directors' review.	None
March 25, 2024	Deliberating the *2023 Environmental, Social, and Governance (ESG) Report* and the *Proposal on Foreign Investment*.	Unanimously approving on the proceedings and consented to submit them for the Board of Directors' review.	None
October 29, 2024	Deliberating the *Proposal on the Early Termination of the Investment Funds Partially-contributed by the Company*.	Unanimously approving on the proceedings and consented to submit them for the Board of Directors' review.	None
November 12, 2024	Deliberating the *Proposal on the Subsidiaries' Acquisition of Trademarks and Related Party Transactions*.	Unanimously approving on the proceedings and consenting to submit them for the Board of Directors' review.	None

vi. Matters subject to objections

□ Applicable √ Not applicable

VIII. Explanation by the Board of Supervisors on risks identified within the Company

□ Applicable √ Not applicable

The Board of Supervisors had no objections to the supervisory matters during the Reporting Period.

IX. Information about employees of the parent company and major subsidiaries at the end of the Reporting Period

i. Employee information

Number of employees in the parent company	1,492
Number of employees in major subsidiaries	17,427
Total number of employees	18,919
Number of retired employees with expenses borne by the parent company and major subsidiaries	
Specialty	

Category	Number
Production	12,947
Sales	1,083
Technical	825
Financial staff	358
Administrative	3,706
Total	18,919
Education	
Category	Number
Graduate and above	285
Bachelor's Degree	3,520
Associate Degree	2,692
Vocational school and below	12,422
Total	18,919

ii. Remuneration policy

√ Applicable □ Not applicable

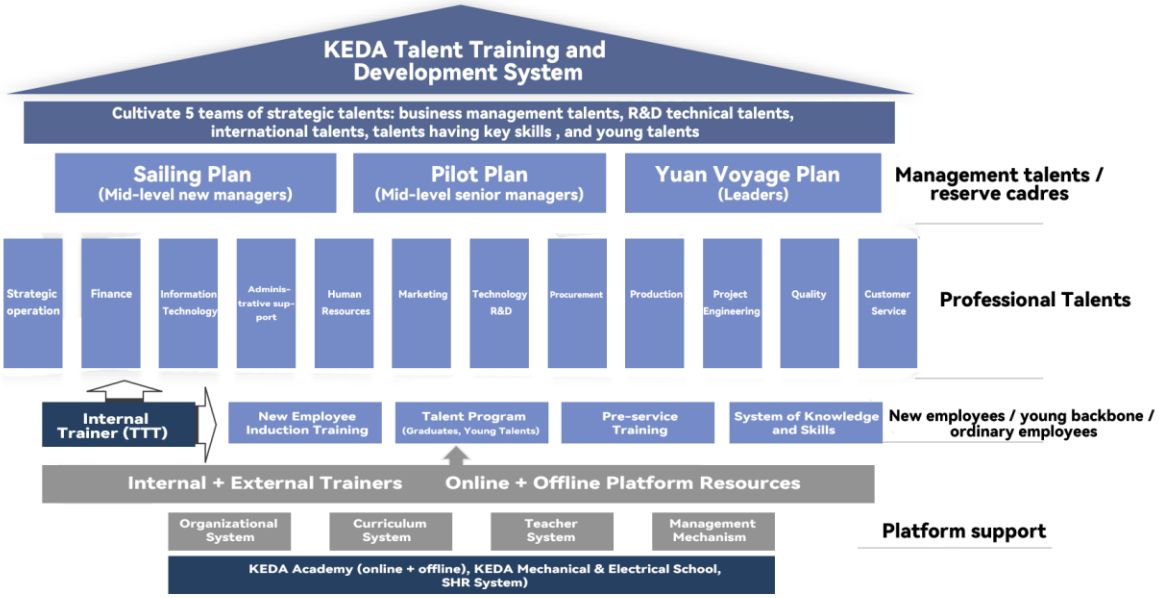
The Company has formulated and implemented human resources and performance appraisal management methods in strict accordance with the *Company Law*, *Labor Law* and relevant industry management methods, adhering to the cultural philosophy of "people gather when wealth is scattered, and people scatter when wealth is gathered", and has established a compensation and incentive system that fully connects individual performance with organizational performance. The Company distributes remuneration to employee by following the principle of "Salary determined by position" after considering market compensation levels and company performance, and determines the remuneration levels after comprehensive understanding of the employees' value creation ability, job responsibilities, work performance and performance results. At the same time, the Company actively explores diversified incentive mechanisms and has established a multi-dimensional compensation incentive system, including performance bonuses, ESOP and technical awards. Furthermore, through the performance appraisal system, the Company links employee compensation with individual performance, team performance and the Company's overall profitability, which gives full play to the incentive-oriented role of compensation, stimulates the sense of belonging and identity of employees and realizes the win-win development of the Company and its employees.

The Company is committed to building a multi-channel, multi-level employee development mechanism that closely integrates company development with employee career development. Through annual job level evaluations, it provides employees with compensation, benefits, training and development opportunities that match the value of their positions, invigorating employees and providing strong support to enhance the Company's core competitiveness. In addition, the Company actively creates a favorable talent work environment by improving incentive mechanisms and compensation and benefits policies to enhance the cohesion, attractiveness and competitiveness for talent.

iii. Training plan

√ Applicable □ Not applicable

In an increasingly competitive talent market, the Company always regards talents as the key element for enterprise development. The Company focuses on cultivating five key talent teams, including managerial, international, tech, skilled, and young professionals. Combining annual learning requirements for employees with daily training work requirements, the Company fully mobilizes internal and external instructor resources. By regularly conducting targeted special training for each echelon of talents, the Company selects and cultivates a group of excellent talents with broad vision, strong practical ability and courage to take responsibility. It perfects the echelon construction and empowers the talents to ensure the Company's solid foundation and long-term development.



The Company actively embraces the integrated development strategy of "Globalization, Servitization, Digitalization, and Youngization", focusing on the development of talents with specialty. During the Reporting Period, the Company has successively carried out specialized training courses in management, service, technology and other lines. The main training courses are as follows:

Time	Training name	Trainee	Training purpose
May 2024	Management Talent Camp	Over 60 members of the management team from headquarters and the Anhui base	To comprehensively enhance their management skills and overall quality through diverse courses, inspire their innovative business thinking, and guide these company leaders to have deep discussion and thought about the economic development trends
July 2024	Induction Camp for College Graduates	Student graduated in 2024	To help those graduates quickly understand their new roles to adapt into the Company, and improve their overall capabilities to build a new force of young talent

November 2024	Lean Program Leader Camp	Managers of planning business and related functions in Ceramic Machinery	To solidify the core knowledge of planner, skills in kit pull rate and others, and cultivate closed-loop logical thinking for problem-solving within the planning system
	Keda International Craftsman Camp for Foshan Polytechnic (Session3)	Students of Foshan Polytechnic	To learn from domestic and international experiences, develop an integrated "dual system" vocational education curriculum, create a mode combining theoretical courses with corporate practical training, and integrate corporate internships into the professional curriculum to enhance the efficiency and quality of vocational education talent development and improve their trial and transfer capabilities
December 2024	Keda Ceramic Machinery Customer Service Workshop	Customer service managers, senior service engineers, technical personnel, and documentation staff	To create a flexible and efficient professional service team capable of responding to diverse service demands and cross-departmental services

Meanwhile, the Keda Academy online learning platform has been successively launched at the Company's Guangdong and Anhui bases, providing employees with an efficient and convenient digital learning platform, which can effectively accumulate and consolidate internal and external knowledge and learning resources, promote the construction of a learning organization and support the achievement of the Company's strategic goals. By the end of 2024, this online platform had 2,405 users with a cumulative 223,300 learning hours, averaging 93 hours per user. During the Reporting Period, the number of employee training sessions was 1,820, with a total of 14,499 trainees, and the training investment of RMB 1.0693 million.

iv. Labor outsourcing

□ Applicable √ Not applicable

X. Profit Distribution or Capital IncrasepPlan

i. Formulation, implementation or adjustment of cash dividend policy

√ Applicable □ Not applicable

In order to effectively safeguard the rights and interests of investors, the Company has clearly stipulated the principles and requirements for profit distribution in the *Articles of Association* and the *Dividend Return Plan for Shareholders*, which are in line with the requirements of the relevant regulatory documents such as the *Guidelines for Regulation of Listed Companies No. 3 - Cash Dividends of Listed Companies* and the *Guidelines for Self-regulation of Listed Companies of the Shanghai Stock Exchange No. 5 - Distribution of Equity*.

1. Distribution of profits for the year 2023

During the Reporting Period, the Company implemented the 2023 Profit Distribution Plan: based on a total of 1,887,856,487 shares entitled to profit distribution (deducting 60,563,442 shares in the

Company's repurchase securities account from the total share capital of 1,948,419,929 shares), a cash dividend of RMB3.30 (including tax) per 10 shares was distributed to all shareholders, totaling RMB622,992,640.71 (including tax), which accounted for 29.78% of the net profit attributable to shareholders of the listed company for the year 2023. The formulation of the profit distribution plan and the distribution procedures of the Company are in compliance with the provisions of the *Articles of Association* and the requirements of the General Meetings' resolutions. The relevant decision-making procedures are legal and compliant, which can fully protect the legitimate rights and interests of small and medium investors.

2. Distribution of profits for the year 2024

The 2024 Profit Distribution Plan is as follows: based on a total of 1,857,856,529 shares entitled to profit distribution (deducting 59,999,862 shares in the Company's repurchase securities account from the total share capital of 1,917,856,391 shares), it is proposed to distribute a cash dividend of RMB 2.00 (including tax) per 10 shares to all shareholders, totaling RMB 371,571,305.80 (including tax). The plan is effective only after being approved by the General Meeting.

ii. Special statements on the cash dividend policy

√ Applicable □ Not applicable

Does it comply with the Company's articles of association or the requirements of the General Meetings' resolutions	√Yes □No
Are the dividend standards and ratios clear and explicit	√Yes □No
Are the decision-making procedures and mechanisms complete	√Yes □No
Have the independent directors fulfilled their duties and played their due role	√Yes □No
Do minority shareholders have ample opportunity to express their opinions and demands, and are their legitimate rights and interests fully protected	√Yes □No

iii. If the Company is profitable during the Reporting Period and the parent company has positive distributable profits but no cash dividend distribution plan is proposed, the Company should disclose in detail the reasons for this, as well as the use of undistributed profits and plans for their utilization.

□ Applicable √ Not applicable

iv. Profit distribution and capital increase plan for the Reporting Period

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Number of bonus shares for every 10 shares (share)	-
Dividend per 10 shares (RMB) (tax inclusive)	2.00
Number of shares converted for every 10 shares (share)	-
Amount of cash dividends (tax inclusive)	37,157.13
Net profit attributable to ordinary shareholders of the listed company in the consolidated statement	100,631.18
Percentage of cash dividends to net profit attributable to ordinary shareholders of the listed company in the consolidated statements (%)	36.92

Amount of shares repurchased in cash included in cash dividends	25,227.86
Total amount of dividends (tax inclusive)	62,384.99
Percentage of total dividends to net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)	61.99

v. Cash dividend distribution for the last three fiscal years

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Total cash dividends (including tax) for the last three fiscal years (1)	229,870.63
Total repurchased and canceled amount for the last three fiscal years (2)	49,995.52
Total cash dividends and total repurchased and canceled amount for the last three fiscal years (3) = (1) +(2)	279,866.15
Average net profit for the last three fiscal years (4)	244,974.67
Ratio of cash dividends for the last three fiscal years (%) (5) = (3)/ (4)	114.24
Net profit attributable to ordinary shareholders of the listed company in the consolidated statements for the most recent fiscal year	100,631.18
Undistributed profits at the end of the year in the parent company's statements for the most recent fiscal year	305,659.47

Note: The data above do not include the amount repurchased but not canceled by the Company in the last three fiscal years.

XI. The Company's Equity Incentive Plan, ESOP Or other Employee Incentives and Their Impacts

i. Related incentives already disclosed in temporary announcements and having no implementation progress

√ Applicable □ Not applicable

Overview	Query index
On November 13, 2020 and November 30, 2020, the Company held the 32nd Meeting of the 7th Board of Directors and the 3rd Extraordinary Shareholders' Meeting in 2020 respectively, and deliberated and approved the 2020 Employee Stock Ownership Plan. According to the results of share subscription, the actual establishment scale of the Employee Stock Ownership Plan in this period was RMB86,226,880. 43,113,440 shares of the Company held by the Company's special securities account for repurchase were already transferred to the Company's special securities account for the 2020 Employee Stock Ownership Plan through non-trading transfer on February 9, 2021. The duration of the current Employee Stock Ownership Plan is 36 months, and it will be released in two phases after 12 months from February 11, 2021. The interval of each phase is 12 months, and the proportion of unlocking is 50% and 50%. With confidence to the Company's future development and recognition of the Company's value, in January and December 2024, the Company held the 2nd holders' meetings of the 2020 Employee Stock Ownership Plans and the 27th meeting of the 8th Board of Directors, the 3rd holders' meetings of the	For details, please refer to the 2020 Employee Stock Ownership Plan of Keda Industrial Group Co. Ltd. (Draft), the Announcement on the Completion of Non-trading Stock Transfer of the 2020 *Employee Stock Ownership Plan, the Duration of the 2020 Employee Stock Ownership Plan* disclosed on the Shanghai Stock Exchange website (www.sse.com.cn) on November 14, 2020, February 11, 2021, January 20, 2024, and December 10, 2024.

2020 Employee Stock Ownership Plans and the 5th meeting of the 9th Board of Directors, respectively, and deliberated and approved the Proposal on Extending the Duration of the 2020 Employee Stock Ownership Plans, approving to extend the duration of the 2020 Employee Stock Ownership Plan by 12 months to February 11, 2026 ultimately. As at the end of the Reporting Period, all shares from the two phases of the Employee Stock Ownership Plan have been fully released, but the property settlement and distribution regarding the shares from the second phase has not yet completed. At present, they still hold a total of 17,556,700 Keda Group shares, representing 0.92% of the Company's current total share capital.	

ii. Incentives not disclosed in interim announcements or having new progress

Equity incentives

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Employee Stock Ownership Plan

□ Applicable √ Not applicable

Other incentives

√ Applicable □ Not applicable

For details, please refer to "(ii.) Related-party transactions arising from the acquisition or sale of assets or equity" and "(iii.) Significant related-party transactions of joint foreign investments" in the "Significant related-party transactions" under "Section VI Significant Events".

iii. Equity incentives granted to directors and senior management during the Reporting Period

□ Applicable √ Not applicable

iv. Evaluation mechanism for senior management during the Reporting Period, and the establishment and implementation of incentive mechanisms

√ Applicable □ Not applicable

During the Reporting Period, the Company issued the *Remuneration Management System for Directors, Supervisors and Senior Management*, establishing a comprehensive remuneration management system for directors, supervisors and senior management Starting from the Company's strategic goals and economic benefits, principles such as "unity of responsibility, authority and interest'" were set, aligning the remuneration levels of directors, supervisors and senior management with the Company's scale, performance and market salary levels. The Company's menior management is compensated based on their specific positions, actual performance, the Company's overall business results and other factors, which include a fixed salary and variable performance-based pay. The fixed salary is distributed monthly on average, while the variable performance-based pay is granted based on assessment results. In addition, apart from establishing an employee stock ownership plan at the

listed company level, the Company has also set up employee stock ownership platforms at the business segment level, binding core managers to the long-term development of the business segments through equity, aligning strategic goals of all parties, and optimizing the Company's long-term incentive mechanism.

XII. Construction and Implementation of Internal control Systems during the Reporting Period

√ Applicable □ Not applicable

The Company has established a rigorous internal control management system in strict accordance with the requirements of the CSRC, the Shanghai Stock Exchange, the *Company Law*, the *Articles of Association*, and other laws and regulations, adopting a compliant governance structure accounted for by the Board of Directors, oversight and managed by the Audit Committee, the Board of Supervisors and the Audit and Supervision Department and implemented by various functional departments. During the Reporting Period, the Company improved the *Internal Audit Policy*, clarifying the responsibilities and authority of internal audits, strengthening oversight of key areas such as financial reporting and fund management. The Audit and Supervision Department conducts regular or irregular independent, objective supervision, evaluation and recommendations on the financial transactions, economic activities, internal controls and risk management of the Company and its subsidiaries/branches, so as to promote them to improve governance and achieve goals. At the same time, the Company continuously optimized its internal control system by enhancing production management processes, improving digitalization levels, optimizing corporate governance structures and strengthening the performance of "key minorities", thereby improving the Company's operational management and risk prevention capabilities.

Furthermore, the Company and its subsidiaries within the scope of the consolidated financial statements have completed the internal control self-assessment for 2024 as planned. The Audit and Supervision Department supervised the self-assessment, conducted spot checks on some companies, evaluated and tested key control points and risk points of internal control, proposed suggestions for improving weak links in internal control, and formed evaluation conclusions. After testing and evaluation of the Company's various business segments by the Audit and Supervision Department, no significant or important deficiencies in internal control were found during the Reporting Period. For details, please refer to the *2024 Internal Control Evaluation Report* disclosed by the Company on the Shanghai Stock Exchange website (www.sse.com.cn) on March 27, 2025.

Significant deficiencies in internal control during the Reporting Period

□ Applicable √ Not applicable

XIII. Management Control over Subsidiaries during the Reporting Period

√ Applicable □ Not applicable

During the Reporting Period, the Company managed and controlled its subsidiaries in accordance with the Company Law, Articles of Association, and the relevant requirements for the standardized operation of listed companies, guided them to improve their corporate governance structure, revised multiple management systems such as the *Internal Reporting Regulation for Significant Information*, *Submission and Management Policy for External Information*, *Management System for External Guarantees*, *Related Party Transactions System*, and accordingly set up or optimized the informational processes/systems. It continuously improves the internal control and risk management systems by

regulating its subsidiaries' operation, information reporting, external guarantees and related-party transactions.

In recent years, the Company has continuously optimized its subsidiaries' equity structure, clearly classified business segments by equity relationships, and leveraged the headquarters' role in "risk control, empowerment, sharing, and collaboration" to strengthen unified management and resource integration of subsidiaries. At the same time, the Company achieves governance and oversight over its subsidiaries by appointing directors, supervisors, and senior management personnel, tracking their financial status and business operations in a timely manner and assessing the performance of the subsidiaries. Additionally, the Company's Audit and Supervision Department conducts regular or irregular supervision and inspections over the subsidiaries, and urges them to apply various system regulations to ensure their compliant operations and enhancing their operational efficiency and risk resistance. The Company also continues to advance the informationization construction of its subsidiaries, and strengthens the collection and management of operational and financial information to achieve efficient control over and collaborative development of its subsidiaries.

XIV. Internal Control Audit Report

√ Applicable □ Not applicable

For details, please refer to the *Internal Control Audit Report* disclosed by the Company on the Shanghai Stock Exchange website (www.sse.com.cn) on March 27, 2025.

Whether the internal control audit report is disclosed: Yes

Type of opinion in the internal control audit report: Standard unqualified opinion

XV. Self-Inspection and Rectification in the Special Action for Listed Company governance

Not applicable

XVI. Others

□ Applicable √ Not applicable

Section V Environmental and Social Responsibility

I. Environmental Information

Whether the environmental protection mechanism is established	Yes
Funds invested in environmental protection during the Reporting Reporting Period (Unit: RMB '0,000)	1,530.70

i. Environmental protection status for the companies listed by environmental protection authorities as key polluters and their main subsidiaries

√ Applicable □ Not applicable

1. Pollution details

√ Applicable □ Not applicable

During the Reporting Period, the subsidiaries Fujian Keda New Energy and Keda Foshan Industrial were included in the 2024 List of Key Entities Subject to Environmental Regulation, with relevant information detailed as follows:

(1) Fujian Keda New Energy

During the Reporting Period, the pollution by Fujian Keda New Energy is as follows:

1) Main pollutants: exhaust gas, solid waste

2) Specific pollutants: particulate matter, SO2, NOx, waste ta

3) Main pollutants discharged during the Reporting Period:

Pollutant discharge outlets	Number of main outlets	Name of pollutant	Discharge method	Emission concentration (mg/m³)	Standard limit (mg/m³)	Total emissions in 2024 (t)	Total permitted emissions for the year (t/a)	Standard	Out-of-limit emissions
Calcination exhaust gas outlets	1	Particulate matter	Organized emissions	14.834	30	1.120	5.784	GB16297-1996	None
		SO_2		64.975	200	4.940	17.559		None
		NOx		89.928	300	6.820	14.861		None
Dust and exhaust gas and other general exhaust gas outlets	15	Particulate matter	Organized emissions	≤22.553	≤120	26.342	/	GB16297-1996	None
		SO_2		≤77.500	200	31.696	/		None
		NOx		≤116.667	300	33.007	/		None
/	/	Waste tar	Temporary storage before disposal by qualified units	/	/	540.770	/	GB18597-2023	None

(2) Keda Foshan Industrial

According to Article 11 of the Administrative Measures for the List of Key Entities Subject to Environmental Regulation (Order of the Ministry of Ecology and Environment No.27), Keda Foshan Industrial, holding a pollutant discharge permit and a hazardous waste operation permit, is thus included in the 2024 List of Key Entities Subject to Environmental Regulation in Foshan.

During the Reporting Period, the pollutants discharged of Keda Foshan Industrial are as follows:

1) Main pollutants: exhaust gas, solid waste

2) Specific pollutants: particulate matter, SO2, NOx, VOCs, waste activated carbon, waste paint buckets, waste paint slags, waste filter cotton

3) Main pollutants discharged during the Reporting Period:

Pollutant discharge outlets	Number of main outlets	Name of pollutant	Discharge method	Emission concentration (mg/m³)	Standard limit (mg/m³)	Total emissions in 2024 (t)	Total permitted emissions for the year (t/a)	Standard	Out-of-limit emissions
Incineration exhaust gas outlets	1	Particulate matter	Organized emissions	/	30	/	1.998	GB18484-2020	None
		SO2		/	100	/	3.501		None
		NOx		/	300	/	14.718	GB16297-1996	None
Paint spraying and combustion exhaust gas and other general exhaust gas outlets	8	Particulate matter	Organized emissions	10	120	0.792	/	DB44/26-2001 DB44/816-2010	None
		SO2		3	425	0.003	0.009		None
		NOX		6	/	0.010	0.422		None
		VOCs		10	90	0.828	1.520		None
/	/	Waste activated carbon	Temporary storage before	/	/	14.020	/	GB 18597-2023	None

/	/	Waste paint buckets	disposal by qualified units	/	/	12.145	/		None
/	/	Waste paint slags		/	/	6.425	/		None
/	/	Waste filter cotton		/	/	1.410	/		None

Note: As at the end of the Reporting Period, the hazardous waste incineration workshop was not in operation.

2. Construction and operation of pollution control facilities

√ Applicable □ Not applicable

The pollution control facilities of the aforementioned key entities subject to environmental regulation are constructed and operated according to the environmental assessment requirements, with dedicated personnel strictly monitoring their operation. The industrial wastewater is treated by sewage treatment facilities for recycling, and domestic sewage is discharged into the park's sewage network. The waste gas is discharged from the high exhaust pipe through the waste gas treatment facility. The solid waste is classified and collected in accordance with relevant regulations, and after compliant temporary storage, the domestic waste is entrusted to local qualified entities for collection and treatment, the general industrial solid waste is prioritized for secondary use within the Company, and the rest is disposed of by qualified third-party entities, while hazardous waste is entrusted to qualified hazardous waste disposal entities for disposal. The factory noise is managed through soundproofing, silencing, absorption and vibration reduction measures to meet relevant emission standards.

3. Environmental impact assessment over construction projects, and other administrative permits for environmental protection

√ Applicable □ Not applicable

During the Reporting Period, the aforementioned key entities subject to environmental regulation strictly complied with relevant laws and regulations, implementing the "Three Simultaneities" environmental protection system, conducting the environmental impact assessments before construction and the on-schedule acceptance for environmental protection after the project is completed. The aforementioned key entities have obtained their discharge permits on time in accordance with national regulations.

4. Emergency response plan for sudden environmental incidents

√ Applicable □ Not applicable

To prevent, warn and respond to sudden environmental incidents, the aforementioned key entities subject to environmental regulation have compiled the *Emergency Response Plan for Sudden Environmental Incidents* and submitted it to local environment regulators for record-keeping, conducted thorough assessments and investigations on environmental emergency resources based on their production processes and environmental risk characteristics, and clarified the levels of early warning and measures to be taken after an incident occurs. Meanwhile, the aforementioned key entities subject to environmental regulation regularly organize emergency response drills for environmental pollution incidents to enhance their employees' ability to handle sudden environmental events.

5. Self-monitoring environmental plan

√ Applicable □ Not applicable

The aforementioned key entities subject to environmental regulation have signed technical service contracts with professional testing organizations, prepared environmental protection testing plans, set sampling points at each emission outlet for waste gas and wastewater as well as noise monitoring points at the factory boundaries, monitored and regularly calibrated the online monitoring equipment to ensure data accuracy. According to the self-monitoring, commissioned monitoring, and enforcement monitoring data for the aforementioned pollutant emissions, all standard requirements are met.

6. Administrative penalties for environmental problems during the Reporting Period

□ Applicable √ Not applicable

7. Other environmental information that should be disclosed

□ Applicable √ Not applicable

ii. Environmental protection of companies other than the key polluters

√ Applicable □ Not applicable

1. Administrative penalties for environmental problems

□ Applicable √ Not applicable

2. Other environmental information disclosed with reference to the key polluters

√ Applicable □ Not applicable

As at the end of the Reporting Period, apart from the subsidiaries disclosed as key entities subject to environmental regulation, the Company and other subsidiaries have not been listed as the key entities subject to environmental regulation by the local environment regulators.

The Company strictly enforces national environmental protection regulations, establishes a sound environmental management system, and realizes the standardized management of the whole process of wastewater, waste gas, solid waste and noise through target management, data analysis and process control. In terms of exhaust gas treatment, each factory has constructed waste gas treatment facilities for spray painting, drying and shot blasting according to its production characteristics, and has reduced the impact on the outside environment by means of exhaust filtration and so on. In terms of wastewater treatment, each entity has built sewage treatment facilities according to its operational needs, achieving standard discharge or reuse of treated wastewater. In terms of solid waste disposal, each entity has established standard hazardous waste storage sites, where waste is collected, temporarily stored in compliance, and then reused or disposed of by qualified entities. In terms of noise control, each entity adopts measures such as sound insulation, noise absorption and vibration reduction to ensure the notice within the factory boundaries is controlled under the standard limit. Additionally, the Company has signed contracts with third-party qualified testing firms to regularly test the wastewater and exhaust gas discharged after treatment and to supervise the Company's pollutant discharge and treatment.

During the Reporting Period, the construction and operation of pollution prevention and control facilities of the Company and its subsidiaries meet the relevant requirements for environmental protection, the emission of various pollutants meets the standards, solid wastes are disposed of in a standardized manner, the contingency plan for environmental emergencies is sound, and the environmental impact assessment of construction projects has been carried out in strict accordance with national laws and regulations.

3. Reasons for not disclosing other environmental information

□ Applicable √ Not applicable

iii. Relevant information conducive to the protection of ecology, prevention of pollution and fulfillment of environmental responsibility

√ Applicable □ Not applicable

The Company consciously assumes and fulfills its social responsibility for environmental protection, including integrating "green manufacturing" into business operations, product development and production, advocating green and environmentally friendly concepts in daily life, and reducing or preventing environmental pollution during production to achieve a harmonious unity of economic, social and environmental benefits. As at the end of the Reporting Period, HLT Machinery and 7 other companies have passed the ISO 14001: 2015 Environmental Management System Certification.

The Company has enhanced its green manufacturing capabilities through technological transformation and process improvement. During the Reporting Period, the Company's Foshan production base optimized some workshops from "simple water spray + dry filtration + activated carbon adsorption" to "cyclone spray + tertiary dry filtration + secondary activated carbon adsorption", further reducing emissions of particulates and VOCs. The Company seizes opportunities in clean technology to promote green products and solutions. In terms of solid waste treatment, the Company conducts research on the resource utilization of industrial solid waste and has applied for multiple environmental protection patents, such as the foamed ceramics solutions and the autoclaved aerated concrete plant equipment, which can advance the reuse of industrial waste and other materials. In terms of waste gas emissions, the Company has introduced equipment such as the hydrogen-powered energy-saving ultra-wide-bodied roller kiln for ceramic processing, which can effectively reduce the generation and emission of pollutants.

At the same time, the Company has reduced resource consumption and environmental pollution, and practiced the concept of environmental protection through implementing paperless office solution, advocating the secondary use of single-side-used waste paper, establishing a rainwater recovery system for green irrigation, setting up waste battery recycling points, and advancing the separation of rainwater and sewage system, along with a series of other ways and measures.

iv. Measures for reducing carbon emissions and their effects during the Reporting Period

Whether any measure for reducing carbon emissions was taken	Yes
Equivalent reduction in carbon dioxide emissions (unit: tons)	67,936.80
Types of reduction measures (such as using clean energy for power generation, using carbon reduction technologies in production, developing and producing new products that aid in carbon reduction, etc.)	Use of clean energy, application of carbon reduction technologies in production, development and production of new products that aid in carbon reduction, green and low-carbon office and travel practices.

Specific description

√ Applicable □ Not applicable

The Company practices low-carbon and environmentally friendly concepts, accelerates the construction of a green manufacturing system, and promotes the research, development and promotion of energy-saving and emission-reduction products and solutions to contribute to the global energy transition and low-carbon goals. Through measures such as source reduction, process emission

reduction, and end control, the Company promotes itself and the industry enter a low-carbon, circular and sustainable development path.

In production and operations, the Company continues to increase the use of clean energy by establishing photovoltaic projects and increasing the use of hydroelectricity and other green energies, and prioritizes the use of low-energy-consuming equipment and processes in technological transformation and process improvement to ensure the energy-saving, emission reduction and green development. During the Reporting Period, several projects were connected to the grid and put into use, including Foshan Keda Equipment's photovoltaic project, Keda Senegal photovoltaic project, Keda Kisumu sanitary ware photovoltaic project, the Company's headquarters building parking lot photovoltaic carport project, HLT Technology and HLT's photovoltaic projects. In 2024, the Company's total solar energy usage amounted to 23,355.43MWh, reducing carbon dioxide emissions by 19,174.81 tons. HLT Technology's new plant area was completed with all landscaping as planned, and it was equipped with high-grade motor production equipment according to the new energy-saving standards. In the workshop of HLT | DLT, over 70% of forklifts have been updated from the original diesel forklifts to new energy electric forklifts.

Meanwhile, the Company adapts to the manufacturing industry's green and low-carbon development trend, innovates on the low-carbon and energy-saving concepts and integrates them into technology and product development, and lays out in fields such as ammonia -hydrogen low-carbon combustion technology, photovoltaic power station construction and operation services. During the Reporting Period, DLT's subsidiary achieved mass production and application of the world's first ammonia-hydrogen zero-carbon combustion kiln, providing the industry with a replicable "zero-carbon smart manufacturing solution". In addition, the subsidiary Keda Smart Energy has responded to the national dual-carbon target by laying out its integrated energy business, and has invested in and completed 35 distributed photovoltaic power plants at home and abroad, serving a total of over 1,500 customers, with a total installed capacity of approximately 73.69MW, an average annual power generation capacity of 7,635.76 kWh, an annual substitution of 9,384.35 tons of standard coal and an annual reduction of 62,689.59 tons of carbon dioxide emissions.

In addition, the Company actively advocates for green office practices and low-carbon commuting by employing measures such as using white high-transparency glass to increase natural lighting, enhancing green vegetation coverage in office areas and factory zones, purchasing products with green energy-saving labels, setting up wasted battery recycling programs and expanding charging pile facilities to systematically advance the construction of green office and commuting environments.

II. Social responsibility

i. Separate disclosure of social responsibility, sustainability, or ESG reports or not

√ Applicable □ Not applicable

For the detailed report, please refer to the *2024 Social Responsibility Report of Keda Industrial Group Co. Ltd.* disclosed on the same day.

ii. Specifics matters

√ Applicable □ Not applicable

External donations and public welfare projects	Amount/Content	Description

Total investment (RMB '0,000)	152.37	
Including: Funds (RMB '0,000)	65.94	
Material discount (RMB '0,000)	86.43	
Number of beneficiaries	/	

Specific description

√ Applicable □ Not applicable

The Company always adheres to the philosophy of "be grateful for all your blessings", and keeps improving people's well-being through initiatives such as upgrading local community infrastructure and improving local education and medical conditions. During the Reporting Period, in terms of improving local infrastructure, the subsidiary Keda Kenya undertook the road repair project for a local church in Kajiado County, Kenya, and donated and built a new church named "Saint International Church", effectively improving the local traffic conditions and the environment for religious activities. In terms of improving local education and medical conditions, the Company and its subsidiary Guangdong Keda Hydraulics made donations to the Colleges and Universities Educational Development Foundation to help boost the development of education and the cultivation of talents. The subsidiaries Keda Ghana and Keda Senegal improved local school teaching conditions through measures such as donations of tiles, teaching materials and cash, and contributed to the local Education Day activity to help spread education awareness. The subsidiary Keda Cameroon supported the organization of local World Blindness Day activities through cash donations to raise local social awareness of visually impaired and other vulnerable groups. In terms of charitable assistance, Keda Senegal provided cash donations to assist flood victims in Touba, Senegal, and offered accommodation help to impoverished students in the local community. Additionally, the subsidiary Anhui New Material has donated flood control supplies to Tangnan Town, Dangtu County, demonstrating the Company's commitment to fulfilling its social responsibility through concrete actions.

III. Consolidating and expanding the achievements of poverty alleviation, rural revitalization, and other specific work

√ Applicable □ Not applicable

Poverty alleviation and rural revitalization projects	Amount/Content	Description
Total investment (RMB '0,000)	28.51	
Including: Funds (RMB '0,000)	28.51	
Material discount (RMB '0,000)	/	
Number of beneficiaries	/	
Forms of assistance (such as poverty alleviation by industry support, employment and education, etc.)	Stable employment, educational support, targeted assistance, and cultural revitalization	

Specific description

√ Applicable □ Not applicable

The Company always adheres to the mission of "Green Solution, Greener Life", actively responds to China's call of rural revitalization strategy, fully leverages its resource and capability advantages, and continues to carry out diversified work such as stable employment, educational support, targeted assistance and cultural revitalization, committing to the cause of rural revitalization and consolidating and expanding the achievements of poverty alleviation. During the Reporting Period, in terms of stable employment, the subsidiary Fujian Keda New Energy steadily advanced the capacity release of the anode material production base in Datian County, Fujian, creating more job opportunities and cultivating more professional talents, driving local industrial development and enhancing the local economy's self-sustaining capacity. In terms of educational support and targeted assistance, the subsidiary Fujian Keda New Energy provided financial support to local primary schools in Datian County and donated consolation money to impoverished families in Luofeng Village; the subsidiary Anhui Keda New Materials delivered consolation money, rice, edible peanut oil and other consolation items to the needy households in the designated villages, promoting local livelihood improvement. In terms of cultural revitalization, the Company and its subsidiary Fujian Keda New Energy supported the organization of various traditional cultural activities in regions such as Zhuangtou Village and Xianyong Village in Shunde District, Foshan City, as well as Luofeng Village and Tangquan Village in Datian County, Sanming City, using cultural heritage as a bond to promote rural revitalization.

Section VI Significant Events

I. Fulfillment of commitments

i. Commitments during or carried forward to the Reporting Period by the Company's actual controller, shareholders, related parties, acquirers and the Company, and other relevant parties providing undertakings

√ Applicable □ Not applicable

Commitment background	Type of undertaking	Promisor	Details of undertaking	Date of commitment	Whether there is a deadline for the fulfillment	Term of commitment	Whether it is timely and strictly fulfilled	Specify reasons for non-fulfillment (if any)	Specify subsequent plan for non-fulfillment (if any)
Commitments made in the acquisition documents or the reports on changes in equity	Non-competition undertakings	Liang Tongcan and Guangdong Hongyu Group Co., Ltd. (hereinafter referred to as "Hongyu Group")	HJNE Technology Company Limited, a subsidiary of Hongyu Group, is engaged in anode materials. With a relatively small sales scale at present, it does not constitute substantial competition with the business of lithium-ion battery materials manufactured by Keda Group. In order to avoid any potential adverse impacts that may be caused to Keda Group in the future, Liang Tongcan and Hongyu Group undertook to properly resolve the issue within five years from the date of commitment.	June 19, 2024	Yes	Within 5 years from the date of commitment	Yes	/	/
	Reducing related-party transactions	Guangdong Hongyu Group Co., Ltd.	Hongyu Group and its controlled enterprises will try to avoid related-party transactions with Keda Group. For unavoidable related business interactions or transactions, Hongyu Group and enterprises controlled thereby will conduct them on an equal and voluntary basis while following the principles of fairness, impartiality and compensation at equivalent value, and the transaction price will be determined based on a market-recognized reasonable price.	June 19, 2024	No	Long-term fulfillment	Yes	/	/
	Commitments related to	Bian Cheng	Within 12 months from the date of completing the non-trading transfer procedures due to divorce-related share division (including the	September 18, 2024	Yes	Within the 12 months starting	Yes	/	/

	shareholding reduction		day of completion), the person shall not reduce his shareholdings in the Company in any way, including shares arising from capital reserve to increase share capital, distribution of stock dividends, rights issues, or additional offerings during the term of commitment.			from September 30, 2024			
	Commitments related to shareholding reduction	Guan Qi	Within 12 months from the date of completing the non-trading transfer procedures due to divorce-related share division (including the day of completion), the person shall not reduce her shareholdings in the Company in any way, including shares arising from capital reserve to increase share capital, distribution of stock dividends, rights issues, or additional offerings during the term of commitment.	September 18, 2024	Yes	Within the 12 months starting from September 30, 2024	Yes	/	/

ii. If there is a profit forecast for the Company's assets or projects and the Reporting Period is still in the profit forecast period, the Company explains whether the assets or projects have met the original profit forecast and the reasons for that.

☐ Have met ☐ Have not met √ Not applicable

iii. Progress of fulfillment of performance commitments and relevant impacts on goodwill impairment testing

□ Applicable √ Not applicable

II. Appropriation of Funds by Controlling Shareholders and Other Related Parties for Purposes Other than for Business during the Reporting Period

□ Applicable √ Not applicable

III. Guarantees in Violation of Regulations

□ Applicable √ Not applicable

IV. Explanation of the Board of Directors on the "Audit Report with Non-Standard Opinion"

□ Applicable √ Not applicable

V. Analysis and Explanation of the Reasons for and Impacts of Changes in Accounting Policies, Accounting Estimates, or Corrections of Significant Accounting Errors.

i. Analysis and explanation of the reasons and impacts for changes in accounting policies and accounting estimates

√ Applicable □ Not applicable

Content and reasons for changes in accounting policies	Approval procedures	Notes (items and amounts of financial statement items subject to significant impact)
The Ministry of Finance issued the *Accounting Standards for Business Enterprises Interpretation No. 18* (Cai Kuai [2024] No. 24) on December 6, 2024, which stipulates the provisions for warranty-related liabilities not classified as separate performance obligations should be recognized under items such as "main operating expenses" and "other operating expenses" at the determined amounts. This interpretation took effect from the date of issuance, and companies are permitted to adopt early implementation from the year of publication.	Statutory changes	Please refer to "Other notes" for details.
The Ministry of Finance issued the *Accounting Standards for Business Enterprises Interpretation No. 15* (Cai Kuai [2023] No. 21) on October 25, 2023, which provides guidelines on the "classification of current and non-current liabilities", "disclosure requirements for supplier financing arrangements", and the "accounting treatment of sale and leaseback transactions". This interpretation came into force on January 1, 2024.	Statutory changes	Changes and implementation of relevant enterprise accounting policies have no significant impact on the Company's financial statements.

Other notes:
In accordance with the requirements of the Ministry of Finance and considering the Company's actual circumstances, the Company has implemented the Interpretation No.18 of Accounting Standards for Enterprises starting from January 1, 2024. A retrospective adjustment approach has been applied to make corresponding adjustments to the financial statements for the comparative periods presented. The primary impacts of implementing this accounting policy on the Company's consolidated financial statements are as follows:

Unit: Ten Thousand Yuan Currency: RMB

Item	Increase/(decrease) in financial statement amounts due to change in accounting policy	
	2024	2023
Operating expenses	145.84	127.76
Sales expenses	-145.84	-127.76

ii. Analysis and explanation of the reasons and impacts for corrections of significant accounting errors.

□ Applicable √ Not applicable

iii. Communication with the predecessor accounting firm

□ Applicable √ Not applicable

iv. Approval procedures and additional notes

□ Applicable √ Not applicable

VI. Appointment and dismissal of accounting firm

	Current auditor
Name of the domestic Accounting Firm	ZHONGXI CPAs SPECIAL GENERAL PARTNERSHIP
Remuneration for the domestic Accounting Firm	165
Years of audit experience of the domestic Accounting Firm	24
Names of auditors of the domestic Accounting Firm	Ly Xiaoyun, Su Shengnan
Cumulative years of audit service by auditors of the domestic Accounting Firm	2, 2

	Name	Remuneration
Accounting Firm conducting the Internal Control Audit	ZHONGXI CPAs SPECIAL GENERAL PARTNERSHIP	60

Appointment or dismissal of Accounting Firm

□ Applicable √ Not applicable

Changes in accounting firms during the audit period

□ Applicable √ Not applicable

Audit fees decreasing by 20% or more compared to the previous year

□ Applicable √ Not applicable

VII. Delisting risk

i. Reasons leading to delisting risk warning

□ Applicable √ Not applicable

ii. Proposed countermeasures by the Company

□ Applicable √ Not applicable

iii. Information about and causes of the termination of listing

□ Applicable √ Not applicable

VIII. Matters Related to Bankruptcy Reorganization

□ Applicable √ Not applicable

IX. Major Litigations and Arbitrations

√ The Company had major litigations and arbitrations in 2024
□ The Company had no major litigation and arbitration matters in 2024

i. Litigation and arbitration that are disclosed in temporary announcements and with no subsequent progress

□ Applicable √ Not applicable

ii. Litigation and arbitration that are not disclosed in temporary announcements or with subsequent progress

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

During the Reporting Period:									
Plaintiff	Respondent	Party jointly and severally liable	Type of litigation or arbitration	Basic information on the litigation (arbitration)	Amount involved in the litigation (arbitration)	Whether the litigation (arbitration) leads to anticipated liabilities and the amount	Progress of litigation (arbitration)	Result and impact of the litigation (arbitration) trial	Enforcement of the litigation (arbitration) judgment
Jiangsu Kehang	Jiangsu Jiangnan Ecological Carbon Technology (Group) Co., Ltd. (formerly known as Jiangsu New Century Jiangnan Environmental Protection Co., Ltd., and hereinafter referred to as "Jiangnan Environmental Protection")	/	Disputes over infringement of technical secrets	On October 18, 2019, Jiangsu Kehang, a holding subsidiary of the Company, received a"Summons"and other legal documents from the Nanjing Intermediate People's Court (hereinafter referred to as"Nanjing Intermediate Court"), where Jiangnan Environmental Protection filed a lawsuit against Jiangsu Kehang, the Company and related parties for infringing on trade secrets. After the first-instance trial by the Nanjing Intermediate Court, appeals by the Company and related parties, and the second-instance trial by the Supreme People's Court, Jiangsu Kehang was ultimately ordered to immediately cease infringing on Jiangnan Environmental Protection's trade secrets and to compensate for the economic losses of RMB22.2852mn and the reasonable expenses of RMB1mn incurred to stop the infringement. Dissatisfied with the second-instance judgment made by the Supreme People's Court, both Jiangsu Kehang and Jiangnan Environmental Protection applied to the Supreme People's Court for a retrial.	9,600	/	In June 2024, Jiangsu Kehang received a *Notice of Acceptance* from the Supreme People's Court, which has filed the case for investigation.	During the retrial review, it is temporarily impossible to determine the impact of this matter.	In 2023, Jiangsu Kehang paid Jiangnan Environmental Protection RMB23.2852mn in accordance with the second-instance judgment.
Jiangnan Environmental Protection	Jiangsu Kehang, Keda (Anhui) Clean Energy, Keda Group, Liu Huaiping	/					In August 2024, the Company and its subsidiaries received a *Notice of Responding to Action* from the Supreme People's Court, which has registered the case for review.		
Jiangnan Environmental Protection	Jiangsu Kehang, Keda (Anhui) Clean Energy, Keda Group, Liu Huaiping	Co-respondent	Disputes over infringement of technical secrets	Following Jiangnan Environmental Protection's initiation and subsequent withdrawal of four lawsuits at the Nanjing Intermediate Court (see the 2023 Annual Report for details), in January 2024, the Company and its subsidiaries received legal documents such as the *Notice of Responding to Action* and the *Statement of Claim* as well as changes to Jiangnan Environmental Protection's litigation claims. Jiangnan Environmental Protection has once again filed a lawsuit with the Nanjing Intermediate Court over the previous four trade secret infringement incidents and altered its litigation claims. In July 2024, the Company and Keda (Anhui) Clean Energy respectively filed countersuits regarding the aforementioned cases, requesting Jiangnan Environmental Protection to bear the reasonable expenses and litigation costs incurred by the	11,874.05	1,832.75	From December 17 to December 18, 2024, the Company and its subsidiaries received the first-instance judgment from the Nanjing Intermediate Court for the four cases. The original judgment supported part of Jiangnan Environmental Protection's claims, ordering Jiangsu Kehang to compensate Jiangnan Environmental Protection for the economic losses and the reasonable expenses on stopping the	The first-instance judgment has not yet taken effect, the second-instance has completed its proceedings and has yet to deliver a verdict. The Company has provisioned for an estimated liability of RMB18.3275mn in 2024, affecting the net profit for the year 2024 by	/
Keda (Anhui) Clean Energy	Jiangnan Environmental Protection	/	Disputes over liability for damages in intellectual property litigation brought in bad faith		90.00	/			

KEDA (Anhui) Clean Energy	Jiangnan Environmental Protection	/		countersuit plaintiff in response to its malicious litigation.	80.00	/	infringement, totaling RMB17.9054mn. The countersuit judgment ordered Jiangnan Environmental Protection to compensate the Company and its subsidiaries for the reasonable expenses on the case, totaling RMB0.26mn. The other claims of the plaintiff and countersuit plaintiff were dismissed. In December 2024 and January 2025, Jiangsu Kehang and Jiangnan Environmental Protection respectively appealed the first-instance judgment and the countersuit to the Jiangsu Provincial Higher People's Court. The appeals have been accepted by the Jiangsu Provincial Higher People's Court. In the second trial, a verdict was not reached.	RMB18.3275mn.	

iii. Other notes:

□ Applicable √ Not applicable

X. Suspected Violations of Laws and Regulations by Listed Companies, Their Drectors, Supervisors, Senior Management, Controlling Shareholders and Actual Controllers, the Penalties Imposed on Them and the Rectifications They Have Made

□ Applicable √ Not applicable

XI. Integrity Status of the Company and Its Controlling Shareholders and Actual Controllers during the Reporting Period

□ Applicable √ Not applicable

XII. Significant Related-Party Transactions

i. Related-party transactions related to daily operations

1. Events that are disclosed in temporary announcements and with progress or changes in subsequent implementation

□ Applicable √ Not applicable

2. Events that are disclosed in temporary announcements and with progress or changes in subsequent implementation

√ Applicable □ Not applicable

On January 19, 2024 and May 8, 2024, the Company held the 27th meeting of the 8th Board of Directors and the 2023 Annual General Meeting, respectively, where the Proposal on *Daily Related-Party Transactions* of the Company and its Subsidiaries was reviewed and approved. Additionally, on August 20, 2024, the 2nd meeting of the 9th Board of Directors was held to review and approve the Proposal on Additional Expected Daily Related-Party Transactions of the Company and its Subsidiaries Subsidiaries. In 2024, the Company and its subsidiaries were approved to engage in related-party transactions with Guangzhou Sunda, Sunda Group and its subsidiaries, with an expected annual procurement of raw materials and goods totaling RMB 347.5617 million, sales of building materials and raw materials totaling RMB 830.0084 million, and acceptance of services provided by related parties totaling RMB 192.872 million; approved to sell mechanical equipment to subsidiaries of Hongyu Group and provide contract energy management services totaling RMB 74.55 million; approved to purchase lithium carbonate worth RMB 200 million from the Lanke Lithium Industry, and to purchase ink and colored glaze materials worth RMB 200 million from SinoCera Create-Tide, as well as ceramic accessories and others worth RMB 80 million from Foshan Ceramics Research Institute Group Co., Ltd. ("FCRI Group"). The aforementioned estimated amounts are the total tax-inclusive amounts expected to be contracted with the related parties, with actual delivery being the basis for some equipment and parts sales.

As at the end of this Reporting Period, based on the actual contracts signed by the Company and its subsidiaries with various related parties, using the contract amounts signed within the Reporting Period as the statistical caliber, the Company and its subsidiaries have signed contracts for the purchase of raw materials and goods worth RMB 304.7565 million, sales of building materials products and raw materials worth RMB 769.2133 million, and acceptance of services provided by related persons worth RMB 163.3096 million with Guangzhou Sunda, Sunda Group and its subsidiaries. The Company and its subsidiaries have signed contracts with Hongyu Group's subsidiaries for the sale of mechanical equipment and the provision of contract energy management services worth RMB 29.1681 million.

The subsidiaries have signed contracts with Lake Lithium Industry for the purchase of lithium carbonate worth RMB 46 million, with SinoCera Create-Tide for the purchase of ink and colored glaze materials worth RMB 143.0860 million, and with FCRI Group for the purchase of ceramic accessories and others worth RMB 57.5651 million. The actual transaction amounts recognized in the Reporting Period are detailed in the "Related-party transactions" under the "Related Parties and Related-Party Transactions" of "Section X Financial Report".

3. Matters that are not disclosed in temporary announcements

□ Applicable √ Not applicable

ii. Related-party transactions arising from the acquisition or sale of assets or equity

1. Matters disclosed in temporary announcements and having no progress or changes in subsequent implementation

□ Applicable √ Not applicable

2. Matters disclosed in temporary announcements and having progress or changes in subsequent implementation

√ Applicable □ Not applicable

(1) Subsidiaries' acquisition of trademarks

To further enhance the independence of Keda Group's building materials business and strengthen its core competitiveness, in November 2024, the Company agreed its subsidiary Guangdong Twyford International to designate its wholly-owned subsidiary Tilemaster to sign a *Framework Agreement on Transfer of Trademarks* with Sunda Group, stating that Sunda Group and its related parties shall transfer 182 trademarks related to the building materials business that have been registered or are being applied for globally (hereinafter referred to as the "Target Trademarks") to Tilemaster or its designated third party for RMB200 million (including tax), and that Tilemaster and its subsidiaries shall manage the trademarks and brands of the building materials business in unison with Guangdong Twyford International. In addition to the trademarks mentioned above, regarding the future arrangement of the "TWYFORD" trademark, Sunda Group and its related parties will, based on the strategic planning and operational progress of the building materials business, opportunistically transfer it to Tilemaster or its designated third party for free. A separate transfer agreement will be signed between the parties; prior to this, the "TWYFORD" trademark will still be licensed for use to Guangdong Twyford International and its related parties for free, in accordance with the prior agreement between the related parties of both sides. For detailed information, please refer to the *Announcement on the Subsidiaries' Acquisition of Trademarks and Related-Party Transactions* disclosed on November 13, 2024 by the Company.

During the Reporting Period, the subsidiary Tilemaster has signed a *Framework Agreement on Transfer of Trademarks* with Sunda Group and has completed the payment of RMB180 million, with the remaining transaction amount to be paid in an orderly manner according to the agreement. Currently, Guangdong Twyford International and Tilemaster jointly own the trademark rights, including the exclusive use right, license right, exclusive right, income right, disposal right, renewal right and the right to prohibit others from infringing on the Target Trademarks.

(2) Subsidiaries acquiring shares in the employee stock ownership platform of Anhui Keda Industrial and Fujian Keda New Energy

Considering the Company's strategic development planning, business segments' equity structure optimization and long-term employee incentives, the Company introduced employee stock ownership platforms for its subsidiaries Anhui Keda Industrial and Fujian Keda New Energy in 2021 and 2022, respectively. For details, please refer to the *Announcement on the Wholly-owned Subsidiaries' Capital Increase and Related-Party Transactions*, the *Announcement on the Subsidiaries' Equity Transfer and Related-Party Transactions* disclosed by the Company on June 9, 2021, January 20, 2022 and April 30, 2022. In the first half of 2024, considering the adjustment of business segment management, changes in related personnel positions, and future talent incentive needs, the Company agreed for its subsidiary, Anhui Keda Investment, to acquire shares held by Yang Xuexian, Zhang Zhonghua, and Li Yuejin through the employee stock ownership platform with its own funds. The acquisition concerns a total of 2.23% shares in Anhui Keda Industrial and 3.10% shares in Fujian Keda New Energy, with transaction amounted to RMB 6,026.2 thousand and RMB 18,682.7 thousand, respectively. For details, please refer to the *Announcement on the Subsidiaries' Acquisition of Partnership Property Shares and Related-Party Transactions* disclosed by the Company on March 26, 2024 and April 27, 2024.

During the Reporting Period, the payment for the acquired equity from the above related -party transactions have all been made, and the registration for the related industrial and commercial changes has also been completed.

(3) Subsidiaries' acquisition of shares in Guangdong Keda Hydraulic Employee Stock Ownership Platform

To optimize the equity structure of the subsidiary Guangdong Keda Hydraulic and promote the joint growth and development of employees and the Company, in 2021, the Company introduced an employee stock ownership platform for the subsidiary Guangdong Keda Hydraulic, acquiring 46.31% of its equity at that time. For more details, please refer to the *Announcement on the Subsidiaries' Equity Transfer and Related-Party Transactions* disclosed by the Company on June 30, 2021. On August 1, 2024, Zhang Zhonghua stepped down from his position as a director of Keda Group. To maintain the effectiveness of the employee incentive strategy while considering future talent incentive needs, in October 2024, the Company agreed for that its subsidiary, Anhui Keda Investment, to acquire the 0.79% equity of Guangdong Keda Hydraulic, held by Zhang Zhonghua through the employee stock ownership platform. The transaction amounted to RMB914.4 thousand. For more details, please refer to the *Announcement on the Subsidiaries' Acquisition of Partnership Property Shares and Related-Party Transactions* disclosed by the Company on October 30, 2024.

During the Reporting Period, the payment for the acquired equity from the above related -party transactions have all been made, and the registration for the related industrial and commercial changes has also been completed.

3. Events that are not disclosed in temporary announcements

□ Applicable √ Not applicable

4. Performance results during the Reporting Period shall be disclosed in case of any performance commitments

□ Applicable √ Not applicable

iii. Significant related-party transactions of joint foreign investments

1. Events that are disclosed in temporary announcements and with no progress or changes in subsequent implementation

□ Applicable √ Not applicable

2. Events that are disclosed in temporary announcements and with progress or changes in subsequent implementation

√ Applicable □ Not applicable

To support the "Ten-Billion from Building Materials" goal, enhance the enthusiasm and stability of the business management team, and establish a long-term incentive and restraint mechanism, in the first half of 2024, the Company agreed that key management and core employees of related subsidiaries in the building materials business segment would jointly invest to establish an employee stock ownership platform. Through this platform, they subscribed for RMB 2.6316 million of newly increased registered capital of Guangdong Twyford International with RMB 54.2895 million, which corresponds to a 5% equity stake after the capital increase, with a contribution of RMB 10.8579 million from director Li Yuejin and a combined contribution of RMB 43.4316 million from other partners.

During the Reporting Period, Guangdong Twyford International completed its registration procedures of the industrial and commercial change for this capital increase, with the registered capital increasing from RMB50 million to RMB52,631.6 thousand. Among them, the newly established employee stock ownership platforms, Gongqingcheng Fujin Investment Partnership Enterprise (Limited Partnership) and Gongqingcheng Fuhao Investment Partnership Enterprise (Limited Partnership), together subscribed for a registered capital of RMB2,631.6 thousand, or a shareholding ratio of 5.00%. After the capital increase, Guangdong Twyford International remains the holding subsidiary of the Company, not affecting the scope of the consolidated financial statements. For details, please refer to the *Announcement on the Holding Subsidiaries' Capital Increase and Related-Party Transactions* and the *Progress Announcement on the Holding Subsidiaries' Capital Increase and Related-Party Transactions* disclosed by the Company on April 27, 2024 and September 14, 2024.

During the Reporting Period, due to some personnel adjustments, Mr. Li Yuejin acquired the equity of Guangdong Twyford International held by other partners through the employee stock ownership platform, ultimately indirectly holding 1.5% equity in Guangdong Twyford International. Meanwhile, to strengthen performance assessment constraints and improve exit mechanisms, the assessment criteria and exit methods for the aforementioned employee stock ownership platform were optimized during the Reporting Period. The original performance assessment period was extended to the service period, with the right to adjust the property share held by relevant personnel in the partnership based on the annual performance assessments. If relevant personnel exit the project due to "benign", "non-benign" or "other circumstances (including performance assessment)", the subsidiary Guangdong Twyford International will use the "original subscription price" as the basis for withdrawal, and refer to the relevant ratio of net assets per share in its audited financial report at the end of the latest fiscal year (proportion positively related to years of service), fixed annual interest rate and other methods in different cases.

3. Events that are not disclosed in temporary announcements

□ Applicable √ Not applicable

iv. Related party receivables and payables

1. Events that are disclosed in temporary announcements and with no progress or changes in subsequent implementation

□ Applicable √ Not applicable

2. Events that are disclosed in temporary announcements and with progress or changes in subsequent implementation

□ Applicable √ Not applicable

3. Events that are not disclosed in temporary announcements

□ Applicable √ Not applicable

v. The financial businesses between the Company and the related financial company, the Company's holding financial company and the related party

□ Applicable √ Not applicable

vi. Others

□ Applicable √ Not applicable

XIII. Major contracts and their performance

i. Trusteeship, contracting and leasing matters

1. Trusteeship

□ Applicable √ Not applicable

2. Contracting

□ Applicable √ Not applicable

3. Leasing

□ Applicable √ Not applicable

ii. Guarantee

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

External guarantees provided by the Company (excluding guarantees provided for its subsidiaries)														
Guarantor	Relationship between the guarantor and the listed company	Guaranteed party	Amount of guarantee	Date of guarantee (date of agreement signing)	Guarantee Start date	Guarantee Maturity date	Guarantee type	Collateral (if any)	Guarantee completely fulfilled or not	Guarantee overdue or not	Overdue guarantee amount	Counter-guarantee	A related party guarantee or not	Related party
None														
Total guarantee incurred during the Reporting Period (excluding guarantee for its subsidiaries)														
Total balance of guarantee as at the end of the Reporting Period (A) (excluding guarantee for its subsidiaries)														
Guarantees for subsidiaries granted by the Company and its subsidiaries														
Total guarantee for the subsidiaries incurred during the Reporting Period														238,462.14
Total balance of guarantee for the subsidiaries as at the end of the Reporting Period (B)														373,142.22
Total amount of the Company's guarantee (including guarantee for its subsidiaries)														
Total guarantees amount (A+B)														373,142.22
Proportion of total guarantee to the Company's net assets (%)														32.51
Including:														
Guarantee amount provided for shareholders, de facto controllers and their related parties (C)														
Amount of guarantees on debts directly or indirectly provided for guaranteed parties with gearing ratio over 70% (D)														286,288.64
Portion of the total amount of guarantees in excess of 50% of net assets (E)														
Total guarantee amounts of the three items mentioned-above (C+D+E)														286,288.64
Description of possible several and joint liability for undue guarantee														
Description of guarantees														

iii. Cash asset management entrusted to others

1. Entrusted financing

(1) Overall situation of entrusted financing

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Type	Amount incurred	Amount	Outstanding balance	Amounts overdue for recovery
Bank financial products	Self-owned fund	94,500.00	52,500.00	
Brokerage financial products	Self-owned fund	18,094.20	18,094.20	

Other information

□ Applicable √ Not applicable

(2) Individually entrusted wealth management

□ Applicable √ Not applicable

Other information

□ Applicable √ Not applicable

(3) Provision for impairment of entrusted wealth management

□ Applicable √ Not applicable

2. Entrusted loan

(1) Overview of entrusted loans

□ Applicable √ Not applicable

Other information

□ Applicable √ Not applicable

(2) Individually entrusted loan

□ Applicable √ Not applicable

Other information

□ Applicable √ Not applicable

(3) Provision for impairment of entrusted loans

□ Applicable √ Not applicable

3. Other information

□ Applicable √ Not applicable

iv. Other significant contracts

□ Applicable √ Not applicable

XIV. Use Progress of Raised Funds

√ Applicable □ Not applicable

i. Overall use of raised funds

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Source of raised funds	Time of receipt of raised funds	Total amount of raised funds	Net amount of raised funds (1)	Total amount of raised funds committed to invest in the prospectus or offering memorandum (2)	Total amount of over-raised funds (3) = (1) - (2)	Cumulative amount of raised funds invested by the end of the Reporting Period (4)	Including: cumulative amount of over-raised funds invested by the end of the Reporting Period (5)	Progress of cumulative investment of raised funds by the end of the Reporting Period (%) (6) = (4)/(1)	Progress of cumulative investment of over-raised funds by the end of the Reporting Period (%) (7) = (5)/(3)	Amount invested in the current year (8)	Percentage of the current year's investment amount (%) (9) = (8)/(1)	Total amount of raised funds with changed purpose
Others	July 29, 2022	116,773.91	114,021.03	114,021.03	0	116,593.89	0	102.26	0	9,092.13	7.97	0
Total	/	116,773.91	114,021.03	114,021.03	/	116,593.89	/	/	/	9,092.13	/	0

Note:

1. "Others" under ""Source of raised fund" specifically refers to the issuance of Global Depositary Receipts on the SIX Swiss Exchange.

2. The difference between the cumulative amount of funds raised and the total amount of raised funds committed to invest by the end of the Reporting Period is due to the interest and exchange gains on the raised funds.

Other notes:

□ Applicable √ Not applicable

ii. Details of raised funds

√ Applicable □ Not applicable

1. Detailed utilization of raised funds

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Source of raised funds	Project name	Project nature	Whether it is a committed investment in the prospectus or offering memorandum	Whether it involves a change in investment direction	Total planned investment in raised funds (1)	Amount invested this year	Cumulative amount of raised funds invested by the end of the Reporting Period (2)	Cumulative investment progress by the end of the Reporting Period (%) (3)＝(2)/(1)	Scheduled date for the project to reach its intended usable state	Whether the project has been completed	Whether the investment progress is in line with the planned schedule	Specific reasons for not meeting the planned schedule	Benefits realized this year	Benefits or R&D achievements realized by the project	Significant changes in project feasibility, if any, please specify	Surplus funds
Others	Building new machinery production lines, improving the technical level of existing production lines, expanding the production capacity of the company's core products to meet domestic and international market demand (35%)	Production and construction	Yes	No	39,907.36	3,414.91	39,521.81	99.03	Not applicable	Yes	Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Others	For investment in technology research and development and quality control to enhance the company's core competitiveness and support the Group's expected revenue growth (10%)	R&D	Yes	No	11,402.10	2,332.64	11,614.64	101.86	Not applicable	Yes	Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Others	Building and upgrading production capacity at overseas bases, improving services for overseas customers and exploring strategic acquisitions opportunities for high-quality peer targets (30%)	Production and construction	Yes	No	34,206.31	487.81	34,206.31	100.00	Not applicable	Yes	Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Others	Supplementing working capital and other general corporate purposes (25%)	Loan repayment and supplement of working capital	Yes	No	28,505.26	340.00	28,734.36	100.80	Not applicable	Yes	Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Others	Surplus raised funds to supplement liquidity	Others	Not applicable	Not applicable	Not applicable	2,516.77	2,516.77	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total	/	/	/	/	114,021.03	9,092.13	116,593.89	102.26	/	/	/	/		/	/	/

Note:

1.The difference between the cumulative investment of raised funds and the planned total investment by the end of the Reporting Period is due to the interest and exchange gains from the raised funds.

2.The above two production and construction projects funded by raised funds are invested in combination with proprietary funds, and the economic benefits generated by the raised funds are not calculated separately; The above R&D projects funded by raised funds do not directly generate economic benefits but have a potential significant impact on the overall economic performance of the Company. The fund-raising projects with the nature of liquidity replenishment and loan repayment are related to the Company's operating activities, and the benefits from them cannot be accounted for separately.

3.During the Reporting Period, the capital construction of the Company's fund-raising projects has been completed and reached the intended usable state. The Company's surplus funds (including interest income and unpaid project balance) totaled RMB 25.1677 million accounting for 2.21% of the net amount of raised funds. According to the *Stock Listing Rules of Shanghai Stock Exchange* and the *Guidelines for Self-regulation of Listed Companies of the Shanghai Stock Exchange No. 1 - Standardized Operation* and other relevant regulations, considering that a small number of unpaid projects have a long period of final payment, in order to maximize the efficiency and improve the efficiency of raised funds to receive more business benefits, the Company held a meeting of the General Manager Office to review and approve the *Proposal on Closing the Company's Fund-raising Investment Projects, Supplementing Working Capital with Surplus Raised Funds, and Canceling the Special Account of Raised Funds*, agreeing to close the Company's fund-raising investment projects, use the surplus raised funds of RMB 25.1677 million to supplement the Company's working capital, and to cancel the corresponding special account of raised funds. During the Reporting Period, the Company's special account for raised funds has been canceled. For details, please refer to the *Special Report on the Deposit and Actual Use of Raised Funds in 2024* disclosed by the Company on the website of Shanghai Stock Exchange on March 27, 2025.

4.If there is any difference between some totals in this table and the sum of all additions, it is due to rounding.

2. Use of over-raised funds

□ Applicable √ Not applicable

iii. Changes or termination of fundraising during the Reporting Period

□ Applicable √ Not applicable

iv. Other information on the use of raised funds during the Reporting Period

1. Initial investment in and replacement of the funds-raising projects

□ Applicable √ Not applicable

2. Temporary supplementation of working capital with idle raised funds

□ Applicable √ Not applicable

3. Cash management with idle raised funds to invest in related products

□ Applicable √ Not applicable

4. Others

√ Applicable □ Not applicable

ZHONGXI CPAs SPECIAL GENERAL PARTNERSHIP has issued an assurance report on the deposit and use of Company's funds raised in 2024, expressing the following conclusive opinion: Upon review, ZHONGXI CPAs SPECIAL GENERAL PARTNERSHIP believes that the *Special Report on the Deposit and Use of the Fund raised in 2024* prepared by Keda Group's Board of Directors complies with the *Regulatory Guidelines for Listed Companies No. 2 – Regulatory Requirements for the Management and Use of Funds Raised by Listed Companies*, the *Guidelines of Regulatory Rules Application - Overseas Offering and Listing No. 6: Guidelines for Domestic Listed Companies on Issuing Global Depository Receipts Overseas*, and the *Guidelines of Shanghai Stock Exchange for the Application of Self-Regulation Rules for Listed Companies No. 1 – Regulated Operation of Listed Companies*, and in all significant respects, truthfully reflects the actual use of raised funds by Keda Group in 2024.

XV. Other significant matters having major impact on investors' value judgments and investment decisions

√ Applicable □ Not applicable

On December 7, 2022, the Company held the 18th meeting of the 8th Board of Directors and the 16th meeting of the 8th Board of Supervisors, deliberating and approving the *Proposal on Making Foreign Investments and Participating in the Establishment of Investment Funds*, agreeing the Company and its holding subsidiary Jiangsu Weilili to sign the *Partnership Agreement on Jiaxing Keda Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership)* and contributing RMB1.3 billion to subscribe for 99.99% of the Salt Lake Industrial Fund. On December 21, 2022 and January 17, 2023, the Salt Lake Industry Equity completed its business registration and the filing procedures with the

Asset Management Association of China, respectively; in early February 2023, the Salt Lake Industry Equity Fund completed fundraising of RMB1,300.13 million.

During operation, the Salt Lake Industry Equity made equity investments in Qinghai Salt Lake Industry Co., Ltd. (hereinafter referred to as "Salt Lake Industry") through the securities market. Due to the impact of global macroeconomic fluctuations, securities market volatility and industry cycle changes, to ensure the maximum protection of the partners' rights and interests, the Investment Committee of the Salt Lake Industry Equity decided to exit exited its investment in Salt Lake Industry.

Furthermore, to effectively control the risks of foreign investment and recover funds to improve the efficiency of fund utilization, the Company's 9th Board of Directors and the Salt Lake Industry Equity partners' meeting made resolutions on October 29, 2024, agreeing to terminate the operation of the Salt Lake Industry Equity ahead of schedule. Ultimately, Keda Group and Jiangsu Weilili received a total distribution of RMB737.75 million of the remaining fund property. According to the *Registration Notification* issued by the Administrative Examination and Approval Bureau of Nanhu District, Jiaxing, the Salt Lake Industry Equity completed its business deregistration on February 19, 2025.

For details, please refer to the *Announcement on Making Foreign Investments and Participating in the Establishment of Investment Funds*, the *Announcement on the Completion of Registration of the Investment Funds Partially-contributed by the Company*, the *Progress Announcement on the Foreign Investments with the Investment Funds Partially-contributed by the Company*, the *Progress Announcement on the Investment Funds Partially-contributed by the Company*, and the *Announcement on the Completion of De-registration of the Investment Funds Partially-contributed by the Company* disclosed on the Shanghai Stock Exchange website (www.sse.com.cn) on December 8, 2022, January 19, 2023, February 18, 2023, October 30, 2024, and February 21, 2025.

Section VII Changes in Shares and Shareholders

I. Changes in Share Capital

i. Table of changes in shares

1. Table of changes in shares

Unit: Share

	Before the change		Increase/decrease in this change (+, -)					After the change	
	Quantity	Ratio (%)	Issuance of new shares	Bonus shares	Capital reserve to shares	Others	Subtotal	Quantity	Ratio (%)
I. Shares with selling restrictions	0	0						0	0
1. State-owned shares									
2. Shares held by domestic legal persons									
3. Other domestically owned shares									
Including: shares held by domestic non-state-owned legal persons									
Domestic individual shares									
4. Shares owned by foreign investors									
Including: shares held by foreign legal persons									
Shares held by foreign individuals									
II. Outstanding shares without selling restrictions	1,948,419,929	100				-30,563,538	-30,563,538	1,917,856,391	100
1. RMB ordinary shares	1,948,419,929	100				-30,563,538	-30,563,538	1,917,856,391	100
2. Domestically listed foreign shares									
3.Foreign listed foreign shares									
4. Others									
III. Total number of shares	1,948,419,929	100				-30,563,538	-30,563,538	1,917,856,391	100

2. Explanation about the changes in shares

√ Applicable □ Not applicable

The Company convened the 29th meeting of the 8th Board of Directors and the 25th meeting of the 8th Board of Supervisors on April 26, 2024, and held the annual 2023 General Meeting on May 8, 2024. The *Proposal in relation to Change of Use and Cancellation of Part of Repurchased Shares* was approved, agreeing to change the use of the previously repurchased 30,563,538 shares from "for implementing employee stock ownership plans and/or equity incentives" to "for canceling and corresponding reducing registered capital'. On May 14, 2024, the Company canceled the aforementioned 30,563,538 repurchased shares at the Shanghai branch of China Securities Depository and Clearing Corporation Limited, reducing the total number of shares from 1,948,419,929 to 1,917,856,391.For details, please refer to

the Announcement in Relation to Change of Use and Cancellation of Part of Repurchased Shares (Announcement No. 2024-030), the Announcement of Poll Results of 2023 Annual General Meeting (Announcement No.2024-034), and the Announcement on the Cancellation of Some Repurchased Shares and Share Changes (Announcement No.2024-037) disclosed on the Shanghai Stock Exchange website (www.sse.com.cn) on April 27, 2024, May 9, 2024 and May 14, 2024.

3. Impact of the share change on financial indicators such as earnings per share and net assets per share for the most recent year and period (if any)

□ Applicable √ Not applicable

4. Other content that the Company deems necessary or is required to be disclosed by securities regulators.

□ Applicable √ Not applicable

ii. Changes in restricted shares

□ Applicable √ Not applicable

II. Securities Issuance and Listing

i. Securities issuance as of the Reporting Period

□ Applicable √ Not applicable

Securities issuance within the Reporting Period (for bonds with different interest rates during the term, please explain separately):

□ Applicable √ Not applicable

ii. Changes in the Company's total number of shares, shareholder structure, and in the Company's asset and liability structure

√ Applicable □ Not applicable

During the Reporting Period, the Company completed the cancellation of 30,563,538 repurchased shares, reducing the total number of shares from 1,948,419,929 to 1,917,856,391. Details on changes in shareholder structure can be found in this section "I. Changes in Share Capital i. Table of changes in shares 1. Table of changes in shares and 2. Explanation about the changes in shares". The Company's debt-to-asset ratio had no significant change.

iii. Current internal employee shares

□ Applicable √ Not applicable

III. Shareholders and Actual Controllers

i. Total number of shareholders

Total number of ordinary shareholders as at the end of the Reporting Period	75,958
Total number of ordinary shareholders at the end of the month prior to the annual report disclosure date	73,099
Total number of preferred shareholders with voting rights restored as at the end of the Reporting Period	0
Total number of preferred shareholders with voting rights restored at the end of the month prior to the annual report disclosure date	0

ii.Table of the Top 10 shareholders and Top 10 outstanding shareholders (or unrestricted shareholders) as at the end of the Reporting Period

Unit: Share

Shareholding information about the Top 10 shareholders (excluding shares lent via securities lending)							
Shareholder name (Full name)	Change during the Reporting Period	End-of-period shareholding	Ratio (%)	Number of restricted shares held	Pledged, marked, or freezing shares		Nature of shareholder
					Status of shares	Quantity	
Liang Tongcan	-	374,456,779	19.52	0	Pledged	238,511,000	Domestic natural person
Guangdong Lesso Technology Industrial Co., Ltd.	17,000,000	153,600,077	8.01	0	None	0	Domestic non-state-owned legal person
Lu Qin	-	125,983,334	6.57	0	None	0	Domestic natural person
Hong Kong Securities Clearing Company Ltd.	48,761,304	79,419,640	4.14	0	None	0	Foreign legal entity
Guangdong Hongyu Group Co., Ltd.	64,341,152	64,341,152	3.35	0	Pledged	64,341,152	Domestic non-state-owned legal entity
Foshan New Pearl Enterprise Group Co., Ltd.	1,000,000	52,994,111	2.76	0	Pledged	27,000,000	Domestic non-state-owned legal entity
Guan Qi	49,349,799	49,349,799	2.57	0	None	0	Domestic natural person
Bian Cheng	-49,349,799	49,349,799	2.57	0	None	0	Domestic natural person
Xie Yuezeng	-109,289	42,286,000	2.20	0	None	0	Domestic natural person
Shi Liyun	-9,084,700	31,086,400	1.62	0	None	0	Domestic natural person

Shareholding information about the Top 10 unrestricted shareholders (excluding shares lent via securities lending)			
Shareholder name	Number of unrestricted shares held	Share types and quantities	
		Type	Quantity
Liang Tongcan	374,456,779	RMB ordinary shares	374,456,779
Guangdong Lesso Technology Industrial Co., Ltd.	153,600,077	RMB ordinary shares	153,600,077
Lu Qin	125,983,334	RMB ordinary shares	125,983,334
Hong Kong Securities Clearing Company Ltd.	79,419,640	RMB ordinary shares	79,419,640
Guangdong Hongyu Group Co., Ltd.	64,341,152	RMB ordinary shares	64,341,152

Foshan New Pearl Enterprise Group Co., Ltd.	52,994,111	RMB ordinary shares	52,994,111
Guan Qi	49,349,799	RMB ordinary shares	49,349,799
Bian Cheng	49,349,799	RMB ordinary shares	49,349,799
Xie Yuezeng	42,286,000	RMB ordinary shares	42,286,000
Shi Liyun	31,086,400	RMB ordinary shares	31,086,400
Information about the Top 10 shareholders' special securities accounts for repurchase	During the Reporting Period, the Company canceled 30,563,538 repurchased shares and added 29,999,958 new repurchased shares. As of the end of the period, the Company's special securities account for repurchase held a total of 59,999,862 shares, accounting for 3.13% of the total share capital.		
Proxy voting rights, entrusted voting rights, waived voting rights of the said shareholders	Ms. Guan Qi irrevocably entrusted Mr. Bian Cheng with the voting rights, nomination rights, and proposal rights corresponding to 49,349,799 shares, including those arising from the Company's bonus shares, capital reserve to increase share capital and voluntary additional shareholding. For specific details, please refer to the Notice on Changes in Shareholders' Equity disclosed by the Company on September 19, 2024.		
Relationship or concerted actions among the said shareholders	Among the aforementioned shareholders, Liang Tongcan is the actual controller of Guangdong Hongyu Group Co., Ltd., and both parties act in concert. Guan Qi has entrusted the exercise of voting rights, nomination rights and proposal rights corresponding to her shareholdings to Bian Cheng, and both parties act in concert; Guangdong Lesso Technology Industrial Co., Ltd., Lu Qin, Foshan New Pearl Enterprise Group Co., Ltd. and Xie Yuezeng do not have any affiliation or act in concert. It is unknown whether other shareholders have affiliations or act in concert.		
Preferred shareholders having restored voting rights and their shareholdings	None		

Note: As of the close of the SIX Swiss Exchange on As at December 31 2024, the number of the Company's GDRs (Global Depositary Receipts) outstanding was 3,049,103, which represents 25.41% of the actual number of GDRs issued.

Participation of shareholders holding more than 5% of the shares, Top 10 shareholders and Top10 unrestricted shareholders in securities lending

√ Applicable □ Not applicable

Unit: Share

Participation of shareholders holding more than 5% of the shares, Top 10 shareholders and Top 10 unrestricted shareholders in securities lending								
Full name of shareholder	Shares held in ordinary and credit accounts at the beginning of the period		Shares lent and not yet returned at the beginning of the period		Shares held in ordinary and credit accounts at the end of the period		Shares lent and not yet returned at the end of the period	
	Total quantity	Ratio (%)	Total quantity	Ratio (%)	Total quantity	Ratio (%)	Total quantity	Ratio (%)
Foshan New Pearl Enterprise Group Co., Ltd.	51,994,111	2.67	1,000,000	0.05	52,994,111	2.76	0	0

Note: The shareholding ratio at the beginning of the period is calculated based on the total share capital of 1,948,419,929 shares of the Company as at January 1, 2024, and shareholding ratio at the end of the period is based on the total share capital of 1,917,856,391 shares of the Company as at December 31, 2024.

Changes from last period due to the securities lending/non-recovery by Top 10 shareholders and Top 10 unrestricted outstanding shareholders

□ Applicable √ Not applicable

Top 10 restricted shareholders' share quantity and the specific restrictions

□ Applicable √ Not applicable

iii.Strategic investors or general legal persons become Top 10 shareholders as a result of placing of new shares

□ Applicable √ Not applicable

IV. Controlling Shareholder and Actual Controller

i. Controlling shareholder

1. Legal person

□ Applicable √ Not applicable

2. Natural person

□ Applicable √ Not applicable

3. Special statement on no controlling shareholder in the Company

√ Applicable □ Not applicable

As at December 31, 2024, the shareholders holding more than 5% of the Company's shares were Liang Tongcan and his person acting in concert Guangdong Hongyu Group Co., Ltd., Guangdong Lesso Technology Industrial Co., Ltd., Lu Qin, Bian Cheng and his person acting in concert Guan Qi. Among them, Liang Tongcan and his person acting in concert held 22.88% of the Company's shares in total, making them the largest shareholder; Guangdong Lesso Technology Industrial Co., Ltd. held 8.01% of the Company's shares, Lu Qin held 6.57% of the Company's shares, and Bian Cheng and his persons acting in concert together hold 5.15% of the Company's shares.There were no shareholders of the Company holding more than 50% of the shares or having more than 30% of the voting rights of the listed company; the shares held by any shareholder of the Company were not enough to have a decisive influence on the resolution of the shareholders' meeting of the Company, while the Company did not have a shareholder controlling more than half of the Board of Directors and any other person actually controlling the Company's behavior Therefore, the Company has no controlling shareholder or actual controller.

4. Changes in controlling shareholder during the Reporting Period

□ Applicable √ Not applicable

5. Diagram of the property right and control relationship between the Company and the controlling shareholder

□ Applicable √ Not applicable

ii.Actual controller

1. Legal person

□ Applicable √ Not applicable

2. Natural person

□ Applicable √ Not applicable

3. Special statement on no actual controller in the Company

√ Applicable □ Not applicable

As at December 31, 2024, the shareholders holding more than 5% of the Company's shares were Liang Tongcan and his person acting in concert Guangdong Hongyu Group Co., Ltd., Guangdong Lesso Technology Industrial Co., Ltd., Lu Qin, Bian Cheng and his person acting in concert Guan Qi. Among them, Liang Tongcan and his person acting in concert held 22.88% of the Company's shares in total, making them the largest shareholder; Guangdong Lesso Technology Industrial Co., Ltd. held 8.01% of the Company's shares, Mr. Lu Qin held 6.57%, and Mr. Bian Cheng and his person acting in concert collectively held 5.15%. There is no affiliation or concerted action between Guangdong Lesso Technology Industrial Co., Ltd. and Mr. Lu Qin. There were no shareholders of the Company holding more than 50% of the shares or having more than 30% of the voting rights of the listed company; the shares held by any shareholder of the Company were not enough to have a decisive influence on the resolution of the shareholders' meeting of the Company, The members of the Board of Directors of the Company are nominated by the shareholders or the Board of Directors and elected by the shareholders at the general meeting. Mr. Liang Tongcan nominated two directors, Chen Xuwei and Deng Haoxuan, while Guangdong Lesso Technology Industrial Co., Ltd. nominated one director, Zuo Manlun. The remaining directors were nominated by the Board of Directors. The Company did not have a shareholder controlling more than half of the Board of Directors and any other person actually controlling the Company's behavior. Therefore, the Company has no controlling shareholder or actual controller.

4. Changes in the Company's control right during the Reporting Period

□ Applicable √ Not applicable

5. Diagram of the property right and control relationship between the Company and the actual controller

□ Applicable √ Not applicable

6. The actual controller controls the Company through trusts or other asset management methods

□ Applicable √ Not applicable

iii. Other information about the controlling shareholder and actual controller

□ Applicable √ Not applicable

V. The Cumulative Number of Pledged Shares by the Company's Controlling Shareholder or Largest Shareholder and Their Concerted Action Entities Accounts for More Than 80% of the Total Number of Shares They Hold in the Company

□ Applicable √ Not applicable

VI. Other Corporate Shareholders Holding More Than 10% of the Shares

√ Applicable □ Not applicable

Unit: RMB (yuan)

Name of shareholder as legal person	Head or legal representative	Date of establishment	Organization code	Registered capital	Principal business or operations
Guangdong Hongyu Group Co., Ltd.	Liang Tongcan	June 23, 1997	914406002319308891	RMB1 billion	A large modern enterprise group with synergistic development in ceramic manufacturing, real estate development, cultural and creative tourism, and investment holdings.
Description	Liang Tongcan is the actual controller of Guangdong Hongyu Group Co., Ltd.They are the parties act in concert, jointly holding 22.88% of the Company's shares, making them the largest shareholder.				

VII. Shareholding Restriction on Reduction

√ Applicable □ Not applicable

Mr. Bian Cheng, due to the dissolution of marriage, has divided his 49,349,799 shares in the Company to Ms. Guan Qi. Both Mr. Bian Cheng and Ms. Guan Qi have undertaken not to reduce their holdings of the Company's shares (including shares arising from the capitalization of the Company's capital reserve, distribution of share dividends, share allotment and issuance of additional shares during the Commitment Period) in any manner within 12 months from the date of completion of the non-trading transfer of the aforesaid 49,349,799 shares (inclusive of the date of completion of the non-transaction transfer, hereinafter referred to as the "Commitment Period"). The non-trading transfer registration procedures were completed on September 30, 2024. For details, please refer to the *Prompt Announcement on Changes in Shareholders' Equity* and the *Announcement on the Completion of Shareholders' Equity Change Registration* disclosed by the Company on September 19, 2024 and October 8, 2024, respectively.

VIII. Specific Implementation of Share Repurchase during the Reporting Period

√ Applicable □ Not applicable

Unit: RMB (yuan)

Name of share repurchase proposal	Proposal of Keda Industrial Group Co. Ltd. on Repurchase of A Shares of the Company by means of Centralized Bidding
Disclosure date of the share repurchase proposal	October 30, 2024
Number of shares to be repurchased and proportion to the total share capital (%)	The number of shares to be repurchased is not less than 20 million and not more than 30 million, accounting for 1.04% and 1.56% of the Company's current total share capital, respectively.
Proposed repurchase amount	Based on a minimum of 20 million shares for the repurchase and a maximum price of RMB10 per share, the total repurchase funds are estimated to be RMB200 million. Based on a maximum of 30 million shares for the repurchase and a maximum price of RMB10 per share, the total repurchase funds are estimated to be approximately RMB300 million.
Proposed repurchase period	12 months from the date the Company's Board of Directors approves the repurchase proposals, i.e., from October 30, 2024, to October 29, 2025.
Purpose of repurchase	Employee stock ownership plan and/or equity incentive
Number of shares repurchased	29,999,958 shares
Proportion of the repurchase shares in the target shares involved to the equity incentive plan (if any)	Not applicable
Progress of share reduction or repurchase through the centralized bidding	Not applicable

Section VIII. Relevant Information About Preferred Shares

□ Applicable √ Not applicable

Section IX. Relevant Information About Bonds

I. Corporate bonds (including corporate debentures) and non-financial corporate debt financing instruments

□ Applicable √ Not applicable

II. Convertible corporate bonds

□ Applicable √ Not applicable

Section X Financial Report

I. Auditor's Report

√Applicable □Not applicable

Audit Report

Z.X.C.S. No. 2025S00755

To all shareholders of Keda Industrial Group Co. Ltd.:

I. Audit Opinions

We have audited the financial statements of Keda Industrial Group Co. Ltd. (hereinafter referred to as "Keda Group"), which comprise the consolidated balance sheet and the parent company's balance sheets as of 31 December 2024, the consolidated income statement and the parent company's income statement, the consolidated cash flow statement and the parent company's cash flow statement and the consolidated statement of changes in owner's equity and the parent company's statement of changes in owner's equity for the year 2024 and relevant notes to the financial statements.

We believe that all the financial statements attached are prepared in accordance with the accounting standards for business enterprises in all material respects, and can fairly reflect Keda Group's consolidated financial position and the parent company's financial position as at 31 December 2024 as well as Keda Group's consolidated operating results and cash flows and the parent company's operating results and cash flows for the year 2024.

II. Basis for the Audit Opinions

We conducted the audit in line with the Auditing Standards for Chinese Certified Public Accountants. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of the auditor's report. We are independent of the Keda Group in accordance with the China Code of Ethics for Certified Public Accountants and have fulfilled our other responsibilities in terms of professional ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

III. Key Audit Matters

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

i. Recognition of revenue from building materials machinery equipment and revenue from building materials

1. Description of the matter

In 2024, Keda Group recorded revenue of RMB5,605,434.7 thousand from building material machinery equipment and RMB4,714,756.4 thousand from building materials (see Notes III. 30 andV. 48 to the financial statements), accounting for 44.49% and 37.42% of the total operating revenue, respectively, which were the main components of Keda Group's revenue. Revenue from building materials machinery equipment increased by 25.20%; and revenue from building materials increased by 28.99% as compared with the previous year. As revenue from building materials machinery equipment and building materials has a significant impact on the financial statements and is one of Keda Group's key performance indicators, there is an inherent risk that the management will manipulate the time point of revenue recognition in order to achieve specific goals or expectations. For this reason, we confirm that the recognition of revenue from building materials machinery equipment and building materials is a key audit matter.

2. Audit response

Our audit procedures for revenue recognition mainly include:

(1) We understood and evaluated the effectiveness of the management's design of key internal controls related to operating revenue recognition and tested the effectiveness of the implementation of key controls.

(2) We identified sales contracts, learned the Company's sales model, major contract terms and settlement methods through sample inspection of sales contracts and interviews with the management, identified and analyzed contract terms and conditions related to the transfer of control of merchandise in accordance with the new revenue standard, and evaluated whether the Company's point of revenue recognition is in compliance with the provisions of the Accounting Standards for Business Enterprises ("ASBEs").

(3) We performed analytical review audit procedures on operating revenue to analyze increase or decrease in revenue and changes in gross margins, and determine the reasonableness of the changes.

(4) We implemented the test on the revenue details, selecting samples from the accounting records of sales revenue and outgoing records, and checking the sales contracts, delivery notes, transportation and acceptance documents, etc. related to the samples to determine whether the revenue is real and complete. For the export business, we obtained the customs declaration, packing list, bill of lading and data for foreign exchange receivables settlement, and checked them against the application for tax exemption, deduction and return in the tax system to confirm the realisation of the revenue.

(5) We performed cut-off tests by selecting samples of revenue transactions recorded around the balance sheet date and checked that the revenue is recorded in the correct period by examining sales contracts, delivery notes, signature records for receipt, acceptance slips and bank fund flows.

(6) We selected a sample of customers to confirm the sales in the current year, and performed alternative auditing procedures for items with no reply. For the portion of overseas sales, we examined supporting documents related to revenue recognition such as sales orders and customs declarations of major customers, and checked the records of post-period payments.

ii. Income from long-term equity investment in Lanke Lithium Industry accounted for by equity method.

1. Description of the matter

The Company's investment in an associate, Qinghai Yanhu Lanke Lithium Industry Co., Ltd. ("Lanke Lithium Industry"), was accounted for by equity method, and an investment income of RMB259,867.5 thousand was recognised in 2024 (see Notes III. 19, V. 55 and VIII. 3 to the financial statements), a decrease of 81.98% from the previous year and 20.17% of the net profit in the consolidated financial statements. The Company indirectly hold 48.58% equity interest in Lanke Lithium Industry, which has significant influence. In accordance with the provisions of *Accounting Standards for Business Enterprises No. 2 - Long-term Equity Investments*, the Company adopted accounting through equity method for it, and recognised investment income of RMB 259,867.5 thousand in the current period. The impact on the financial statements is significant due to the income from the Company's long-term equity investment in Lanke Lithium Industry recognised by accounting through equity method. We identified the income from long-term equity investments accounted for by equity method as a key audit matter.

2. Audit response

Our audit procedures for the income from long-term equity investments accounted for by equity method mainly include:

(1) We obtained an understanding of the internal controls related to long-term equity investments, evaluated the design of those controls, determined whether they had been implemented, and tested the operating effectiveness of related internal controls.

(2) We had access to the articles of association, investment agreements and composition of the board of directors of Lanke Lithium Industry, and determined that the Company has a significant impact on Lanke Lithium Industry. In accordance with the provisions of *Accounting Standard for Business Enterprises No. 2-Long-term Equity Investments*, we adopted accounting through equity method for Lanke Lithium Industry.

(3) We investigated the operating conditions of Lanke Lithium Industry, communicated with the management of Lanke Lithium, inquired about and understood the operation and financial status of Lanke Lithium for the year 2024, including the annual sales revenue, production and sales volume of major products and net profit, etc., and analyzed the reasonableness of the changes in the performance of Lanke Lithium and assessed the reliability of the financial data, in conjunction with the analysis of the industry, including but not limited to, understanding the state of the industry of Lanke Lithium and the fluctuation of the price of the products by means of internet inquiries and other means. reliability of the financial data.

(4) We performed analytical review and audit procedures on the operating revenue and operating costs of Lanke Lithium Industry, analyzing changes in revenue and changes in gross margins; obtained major sales contracts, delivery notes and bank fund flows of Lanke Lithium Industry, and performed test on revenue details to determine whether the revenue was real. Obtain the unit cost of products, compare it with that of the previous period, check it together with the inventory account, and check the relevant original documents to evaluate the authenticity and reasonableness for the significant changes in the cost of main business.

(5) We examined whether information relating to income from long-term equity investments accounted by equity method had been properly presented and disclosed in the financial statements.

IV. Other Information

Keda Group's management is responsible for other information. Other information includes information covered in the 2024 Annual Report, but excludes the financial statements and our audit report. The 2024 Annual Report is expected to be available to us after the date of the audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information mentioned above when it is available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the 2024 Annual Report, if we determine that it contains any material misstatement, the auditing standards require us to communicate with the governance on the matter and request it to make correction.

V. Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the ASBEs for designing, implementing and maintaining internal controls regarding the preparation of financial statements so that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Keda Group's ability to continue as a going concern, disclosing matters related to going concern (if applicable), and applying the going concern assumptions unless the management either intends to liquidate Keda Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Keda Group's preparation of its financial report.

VI. Responsibilities of CPAs for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes the audit opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Understand internal controls relevant to the audit for designing appropriate audit procedures.

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

(4) Conclude on the appropriateness of the Management's use of going concern assumptions. Meanwhile, we draw a conclusion of the matters that might produce major doubts about the ability of Keda Group to continue as a going concern, and judge whether there are major uncertainties, according to the audit evidence obtained. If we conclude that a material uncertainty exists, we are required to draw attention of users in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Keda Group to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Keda Group to express an opinion on the financial statements. We are responsible for guiding, supervising and implementing the group audit, and remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have also provided those charged with governance with a statement on observing the professional ethics related to independence, and communicated with those charged with governance on all the relationships and other matters that might be reasonably deemed to affect our independence, and relevant preventative measures.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our

audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Zhongxi CPAS	Chinese Certified Public Accountant
(Special General Partnership)	(Project Partner)
	Chinese Certified Public Accountant
Beijing, China	26 March 2025

II. Financial Statements

Consolidated Balance Sheet

31 December 2024

Prepared by: Keda Industrial Group Co., Ltd.

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	31 December, 2024	31 December, 2023
Current assets:			
Monetary funds	VII.1	295,203.23	360,218.54
Settlement funds			
Lending funds			
Financial assets held for trading	VII.2	71,659.42	29,089.94
Derivative financial assets			
Notes receivable	VII.4	5,237.31	5,474.33
Accounts receivable	VII.5	225,181.62	176,691.26
Receivables financing	VII.7	21,080.16	23,576.65
Advanced payments	VII.8	44,241.35	41,455.95
Premium receivable			
Reinsurance accounts receivable			
Provision for reinsurance contract receivable			
Other receivables	VII.9	24,808.12	55,297.80
Including: Interest receivable			
Dividends receivable		56.63	41,140.71
Purchases of resold financial assets			
Inventories	VII.10	479,429.93	366,773.97
Of which: data resources			
Contract assets	VII.6	14,614.29	24,180.56
Assets held for sale	VII.11	348.18	
Non-current assets due within one year	VII.12	76,460.69	43,894.60

Other current assets	VII.13	65,381.81	49,919.24
Total current assets		1,323,646.11	1,176,572.84
Non-current assets:			
Loans and advances granted			
Debt investments			
Other debt investments			
Long-term receivables	VII.16	42,206.80	21,198.62
Long-term equity investments	VII.17	324,817.06	300,048.39
Other equity instrument investments	VII.18	420.51	81,395.85
Other non-current financial assets	VII.19	1,302.52	500.00
Investment properties			
Fixed assets	VII.21	640,352.85	403,096.25
Construction in progress	VII.22	100,172.48	143,181.73
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VII.25	4,434.39	1,704.47
Intangible assets	VII.26	101,694.56	87,443.00
Of which: data resources			
Development expenses			
Of which: data resources			
Goodwill	VII.27	85,958.84	91,322.92
Long-term deferred expenses	VII.28	49.40	34.26
Deferred income tax assets	VII.29	51,229.43	33,185.06
Other non-current assets	VII.30	18,734.71	20,733.79
Total non-current assets		1,371,373.55	1,183,844.34
Total assets		2,695,019.66	2,360,417.18
Current liabilities:			
Short-term loans	VII.32	101,792.70	57,234.79
Borrowings from the Central Bank			

Borrowing funds			
Financial liabilities held for trading	VII.33	160.01	526.28
Derivative financial liabilities			
Notes payable	VII.35	43,517.35	57,889.54
Accounts payable	VII.36	295,408.20	183,950.36
Advance receipts			
Contract liabilities	VII.38	228,154.47	188,871.57
Funds from disposal of repurchased financial assets			
Deposit-taking and inter-bank deposits			
Payments received for securities brokerage			
Payments received for securities underwriting			
Payroll payable	VII.39	29,149.48	20,284.62
Taxes payable	VII.40	19,281.83	8,736.01
Other payables	VII.41	18,409.73	19,808.27
Including: Interest payable			
Dividends payable		18.16	
Handling charges and commission			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	VII.43	141,945.84	87,969.55
Other current liabilities	VII.44	18,621.16	17,436.83
Total current liabilities		896,440.77	642,707.82
Non-current liabilities:			
Insurance contracts provision			
Long-term loans	VII.45	398,344.55	339,855.16
Bonds payable			
Including: Preferred stock			
Perpetual bonds			
Lease liabilities	VII.47	3,758.30	1,601.34

Long-term payables			
Long-term payroll payables			
Estimated liabilities	VII.50	4,117.88	205.18
Deferred income	VII.51	2,733.42	3,336.86
Deferred income tax liabilities	VII.29	8,811.23	1,648.94
Other non-current liabilities	VII.52	1,007.91	2,345.81
Total non-current liabilities		418,773.29	348,993.29
Total liabilities		1,315,214.06	991,701.11
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	VII.53	191,785.64	194,841.99
Other equity instruments			
Including: Preferred stock			
Perpetual bonds			
Capital reserves	VII.55	264,715.19	305,842.63
Less: Treasury stock	VII.56	66,764.71	83,850.27
Other integrated income	VII.57	-23,714.02	-64,207.68
Special reserves	VII.58	423.87	439.01
Surplus reserves	VII.59	84,124.76	83,166.09
General risk provision			
Undistributed profits	VII.60	697,322.89	703,612.40
Total owners' equity (or shareholders' equity) attributable to parent company		1,147,893.62	1,139,844.17
Non-controlling interests		231,911.98	228,871.90
Total owners' equity (or shareholders' equity)		1,379,805.60	1,368,716.07
Total liabilities and owners' equity (or shareholders' equity)		2,695,019.66	2,360,417.18

Person in charge of the Company: Bian Cheng Accounting Director: Zeng Fei Person in charge of accounting department: Luo Lin

Balance Sheet of Parent Company

31 December 2024

Prepared by: Keda Industrial Group Co., Ltd.

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	31 December, 2024	31 December, 2023
Current assets:			
Monetary funds		99,388.65	185,983.87
Financial assets held for trading		67,307.80	29,065.65
Derivative financial assets			
Notes receivable		1,140.83	113.31
Accounts receivable	XIX. 1	69,406.95	68,174.80
Receivables financing		5,321.87	3,613.54
Prepayments		6,236.52	2,099.29
Other receivables	XIX. 2	129,975.80	135,322.92
Including: Interest receivable			
Dividends receivable			13,742.36
Inventories		35,933.57	34,372.20
Of which: data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		98.37	166.17
Total current assets		414,810.36	458,911.75
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	XIX.3	710,404.21	737,086.62
Other equity instrument investments			62,632.70
Other non-current financial assets		1,302.52	500.00
Investment properties			

Fixed assets		25,141.81	27,754.55
Construction in progress		5,158.67	2,121.99
Productive biological assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets		3,673.51	3,934.25
Of which: data resources			
Development expenses			
Of which: data resources			
Goodwill			
Long-term prepaid expenses			
Deferred income tax assets		29,080.28	22,015.00
Other non-current assets		611.18	
Total non-current assets		775,372.18	856,045.11
Total assets		1,190,182.54	1,314,956.86
Current liabilities:			
Short-term loans		16,315.74	23,000.00
Financial liabilities held for trading			81.48
Derivative financial liabilities			
Notes payable		17,484.00	13,924.00
Accounts payable		50,995.79	63,683.34
Receipts in advance			
Contract liabilities		39,550.55	19,833.30
Payroll payable		7,599.81	7,568.00
Taxes payable		124.49	134.13
Other payables		109,548.95	108,247.73
Including: Interest payable			
Dividends payable			
Liabilities held for sale			

Non-current liabilities due within one year		25,563.69	44,105.88
Other current liabilities		3,365.90	2,067.17
Total current liabilities		270,548.92	282,645.03
Non-current liabilities:			
Long-term loans		86,784.63	116,223.62
Bonds payable			
Including: Preferred stock			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term payroll payables			
Estimated liabilities			
Deferred income			
Deferred income tax liabilities			
Other non-current liabilities		169.20	1,031.80
Total non-current liabilities		86,953.83	117,255.42
Total liabilities		357,502.75	399,900.45
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)		191,785.64	194,841.99
Other equity instruments			
Including: Preferred stock			
Perpetual bonds			
Capital reserves		318,746.95	358,016.14
Less: Treasury stock		66,764.71	83,850.27
Other comprehensive income		-171.61	-32,933.59
Special reserves			
Surplus reserves		83,424.05	82,465.38
Undistributed profits		305,659.47	396,516.76
Total owners' equity (or shareholders' equity)		832,679.79	915,056.41

Total liabilities and owners' equity (or shareholders' equity)		1,190,182.54	1,314,956.86

Person in charge of the Company: Bian Cheng Accounting Director: Zeng Fei Person in charge of accounting department: Luo Lin

Consolidated Income Statement

January- December 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Year 2024	Year 2023
I. Total operating revenue		1,260,026.19	969,563.98
Including: Operating revenue	VII.61	1,260,026.19	969,563.98
Interest income			
Premium earned			
Handling charges and commission income			
II. Total operating expenses		1,149,468.29	879,928.14
Including: Operating expenses	VII.61	933,006.95	686,153.82
Interest expenses			
Handling charges and commission payment			
Surrender value			
Net compensation expenses			
Net provision for insurance contract reserves			
Policy dividend expense			
Reinsurance cost			
Taxes and surcharges	VII.62	6,728.84	6,582.48
Selling expenses	VII.63	50,676.31	47,550.58
Management expenses	VII.64	110,829.18	85,042.64
R&D expenses	VII.65	34,418.26	29,217.06
Financial expenses	VII.66	13,808.75	25,381.56
Including: Interest expenses		22,830.18	21,301.75

Interest income		7,201.71	9,110.91
Add: Other income	VII.67	14,647.72	13,615.80
Investment income (losses marked with “-”)	VII.68	29,553.13	147,270.69
Including: Investment income in associates and joint ventures		29,333.16	146,951.81
Derecognition of income from financial assets measured at amortized cost (losses marked with “-”)			
Exchange gains (losses marked with “-”)			
Net exposure hedging income (losses marked with “-”)			
Income from changes in fair value (losses marked with “-”)	VII.70	456.87	490.33
Credit impairment loss (losses marked with “-”)	VII.71	-2,598.44	-3,513.75
Asset impairment loss (losses marked with “-”)	VII.72	-13,468.62	784.29
Income from disposal of assets (losses marked with “-”)	VII.73	3,969.84	-92.11
III. Operating profits (losses marked with “-”)		143,118.40	248,191.09
Add: Non-operating revenue	VII.74	5,200.98	19,902.93
Less: Non-operating expenses	VII.75	9,105.33	4,708.12
IV. Total profit (total losses marked with “-”)		139,214.05	263,385.90
Less: Income tax expenses	VII.76	10,368.53	2,566.92
V. Net profit (net losses marked with “-”)		128,845.52	260,818.98
(I) Classified by business continuity			
1. Net profit from continuing operations (net losses marked with “-”)		130,688.05	261,446.65
2. Net profit from discontinued operations (net losses marked with “-”)		-1,842.53	-627.67
(II) Classified by ownership			
1. Net profit attributable to shareholders of parent company (net losses marked with “-”)		100,631.18	209,199.64
2. Profit or loss attributable to minority interests (net losses marked with “-”)		28,214.34	51,619.34
VI. Other comprehensive income, net of tax		-1,514.98	-56,084.60
(I) Other comprehensive income attributable to owners of parent company, net of tax		-3,169.10	-43,780.12
1. Other comprehensive income that may not be reclassified to profit or loss		-5,121.90	-38,321.41
(1) Change in re-measurement of defined benefit plan			
(2) Other comprehensive income that may not be transferred to profit or loss under equity method		-3.55	6.38

(3) Changes in fair value of other equity instrument investments		-5,118.35	-38,327.79
(4) Changes in fair value of enterprise's own credit risk			
2. Other comprehensive income that will be reclassified to profit or loss		1,952.80	-5,458.71
(1) Other comprehensive income that may be transferred to profit or loss under equity method		20.25	-15.15
(2) Changes in fair value of other debt investments			
(3) Amount of financial assets reclassified to other comprehensive income			
(4) Credit impairment provision of other debt investments			
(5) Cash flow hedging reserve			
(6) Exchange difference on translation of financial statements in foreign currency		1,932.55	-5,443.56
(7) Others			
(II) Other comprehensive income attributable to minority interests, net of tax		1,654.12	-12,304.48
VII. Total comprehensive income		127,330.54	204,734.38
(I) Total comprehensive income attributable to owners of parent company		97,462.08	165,419.52
(II) Total comprehensive income attributable to minority interests		29,868.46	39,314.86
VIII. Earnings per share:			
(I) Basic earnings per share (RMB per share)		0.534	1.095
(II) Diluted earnings per share (RMB per share)		0.534	1.095

Person in charge of the Company: Bian Cheng Accounting Director: Zeng Fei Person in charge of accounting department: Luo Lin

Income Statement of Parent Company

January- December 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Year 2024	Year 2023
I. Operating revenue	XIX. 4	221,217.87	188,179.57
Less: Operating expenses	XIX. 4	170,921.98	149,243.30
Taxes and surcharges		780.35	1,213.50
Selling expenses		14,001.06	14,573.50

Management expenses		18,668.26	21,431.06
R&D expenses		9,635.35	9,283.00
Financial expenses		-2,894.93	319.28
Including: Interest expenses		3,544.25	5,277.24
Interest income		5,570.41	6,660.68
Add: Other income		2,806.75	3,459.92
Investment income (losses marked with “-”)	XIX. 5	-10,695.70	419,972.50
Including: Investment income in associates and joint ventures		3,186.39	2,430.47
Derecognition of income from financial assets measured at amortized cost (losses marked with “-”)			
Net exposure hedging income (losses marked with “-”)			
Income from changes in fair value (losses marked with “-”)		-278.33	1,197.47
Credit impairment loss (losses marked with “-”)		-1,133.32	-309.94
Impairment losses on assets (losses marked with “-”)			-80.00
Income from disposal of assets (losses marked with “-”)		-2.06	
II. Operating profits (losses marked with “-”)		803.14	416,355.88
Add: Non-operating revenue		2,817.88	18,713.72
Less: Non-operating expenses		215.80	826.61
III. Total profit (total losses marked with “-”)		3,405.22	434,242.99
Less: Income tax expenses		-6,181.54	-1,252.87
IV. Net profit (net losses marked with “-”)		9,586.76	435,495.86
(I) Net profit from continuing operations (net losses marked with “-”)		9,586.76	435,495.86
(II) Net profit from discontinued operations (net losses marked with “-”)			
V. Other comprehensive income, net of tax		-4,424.14	-32,757.19
(I) Other comprehensive income that may not be reclassified to profit or loss		-4,444.09	-32,742.04
1. Change in re-measurement of defined benefit plan			
2. Other comprehensive income that may not be transferred to profit or loss under equity method			
3. Changes in fair value of other equity instrument investments		-4,444.09	-32,742.04

4. Changes in fair value of enterprise's own credit risk			
(II) Other comprehensive income that will be reclassified to profit or loss		19.95	-15.15
1. Other comprehensive income that may be transferred to profit or loss under equity method		19.95	-15.15
2. Changes in fair value of other debt investments			
3. Amount of financial assets reclassified to other comprehensive income			
4. Credit impairment provision of other debt investments			
5. Cash flow hedging reserve			
6. Exchange difference on translation of financial statements in foreign currency			
7. Others			
VI. Total comprehensive income		5,162.62	402,738.67
VII. Earnings per share:			
(I) Basic earnings per share (RMB per share)			
(II) Diluted earnings per share (RMB per share)			

Person in charge of the Company: Bian Cheng Accounting Director: Zeng Fei Person in charge of accounting department: Luo Lin

Consolidated Cash Flow Statement

January- December 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Year 2024	Year 2023
I. Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		1,205,667.29	995,801.52
Net increase in customer deposit and interbank deposit			
Net increase in borrowings from the Central Bank			
Net increase in borrowing funds from other financial institutions			
Cash received from premium of original insurance contracts			
Net cash received from reinsurance business			
Net increase in the insured's deposit and investment			
Cash received from interest, handling charges and commission			
Net increase in borrowing funds			
Net increase in buyback business			
Net cash received for securities brokerage			
Tax refunds received		27,110.77	16,076.85
Other cash received relating to operating activities	VII. 78	35,455.01	28,044.49
Subtotal of cash inflow from operating activities		1,268,233.07	1,039,922.86
Cash paid for purchase of goods and receipt of services		878,956.53	721,708.43
Net increase in loans and advances from customers			
Net increase in deposits in the Central Bank and interbank			
Cash payments of claims for original insurance contracts			
Net increase in lending funds			
Cash paid for interest, handling charges and commission			
Cash paid for policy dividend			
Cash paid to and for staff		161,949.06	108,244.13
Various types of taxes paid		67,576.15	50,779.30

Other cash paid relating to operating activities	VII. 78	104,030.87	86,107.80
Subtotal of cash outflow from operating activities		1,212,512.61	966,839.66
Net cash flows from operating activities		55,720.46	73,083.20
II. Cash flows from investment activities:			
Cash received from disposal of investments		76,560.93	231.17
Cash received from investment income		45,611.38	145,275.82
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		11,699.18	742.51
Net cash received from disposal of subsidiaries and other business units		165.21	
Other cash received relating to investment activities	VII. 78	385,386.61	302,936.68
Subtotal of cash inflow from investing activities		519,423.31	449,186.18
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		252,132.31	154,462.98
Cash paid for investment		6,762.57	152,278.56
Net increase in pledged loans			
Net cash paid for the acquisition of subsidiaries and other business units		4,927.41	
Other cash paid relating to investment activities	VII. 78	456,925.91	217,805.92
Subtotal of cash outflow from investing activities		720,748.20	524,547.46
Net cash flows from investing activities		-201,324.89	-75,361.28
III. Cash flows from financing activities:			
Cash received from capital contributions		3,021.79	33,012.50
Including: Cash received from minority shareholders investment by subsidiaries		3,021.79	33,012.50
Cash received from borrowings		400,626.74	474,278.08
Other cash received relating to financing activities	VII.78	50,428.44	35,903.47
Subtotal of cash inflow from financing activities		454,076.97	543,194.05
Cash paid for debt repayment		247,492.13	313,310.90
Cash paid for distributing dividend, profit or repaying interest		107,025.76	195,452.81

Including: Dividend and profit paid to minority shareholders by subsidiaries		29,541.94	39,030.19
Other cash paid relating to financing activities	VII. 78	76,989.50	69,539.90
Subtotal of cash outflow from financing activities		431,507.39	578,303.61
Net cash flows from financing activities		22,569.58	-35,109.56
IV. Effect of foreign exchange rate changes on cash and cash equivalents		2,663.81	726.84
V. Net increase in cash and cash equivalents		-120,371.04	-36,660.80
Add: Opening balance of cash and cash equivalents		337,047.68	373,708.48
VI. Closing balance of cash and cash equivalents		216,676.64	337,047.68

Person in charge of the Company: Bian Cheng Accounting Director: Zeng Fei Person in charge of accounting department: Luo Lin

Cash Flow Statement of Parent Company

January- December 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Year 2024	Year 2023
I. Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		224,700.40	173,507.17
Tax refunds received		10,667.93	6,429.96
Other cash received relating to operating activities		425,775.90	302,626.06
Subtotal of cash inflow from operating activities		661,144.23	482,563.18
Cash paid for purchase of goods and receipt of services		182,774.77	128,962.97
Cash paid to and for staff		29,496.89	32,474.48
Various types of taxes paid		2,918.94	6,688.12
Other cash paid relating to operating activities		427,181.73	563,344.13
Subtotal of cash outflow from operating activities		642,372.33	731,469.70
Net cash flows from operating activities		18,771.90	-248,906.52
II. Cash flows from investment activities:			
Cash received from disposal of investments		58,618.54	7,228.79
Cash received from investment income		57,763.09	424,852.12
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		0.10	9.00
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investment activities		289,234.08	120,309.85
Subtotal of cash inflow from investing activities		405,615.81	552,399.76
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		4,806.53	3,951.66
Cash paid for investment		33,638.10	175,365.57
Net cash paid for the acquisition of subsidiaries and other business units			

Other cash paid relating to investment activities		346,115.78	45,011.09
Subtotal of cash outflow from investing activities		384,560.41	224,328.32
Net cash flows from investing activities		21,055.40	328,071.44
III. Cash flows from financing activities:			
Cash received from capital contributions			
Cash received from borrowings		62,500.27	184,623.43
Other cash received relating to financing activities		4,423.39	5,310.89
Subtotal of cash inflow from financing activities		66,923.66	189,934.32
Cash paid for debt repayment		117,181.45	105,723.29
Cash paid for distributing dividend, profit or repaying interest		65,895.25	135,797.02
Other cash paid relating to financing activities		34,509.91	37,729.49
Subtotal of cash outflow from financing activities		217,586.61	279,249.80
Net cash flows from financing activities		-150,662.95	-89,315.48
IV. Effect of foreign exchange rate changes on cash and cash equivalents		687.32	-567.14
V. Net increase in cash and cash equivalents		-110,148.33	-10,717.70
Add: Opening balance of cash and cash equivalents		182,305.29	193,022.99
VI. Closing balance of cash and cash equivalents		72,156.96	182,305.29

Person in charge of the Company: Bian Cheng Accounting Director: Zeng Fei Person in charge of accounting department: Luo Lin

Consolidated Statement of Changes in Owners' Equity

January- December 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	2024														
	Owners' equity attributable to parent company													Minority interests	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk provision	Undistributed profit	Others	Subtotal		
		Preferred stock	Perpetual bonds	Others											
I. Balance at the end of last year	194,841.99				305,842.63	83,850.27	-64,207.68	439.01	83,166.09		703,612.40		1,139,844.17	228,871.90	1,368,716.07
Add: Change in accounting policy															
Correction of accounting errors in prior periods															
Others															
II. Balance at the beginning of the year	194,841.99				305,842.63	83,850.27	-64,207.68	439.01	83,166.09		703,612.40		1,139,844.17	228,871.90	1,368,716.07
III. Increase or decrease in amount for current period (decrease marked with "-")	-3,056.35				-41,127.44	-17,085.56	40,493.66	-15.14	958.67		-6,289.51		8,049.45	3,040.08	11,089.53
(I) Total comprehensive income							-3,169.10				100,631.18		97,462.08	29,868.46	127,330.54
(II) Capital contribution or reduction by owners	-3,056.35				-41,579.90	-17,085.56							-27,550.69	2,732.23	-24,818.46
1. Ordinary shares contributed by owners	-3,056.35				-39,258.96	-42,315.31								2,799.79	2,799.79
2. Capital contribution by other equity instrument holders															
3. Share-based payments recognized in owners' equity					541.58								541.58	551.46	1,093.04
4. Others					-2,862.52	25,229.75							-28,092.27	-619.02	-28,711.29
(III) Profit distribution									958.67		-63,257.93		-62,299.26	-29,560.61	-91,859.87
1. Withdrawal of surplus reserves									958.67		-958.67				
2. Withdrawal of general risk provision															
3. Distribution to owners (or shareholders)											-62,299.26		-62,299.26	-29,560.61	-91,859.87
4. Others															
(IV) Internal transfer of owners' equity							43,662.76				-43,662.76				
1. Transfer of capital reserves to capital (or share capital)															
2. Transfer of surplus reserves to capital (or share capital)															
3. Surplus reserves to cover losses															
4. Carry-forward of changes in the defined benefit plan for retained profit															
5. Carry-forward of other comprehensive income for retained profit							43,662.76				-43,662.76				

6. Others															
(V) Special reserves								-15.14					-15.14		-15.14
1. Amount withdrawn during current period															
2. Amount utilized during current period								-15.14					-15.14		-15.14
(VI) Others					452.46								452.46		452.46
IV. Balance at the end of current period	191,785.64				264,715.19	66,764.71	-23,714.02	423.87	84,124.76		697,322.89		1,147,893.62	231,911.98	1,379,805.60

Item	2023														
	Owners' equity attributable to parent company													Minority interests	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk provision	Undistributed profit	Others	Subtotal		
		Preferred stock	Perpetual bonds	Others											
I. Balance at the end of last year	194,841.99				305,946.43	50,000.02	-20,427.56	439.01	39,616.50		668,431.59		1,138,847.94	194,328.60	1,333,176.54
Add: Change in accounting policy															
Correction of accounting errors in prior periods															
Others															
II. Balance at the beginning of the year	194,841.99				305,946.43	50,000.02	-20,427.56	439.01	39,616.50		668,431.59		1,138,847.94	194,328.60	1,333,176.54
III. Increase or decrease in amount for current period (decrease marked with "-")					-103.80	33,850.25	-43,780.12		43,549.59		35,180.81		996.23	34,543.30	35,539.53
(I) Total comprehensive income							-43,780.12				209,199.64		165,419.52	39,314.86	204,734.38
(II) Capital contribution or reduction by owners					-302.38	33,850.25							-34,152.63	30,951.50	-3,201.13
1. Ordinary shares contributed by owners														33,012.50	33,012.50
2. Capital contribution by other equity instrument holders															
3. Share-based payments recognized in owners' equity					2,245.67								2,245.67		2,245.67
4. Others					-2,548.05	33,850.25							-36,398.30	-2,061.00	-38,459.30
(III) Profit distribution									43,549.59		-173,963.82		-130,414.23	-35,723.06	-166,137.29
1. Withdrawal of surplus reserves									43,549.59		-43,549.59				
2. Withdrawal of general risk provision															
3. Distribution to owners (or shareholders)											-130,414.23		-130,414.23	-35,723.06	-166,137.29
4. Others															
(IV) Internal transfer of owners' equity															
1. Transfer of capital reserves to capital (or share capital)															
2. Transfer of surplus reserves to capital (or share capital)															
3. Surplus reserves to cover losses															
4. Carry-forward of changes in the defined benefit plan for retains profit															

5. Carry-forward of other comprehensive income for retained profit															
6. Others															
(V) Special reserves															
1. Amount withdrawn during current period															
2. Amount utilized during current period															
(VI) Others					198.58						-55.01		143.57		143.57
IV. Balance at the end of current period	194,841.99				305,842.63	83,850.27	-64,207.68	439.01	83,166.09		703,612.40		1,139,844.17	228,871.90	1,368,716.07

Person in charge of the Company: Bian Cheng Accounting Director: Zeng Fei Person in charge of accounting department: Luo Lin

Statement of Changes in Owners' Equity for Parent Company

January-December 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	2024										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preferred stock	Perpetual bonds	Others							
I. Balance at the end of last year	194,841.99				358,016.14	83,850.27	-32,933.59		82,465.38	396,516.76	915,056.41
Add: Change in accounting policy											
Correction of accounting errors in prior periods											
Others											
II. Balance at the beginning of the year	194,841.99				358,016.14	83,850.27	-32,933.59		82,465.38	396,516.76	915,056.41
III. Increase or decrease in amount for current period (decrease marked with "-")	-3,056.35				-39,269.19	-17,085.56	32,761.98		958.67	-90,857.29	-82,376.62
(I) Total comprehensive income							-4,424.14			9,586.76	5,162.62
(II) Capital contribution or reduction by owners	-3,056.35				-39,258.96	-17,085.56					-25,229.75
1. Ordinary shares contributed by the owners	-3,056.35				-39,258.96	-42,315.31					
2. Capital contribution by other equity instrument holders											
3. Share-based payment recognized in owners' equity											
4. Others						25,229.75					-25,229.75
(III) Profit distribution									958.67	-63,257.93	-62,299.26
1. Withdrawal of surplus reserves									958.67	-958.67	
2. Distributions to owners (shareholders)										-62,299.26	-62,299.26
3. Others											
(IV) Internal transfer of owners' equity							37,186.12			-37,186.12	
1. Transfer of capital reserves to capital (or share capital)											
2. Transfer of surplus reserves to capital (or share capital)											
3. Surplus reserves to cover losses											
4. Carry-forward of changes in the defined benefit plan for retained profit											
5. Carry-forward of other comprehensive income for retained profit							37,186.12			-37,186.12	
6. Others											
(V) Special reserves											
1. Amount withdrawn during current period											
2. Amount utilized during current period											
(VI) Others					-10.23						-10.23
IV. Balance at the end of current period	191,785.64				318,746.95	66,764.71	-171.61		83,424.05	305,659.47	832,679.79

Item	2023										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preferred stock	Perpetual bonds	Others							
I. Balance at the end of last year	194,841.99				355,770.47	50,000.02	-176.40		38,915.79	134,984.72	674,336.55
Add: Change in accounting policy											
Correction of accounting errors in prior periods											
Others											
II. Balance at the beginning of the year	194,841.99				355,770.47	50,000.02	-176.40		38,915.79	134,984.72	674,336.55
III. Increase or decrease in amount for current period (decrease marked with "-")					2,245.67	33,850.25	-32,757.19		43,549.59	261,532.04	240,719.86
(I) Total comprehensive income							-32,757.19			435,495.86	402,738.67
(II) Capital contribution or reduction by owners					2,245.67	33,850.25					-31,604.58
1. Ordinary shares contributed by the owners											
2. Capital contribution by other equity instrument holders											
3. Share-based payment recognized in owners' equity					2,245.67						2,245.67
4. Others						33,850.25					-33,850.25
(III) Profit distribution									43,549.59	-173,963.82	-130,414.23
1. Withdraw surplus reserves									43,549.59	-43,549.59	
2. Distributions to owners (shareholders)										-130,414.23	-130,414.23
3. Others											
(IV) Internal transfer of owners' equity											
1. Transfer of capital reserves to capital (or share capital)											
2. Transfer of surplus reserves to capital (or share capital)											
3. Surplus reserves to cover losses											
4. Carry-forward of changes in the defined benefit plan for retained profit											
5. Carry-forward of other comprehensive income for retained profit											
6. Others											
(V) Special reserves											
1. Amount withdrawn during current period											
2. Amount utilized during current period											
(VI) Others											
IV. Balance at the end of current period	194,841.99				358,016.14	83,850.27	-32,933.59		82,465.38	396,516.76	915,056.41

Person in charge of the Company: Bian Cheng Accounting Director: Zeng Fei Person in charge of accounting department: Luo Lin

III. General information of the Company

1. Company profile

√Applicable □Not applicable

The Company was founded on 11 December 1996 with its registered address and headquarters both at No. 1, Huanzhen Road West, Guanglong Industrial Park, Chencun Town, Shunde District, Foshan, Guangdong and its legal representative is Bian Cheng. The Company initially issued 20 million A Shares to the public upon the approval of the CSRC on 18 September 2002 and was listed on the Shanghai Stock Exchange on 10 October 2002. Currently, the Company's registered capital is RMB 1,917,856,391.00.

The main businesses of the Company include: the manufacturing of ceramics, stone, wall materials and other energy saving and eco-friendly building materials machinery and equipment; the research, development and manufacturing of automation technologies and equipment; the sales of mechanical and electrical spare parts, sand wheel grinding tools and materials, ceramic products; the research, development, manufacturing and sales of clean energy related mechanical equipment and related automation technologies and equipment; the manufacturing and sales of clean gas, vapor and steam; information technology services, software development and sales, system integration, hardware equipment leasing and sales, and network technology consulting services; the disposal of waste water, solid wastes and hazardous wastes as well as the production and sales of the derivative products thereof; the export of self-produced products and related technologies of the Company and its subsidiaries, and the import of raw and auxiliary materials, machinery and equipment, instruments and meters, spare parts and related technologies necessary for production and research (excluding the goods which China restricted the Company to operate, import or export); and the processing of the Company's imported materials and "Three Import and Compensation" Trade (subject to [2000] Wai Jing Mao Fa Zhan Shen Han Zi No. 3250).

Industry in which the Company operates: manufacturing of special equipment

The Company's main products: building materials machinery, clean coal gasification equipment, final-stage flue gas treatment equipment, high-end components and other equipment, building ceramics and lithium-ion battery materials.

IV. Basis of preparation of financial statements

1. Basis of preparation

The financial statements of the Company are prepared on a going concern basis. Based on actual transactions and events, the preparation was made in accordance with the Accounting Standards for Business Enterprises — Basic Standards and each specific accounting standard, guidance for the application of the Accounting Standards for Business Enterprises, interpretations of the Accounting Standards for Business Enterprises and other relevant provisions (hereinafter referred to as the "Accounting Standards for Business Enterprises") issued by the Ministry of Finance, as well as the disclosure provisions of the Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 — General Provisions on Financial Reports" (2023 Revision) issued by China Securities Regulatory Commission.

2. Going concern

√Applicable □Not applicable

The Company has the ability to continue as a going concern for at least the next 12 months from the end of the reporting period and was not aware of any material event that may cast doubt on its ability to continue as a going concern.

V. Significant accounting policies and accounting estimates

Reminders for specific accounting policies and accounting estimates:

□Applicable √Not applicable

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

The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises, and provide a true and complete picture of the financial positions, operating results, changes in shareholder's equity, cash flows and other related information.

2. Accounting period

The accounting year of the Company starts on 1 January and ends on 31 December.

3. Operating cycle

√Applicable □Not applicable

The Company's operating cycle is 12 months.

4. Reporting currency

The reporting currency of the Company is RMB. The financial statements prepared by the Company are denominated in RMB.

5. Methodology for determining significance criteria and basis for selection

√Applicable □Not applicable

Item	Significance criteria
Significant write-off of accounts receivable in the Reporting Period	Amount greater than or equal to RMB3 million
Significant construction in progress	Total project investment greater than or equal to RMB100 million
Significant non-wholly-owned subsidiaries	Net profit attributable to the Group exceeds 10%

6. Accounting treatment for business combinations under and not under common control

√Applicable □Not applicable

(1) Business combinations under common control

A business combination under common control refers to a business combination in which all the combining enterprises are ultimately controlled by the same party or the same parties both before and after the business combination, and on which the control is not temporary. The combination date refers to the date on which the combining party obtains control over the combined party.

The assets and liabilities obtained in a business combination shall be measured based on the book value of the combined party in the consolidated financial statements of the ultimate controlling party as at the combination date. Should the accounting policies adopted by the combined party be different from that adopted by the Company, the combining party shall make adjustment according to the accounting policies of the Company on the combination date, and shall make corresponding recognition based on the book value after such adjustment.

For the difference between the book value of the net assets obtained in the combination and the book value of the combined consideration paid (or the total par value of the shares issued), the share premium in capital reserve shall be adjusted. If the share premium in capital reserve is not sufficient to be written off, the retained earnings shall be adjusted.

The costs directly attributable to the business combinations, including audit fees, appraisal fees, and legal fees paid for the combination, shall be recorded in current profit or loss when incur.

(2) Business combinations not under common control

A business combination not under common control refers to a business combination in which the respective combining enterprises are not ultimately controlled by the same party or the same parties both before and after the combinations.

The acquirer shall, on the acquisition date, measure the assets transferred and liabilities incurred or assumed for a business combination at fair value. The difference between the fair value and its book value shall be recorded in current profit or loss. The acquirer shall allocate the combination costs on the acquisition date and recognize the fair value of all identifiable assets, liabilities and contingent liabilities obtained from the acquiree. The acquirer shall recognize the excess of the combination costs over the fair value of the identifiable net assets of the acquiree obtained in the combination as goodwill. If, after the re-examination, the combination costs are less than the difference of the fair value of the identifiable net assets of the acquiree obtained in the combination, such combination costs shall be recorded in current profit or loss.

The deductible temporary difference of the acquiree obtained by the acquirer in the business combinations shall not be recognized if it does not meet the conditions for the recognition of deferred tax assets on the acquisition date. Within 12 months after the acquisition date, if new or further information obtained indicates that the relevant circumstances on the acquisition date exist, and it is expected that the economic benefits brought by the deductible temporary difference of the acquiree can be realized on the acquisition date, the relevant deferred tax assets shall be recognized while the goodwill shall be reduced. If the goodwill is insufficient to be written off, the difference shall be recognized in current profit or loss. In addition to the

above circumstances, the deferred tax assets related to business combinations shall be recognized and recorded in current profit or loss.

In a business combination not under common control, the brokerage fees and other related administrative fees for audit, legal services and appraisal and consultation, and other related management expenses incurred by the acquirer, shall be recorded in the current profit or loss when incur; the transaction costs for the equity securities or debt securities issued by the acquirer as the consideration for the combination shall be included in the initial recognition amount of the equity securities or debt securities.

In a business combination not under common control that is realized by the acquirer through several transactions, if it belongs to a "package deal", the Company shall take each transaction as a transaction to obtain control for the purpose of accounting treatment. If it does not belong to a "package deal", in the separate financial statements, the sum of the book value of the equity investments of the acquiree held before the acquisition date and the new investment cost on the acquisition date shall be taken as the initial investment cost calculated using the cost method instead. Other comprehensive income recognized for the equity investments of the acquiree held before the acquisition date due to the adoption of the equity method shall be accounted for on the same basis as the direct disposal of relevant assets or liabilities by the investee at the time of disposal of such investment. The owners' equity recognized due to changes in the other owners' equity of the investee, other than net profit or loss, other comprehensive income and profit distribution, shall be transferred to current profit or loss during which the investment is disposed. In particular, if the remaining equity after disposal is accounted for using the cost method or equity method according to the long-term equity investment standards, other comprehensive income and other owners' equity shall be carried forward in proportion; if the remaining equity after disposal is subject to accounting treatment according to the recognition and measurement standards of financial instruments, all other comprehensive income and other owners' equity shall be carried forward.

If the equity investments held before the acquisition date are subject to accounting treatment using the recognition and measurement standards of financial instruments, the sum of the fair value of the equity investments and the new investment cost shall be taken as the initial investment cost calculated using the cost method instead. For the original financial assets that are converted into investments in subsidiaries accounted for using the cost method, if the relevant financial assets are classified as financial assets at fair value through profit or loss, they shall be recognized as long-term equity investments based on their fair values at the time of conversion. If the non-trading equity instrument investments are classified as financial assets at fair value through other comprehensive income, they shall be recognized as long-term equity investments based on the fair value at the time of conversion. The cumulated change in fair value originally recognized and recorded in other comprehensive income shall be carried forward and included in the retained earnings, but shall not be recorded in current profit or loss.

7. Preparation method of consolidated financial statements

√Applicable □ Not applicable

(1) Principles for determining the scope of consolidated financial statements

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

of control. Control represents that the Company has power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to affect the amount of returns through its power over the investee. The scope of consolidation covers the Company and all its subsidiaries. Subsidiaries are entities controlled by the Company. Once changes in relevant facts and circumstances lead to changes in the relevant elements involved in the above definition of control, the Company will conduct reassessment.

When determining whether to include a structured entity in the scope of consolidation, the Company assesses whether to control the structured entity on the basis of a combination of all the facts and circumstances, including an assessment of the purpose and design for which the structured entity was established, the identification of the types of variable returns, and whether it has assumed some or all of the variability of the returns through its participation in its related activities.

(2) Preparation method of consolidated financial statements

Based on its own financial statements and those of its subsidiaries, the Company treats the entire company group as a single accounting entity based on other relevant information, and has reflected the financial position, results of operation and cash flows of the company group as a whole in accordance with consistent accounting policies and accounting periods pursuant to the recognition, measurement and presentation requirements of relevant ASBEs. The consolidation procedure specifically includes: consolidating the assets, liabilities, owners' equity, income, expenses and cash flows of the parent company and the subsidiaries; offsetting the parent company's long-term equity investments in the subsidiaries and the parent company's share of the owners' equity of the subsidiaries; and offsetting the impact of internal transactions between the parent company and its subsidiaries, and between subsidiaries. If the internal transactions indicate that the relevant assets are impaired, the impairment losses will be recognized in full. Special transactions are adjusted from the perspective of the company group.

The share of owners' equity of the subsidiaries not attributable to the parent company is presented as "non-controlling interests" under the owners' equity item in the consolidated balance sheet.

The share of the subsidiaries' current net profit or loss attributable to non-controlling interests is presented as "non-controlling shareholders' profit or loss" under the net profit item in the consolidated income statement. The share of the subsidiaries' comprehensive income for the period attributable to non-controlling interests is represented as "total comprehensive income attributable to non-controlling shareholders" under the item of total comprehensive income in the consolidated income statement. If the loss shared by the non-controlling shareholders of a subsidiary for the period exceeds the share of the owners' equity attributable to the non-controlling shareholders of the subsidiary at the beginning of the period, the balance is still offset against the non-controlling interests.

The unrealized gains and losses of internal transactions arising from the disposal of assets to subsidiaries are fully offset against the "net profit attributable to parent company's owners". The unrealized gains and losses of internal transactions arising from the sale of assets by subsidiaries to the parent company shall be allocated and offset between "net profit attributable to parent company's owners" and "non-controlling shareholders' profit or loss" according to the distribution ratio of the parent company for such subsidiaries. The unrealized

gains and losses of internal transactions arising from the sale of assets between subsidiaries shall be allocated and offset between "net profit attributable to parent company's owners" and "non-controlling shareholders' profit or loss" according to the distribution ratio of the parent company for the selling subsidiary.

During the reporting period, if new subsidiaries and business are added due to business combinations under common control, the Company will adjust the opening balance of the consolidated balance sheet when preparing the consolidated statements. The income, expenses and profits of the subsidiaries or business combinations from the beginning of current period to the end of the reporting period shall be included in the consolidated income statements. The cash flows shall be included in the consolidated cash flow statement. Meanwhile, the relevant items in the comparative statements shall be adjusted, and the reporting entity after combination shall be deemed to be always in existence from the point of time when the ultimate controlling party begins to exercise control.

During the reporting period, if new subsidiaries and business are added due to business combinations not under common control or otherwise, the Company will not adjust the opening balance when preparing the consolidated balance sheet. The income, expenses, profits and cash flow of the subsidiaries and the business from the date of acquisition to the end of the reporting period are included in the consolidated income statement and the consolidated cash flow statement.

During the reporting period, if subsidiaries and business are disposed of, the Company will not adjust the opening balance when preparing the consolidated balance sheet. The income, expenses and profits of the subsidiaries and business from the beginning of the period to the disposal date are included in the consolidated income statement. Cash flows are included in the consolidated cash flow statement.

When the parent company purchases the equity of a subsidiary owned by the non-controlling shareholders of the subsidiary, in the consolidated financial statements, the capital reserve (capital premium or share premium) shall be adjusted due to the difference between the long-term equity investments arising from the purchase of non-controlling interests and the share of net assets of the subsidiary calculated on a continuing basis from the acquisition date or combination date based on the proportion of newly added shareholding. If the capital reserve is insufficient for the purpose of offsetting, the retained earnings shall be adjusted.

For a business combination under common control realized step by step through multiple transactions not constituting "package deal", the long-term equity investments held by the combining party before the combination on the date of acquisition of control rights, relevant profit or loss, other comprehensive income and other changes in owners' equity that have been recognized between earlier dates of the acquisition date and the date when the combining party and the combined party are under the ultimate control by one party and the combination date offset the retained earnings at the beginning of the period or profit or loss during the comparative statement period respectively.

For a business combination not under common control realized step by step through multiple transactions not constituting "package deal", in the consolidated financial statements, the equity of the acquiree held before the acquisition date is remeasured at the fair value of the equity on the acquisition date, and the difference between the fair value and its book value is included in the investment income for the period; if the equity of the acquiree held before the

acquisition date involves other comprehensive income calculated under the equity method, other comprehensive income related thereto shall be transferred to income for the period in which the acquisition occurs, except for other comprehensive income arising from changes in net liabilities or assets of the defined-benefit plan remeasured by the investee.

Should the parent company dispose its long-term equity investments in a subsidiary without losing the controlling interest, in the consolidated financial statements, the capital reserve (capital premium or equity premium) shall be adjusted based on the difference between the disposal value and the share of subsidiary's net asset entitled that is continuously calculated since the acquisition date or combination date, and if the capital reserve is insufficient for the write-down, the retained earnings shall be adjusted.

If control over the investee is lost due to the disposal of part of the equity investments or other reasons, when preparing the consolidated financial statements, the remaining equity shall be remeasured according to its fair value on the date of loss of control. The difference between the sum of the consideration received for the disposal of the equity interest and the fair value of the remaining equity interest and the share of the net assets of the original subsidiary calculated on a continuing basis from the acquisition date or combination date in proportion to the original shareholding is included in investment income in the period in which control is lost, and goodwill is offset. Other comprehensive income related to equity investments in the original subsidiary shall be transferred to investment income when the control is lost.

For the disposal of equity investments in subsidiaries realized step by step through multiple transactions until loss of control, if the transactions relating to disposal of equity investments in subsidiaries until losing control over subsidiaries constitute "package deal", these transactions shall be treated as a transaction for disposing the subsidiaries and losing control; however, the difference between the proceeds of every disposal and the share of net assets held in the subsidiary corresponding to the investment disposed of before losing control shall be recognized as other comprehensive income in the consolidated financial statements, which shall be transferred to profit or loss at the time of losing control.

8. Classification of joint arrangements and accounting treatment of joint operation

√Applicable □ Not applicable

A joint arrangement refers to an arrangement under joint control by two or more parties. According to the rights and obligations it enjoys and assumes under joint arrangements, the Company classifies joint arrangements into joint operation and joint venture. A joint operation is a joint arrangement in which the Company is entitled to the relevant assets of the arrangement and assumes the relevant liabilities. A joint venture refers to a joint arrangement in which the Company has rights only to the net assets of the arrangement.

The Company's investments in joint ventures are accounted for using the equity method according to Note V.19.

The Company recognizes the following items related to the share of interests in the joint operation, which are accounted for in accordance with the relevant provisions of the ASBEs:

(1) the assets held individually by the Company, and the assets held jointly based on its share;

(2) the liabilities assumed individually by the Company, and liabilities jointly assumed based on its share;

(3) the income from disposal of the share of the output of the joint operation;

(4) the income from disposal of output of the joint operation based on its share;

(5) the expenses incurred by the Company alone and the expenses incurred under the joint operation based on its share.

9. Standards for determining cash and cash equivalents

Cash equivalents are short-term (generally mature within three months from the date of purchase) highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

10. Foreign currency transactions and translation of foreign currency statements

√ Applicable □Not applicable

(1) The translation of foreign currency transactions

For a foreign currency transaction, the spot exchange rate on the transaction date is used as the conversion exchange rate to convert the foreign currency amount into RMB for bookkeeping.

The monetary items denominated in foreign currencies are translated at the spot exchange rate prevailing on the balance sheet date, and the exchange differences generated thereby are included in profit or loss except that the exchange differences generated from special loans in foreign currencies for the purpose of acquiring and constructing assets meeting the capitalization conditions is dealt with according to the capitalization principles for borrowings. The non-monetary items denominated in foreign currency measured at historical cost shall still be converted at the spot exchange rate on the transaction date, and the amount of functional currency shall not be changed. For the non-monetary items denominated in foreign currency measured at fair value, the spot exchange rate on the date of fair value determination is used for translation, and the resulting exchange difference is included in profit or loss or other comprehensive income.

(2) The translation of foreign currency statements

The amounts of assets and liabilities as stated in the balance sheet are converted at the spot exchange rate prevailing on the balance sheet date. Except for the “undistributed profit”, other items under the owners’ equity are converted at the spot exchange rate prevailing at the time of incurrence. The income and expense items in the income statement are converted as per the spot exchange rate on the date when the transaction occurs. Based on the translation differences in foreign currency statements generated by the above conversion, the item “translation difference of foreign currency statement” is separately listed under other comprehensive income item.

For the disposal of an overseas operation, the translation difference of foreign currency statements relating to the overseas operation presented under other comprehensive income

in the balance sheet shall be transferred from other comprehensive income to current profit or loss of disposal; for the partial disposal of an overseas operation, the translation difference of foreign currency statements of the part of operation disposed of calculated according to the proportion of disposal shall transferred to current profit or loss of disposal.

11. Financial instruments

√Applicable □Not applicable

(1) Classification, recognition and measurement of financial assets

According to the business model for the management of financial assets and the contract cash flow characteristics of financial assets, the Company divides financial assets into: financial assets measured at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss.

① Financial assets measured at amortized cost

The Company's business model for managing the financial assets measured at amortized cost is to collect contract cash flows, and the characteristics of the contract cash flow of such financial assets are consistent with the basic lending arrangements, that is, the cash flow generated on a particular date is only for the payment of the principal and interest based on the outstanding principal amount. The Company subsequently measured such financial assets using the effective interest method. Gains or losses arising from amortisation or impairment are recognised in the current profit or loss.

② Financial assets at fair value through other comprehensive income

The Company's business model for managing such financial assets is aimed at both collecting contract cash flow and selling the financial asset, and the contract cash flow characteristics of such financial assets are consistent with the basic lending arrangements. Such financial assets are measured at fair value through other comprehensive income, but impairment losses or gains, exchange gains and losses, and interest income calculated by effective interest method are recognised in the current profit or loss.

In addition, the Company may designate part of the non-trading equity instruments as financial assets at fair value through other comprehensive income. The Company may include relevant dividend income of such financial assets in current profit or loss, and include changes in fair value in other comprehensive income. Upon the derecognition of such financial assets, the accumulated gains or losses previously included in other comprehensive income will be carried forward to retained earnings rather than included in current profit or loss.

③ Financial assets at fair value through profit or loss

Except for the above financial assets measured at amortized cost and those at fair value through other comprehensive income, the Company classifies all remaining financial assets as financial assets at fair value through profit or loss. Besides, upon initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Company designates some financial assets as financial assets measured at fair value through profit or loss. The

Company subsequently measured such financial assets at fair value through profit or loss.

(2) Classification, recognition and measurement of financial liabilities

The financial liabilities are classified at the initial recognition as follows: financial liabilities at fair value through profit or loss and other financial liabilities. For financial liabilities at fair value through profit or loss, the relevant transaction costs are directly included in current profit or loss. For other financial liabilities, the related transaction costs are included in the amount of initial recognition.

① Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading (including derivative instruments that are classified as financial liabilities) and financial liabilities designated at fair value through profit or loss upon initial recognition.

The financial liabilities held-for-trading (including derivative instruments that are classified as financial liabilities) are subsequently measured at fair value. Except for hedge accounting, changes in fair value are included in current profit or loss. For financial liabilities designated at fair value through profit or loss, the change in fair value of the liability due to changes in the Company's own credit risk is included in other comprehensive income, and when the liability is derecognized, the accumulated change in fair value caused by the change of its own credit risk through other comprehensive income is transferred to retained earnings. The remaining changes in fair value are included in current profit or loss. If dealing with the impact of changes in the credit risk of these financial liabilities in the above way will cause or expand the accounting mismatch in the current profit or loss, the Company will include all the gains or losses of the financial liabilities (including the amount affected by the changes in the credit risk of the enterprise) in the current profit or loss.

② Other financial liabilities

Other financial liabilities other than financial liabilities and financial guarantee contracts formed by the transfer of financial assets that do not meet the conditions for derecognition or continue to be involved in the transferred financial assets are classified as financial liabilities measured at amortized cost, which are subsequently measured at amortized cost, with the gains or losses arising from derecognition or amortization being included in the current profit or loss.

(3) Recognition basis and measurement method for transfer of financial assets

The financial assets that meet any of the following conditions shall be derecognized: ① where the contract right to receive the cash flow of the financial assets is terminated; ② where the financial assets have been transferred, and almost all the risks and rewards in the ownership of the financial assets have been transferred to the transferee; ③ where the financial assets have been transferred, and although the enterprise has neither transferred nor retained substantially all the risks and rewards in the ownership of the financial asset, it has abandoned its control over the financial assets.

If the enterprise has neither transferred nor retained almost all the risks and rewards in the ownership of the financial asset, but it does not waive the control over the financial asset, the

relevant financial assets shall be recognized in accordance with the extent of continuous involvement in the transferred financial assets, and relevant liabilities shall be recognized accordingly. The extent of continuous involvement in the transferred financial assets is the risk level at which enterprise is exposed to changes in the value of such financial assets.

Where the overall transfer of a financial asset meets the conditions for derecognition, the balance of sum of the amount corresponding to the derecognition part between the book value of the transferred financial assets and the amount of the consideration received as a result of the transfer and the cumulative change in the fair value originally included in the other comprehensive income shall be included in current profit or loss.

If the transfer of partial financial assets meets the conditions of derecognition, the book value of the transferred financial assets shall, between the derecognized portion and the portion of which recognition has not been terminated , be apportioned according to their respective relative fair values, and the difference between the consideration received in the transfer and the accumulative amount of the changes in the fair value originally through other comprehensive income and apportioned to the portion of which the recognition has been terminated and the book value before apportioning is included in current profit or loss.

The Company needs to determine whether almost all the risks and rewards of ownership of the financial assets have been transferred when it sells financial assets with the right of recourse or endorses and transfers the financial assets it holds. If almost all the risks and rewards of ownership of the financial assets have been transferred to the transferee, the financial assets shall be derecognized; if almost all the risks and rewards of the ownership of financial assets are retained, the financial assets shall not be derecognized; and if it neither transfers nor retains almost all the risks and rewards of ownership of the financial asset, continues to judge whether the enterprise retains control of the asset, and conducts accounting treatment according to the principles described in the preceding paragraphs.

(4) Derecognition of financial liabilities

Where the current obligation of a financial liability (or part thereof) has been discharged, the financial liability (or that part of financial liability) shall be derecognized by the Company. When the Company (the borrower) and the lender sign an agreement to substitute the original financial liabilities by bearing new financial liabilities, and the contract terms and conditions of the new financial liabilities and those of the original financial liabilities are different in essence, the original financial liabilities shall be derecognized and a new financial liability shall be recognized at the same time. If the Company substantially modifies the contract terms of the original financial liabilities (or part thereof), the original financial liabilities shall be derecognized, and at the same time, a new financial liability shall be recognized in accordance with the modified terms.

If the financial liabilities (or part thereof) are derecognized, the Company shall include the difference between the book value and the consideration paid (including non-cash assets transferred out or liabilities assumed) into current profit or loss.

(5) Offsetting of financial assets and financial liabilities

When the Company has a legal right to offset the recognized financial assets and financial liabilities, and such legal right is currently enforceable, and at the same time, the Company

intends either to settle on a net basis, or to realize such financial assets and pay off such financial liabilities, the net balance after the offsetting of financial assets and the financial liabilities shall be presented in the balance sheet. Otherwise, the financial assets and the financial liabilities shall be presented separately in the balance sheet without mutual offset.

(6) Determination of the fair value of financial assets and financial liabilities

Fair value refers to the price at which the market participant sells an asset or transfers a liability in the orderly transaction on the date of measurement. If there is an active market for financial instruments, the Company uses the quotation in the active market to determine its fair value. Quoted prices in an active market refer to prices that are easily obtained from exchanges, brokers, industry associations, and pricing service agencies on a regular basis, and represent the prices of market transactions that actually occur in an arm's length transaction. If there is no active market for financial instruments, the Company uses valuation techniques to determine its fair value. The valuation techniques include referring to prices used in recent market transactions by parties familiar with the situation and willing to trade, current fair value of other financial instruments that are essentially the same, discounted cash flow method and option pricing model. In the valuation, the Company adopts the valuation techniques that are applicable under the current circumstances and are supported by sufficient available data and other information, so as to select the input values that are consistent with the characteristics of assets or liabilities considered by market participants in the transactions of related assets or liabilities, and give priority to the use of relevant observable input values as much as possible. Values not input are used in cases where the relevant observable input values cannot be obtained or are not practical to obtain.

(7) Impairment of financial assets

The Company, taking into account all reasonable and reliable information (including forward-looking information), estimates the expected credit loss of financial assets measured at amortized cost and financial assets at fair value through other comprehensive income, either individually or in combination. The measurement of expected credit loss depends on whether the financial assets have experienced a significant increase in credit risk since initial recognition. If the credit risk of the financial instrument has not increased significantly since the initial recognition, the Company shall measure its loss provision according to the amount equivalent to the expected credit loss of the financial instrument in the next twelve months; if the credit risk of the financial instrument has increased significantly since the initial recognition, the Company shall measure its loss provision according to the amount equivalent to the expected credit loss of the financial instrument in the whole lifetime; if the credit risk of the financial instrument has been credit-impaired upon initial recognition, the Company shall measure its loss provision according to the amount equivalent to the expected credit loss in the whole lifetime of the financial instrument. The increased or reversed amount of the loss provisions arising therefrom shall be included in current profit or loss as impairment losses or gains.

(8) Equity instruments

Equity instruments refer to the contracts proving possession of remaining equity in the assets of the Company after deduction of all liabilities. The Company's issuance (including refinancing), repurchase, sale or cancellation of equity instruments are treated as changes in equity, and transaction costs related to equity transactions are deducted from equity. The

Company does not recognize the changes in the fair value of equity instruments. The Company's distribution of dividends (including "interest" generated by the instruments classified as equity instruments) on equity instruments during the lifetime shall be treated as profit distribution.

12. Notes receivable

√Applicable □Not applicable

Determination of expected credit loss and accounting treatment of notes receivable

√Applicable □Not applicable

For notes receivable, the Company, taking into account all reasonable and evidence-based information, including forward-looking information, estimates the expected credit loss of notes receivable, either individually or in combination, and adopts a simplified model of expected credit loss to measure loss provisions based on the expected credit loss in the whole lifetime. The provision method is as follows:

(a) At the end of the period, the Company conducts an individual impairment test on the notes receivable with objective evidence that it has been impaired, and recognizes the impairment losses and makes the bad debt provision according to the difference between the present value of its expected future cash flow and its book value.

(b) When the information of expected credit loss cannot be assessed at a reasonable cost for an individual financial asset, the Company classifies the receivables portfolio according to the credit risk characteristics and calculates the expected credit loss based on the portfolio.

For notes receivable with bad debt provision made based on the combination of credit risk characteristics, the Company refers to the historical experience of credit loss, in combination with current conditions and forecasts of future economic conditions, and calculates expected credit loss using the impairment provision model.

The Company includes loss provision or reversal of loss provision into the current profit or loss.

Types of portfolios of provision for bad debts based on credit risk characteristics and the determination basis

√Applicable □Not applicable

Types of portfolios of provision for bad debts based on credit risk characteristics and the determination basis are as follows:

Portfolio name	Basis for portfolio determination	Provision method
Banker's acceptance	The acceptor is a bank with relatively high credit risk	It is calculated in accordance with the expected credit loss method by reference to historical credit loss experience, and based on the current situation and forecast for the future.
Commercial acceptance draft	There is a possibility of default and credit risk	It is calculated in accordance with the expected credit loss method by reference to historical

		credit loss experience, and based on the current situation and forecast for the future.

Aging calculation method for recognising a portfolio of credit risk characteristics based on aging

□Applicable √Not applicable

Criteria for judging single-item provision by provision for bad debts by single item

√Applicable □Not applicable

The Company performs impairment tests on individual accounts receivable that have significantly different credit risk characteristics, such as a significant deterioration in the debtor's credit status, a low probability of future repayment, or already occurred credit impairment.

13. Accounts receivable

√Applicable □Not applicable

Determination of expected credit loss and accounting treatment of accounts receivable

√Applicable □Not applicable

For accounts receivable, the Company, taking into account all reasonable and evidence-based information, including forward-looking information, estimates the expected credit loss of the receivables, either individually or in combination, and uses a simplified model of expected credit loss to measure the loss provisions in accordance with the expected credit loss during the whole lifetime. The provision method is as follows:

(a) At the end of the period, the Company conducts an individual impairment test on the receivables with objective evidence indicating that they have been impaired, and recognizes the impairment losses and makes bad debt provision according to the difference between the present value of the expected future cash flow and its book value.

(b) When the information of expected credit loss cannot be assessed at a reasonable cost for an individual financial asset, the Company classifies the receivables portfolio according to their credit risk characteristics and calculates the expected credit loss based on the portfolio.

For receivables with bad debt provision made according to the combination of credit risk characteristics, the Company refers to the historical experience of credit loss, in combination with current conditions and forecasts of future economic conditions, and calculates expected credit loss using the model of impairment provision.

The Company includes the loss provision or reversal of loss provision into the current profit or loss.

Types of portfolios of provision for bad debts based on credit risk characteristics and the determination basis

√Applicable □Not applicable

When the information of expected credit loss cannot be assessed at reasonable cost for a single financial asset, the Company classifies a portfolio of receivables according to credit risk characteristics, and estimates the expected credit loss based on the portfolio.

Portfolio name	Basis for portfolio determination	Provision method
Aging portfolio	Accounts receivable with similar credit risk characteristics classified by aging	It is calculated in accordance with the expected credit loss method by reference to historical credit loss experience, and based on the current situation and forecast for the future.
Grouping of related parties	Receivables from subsidiaries within the scope of consolidation of the Company	It is calculated in accordance with the expected credit loss method by reference to historical credit loss experience, and based on the current situation and forecast for the future.

Aging calculation method for recognising a portfolio of credit risk characteristics based on aging

□Applicable √Not applicable

Criteria for judging single-item provision by determining provision for bad debts by single item

√Applicable □Not applicable

The Company performs impairment tests on individual accounts receivable that have significantly different credit risk characteristics, such as a significant deterioration in the debtor's credit status, a low probability of future repayment, or already occurred credit impairment.

14. Receivables financing

√Applicable □Not applicable

Methods for determining and accounting for expected credit losses on receivables financing

√Applicable □Not applicable

Financial assets that meet all of the following conditions are classified as financial assets at fair value through other comprehensive income: the business model for managing the financial assets by the Company is to collect contract cash flows and to sell financial assets; the contract terms of the financial assets stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount.

If the Company transfers the receivables held by it in the form of discount or endorsement, which is frequent and involves a large amount, and its business model for management is

substantially to collect contract cash flows and to sell, it is classified into financial assets at fair value through other comprehensive income in accordance with the accounting standards of financial instruments.

Types of portfolios of provision for bad debts based on credit risk characteristics and the determination basis

√Applicable □Not applicable

Portfolio name	Basis for portfolio determination	Provision method
Grouping of banker's acceptance	The acceptor is a bank with low credit risk	It is calculated in accordance with the expected credit loss method by reference to historical credit loss experience, and based on the current situation and forecast for the future.
Accounts receivable portfolio	There is a possibility of default and credit risk	It is calculated in accordance with the expected credit loss method by reference to historical credit loss experience, and based on the current situation and forecast for the future.

Aging calculation method for recognising a portfolio of credit risk characteristics based on aging

□Applicable √Not applicable

Criteria for judging single-item provision by provision for bad debts by single item

√Applicable □Not applicable

The Company performs impairment tests on receivables financing that has significantly different credit risk characteristics by single item, such as a significant deterioration in the debtor's credit status, a low probability of future repayment, or already occurred credit impairment.

15. Other receivables

√Applicable □Not applicable

Determination of expected credit loss and accounting treatment of other receivables

√Applicable □Not applicable

The Company measures the expected credit losses on other receivables in the following circumstances: ①the Company measures the allowance for losses at the amount of expected credit losses for the next 12 months if there has been no significant increase in credit risk since the initial recognition; ② the Company measures the allowance for losses at an amount equal to the expected credit losses over the entire duration of the financial instrument if there has been a significant increase in credit risk since the initial recognition; ③ the Company measures the allowance for losses at an amount equal to the expected credit losses over the entire duration of the financial instrument if the credit risk of the financial instrument

has been impaired since the initial recognition. Amounts increased or reversed in the resulting provision for losses are recognised as impairment losses in profit or loss.

Types of portfolios of provision for bad debts based on credit risk characteristics and the determination basis

√Applicable □Not applicable

Portfolio name	Basis for portfolio determination	Provision method
Aging portfolio	Other receivables with similar credit risk characteristics divided by aging	It is calculated in accordance with the expected credit loss method by reference to historical credit loss experience, and based on the current situation and forecast for the future.
Grouping of related parties	Receivables from subsidiaries within the scope of consolidation of the Company	It is calculated in accordance with the expected credit loss method by reference to historical credit loss experience, and based on the current situation and forecast for the future.
Low-risk portfolio	Tax rebates, government subsidies, employee loans and tender security with low credit risk	It is calculated in accordance with the expected credit loss method by reference to historical credit loss experience, and based on the current situation and forecast for the future.

Aging calculation method for recognising a portfolio of credit risk characteristics based on aging

□Applicable √Not applicable

Criteria for judging single-item provision by provision for bad debts by single item

√Applicable □Not applicable

The Company performs impairment tests on other receivables that have significantly different credit risk characteristics by single item, such as a significant deterioration in the debtor's credit status, a low probability of future repayment, or already occurred credit impairment.

16. Inventories

√Applicable □Not applicable

Inventories categories, issuance of pricing method, inventory system, and amortisation method for low-value consumables and packages

√Applicable □Not applicable

(1) Classification of inventories

Inventories are classified into six categories: raw materials, low-value consumables, packaging materials, goods in process, finished goods and goods in transit.

(2) Valuation method of inventories

The obtainment of inventories is measured initially by the cost, including purchase cost, processing cost and other costs. The perpetual inventory system is applied for inventories, and the weighted average method is adopted for the calculation of raw material receipt and inventory delivery.

Inventories are priced by the weighted average method when they are delivered.

(3) Inventory system

Perpetual inventory system is adopted.

(4) Amortization method of low-value consumables and packaging materials

1.Low-value consumables are amortized using the one-off write-off method.

2.Packaging materials are amortized using the one-off write-off method.

Criteria for determining the provision for inventory impairment and the method of accruing for the provision

√Applicable □Not applicable

At the end of the period, inventories are fully counted and impairment provision for inventories is made or adjusted at the lower of cost or net realizable value.

The net realizable value of inventories of finished goods, goods in stock and materials for sale, which are directly for sale, is determined in the usual and ordinary course of production and operation as the estimated selling price of such inventories, less estimated selling expenses and related taxes. The net realizable value of inventories of materials subject to processing is determined in the usual and ordinary course of production and operation as the estimated selling price of the finished goods produced, less the estimated costs to completion, estimated selling expenses and related taxes. The net realizable value of inventories held for the purpose of performing sales contracts or service contracts is calculated based on the contract price, and if the quantity of inventories held exceeds the quantity ordered under the sales contract, the net realizable value of the excess inventories is calculated based on the normal selling price.

At the end of the period, the inventory impairment provision shall be made according to an individual inventory item; however, provision for inventories of large quantities and lower unit prices is made by category; and provision is made on a combined basis for inventories that are related to a product line manufactured and sold in the same region with the same or similar end use or purpose and are difficult to measure separately from other items.

Types of portfolios and the basis for determining the provision for inventories impairment by portfolio, and the basis for determining the net realisable value of different inventory categories

□Applicable √Not applicable

Calculation method and basis for determining the net realisable value of each inventories age portfolio for recognising the net realisable value of inventories based on the inventories age

□Applicable √Not applicable

17. Contract assets

√Applicable □Not applicable

Recognition method and standard of contract assets

√Applicable □Not applicable

A contract asset is the right to receive consideration for a good or service that has been transferred to a customer, and that right depends on factors other than the passage of time.

Determination and accounting treatment of expected credit loss on contract assets

√Applicable □Not applicable

The Company's determination and accounting treatment of expected credit loss on the contract assets are in accordance with those of accounts receivable.

Types of portfolios of provision for bad debts based on credit risk characteristics and the determination basis

□Applicable √Not applicable

Aging calculation method for recognising a portfolio of credit risk characteristics based on aging

□Applicable √Not applicable

Criteria for judging single-item provision by determining provision for bad debts by single item

√Applicable □Not applicable

The Company performs impairment tests on contract assets that have significantly different credit risk characteristics by single item, such as a significant deterioration in the debtor's credit status, a low probability of future repayment, or already occurred credit impairment.

18. Non-current assets held for sale or disposal groups

√Applicable □Not applicable

Recognition criteria and accounting treatment for non-current assets or disposal groups held for sale

√Applicable □Not applicable

A component (or non-current assets, the same below) of an enterprise that meets all of the following conditions is recognized as held for sale: the component must be available for immediate sale in its current condition only in accordance with customary terms for the sale of such components; the Company has made a resolution on the disposal of the component, and if an approval of the shareholders is required, the approval of the shareholders' meeting or the corresponding authority has been obtained; the Company has signed an irrevocable transfer agreement with the transferee; the transfer will be completed within one year.

Criteria for determining and reporting for discontinued operations

√Applicable □Not applicable

(1) Discontinued operations

Discontinued operations are those components that have been disposed of or classified as held for sale by the Company and that can be separately distinguished in operations and in the preparation of financial statements if one of the following conditions is met: ① the component represents a separate major business or a major operating area; ② the component is part of a proposed disposal plan for a separate major business or a major operating area; ③ the component is a subsidiary acquired solely for the purpose of re-sale.

(2) Presentation

The Company presents assets in non-current assets held for sale or disposal groups held for sale as "assets held for sale" and liabilities in disposal groups held for sale as "liabilities held for sale" in the balance sheet. The Company presents profit or losses from continuing operations and profit or losses from discontinued operations separately in the income statement. Impairment losses and reversed amounts and profit or losses on disposal of non-current assets or disposal groups held for sale that do not meet the definition of discontinued operations are presented as profit or losses from continuing operations. Operating profit or losses such as impairment losses and reversed amounts for discontinued operations and profit or losses on disposals are presented as profit or losses from discontinued operations.

For disposal groups that are intended to be taken out of service rather than sold and that meet the conditions of the definition of discontinued operations with respect to the component, the Company presents disposal groups as discontinued operations from the date they are taken out of service. For discontinued operations presented in the current period, in the financial statements for the current period, the Company restates the information that was previously presented as profit or losses from continuing operations as profit or losses from discontinued operations for the comparable accounting period. When a discontinued operation no longer meets the conditions for classification in the held-for-sale category, in the financial statements for the current period, the Company restates the information that was previously presented as profit or losses from discontinued operations as profit or losses from continuing operations for the comparable accounting period.

19. Long-term equity investments

√ Applicable □ Not applicable

The long-term equity investments herein refer to the long-term equity investment in which

the Company has control over, joint control over or significant influence on the investee.

Joint control refers to the common control over an arrangement by the Company in accordance with relevant agreements, and the activities related to the arrangement must be agreed upon by the parties holding control right before the decision can be made. The significant influence means that the Company has the right to participate in making decisions on the financial and operating policies of the investee, but cannot control the preparation of the policies alone or jointly with other parties.

(1) Determination of the initial cost of long-term equity investments

① Long-term equity investments formed by business combinations

Business combinations under common control: if the Company pays cash, transfers non-cash assets or assumes liabilities, and issues equity securities as the consideration for the combination; on the combination date, the share of the book value of the owners' equity of the combined party in the consolidated financial statements of the final controlling party shall be taken as the initial investment cost of the long-term equity investments. For the difference between the initial investment cost of long-term equity investments and the consideration paid for combination, the capital reserve (capital premium or share premium) shall be adjusted; if the capital reserve (capital premium or share premium) is insufficient to write down, the retained earnings shall be adjusted. If the combining party uses the issuance of equity securities as the consideration for the combination, the total par value of the issued shares shall be used as the share capital, and the capital reserve (capital premium or share premium) shall be adjusted based on the difference between the initial investment cost of the long-term equity investments and the total book value of the issued shares; if the capital reserve (capital premium or share premium) is insufficient to write down, the retained earnings shall be adjusted.

Business combinations not under common control: The Company's combination cost determined on the acquisition date is regarded as the initial investment cost of the long-term equity investments. The combination cost is the fair value of assets paid, liabilities incurred or assumed and equity securities issued by the acquirer to obtain the control over the acquiree on the acquisition date. The transaction costs of the equity securities or debt securities issued by the acquirer as a consideration for the combination shall be included in the initial recognition amount of the equity securities or debt securities. The business combinations not under common control that is realized step by step through multiple transactions shall be accounted for by reference to Note V. 6.

The intermediary expenses such as auditing, legal services, evaluation and consultation and other related management expenses incurred by the combining party or the acquirer for the business combinations shall be included in current profit or loss when they are incurred.

② Long-term equity investments obtained by other means

For the long-term equity investments obtained in the form of payment in cash, the actual acquisition price paid is regarded as the initial investment cost. The initial investment cost consists of the expenses directly relevant to the obtaining of long-term equity investments, taxes and other necessary expenses.

For the long-term equity investments obtained by issuing equity securities, the fair value of the issued equity securities shall be used as the initial investment cost.

Provided that the non-monetary assets swap is commercial in nature and the fair value of the swap-in assets or the swap-out assets can be measured reliably, the initial investment cost of the swap-in long-term equity investments of the non-monetary assets is determined based on the fair value of the swap-out assets, unless there is evidence that the fair value of the swap-in assets is more reliable. For the non-monetary assets swap that does not meet the above-mentioned conditions, the book value of the swap-out assets and the relevant taxes payable are regarded as the initial investment cost of the swap-in long-term equity investments.

For the long-term equity investments in an associate or a joint venture obtained through debt restructuring, the initial investment cost is determined based on the fair value of the abandoned debt and other costs such as taxes that can be directly attributable to the asset.

(2) Subsequent measurement of long-term equity investments and recognition method of profit and loss

The long-term equity investments that the Company can control over the investee are accounted for using the cost method.

Long-term equity investments accounted for using the cost method are priced at the initial investment cost. For additional or recovered investments, the cost of long-term equity investments shall be adjusted. The cash dividends or profits declared and distributed by the investee shall be recognized as the investment income of the current period.

Long-term equity investments in joint ventures and associates shall be accounted for using the equity method. If the initial investment cost of the long-term equity investment is higher than the share of the fair value of the investee's identifiable net assets at the time of investment, the initial investment cost of the long-term equity investments shall not be adjusted; if the initial investment cost is less than the share of the fair values of the investee's identifiable net assets at the time of investment, the difference shall be included in the current profit or loss, and the cost of the long-term equity investments shall be adjusted accordingly.

After the Company obtains a long-term equity investment, it shall, in accordance with the attributable share of the net profit and loss and other comprehensive income of the investee, respectively recognize investment income and other comprehensive income and adjust the book value of the long-term equity investments. The Company shall, in the light of the profits or cash dividends declared and distributed by the investee, calculate the proportion it shall obtain, and shall reduce the book value of the long-term equity investments correspondingly. Where any change is made to the owners' equity other than the net profit and loss, other comprehensive income and profit distribution of the investee, the book value of the long-term equity investments shall be adjusted and be included in the owners' equity.

The net profit of the investee shall be adjusted based on the fair value of the identifiable net assets of the investee when the investment is obtained in the determination of the Company's share of the net profit and loss of the investee.

If the accounting policy and accounting period adopted by the investee are inconsistent with those of the Company, the financial statements of the investee shall be adjusted in accordance

with the Company's accounting policy and accounting period, and investment income and other comprehensive income shall be recognized accordingly.

The Company recognizes the net loss incurred by the investee to the extent that the book value of the long-term equity investments and other long-term equity substantially constituting the net investment in the investee are written down to zero, unless the Company is liable for extra losses.

If the investee realizes net profit in the future, the Company will resume the recognition of the profit-sharing amount after its profit-sharing amount makes up for the unrecognized loss-sharing amount.

When the Company calculates and recognizes the net profit and loss of the investee that it shall enjoy or share, the unrealized internal trading gains or losses between associates and joint ventures attributable to the Company shall be calculated in the proportion it is entitled to and be offset, after which the investment income can be recognized.

If the unrealized internal transaction losses between the Company and the investee are impairment losses on assets in accordance with relevant provisions of "Accounting Standards for Business Enterprises No. 8 – Asset Impairment", etc., the transaction losses shall be recognized in full.

If the Company can exert significant influence or implement joint control without constituting control over the investee due to additional investment and other reasons, sum of the fair value of originally held equity determined according to "Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments" and new investment costs, shall be taken as the initial investment costs accounted for using the equity method. If the original investment is classified as a non-trading equity instrument investment measured at fair value through other comprehensive income, the cumulative fair value changes related to it and included in the other comprehensive income shall be transferred into the retained earnings for the current period accounted for using the equity method, and shall not be included in current profit or loss.

When the Company loses joint control over or significant influence on the investee due to disposal of partial equity investment and other reasons, the remaining equity after disposal is accounted for in accordance with the "Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments". The difference between its fair value and book value at the date of losing joint control or significant influence is included in current profit or loss. Other comprehensive income recognized as a result of accounting for the original equity investment under equity method shall be accounted for using the same basis as the direct disposal of related assets or liabilities by the investee shall be adopted upon it easing to be accounted for under equity method.

If the Company loses its control over the investee due to the disposal of partial equity investments, when preparing the individual financial statements, if the remaining equity after the disposal can implement joint control over or significant influence on the investee, it shall be accounted for using equity method instead and be adjusted as if the remaining equity has been accounted for using equity method upon acquisition; if the remaining equity after the disposal cannot implement joint control over or significant influence on the investee, it is changed to be subject to accounting treatment in accordance with the relevant provisions of

"Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments".

When disposing of a long-term equity investment, the difference between its book value and the actual purchase price shall be included in current profit or loss. In disposals of long-term equity investments accounted for using equity method, the same basis as the direct disposal of related assets or liabilities by the investee shall be adopted to carry out accounting treatment on the part originally through other comprehensive income according to the corresponding proportion.

20. Investment properties

Not applicable

21. Fixed assets

(1). Conditions for recognition

√Applicable □ Not applicable

Fixed assets refer to those tangible assets held for producing commodities, rendering labor service, renting or business management, and whose useful life is in excess of one accounting year. Fixed assets are classified as: land (overseas), houses and buildings, machinery and equipment, electronic equipment, transportation equipment and other equipment. Fixed assets are recognized when they meet the following conditions: ① the economic benefits related to the fixed assets are likely to flow into the Company; ② the cost of the fixed assets can be measured reliably.

(2). Depreciation method

√Applicable □ Not applicable

Category	Depreciation method	Depreciation period (year)	Residual value rate	Annual rate of depreciation
Land (overseas)	Not applicable	Not applicable	Not applicable	Not applicable
Houses and buildings	Straight-line-method	20-40	5.00%	2.40%-4.80%
Machinery and equipment	Straight-line-method	8-20	5.00%	4.75%-11.88%
Electronic equipment	Straight-line-method	5	5.00%	19.00%
Transportation equipment	Straight-line-method	3-8	5.00%	11.87%-31.7%
Other equipment	Straight-line-method	2	Not calculated	50.00%

No depreciation shall be provided for the ownership of land operated overseas, and the photovoltaic power generation equipment newly added by the Company for the electricity sales industry shall be classified as machinery and equipment. The depreciation of fixed assets other than the land is provided by using the straight-line method, and the depreciation rate is determined according to the category of fixed assets, expected useful life and expected

net residual value rate. If each component of fixed assets has different useful life or provides economic benefits to the Company in different ways, different depreciation rates or depreciation methods shall be selected for the provision of depreciation respectively.

22. Construction in progress

√Applicable □Not applicable

Construction in progress is accounted for by project classification.

The cost of construction in progress shall be determined according to the actual construction expenditure, including various construction expenditures during the construction period, capitalized borrowing costs before the construction reaches the intended usable state, and other related expenses. The construction in progress shall be carried forward to fixed assets after reaching the intended usable state.

See Note V. 27 "Impairment of long-term assets" for details of the methods for impairment test and provision of impairment reserve applicable to construction in progress.

23. Borrowing costs

√Applicable □Not applicable

(1) Recognition principle for capitalization of borrowing costs

Borrowing costs, including loan interest, amortization of discounts or premiums, auxiliary costs, and exchange differences arising from foreign currency borrowings.

Once the Company's borrowing costs incurred can be directly categorized to the acquisition, construction or production of assets that meet capitalization conditions, they shall be capitalized and accounted for relevant asset costs; other borrowing costs shall be recognized as expense upon occurrence according to the sum and accounted for current profit or loss.

Assets eligible for capitalization refer to such fixed assets, investment properties, inventories and others which may achieve its intended usable or saleable state, after going through a long period of acquisition, construction or production activities.

The borrowing costs that meet the following conditions simultaneously begin to be capitalized:

① The asset expenditure has been incurred, including the expenditure in the form of cash payment, non-monetary assets transfer or payment of the debts with interest for acquisition, construction or production of assets that meet the capitalization conditions;

② The borrowing costs have been incurred;

③ The acquisition, construction or production activities necessary for making the assets achieve its intended usable or saleable state have been commenced.

(2) The capitalization period of borrowing costs

Capitalization period refers to the period from the point of time when capitalization of borrowing costs commences to the point of time when capitalization ceases, excluding the period of suspension of capitalization of borrowing costs.

When the assets acquired, constructed or produced that meet the capitalization conditions achieve its intended usable or saleable state, the borrowing costs cease to be capitalized.

When the acquisition, construction, or production of some of assets that meet the capitalization conditions are completed respectively, and each part is available for use or external sales while the other parts continue to be constructed, and the acquisition, construction, or production activities of the assets necessary for making the part of the assets achieve its intended usable or saleable state have been substantially completed, the borrowing costs for such part of the assets cease to be capitalized.

Even though each part of the acquired, constructed or produced assets is completed respectively, it only can be put into operation or sold after the whole asset is completed, the borrowing costs cease to be capitalized when the whole asset is completed.

(3) The period of suspension of capitalization of borrowing costs

If the abnormal interruption occurs in the process of acquisition and construction or production of assets that meet the capitalization conditions, and the interruption period lasts for more than 3 consecutive months, the capitalization of borrowing costs shall be suspended; if the interruption is a necessary procedure for the acquisition, construction or production of assets eligible for capitalization to achieve its intended usable or saleable state, the borrowing costs continue to be capitalized. Borrowing costs incurred during the suspension period shall be recognized as current profit or loss, and continue to be capitalized until the resumption of the acquisition, construction or production of assets.

(4) Calculation method of the capitalized amount of borrowing costs

For special borrowings borrowed for the acquisition, construction or production of assets eligible for capitalization, the capitalized amount of borrowing costs shall be determined based on the actual borrowing costs and auxiliary fees incurred in the current period of the special borrowings, minus the interest income obtained from the unused borrowing funds deposited in the bank or the investment income obtained from temporary investments.

For the general borrowings obtained for the acquisition, construction or production of assets that meet the capitalization conditions, the interest amount of the general borrowings that shall be capitalized is calculated and determined according to the weighted average of the accumulated asset expenditure in excess of special borrowings and multiplied by the capitalization rate accounting for the general borrowings. The capitalization rate is calculated and determined by the weighted average interest rate of general borrowings.

Where there is any discount or premium, the amount of discount or premium to be amortized in each accounting period shall be determined in accordance with the effective interest method to adjust the interest amount for each period.

24. Biological assets

□Applicable √Not applicable

25. Oil and gas assets

□Applicable √Not applicable

26. Intangible assets

(1). Useful life and the basis for its determination, estimates, amortization methods or review procedures

√Applicable □ Not applicable

① Initial measurement at cost when intangible assets are obtained

The cost of outsourcing intangible assets shall include the purchase price, relevant taxes and other necessary expenditures directly attributable to intangible assets for the intended purpose. If there is deferred payment of the purchase price of the intangible assets beyond normal credit conditions which is substantially of a financing nature, the cost of the intangible assets is determined based on the present value of the purchase price.

By debt restructuring, the Company obtains the intangible assets used by the debtor to offset the debt, and determines its entry value based on the fair value of the waived claims and the taxes and other costs that can be directly attributable to bringing the asset to its intended use, and includes the difference between the fair value and the book value of the waived claims in current profit or loss;

If the exchange of non-monetary asset is commercial in nature and the fair values of both the assets received and surrendered can be reliably measured, the entry value of intangible assets received in the exchange of non-monetary assets is determined based on the fair value of the assets surrendered, unless there is any concrete evidence indicating that the fair value of the assets received is more reliable; where an exchange of non-monetary asset cannot satisfy the above-mentioned conditions, the cost of the intangible assets received shall be the book value of the assets surrendered and relevant taxes payable, and no profit and loss shall be recognized for the assets surrendered.

For the intangible assets obtained by business combination under common control, their entry values shall be determined in accordance with the book value of the combined party; for the intangible assets obtained by business combination not under common control, their entry values shall be determined in accordance with the fair value.

For the internally self-developed intangible assets, the cost includes the materials consumed to develop such intangible assets, the labor cost, the registration fee, amortization of other patent rights and franchise used in the development course and interest expenses to meet the capitalization conditions, and other direct expenses incurred to achieve the intended purpose of such intangible assets.

(2) Useful life estimation of intangible assets with finite useful life

Category	Amortization period (year)
Land use right	50

Trademark right	10
Patent right	10
Non-patented technology	5
Application software	5

At the end of each period, the useful life and amortization method of intangible assets with finite useful life are reviewed.

(2). The scope of R&D expenditures and the related accounting treatment

√Applicable □Not applicable

R&D expenditures are expenditures directly related to the Company's R&D activities, including the salaries of R&D personnel, direct input expenses, depreciation and long-term deferred expenses, design expenses, amortisation expense of intangible assets, commissioned external R&D expenses and other expenses, of which the salaries of R&D personnel are amortised according to the number of hours worked on the project and are included in R&D-related expenditures. The Company includes the expenses incurred during the research phase of internal R&D projects in the profit or losses in the current period when they incur; and capitalises expenditures in the development phase only when the following conditions are met: ① technical feasibility to complete the intangible assets so that it can be used or sold; ② the intention to complete the intangible assets and use or sell it; ③the manner in which the intangible assets generates economic benefits, including the ability to demonstrate the existence of a market for the products produced by the intangible assets or the existence of a market for the intangible assets, and the usefulness of the intangible assets if it is to be utilized internally; ④ the availability of sufficient technical, financial, and other resources to complete the development of the intangible assets and the ability to use or sell it; and ⑤ the ability to measure reliably the expenditures attributable to the development phase of the intangible assets.

The Company's specific criteria for classifying internal R&D projects into research phase and development phase are as follows: for the planned investigation phase for acquiring new technologies, knowledge, etc., the Company defines it as the research phase, which characterized by planning and exploratory nature; for the phase of applying the results of the research or other knowledge to a plan or design in order to produce new or substantially improved materials or products, etc., prior to commercial production or use, the Company defines it as the development phase, which is characterized by relevance and greater possibility of producing results.

If it is not possible to distinguish between research-phase expenditures and development-phase expenditures, the Company recognises all R&D expenditures incurred in profit or losses of the current period.

27. Impairment of long-term assets

√ Applicable □ Not applicable

On each balance sheet date, the Company shall determine whether there is an indication of impairment for long-term equity investments, investment properties measured by the cost model, fixed assets, construction in progress, biological assets measured by the cost model, oil and gas assets and intangible assets with finite useful life. If there is an indication of impairment, the recoverable amount shall be estimated. If the recoverable amount is less than its book value, the book value of the asset shall be written down to the recoverable amount, and the written-down amount will be recognized as corresponding impairment losses and included in current profit or loss. The corresponding impairment provision shall be made at the same time.

The estimate of the recoverable amount for the assets shall be determined based on its fair value less disposal costs, net and the present value of its expected future cash flow, whichever is higher. The Company estimates its recoverable amount based on an individual asset. When it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit shall be determined based on the cash-generating unit to which the asset belongs.

After the impairment losses on assets are recognized, the depreciation or amortization expenses of the impaired assets shall be adjusted accordingly in the future, so that the adjusted book value of the assets can be systematically apportioned within the remaining useful life.

For intangible assets with indefinite useful life, intangible assets that have not yet ready for use and goodwill arising from the combination, impairment test shall be conducted at the end of each year.

For the impairment test of goodwill, the book value of the goodwill arising from business combinations shall be apportioned to the relevant cash-generating unit on a reasonable basis from the date of purchase; if it is difficult to apportion it to the relevant cash-generating unit, it shall be apportioned to the relevant group of cash-generating units. When apportioning the book value of goodwill to the relevant cash-generating unit or group of cash-generating units, it shall be apportioned in accordance with the proportion of the fair value of each cash-generating unit or group of cash-generating units to the total fair value of the relevant cash-generating unit or group of cash-generating units. If the fair value cannot be measured reliably, the apportionment is based on the proportion of the book value of each cash-generating unit or group of cash-generating units to the total book value of the relevant cash-generating unit or group of cash-generating units.

For the impairment test on a cash-generating unit or group of cash-generating units containing goodwill, if there is an indication that the cash-generating unit or group of cash-generating units to which the goodwill related may be impaired, the cash-generating unit or group of cash-generating units shall be tested for impairment first to calculate the recoverable amount and recognize corresponding impairment losses by comparing the recoverable amount with the relevant book value. Then, the cash-generating unit or group of cash-generating units containing goodwill shall be tested for impairment, and by comparing the book value of such cash-generating unit or group of cash-generating units, including the part of the book value of the apportioned goodwill, with the recoverable amount, if the recoverable amount of such cash-generating unit or group of cash-generating units is less than the book value, impairment losses shall be recognized for the goodwill.

Once recognized, the above impairment losses on assets of which the value has been recovered shall not be reversed in the subsequent periods.

28. Long-term prepaid expenses

√ Applicable □ Not applicable

For the expenses with an amortization period of more than 1 year that have been incurred but shall be borne in the current and subsequent periods, including the improvement expenses of fixed assets under operating leases, they are amortized as long-term prepaid expenses by installments over the expected beneficial years. In case the future accounting period cannot be benefited from long-term prepaid expenses, all unamortized value of the item shall be transferred into current profit or loss.

29. Contract liabilities

√ Applicable □ Not applicable

Contract liabilities refer to the obligations of the Company to transfer commodities or provide services to customers for consideration received or receivable from customers, such as amounts that a business has received before transferring the promised goods or services.

30. Employee remunerations

(1). Accounting treatment of short-term remuneration

√ Applicable □ Not applicable

During the accounting period in which employees render services to the Company, the actual short-term remuneration shall be recognized as liabilities and included in profit or loss or costs of related assets during the period.

(2). Accounting treatment of post-employment benefit

√ Applicable □ Not applicable

The post-employment benefit plans are classified into the defined contribution plan and the defined benefit plan.

During the accounting period in which the employees render services to the Company, the payable amounts calculated based on the defined contribution plan are recognized as liabilities and included in current profit or loss or costs of related assets. If the full amount of contribution payables under the defined contribution plan is not expected to be paid within twelve months after the end of the annual reporting period in which the employees render related services, the full amount of contributions payable shall be measured as employee compensation payables at a discounted amount based on the market yields of treasury bonds or high-quality corporate bonds in active markets that match the maturity and currency of the obligations under the defined benefit plan as at the balance sheet date.

The Company discounts all defined benefit plan obligations at the market yield of treasury bonds or high-quality corporate bonds in active markets that match the maturity and currency

of the obligations under the defined benefit plan as at the balance sheet date, including the expected obligations of payment within twelve months after the end of the annual reporting period in which the employees provide services.

If there are assets under the defined benefit plan, the deficit or surplus after the present value of defined benefit plan obligations less the fair value of defined benefit plan assets is recognized as net liabilities or net assets of a defined benefit plan. If a defined benefit plan has a surplus, the Company measures the net assets of defined benefit plan based on the lower of the surplus or asset limit of the defined benefit plan, in which, the asset limit is the present value of the economic benefits that the Company can obtain from refunds of, or reductions future contributions to, the defined benefit plan.

At the end of the reporting period, the service cost of employee compensation costs arising from the defined benefit plans and the net interest of the net liabilities or net assets of the defined benefit plans shall be included in current profit or loss or cost of assets; the changes arising from the net liabilities or net assets of the defined benefit plans are remeasured. If the net interest in question is included in other comprehensive income and not allowed to be reversed to profit or loss in subsequent accounting periods, it can be transferred within equity.

Under a defined benefit plan, the historical service cost is recognized as a current expense on the earlier date of modification of the defined benefit plan and recognition of related restructuring expense or termination benefits.

An enterprise recognizes gains or losses on settlement when the defined benefit plan is settled. The gain or loss is the difference between the present value of the obligations under the defined benefit plan determined on the settlement date and the settlement price.

(3). Accounting treatment of termination benefits

√ Applicable □ Not applicable

The employee remuneration liabilities arising from termination benefits are recognized on the earlier of the following two dates and included in current profit or loss:

When the enterprise cannot unilaterally withdraw the termination benefits provided for the labor relationship termination plan or the layoff proposal;

When an enterprise recognizes costs or expenses associated with a restructuring involving the payment of termination benefits.

If the termination benefits are expected to be fully paid within twelve months after the end of the annual reporting period in which they are recognized, the relevant provisions for short-term remuneration shall apply; if the termination benefits are not expected to be fully paid within twelve months after the end of the annual reporting period, the relevant provisions for other long-term employee benefits shall apply.

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

√ Applicable □ Not applicable

Other long-term employee benefits that qualify as defined contribution plans are treated in

accordance with (2) above. If the conditions of a defined contribution plan are not met, the relevant provisions for defined benefit plans are applied to recognize and measure the net liabilities or net assets of other long-term employee benefits. At the end of the reporting period, the total net amount of service cost, net interest on net liabilities or net assets, and changes resulting from the remeasurement of net liabilities or net assets for other long-term employee benefits are recognized in current profit or loss or cost of related assets.

31. Estimated liabilities

√ Applicable □ Not applicable

When the obligations arising from providing external guarantee, litigation matters, product quality guarantee, onerous contract and other contingent matters become the realistic obligations of the Company, and the performance of the obligation is likely to lead to the outflow of economic benefits from the Company, and the amount of the obligation can be measured reliably, the Company shall recognize the obligation as an estimated liability. The Company initially measures the estimated liability based on the best estimate of the expenditure required to settle the related realistic obligation and reviews the book value of the estimated liabilities on the balance sheet date.

32. Share-based payments

√ Applicable □ Not applicable

(1) Types and accounting treatment of share-based payments

A share-based payment refers to the transaction of granting equity instruments or undertaking liabilities by the Company determined based on equity instruments to obtain services provided by employees. Share-based payments can be divided into equity-settled share-based payments and cash-settled share-based payments.

① Equity-settled share-based payments

An equity-settled share-based payment in exchange for services provided by employees shall be measured at the fair value of the equity instruments granted to employees on the grant date. It can only be exercised after the service during vesting period is completed or the specified performance conditions are fulfilled, the service obtained during the current period will be included in relevant costs or expenses, based on the best estimate of the number of exercisable equity instruments within the vesting period, as per the fair value of equity instruments on the grant date, and the capital reserve shall be increased accordingly.

For equity-settled share-based payments in exchange for other party's services, if the fair value of other party's services can be reliably measured, it shall be measured based on the fair value of other party's services on the acquisition date and included in the relevant costs or expenses, and the shareholder's equity shall be increased accordingly; in case the fair value of other party's services cannot be reliably measured, but the fair value of equity instruments can be reliably measured, it shall be measured based on the fair value of equity instruments on the acquisition date and included in relevant costs or expenses, and the shareholders' equity shall be increased accordingly.

② Cash-settled share-based payments

A cash-settled share-based payments shall be measured in accordance with the fair value of liability recognized based on the number of shares of the Company or other equity instruments undertaken by the Company. The cash-settled share-based payments shall be exercised only after the service during the vesting period is completed or the specified performance conditions are fulfilled, and the service obtained during the current period will be included in relevant costs or expenses on each balance sheet date within the vesting period, based on the best estimate of the exercisable equity instruments, according to the amount of fair value of liabilities undertaken by the Company, and the liabilities shall be accordingly increased. On each balance sheet date and settlement date before the settlement of relevant liabilities, fair value of the liabilities shall be remeasured, and their changes shall be included in current profit or loss.

(2) Determination of the fair value of equity instruments

① In case of active market, it shall be determined according to the quoted price in the active market.

② In case of no active market, it shall be determined by adopting valuation techniques, including referring to prices used in recent market transactions by parties familiar with the situation and willing to trade, current fair value of other financial instruments that are essentially the same, discounted cash flow method and option pricing model.

(3) Basis for determining the best estimate of exercisable equity instruments

On each balance sheet date in the vesting period, the Company makes the best estimate according to the latest changes in the number of exercisable employees and other subsequent information, and modifies the number of equity instruments which are expected to be exercised.

(4) Treatment of modifying and terminating share-based payments plans

If an amendment to a share-based payments plan increases the fair value of the equity instruments granted, an increase in the services acquired shall be recognized accordingly based on the increase in the fair value of the equity instruments.

If an amendment to a share-based payments plan increases the number of equity instruments granted, the fair value of the increased equity instruments shall be recognized accordingly as an increase in the acquisition of services.

If the vesting conditions are modified in a way that is beneficial to the employees, such as reducing the vesting period, changing or canceling the performance conditions (rather than the market conditions), the Company will consider the modified vesting conditions when dealing with the vesting conditions.

If the terms and conditions are modified in a manner that reduces the total fair value of the share-based payments or otherwise adversely affects the employees, the acquired services shall continue to be accounted for as if the change had never occurred, unless some or all of the equity instruments granted are cancelled.

If equity instruments granted are cancelled in the vesting period, the Company will treat the

cancellation of equity instruments granted as accelerated vesting, include the amount recognized in the remaining vesting period in current profit or loss and recognize the capital reserve simultaneously. For employees or other parties who are able to but do not meet the non-vesting conditions during the vesting period, the Company will treat it as the cancellation of equity instruments granted.

33. Preferred stocks, perpetual bonds and other financial instruments

□Applicable√ Not applicable

34. Revenue

(1). Disclosure of accounting policies adopted for revenue recognition and measurement by type of business

√ Applicable □ Not applicable

(1) Revenue recognition

The Company's revenue mainly consists of sales of commodities, construction projects and provision of labor services. The Company recognizes revenue when the performance obligation in the contract is fulfilled, that is, when the customer obtains the control right of relevant commodities. Obtaining the control right of relevant commodities means to be able to dominate the use of the commodities and obtain almost all economic benefits arising therefrom, and it also includes the ability to prevent other parties from dominating the use of the commodities and obtaining economic benefits therefrom.

The Company shall judge the nature of relevant performance obligations as "performance obligations fulfilled within a certain period of time" or "performance obligations fulfilled at a certain point of time" based on relevant provisions of revenue standards, and shall recognize revenue according to the following principles, respectively.

1) In case the Company meets one of the following conditions, it shall fulfill the performance obligations within a certain period of time:

① Customers obtain and consume economic benefits arising from performance of the Company at the same time as the Company fulfills the contract.

② Customers can control the assets under construction during the Company's performance of the contract.

③ Assets produced by the Company during the performance of the contract are irreplaceable, and the Company shall be entitled to receive payment for the performance part that has been completed so far throughout the contract period.

For performance obligations fulfilled within a certain period of time, the Company shall recognize revenue according to the performance progress within that period, except that the performance progress cannot be reasonably determined. The Company shall consider the nature of commodities, and then shall determine the proper performance progress by adopting the output method or the input method.

2) For performance obligations fulfilled at a certain point of time rather than in a certain period of time, the Company shall recognize revenue at the time when customers obtain the control right of relevant commodities.

When judging whether customers have obtained the control right of relevant commodities, the Company considers the following indications:

① The Company is entitled to immediately receive payment for the commodities, which means that customers have the obligation to immediately pay for the commodities;

② The Company has transferred the legal ownership of the commodities to customers, which means that customers have obtained the legal ownership of the commodities;

③ The Company has transferred the commodities in kind to customers, which means that customers have physically possessed the commodities;

④ The Company has transferred major risks and rewards related to the ownership of the commodities to customers, which means that customers have obtained major risks and rewards related to the ownership of the commodities;

⑤ Customers have accepted the commodities;

⑥ Other indications that customers have obtained the control right of the commodities.

(2) The Company's specific policies on revenue recognition:

Based on the requirements of the above principles, the Company has selected different revenue recognition conditions for the characteristics of various sales forms:

① Sales of individual standard products, individual equipment and accessories: for domestic sales, completion of the delivery according to the contract is recognized as the transfer point at which the customer obtains the control right of the relevant commodities; for overseas sales, after the Company organizes the shipment, handles the export customs clearance procedures according to the requirements of the contract, and obtains the export customs declaration and the export shipment note, which is recognized as the point at which the Company transfers control right of the commodities to the customer, the revenue will be recognized.

② Construction projects: for clean energy environmental protection construction projects, the Company recognizes revenue according to the progress of contract performance. For complete sets of wall material production line equipment with installation and acceptance obligations, revenue is recognized upon completion of commissioning and acceptance and obtaining relevant acceptance documents. For complete sets of wall material production line equipment without installation and acceptance obligations: for domestic sales, revenue will be recognized when completion of the delivery according to the contract, which is recognized as the transfer point at which the customer obtains the control right of the relevant commodities, and for oversea sales, after the Company completes the shipment and handles the export customs clearance procedures according to the requirements of the contract, and obtains the export customs declaration and the export shipment note, which is recognized as the point at which the Company transfers control right of the commodities to the customer,

the revenue will be recognized.

(3) Revenue measurement

The Company shall measure revenue according to the transaction price allocated to each individual performance obligation. In determining the transaction price, the Company shall consider the influence of variable considerations, significant financing components in the contract, non-cash considerations, considerations payable to customers as well as other factors:

① Variable considerations

The Company shall determine the best estimate of variable considerations according to the expected value or the most likely amount, but the transaction price including the variable considerations shall not exceed the amount of accumulated recognized revenue that is unlikely to be significantly reversed when relevant uncertainty is eliminated. When evaluating whether the accumulative recognized revenue is unlikely to be significantly reversed, the Company shall further consider the possibility and proportion of revenue reversal.

② Significant financing components

In case of significant financing components in the contract, the Company shall determine the transaction price according to the amount payable in cash assuming that customers obtain the control right of commodities. Difference between the transaction price and the contract consideration shall be amortized by adopting the effective interest method during the contract period.

③ Non-cash considerations

In case customers pay for non-cash considerations, the Company shall determine the transaction price according to the fair value of the non-cash considerations. In case the fair value of non-cash considerations cannot be reasonably estimated, the Company shall indirectly determine the transaction price by reference to the separate selling price of commodities it undertakes to transfer to customers.

④ Consideration payable to customers

Considerations payable to customers shall be written down against the transaction price, and the current income shall be offset at the time when relevant income is recognized or the customer's consideration is paid (or promised to be paid, whichever is later, except that the considerations payable to customers is for the purpose of obtaining other clearly distinct commodities from customers.

In case the consideration payable by the Company to customers is for the purpose of obtaining other clearly distinct commodities from customers, the purchased commodities shall be recognized in a way consistent with other purchases of the Company. In case the consideration payable by the Company to customers exceeds the fair value of the clearly distinct commodities obtained from the customers, the excess amount shall be used to offset the transaction price. In case the fair value of clearly distinct commodities obtained from

customers cannot be reasonably estimated, the Company shall offset the transaction price with the considerations payable to customers in full.

(2). Difference in accounting policies for revenue recognition due to different operating models adopted for the same type of business

□Applicable √ Not applicable

35. Contract costs

√Applicable □Not Applicable

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

Incremental cost incurred to obtain a contract refers to the cost that the Company will not incur without acquiring a contract (such as sales commissions). If the cost is expected to be recovered, the Company recognizes it as an asset at the cost of obtaining the contract. Other expenses incurred by the Company for obtaining the contract, except for the incremental costs expected to be recovered, are included in current profit and loss when incurred.

If the costs incurred for the performance of the contract that do not fall within the scope of other Accounting Standards for Business Enterprises such as inventory and meet the following conditions, the Company shall recognize it as an asset at contract performance cost:

① The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), clearly borne by the customer, and other costs incurred only due to the contract;

② The cost increases the resources that the Company will use to fulfill its obligations in the future;

③The cost is expected to be recovered.

Assets recognized at cost of obtaining a contract and assets recognized at cost of contract performance are amortized on the same basis as revenue from goods or services related to the asset, and included in current profit and loss. When the book value of the assets related to the contract cost is higher than the difference between the following two items, the Company shall make impairment provision of the excess and recognize it as impairment losses on assets:

① The remaining consideration expected to be obtained by the Company for the transfer of goods or services related to the asset;

② An estimate of the cost to be incurred for the transfer of the relevant goods or services.

Contract performance costs recognized as assets are presented in “Inventory” if the amortization period at initial recognition does not exceed one year or one normal operating cycle, and in “Other non-current assets” if the amortization period at initial recognition exceeds one year or one normal operating cycle. Contract acquisition costs recognized as

assets are presented in “Other current assets” if the amortization period at initial recognition does not exceed one year or one normal operating cycle, and in “Other non-current assets” if the amortization period at initial recognition exceeds one year or one normal operating cycle.

36. Government grants

√Applicable □Not Applicable

Government grants are divided into asset-related government grants and revenue-related government grants.

(1) Judgment basis and accounting treatment method of asset-related government grants

The government grants obtained by the Company for the acquisition and construction or for forming long-term assets by other means belong to the asset-related government grants.

Asset-related government grants shall offset the book value of related assets or be recognized as deferred income. If the asset-related government grants are recognized as deferred income, they shall be included in profit or loss by installments according to a reasonable and systematic method within the useful life of the relevant assets. Government grants measured at nominal amount are directly included in current profit or loss.

In case relevant assets are sold, transferred, scrapped or damaged prior to the end of their service life, the balance of relevant deferred income that has not been allocated shall be transferred to current profit or loss of asset disposal.

(2) Judgment basis and accounting treatment method of revenue-related government grants

Government grants other than asset-related government grants are revenue-related government grants. Revenue-related government grants shall be dealt with in the following cases:

① Those used to compensate the Company’s related costs and expenses or losses in the future period shall be recognized as deferred income, and shall be included in current profit or loss or written down against the related costs during the period when the related costs or losses are recognized;

② Those used to compensate the relevant costs and expenses or losses incurred by the Company shall be directly included in current profit or loss or written down against the related costs.

(3) The government grants related to the Company’s daily activities shall be included in other incomes or written down against the related costs based on the substance of business transactions. Government grants unrelated to the Company’s daily activities shall be included in non-operating revenue and expenditure.

Government grants are recognized and measured according to the actual amount received when the funds are actually received. Only when there is conclusive evidence that such grant is disbursed according to a fixed quota standard and there is conclusive evidence that it can meet the relevant conditions stipulated by the financial support policy and is expected to receive financial support funds, it can be recognized and measured according to the amount

receivable.

37. Deferred income tax assets/ deferred income tax liabilities

√Applicable □Not Applicable

The difference between the book value of certain assets and liabilities and their tax basis, and the temporary difference arising from the difference between the book value of the items not recognized as assets and liabilities but whose tax basis can be determined in accordance with the applicable tax laws and their tax basis, shall be recognized as deferred income tax assets and deferred income tax liabilities with the balance sheet liability method.

Generally, all temporary differences shall be recognized as the relevant deferred income taxes. However, in the case of deductible temporary differences, the Company will recognize them as the relevant deferred income tax assets to the extent the taxable income amounts likely to be obtained to offset such deductible temporary differences. In addition, the temporary differences in related to the initial recognition of the goodwill and the initial recognition of assets or liabilities arising from the transaction that neither is an enterprise combination nor does the occurrence of which not affect accounting profit and taxable income (or deductible losses) shall not be recognized as deferred income tax assets or liabilities.

For the deductible losses and tax credits that can be carried forward to the following years, the corresponding deferred income tax assets shall be recognized to the extent that it is likely to obtain the future taxable income used to offset the deductible losses and tax credits.

The deferred income tax liabilities arising from taxable temporary differences related to investments in subsidiaries, associates and joint ventures are recognized, unless the Company can control the reversal time of the temporary difference and the temporary difference is likely not to be reversed in the foreseeable future. For the deductible temporary difference related to the investment in subsidiaries, associates and joint ventures, only when the temporary difference is likely to be reversed in the foreseeable future and the taxable income used to offset the deductible temporary difference is likely to be obtained in the future, the deferred income tax assets shall be recognized. On the balance sheet date, deferred income tax assets and deferred income tax liabilities shall be measured at the applicable tax rate in the period of expected recovery of relevant assets or liquidation of related liabilities in accordance with the provisions of the tax law.

Except for the current income tax and deferred income tax related to transactions and matters directly included in other comprehensive income or shareholders' equity that are included in other comprehensive income or shareholders' equity, and the book value of goodwill adjusted by the deferred income tax arising from business combinations, the other current income tax and deferred income tax expenses or income are included in current profit or loss.

On the balance sheet date, the book value of deferred income tax assets shall be reviewed. If the taxable income in the future is not sufficient to offset the interest of the deferred income tax assets, the book value of deferred income tax assets shall be written-down. When a sufficient amount of taxable income is likely to be obtained, the amount written-down shall be reversed.

When the Company has the legal right to settle in net amount and intends to settle in net

amount or acquire assets and settle liabilities simultaneously, the current income tax assets and current income tax liabilities of the Company shall be presented in net amount after offsetting.

When the Company has the legal right to settle the current income tax assets and current income tax liabilities on a net basis, and the deferred income tax assets and deferred income tax liabilities are related to the income taxes levied by the same tax collection authority on the same taxpayer or related to different taxpayers, however, in the future period in which each of the important deferred income tax assets and liabilities is reversed, the taxpayer involved intends to settle the current income tax assets and liabilities on a net basis or obtain assets and liquidate liabilities at the same time, the Company will present the deferred income tax assets and deferred income tax liabilities in the net amount after offsetting.

38. Leasing

√Applicable □Not Applicable

The basis for judgment and accounting treatment of the lessee's simplified treatment of short-term leases and leases of low-value assets

√Applicable □Not Applicable

Short-term leases are leases with a term of less than 12 months at the commencement date of the lease term. Low-value asset leases are leases in which the individual leased asset has a lower value when it is a brand-new asset. The determination of a low value asset lease relates only to the absolute value of the asset and is not affected by the size, nature or other circumstances of the lessee.

For short-term leases and leases of low-value assets, the Company chooses not to recognize right-of-use assets and lease liabilities, and the lease payments for short-term leases and leases of low-value assets are included in the relevant asset cost or current profit or loss according to the straight-line method or other systematic and reasonable methods in each period of the lease term.

Lease classification standards and accounting treatment as a lessor

√Applicable □Not Applicable

The Company divides the lease into finance leases and operating leases on the lease commencement date. A finance lease is a lease that substantially transfers almost all the risks and rewards associated with the ownership of the leased asset. Its ownership may or may not eventually transfer. Operating leases refer to other leases other than finance leases.

Whether a lease is a finance lease or an operating lease depends on the substance of the transaction, not the form of the contract. A lessor shall classify a lease as a finance lease if it transfers substantially all the risks and rewards of ownership of the leased asset.

A lease is usually classified as a finance lease if one or more of the following conditions exist:
① When the lease term expires, the ownership of the leased asset is transferred to the lessee.
② The lessee has the option to purchase the leased assets. If the agreed purchase price is far lower than the fair value of the leased assets expected at the time exercising the option, it can

be reasonably determined that the lessee will exercise such option on the lease commencement date. ③ Although the ownership of the asset is not transferred, the lease term covers the major part of the service life of the leased assets. ④ The present value of lease receipts on the lease commencement date is nearly equal to the fair value of the leased assets. ⑤ The leased assets are of special nature, and only the lessee could use such assets if no significant retrofitting is made.

① Accounting treatment for finance leases by the lessor

On the beginning date of the lease term, the lessor shall recognize the amount receivable for the finance leases and terminate the recognition of the finance lease assets.

When the lessor initially measures the finance lease receivables, the net investment in the lease shall be used as the entry value of the finance lease receivables.

The net lease investment is the sum of the unguaranteed residual value and the present value of the lease receipts that have not been received on the beginning date of the lease term discounted at the interest rate implicit in the lease.

In the case of a sublease, if the interest rate implicit in the sublease cannot be determined, the sublease lessor may use the discount rate of the original lease (adjusted for the initial direct costs associated with the sublease) to measure the net investment in the sublease.

The lessor shall calculate and recognize the interest income in each period of the lease term according to the fixed periodic interest rate. The periodic interest rate is the discount rate adopted in accordance with the provisions of Article 38 of these Standards, or the revised discount rate adopted in accordance with the provisions of Article 44 of these Standards.

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

The amount of variable lease payments obtained by the lessor not included in the measurement of net lease investment shall be included into current profit or loss when actually incurred.

② Accounting treatment for operating leases by the lessor

The lessor shall adopt the straight-line method or other systematic and reasonable methods to recognize the lease receipts of operating leases as rental income during each period of the lease term. The initial direct expenses incurred by the lessor related to operating leases shall be capitalized, amortized on the same basis as the recognition of rental income during the lease term, and included in current profit or loss by stages.

For the fixed assets in the operating lease assets, the lessor shall adopt the depreciation policy of similar assets for depreciation; other operating lease assets shall be amortized by systematic and reasonable methods in accordance with the Accounting Standards for Business Enterprises applicable to the assets.

The lessor determines whether the operating lease assets are impaired in accordance with the "Accounting Standards for Business Enterprises No. 8 - Asset Impairment", and carries out corresponding accounting treatment.

The amount of variable lease payments obtained by the lessor that is related to the operating leases and not included in the lease receipts shall be included in current profit or loss when actually incurred.

39. Other significant accounting policies and accounting estimates

√Applicable □Not Applicable

(1) Discontinued operations

Discontinued operations are those components that have been disposed of or classified as held for sale by the Company and that can be separately distinguished in operations and in the preparation of financial statements if one of the following conditions is met: ① the component represents a separate major business or a major operating area; ② the component is part of a proposed disposal plan for a separate major business or a major operating area; ③ the component is a subsidiary acquired solely for the purpose of re-sale.

For the accounting treatment method of discontinued operations, please refer to the relevant description in Note V. 18 "Non-current assets held for sale or disposal groups".

(2) Debt restructuring

For debt restructuring in which the debt restructuring obligation is recorded as a creditor to settle the debt in cash, the difference between the carrying balance of the restructured debt and the cash received is recognized in current profit or loss; if the debt is settled with non-cash assets, the difference between the fair value of the relinquished debt and the book value is recognized in current profit or loss. If an impairment provision has been made for restructured debt, the above difference is first written off against the impairment provision that has been made, and any shortfall is recognized in current profit or loss.

(3) Exchange of non-monetary assets

If the exchange of non-monetary assets has commercial substance and the fair value of the asset being exchanged in or out can be measured reliably, the fair value of the asset being exchanged out (unless there is conclusive evidence that the fair value of the asset being exchanged in is more reliable) and the related taxes payable are used as the cost of the asset being exchanged in, and the difference between the fair value and the book value of the asset being exchanged out is included in current profit or loss. If the exchange of non-monetary assets does not meet the above conditions, the book value of the asset being exchanged out and the relevant taxes and fees payable are regarded as the cost of the asset being exchanged in, and no profit or loss is recognized.

40. Changes in significant accounting policies and accounting estimates

(1). Changes in significant accounting policies

√Applicable □Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Description and reasons for the change in accounting policy	Name of statement items materially affected	Amount of impact
In October 2023, the Ministry of Finance ("MOF") issued ASBE Interpretation No. 17 ("ASBE Interpretation") (Caijing [2023] No. 21), which stipulates the contents of "Classification of Current Liabilities and Non-current Liabilities", "Disclosure of Vendor Financing Arrangements", "Accounting for Sale and Leaseback Transactions", which became effective on January 1, 2024.	No significant impact	None
On December 6, 2024, the Ministry of Finance ("MOF") issued "Interpretation of Enterprise Accounting Standards No. 18" (Caijing [2024] No. 24), which stipulates those projected liabilities arising from quality assurance of guarantees that do not constitute a single performance obligation should be recorded in the accounts of "Cost of main operations" and "Other operating costs" at a determined amount. Effective January 1, 2024, the Company adopted this provision.	Operating Costs and Selling Expenses	The impact on cost of sales and selling expenses in 2024 is RMB 1,458.4 thousand, while the impact on cost of sales and selling expenses in 2023 is RMB 1,277.6 thousand;

(2). Changes in significant accounting estimates

□Applicable √Not Applicable

(3). The first implementation of new accounting standards or interpretations of standards since 2024 involves adjustments to the financial statements at the beginning of the year of the first implementation

√Applicable □Not Applicable

Reasons for adjustments to the financial statements as at the beginning of the year

Effective 1 January 2024, the Company implemented the provisions of "Interpretation of Statement of Financial Accounting Standards No. 18, Accounting for Guarantees that are not Individual Performance Obligations," issued by the Ministry of Finance, and retrospectively adjusted the information for comparable periods. The details of the adjustments are as follows:

Unit: Ten Thousand Yuan Currency: RMB

Item	2023 before the change	2023 after the change	Number of impacts
Operating costs	686,026.06	686,153.82	127.76
Selling expenses	47,678.34	47,550.58	-127.76

41. Others

□Applicable √Not Applicable

VI. Taxation

1. Major tax types and rates

Major tax types and rates

√Applicable □Not applicable

Tax Type	Taxable Basis	Tax Rate
Value-added tax	Taxable income	3%, 5%, 6%, 9%, 11%, 13%, 15%, 16%, 17%, 18%, 19.25%, 20%, 21%, 22%
City maintenance & construction tax	Amount of turnover tax payable	5%, 7%
Corporate income tax	Taxable income	12.5%, 15%, 16.5%, 20%, 22%, 22.8%, 23%, 25%, 27.90%, 29.5%, 30%, 33%
Educational surcharge	Amount of turnover tax payable	3%
Local educational surcharge	Amount of turnover tax payable	2%

Disclosure of information on taxable entities with different corporate income tax rates

√Applicable □Not applicable

Name of Taxable Entity	Income Tax Rate (%)
Keda (Ghana) Ceramics Company Limited	12.50
Anhui Keda Industrial Co., Ltd.	15.00
Keda (Anhui) New Material Co., Ltd.	15.00
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	15.00
Keda (Anhui) Clean Energy Co., Ltd.	15.00
Fujian Keda New Energy Technology Co., Ltd.	15.00
Guangdong Keda Hydraulic Technology Co., Ltd.	15.00
HLT Industry Co., Ltd.	15.00
DLT Technology Co., Ltd.	15.00
Henan KDNEU International Engineering Co., Ltd.	15.00
Foshan Keda Industrial Co., Ltd.	15.00
Keda Industrial Group Co., Ltd.	15.00
Anhui Keda Smart Energy Technology Co., Ltd.	15.00

Name of Taxable Entity	Income Tax Rate (%)
Guangdong Keda New Energy Equipment Co., Ltd	15.00
Anhui Keda New Energy Equipment Co., Ltd.	15.00
Forwell International (HK) Co., Ltd.	16.50
KAMI MATERIALS Co., Ltd.	16.50
HLT International (Hong Kong) Limited	16.50
Xincheng International (Hong Kong) Co., Ltd.	16.50
Jiangsu Keda Electric Power Co., Ltd.	20.00
Hefei Binhu Keda Smart Energy Co., Ltd.	20.00
Wuhu Ke'an Energy Technology Co., Ltd.	20.00
Dangtu Ke'an New Energy Technology Co., Ltd.	20.00
Kunshan Boyue New Energy Technology Co., Ltd.	20.00
Dangtu Keda New Energy Technology Co., Ltd.	20.00
Hefei Kemao New Energy Co., Ltd.	20.00
Maanshan Keci New Energy Technology Co., Ltd.	20.00
Guangde Ke'an Photovoltaic Power Co., Ltd.	20.00
Hefei Lunuo New Energy Co., Ltd.	20.00
Keda (Anhui) New Energy Vehicle Sales Co., Ltd.	20.00
Huadong (Maanshan) Tourist Transportation Co., Ltd.	20.00
Hengwang (Anhui) Smart Energy Technology Co., Ltd.	20.00
Keda (Anhui) Hydraulic Technology Co., Ltd.	20.00
Sixian Keda New Energy Technology Co., Ltd..	20.00
Maanshan Kehan New Energy Technology Co., Ltd.	20.00
Wuhu Keda Smart New Energy Technology Co., Ltd.	20.00
Maanshan Zhengpugang New District Taixin New Energy Technology Co., Ltd.	20.00
Maanshan Kegu New Energy Co., Ltd.	20.00
Maanshan Keda Cigao New Energy Co., Ltd.	20.00
Langxi Kean New Energy Technology Co., Ltd.	20.00
Wuhu Kesen New Energy Co., Ltd.	20.00

Name of Taxable Entity	Income Tax Rate (%)
Maanshan Keda Kezhong New Energy Co., Ltd.	20.00
Foshan Kexin New Energy Technology Co., Ltd.	20.00
Foshan Keshiming New Energy Technology Co., Ltd.	20.00
Foshan Kesheng New Energy Technology Co., Ltd.	20.00
Foshan Kerongsheng New Energy Technology Co., Ltd.	20.00
Foshan Kean New Energy Technology Co., Ltd.	20.00
Foshan Keda Ecological Stone Engineering Technology Co., Ltd.	20.00
Anhui Kechucheng New Energy Technology Co., Ltd.	20.00
Sixian Ketu New Energy Co., Ltd.	20.00
Hefei Keda Keheng New Energy Technology Co., Ltd.	20.00
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	20.00
Pt Keda Industrial Indonesia	22.00
Pt Keda Construction Indonesia	22.00
Keda International Company S.a’r.l.	22.80
Wibe S.L.	23.00
Guangdong Artget Fluidtech Co., Ltd.	25.00
Guangdong Keda Smart Energy Technology Co., Ltd.	25.00
Keda (Anhui) Huadong New Energy Automobile Travel Service Co., Ltd	25.00
Guangdong Quanitech Material Ltd.	25.00
Jiangsu Kehang Environmental Protection Co., Ltd	25.00
Foshan Keda Ceramic Technology Co., Ltd.	25.00
Shaoguan Keda Equipment Manufacturing Co., Ltd.	25.00
Anhui Keqing Environmental Engineering Co., Ltd.	25.00
Keda Turkey Makine Ticaret Limited Şirketi	25.00
HLT Ceramic Technologies Co., Ltd.	25.00
Sichuan Keda Jieneng New Materials Co., Ltd.	25.00
Anhui Kean Electric Power Engineering Co., Ltd.	25.00
Keda-SUREMAKER (WUHU) INDUSTRIAL CO., LTD	25.00

Name of Taxable Entity	Income Tax Rate (%)
Shenyang Keda Clean Energy Gas Co., Ltd.	25.00
Anhui Keda Investment Co., Ltd.	25.00
Jiangsu Weilili New Material Co., Ltd.	25.00
Guangdong Keda Lithium Industry Co., Ltd.	25.00
Keda Inudstrial (Hong Kong) Limited	25.00
Guangdong Xincheng Financial and Leasing Co., Ltd	25.00
Anhui Xincheng Financial and Leasing Co., Ltd	25.00
Foshan Keda Equipment Manufacturing Co., Ltd.	25.00
HLT Technology Co., Ltd.	25.00
Keda Cote D'ivoire Ceramics Company Limited	25.00
Chongqing Keda New Energy Materials Co., Ltd.	25.00
Maanshan Keda-Suremaker industrial Co., Ltd.	25.00
Guangdong Twyford International Holding Ltd	25.00
Twyford Guangzhou (home decor) Co., Ltd	25.00
Xiamen Keda New Energy Technology Co., Ltd.	25.00
Gao'an Keda Mechanical Parts Co., Ltd.	25.00
Guangdong HLT Construction Engineering Co., Ltd.	25.00
Keda Honduras Ceramic, S.r.l.	25.00
Sunbromate (Pty) Ltd.	27.00
Keda Europe S.r.l.	27.90
I.C.F. & Welko S.P.A.	27.90
P.I.R.C. S.r.l.	27.90
F.D.S. Ettmar S.r.l.	27.90
Keda Peru Building Materials Company S.R.L.	29.50
Twyford Peru Company S.R.L.	29.50
Twyford Peru Comercial Company S.r.l.	29.50
Kami Colourcera Private Limited	30.00
Keda Industrial (India) Limited	30.00

Name of Taxable Entity	Income Tax Rate (%)
Keda (Kenya) Ceramics Company Limited	30.00
Keda (Tanzania) Ceramics Company Limited	30.00
Keda (SN) Ceramics Company Limited	30.00
Keda Ceramics International Company Limited	30.00
Keda Tanzania Resource Company Limited	30.00
Keda Zambia Ceramics Company Limited	30.00
Twyford Impex (U) Ltd	30.00
Keda (Kenya) Solar Co., Ltd.	30.00
Keda Cameroon Ceramics Limited	33.00

2. Tax preference

√Applicable □Not applicable

Keda Industrial Group Co. Ltd. was recognised as a High-tech Enterprise of Guangdong Province for 2023 (Certificate No. GR202344002406), with an income tax rate of 15%.

HLT Industry Co., Ltd. was recognised as a High-tech Enterprise of Guangdong Province for 2023 (Certificate No. GR202344003960), with an income tax rate of 15%.

Fujian Keda New Energy Technology Co. Ltd. was recognised as a High-tech Enterprise of Fujian Province for 2023 (Certificate No. GR202335001631), with an income tax rate of 15%.

Keda (Anhui) Clean Energy Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2022 (Certificate No. GR202234002098), with an income tax rate of 15%.

Guangdong Keda Hydraulic Technology Co., Ltd. was recognised as a High-tech Enterprise of Guangdong Province for 2022 (Certificate No. GR202244006263), with an income tax rate of 15%.

Anhui Keda New Material Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2022 (Certificate No. GR202234003318), with an income tax rate of 15%.

Anhui Keda Industrial Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2024 (Certificate No. GR202434002580), with an income tax rate of 15%.

Henan KedaNEU International Engineering Co., Ltd. was recognised as a High-tech Enterprise of Henan Province for 2024 (Certificate No. GR202441003547), with an income tax rate of 15%.

DLT Technology Co., Ltd. was recognised as a High-tech Enterprise of Guangdong

Province for 2024 (Certificate No. GR202444002029), with an income tax rate of 15%.

Foshan Keda Industrial Co., Ltd. was recognised as a High-tech Enterprise of Guangdong Province for 2022 (Certificate No. GR202244002608), with an income tax rate of 15%.

Anhui Keda Smart Energy Technology Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2022 (Certificate No. GR202234000267), with an income tax rate of 15%.

Anhui Keda Platinum Platform Energy Technology Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2023 (Certificate No. GR202334004843), with an income tax rate of 15%.

Anhui Keda New Energy Equipment Co., Ltd.was recognized as a high-tech enterprise in Anhui Province for the year 2024(Certificate No. GR202434002722) with an income tax rate of 15%.

Guangdong New Energy Equipment Co., Ltd.was recognized as a high-tech enterprise in Guangdong Province for the year 2024 (Certificate No. GR202444001942) with an income tax rate of 15%.

3. Others

□Applicable √Not applicable

VII Notes to the Items of Consolidated Financial Statements

1. Monetary funds

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Cash on hand	476.22	392.74
Bank deposits	216,185.72	336,654.08
Other monetary funds	78,541.29	23,171.72
Deposits in finance companies		
Total	295,203.23	360,218.54
Including: Total cash deposited outside China	108,106.65	46,592.60

Other notes:

The closing balance of other monetary funds includes time deposits of RMB469,178.7 thousand, bank acceptance bill margin of RMB115,392.5 thousand, judicial frozen funds of RMB31,257.7 thousand, letter of guarantee margin of RMB156,649.4 thousand, and others of RMB12,934.6 thousand.

2. Financial assets held for trading

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance	Reasons and basis for designation
Financial assets measured at fair value through profit and loss of the current period	71,659.42	29,089.94	/
Specifically:			
Debt instruments	70,686.25	25,962.46	/
Derivative instruments	973.17	3,127.48	/
Total	71,659.42	29,089.94	/

Other notes:

√ Applicable □ Not Applicable

The closing balance of financial assets held for trading in the current period increased by 146.34% from the previous year, mainly due to the Company's purchase of wealth management products in the current period.

3. Derivative financial assets

□ Applicable√ Not Applicable

4. Notes receivable

(1). Classified presentation of notes receivable

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Commercial acceptance bills	501.95	400.59
Banker's acceptance	4,735.36	5,073.74
Total	5,237.31	5,474.33

(2). Notes receivable pledged by the Company at the end of the Reporting Period

□ Applicable√ Not Applicable

(3). Notes receivable endorsed or discounted by the Company at the end of the Reporting Period and not yet maturing as of the balance sheet date

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Banker's acceptance		3,400.25
Commercial acceptance bills		165.46
Total		3,565.71

(4). Classified disclosure according to the methods for setting aside provision for bad debts

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying value	Book balance		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Provision for bad debts by groupings	5,248.40	100.00	11.09	0.21	5,237.31	5,482.99	100.00	8.66	0.16	5,474.33
Including:										
Grouping of commercial acceptance bill	513.04	9.78	11.09	2.16	501.95	409.25	7.46	8.66	2.12	400.59
Grouping of banker's acceptance	4,735.36	90.22			4,735.36	5,073.74	92.54			5,073.74
Total	5,248.40	/	11.09	/	5,237.31	5,482.99	/	8.66	/	5,474.33

Provision set aside for bad debts by the single item:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

√ Applicable □ Not Applicable

Grouping-based provision item: Grouping of commercial acceptance bill

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Notes receivable	Provision for bad debts	Provision percentage (%)
Grouping of commercial acceptance bill	513.04	11.09	2.16
Total	513.04	11.09	2.16

Notes to bad debt provisions accrued according to the combination

□ Applicable√ Not Applicable

Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of notes receivable arising from changes in the provision for losses in the Reporting Period:

□ Applicable√ Not Applicable

(5). Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	8.66	2.43				11.09
Total	8.66	2.43				11.09

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(6). Particulars on notes receivable actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant notes receivable:

□ Applicable√ Not Applicable

Notes to the write-off of notes receivable:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

5. Accounts receivable

(1). Disclosure by aging

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Carrying balance at the end of the period	Carrying balance at the beginning of the period
Within one year		
Including: Sub-item within one year		
Sub-total within one year	197,895.17	153,829.34
One to two years	28,151.68	23,615.76
Two to three years	11,575.03	15,089.48
Above three years	11,575.45	9,513.39
Total	249,197.33	202,047.97

(2). Classified disclosure according to bad debt provision method

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book value		Provision for bad debts		Carrying value	Book value		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Provision for bad debts by single item	15,612.00	6.26	6,162.56	39.47	9,449.44	11,181.98	5.53	8,097.97	72.42	3,084.01
Provision set aside for bad debts by portfolio	233,585.33	93.74	17,853.15	7.64	215,732.18	190,865.99	94.47	17,258.74	9.04	173,607.25
Total	249,197.33	/	24,015.71	/	225,181.62	202,047.97	/	25,356.71	/	176,691.26

Provision set aside for bad debts by the single item:

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			
	Book value	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 1	2,376.51	650.48	27.37	Projected risk of recovery
Customer 2	2,083.04	624.91	30.00	Projected risk of recovery
Customer 3	510.37	510.37	100.00	Irrecoverable as projected
Others	10,642.08	4,376.80	41.13	
Total	15,612.00	6,162.56	39.47	/

Description on bad debt provisions by the single item:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

√ Applicable □ Not Applicable

Portfolio-based provision item: Provision set aside for bad debts by portfolio

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debts	Provision percentage (%)
Within one year	191,521.64	4,461.13	2.33
One to two years	24,309.25	2,712.92	11.16
Two to three years	9,177.54	3,118.40	33.98
Three to four years	2,913.55	2,023.79	69.46
Four to five years	1,404.87	1,278.43	91.00
Over five years	4,258.48	4,258.48	100.00
Total	233,585.33	17,853.15	7.64

Description on bad debt provisions accrued according to the combination:

□ Applicable√ Not Applicable

Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of accounts receivable arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

(3). Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	25,356.71	-1,008.84	169.59	654.19	152.44	24,015.71
Total	25,356.71	-1,008.84	169.59	654.19	152.44	24,015.71

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(4). Particulars on accounts receivable actually written-off in the current period

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Written-off amount
Accounts receivable actually written-off	654.19

Writing-off of significant accounts receivable

□ Applicable√ Not Applicable

Description on writing-off of accounts receivable:

□ Applicable√ Not Applicable

(5). Particulars on top five accounts receivable and contract assets in terms of the balance at the end of the period based on debtors

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage (%) in the total closing balance of accounts receivable and contract assets	Balance of bad debt provisions at the end of the period
Customer 4	15,466.53		15,466.53	5.79	332.61
Customer 5	9,597.68		9,597.68	3.59	126.47
Customer 6	8,227.94		8,227.94	3.08	93.79
Customer 7	2,974.40	4,870.00	7,844.40	2.94	166.90
Customer 8	7,828.27		7,828.27	2.93	408.12
Total	44,094.82	4,870.00	48,964.82	18.33	1,127.89

Other notes:

□ Applicable √ Not Applicable

6. Contract assets

(1). Particulars on contract assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book value	Provision for bad debts	Carrying amount	Book value	Provision for bad debts	Carrying amount
Contract assets	17,936.94	3,322.65	14,614.29	27,228.35	3,047.79	24,180.56
Total	17,936.94	3,322.65	14,614.29	27,228.35	3,047.79	24,180.56

(2). Amount of and reason for significant changes in carrying value during the Reporting Period

□ Applicable√ Not Applicable

(3). Classified disclosure according to bad debt provision method

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book value		Provision for bad debts		Carrying amount	Book value		Provision for bad debts		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Provision for bad debts by single item	4,329.42	24.14	3,005.60	69.42	1,323.82	6,628.91	24.35	2,592.62	39.11	4,036.29
Provision set aside for bad debts by portfolio	13,607.52	75.86	317.05	2.33	13,290.47	20,599.44	75.65	455.17	2.21	20,144.27
Total	17,936.94	100.00	3,322.65	18.52	14,614.29	27,228.35	100.00	3,047.79	11.19	24,180.56

Provision set aside for bad debts by the single item:

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			
	Book value	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 9	2,024.58	1,862.61	92.00	Projected risk of recovery
Customer 10	1,420.38	300.00	21.12	Projected risk of recovery
Customer 11	518.35	476.88	92.00	Projected risk of recovery
Customer 12	352.47	352.47	100.00	Irrecoverable as projected
Others	13.64	13.64	100.00	
Total	4,329.42	3,005.60		

Description on bad debt provisions by the single item:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

√ Applicable □ Not Applicable

Portfolio-based provision item: Provision set aside for bad debts by portfolio

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Contract assets	Provision for bad debts	Provision percentage (%)
Provision set aside for bad debts by portfolio	13,607.52	317.05	2.33
Total	13,607.52	317.05	2.33

Notes to bad debt provisions accrued according to the combination

□ Applicable√ Not Applicable

Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of contract assets arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

(4). Provision set aside for bad debts on contract assets in the current period

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Change in the current period				Closing balance	Reasons
		Provision in the current period	Recovery or reversal in the current period	Charge-off/Write-off in the Reporting Period	Other changes		
Provision for impairment losses	3,047.79	274.86				3,322.65	
Total	3,047.79	274.86				3,322.65	

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(5). Contract assets written off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant contract assets

□ Applicable√ Not Applicable

Notes to write-off of contract assets:

□ Applicable√ Not Applicable

Other notes:

√ Applicable □ Not Applicable

The closing balance of contract assets decreased by 39.56% year on year, mainly due to the carry-over of the existing contract assets in the Reporting Period to accounts receivable when the conditions for collection were met.

7. Receivables financing

(1). Classified presentation of receivables financing

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	19,242.67	23,576.65
Supply chain bills	1,837.49	
Total	21,080.16	23,576.65

(2). Receivables financing pledged by the Company at the end of the period

□ Applicable√ Not Applicable

(3). Accounts receivables financing endorsed or discounted by the Company at the end of the period but not due yet at the balance sheet date

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance bills	72,414.46	
Total	72,414.46	

(4). Classified disclosure according to bad debt provision method

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book value		Provision for bad debts		Carrying value	Book value		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Provision set aside for bad debts by portfolio	21,121.02	100.00	40.86	0.19	21,080.16	23,576.65	100.00			23,576.65
Specifically:										
Supply chain bills	1,878.35	8.89	40.86	2.18	1,837.49					
Bank acceptance bills	19,242.67	91.11			19,242.67	23,576.65	100.00			23,576.65
Total	21,121.02	100.00	40.86	0.19	21,080.16	23,576.65	100.00		/	23,576.65

Provision set aside for bad debts by the single item:

□ Applicable√ Not Applicable

Description on bad debt provisions by the single item:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

√ Applicable □ Not Applicable

Combination provision projects: Supply chain bills

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Receivables financing items	Provision for bad debts	Provision percentage (%)
Supply chain bills combination	1,878.35	40.86	2.18
Total	1,878.35	40.86	2.18

Notes to bad debt provisions by portfolio:

□ Applicable√ Not Applicable

Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of accounts receivables financing arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

(5). Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts		40.86				40.86
Total		40.86				40.86

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(6). Particulars on accounts receivable financing actually written-off in the current period

□ Applicable√ Not Applicable

Including: Significant write-off of accounts receivables financing

□ Applicable√ Not Applicable

Notes on write-off:

□ Applicable√ Not Applicable

(7). Changes in receivables financing during the current period and changes in fair value:

□ Applicable√ Not Applicable

(8). Other notes

□ Applicable√ Not Applicable

8. Advanced payments

(1). Advance payment presented by account age

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within one year	41,348.04	93.46	34,439.26	83.07
One to two years	1,653.56	3.74	2,687.57	6.48
Two to three years	964.90	2.18	3,483.69	8.40
Above three years	274.85	0.62	845.43	2.04
Total	44,241.35	100.00	41,455.95	100.00

(2). Particulars on top five advance payments in terms of the balance at the end of the period according to the concentration of parties to which the advance payments are made

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance	Percentage (%) in the total balance at the end of the period of advance payment
Supplier 1	4,571.11	10.33
Supplier 2	1,459.45	3.30
Supplier 3	1,162.06	2.63
Supplier 4	1,147.94	2.59
Supplier 5	1,115.34	2.52
Total	9,455.90	21.37

Other notes:

□ Applicable √ Not Applicable

9. Other receivables

Presented by item

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Interest receivable		
Dividend receivable	56.63	41,140.71
Other receivables	24,751.49	14,157.09
Total	24,808.12	55,297.80

Other notes:

√ Applicable □ Not Applicable

The ending balance of other receivables in the current period decreased by 55.14% from the previous year, mainly due to the Company's recovery of dividends to Lanke Lithium Industry in the current period.

Interest receivable

(1) Classification of interest receivable

□ Applicable√ Not Applicable

(2) Important overdue interest

□ Applicable√ Not Applicable

(3) Classified disclosure according to bad debt provision method

□ Applicable√ Not Applicable

Provision set aside for bad debts by the single item:

□ Applicable√ Not Applicable

Description on bad debt provision by the single item:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

□ Applicable√ Not Applicable

(4) Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of interest receivable arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

(5) Particulars on bad debt provisions

□ Applicable√ Not Applicable

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(6) Particulars on interest receivable actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant interest receivable

□ Applicable√ Not Applicable

Notes on write-off:

□ Applicable√ Not Applicable

Other notes:

□ Applicable √ Not Applicable

Dividend receivable

(7) Dividend receivable

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item (or investee)	Closing balance	Opening balance
Maanshan Kean New Energy Technology Co., Ltd.	56.63	
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.		41,140.71
Total	56.63	41,140.71

(8) Important dividend receivable with the account age over one year

□ Applicable√ Not Applicable

(9) Classified disclosure according to bad debt provision method

□ Applicable√ Not Applicable

Provision set aside for bad debts by the single item:

□ Applicable√ Not Applicable

Description on bad debt provisions accrued separately:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

□ Applicable√ Not Applicable

(10) Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of dividends receivable arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

(11) Particulars on bad debt provisions

□ Applicable√ Not Applicable

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(12) Particulars on dividend receivable actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant dividend receivable

□ Applicable√ Not Applicable

Notes on write-off:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

Other receivables

(13) Disclosure by aging

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Carrying balance at the end of the period	Carrying balance at the beginning of the period
Within one year	18,699.25	12,354.52
Sub-total within one year	18,699.25	12,354.52
One to two years	3,771.28	1,011.44
Two to three years	459.69	422.01
Above three years	4,150.37	926.46
Total	27,080.59	14,714.43

(14) Particulars on classification by amount nature

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Fund nature	Carrying balance at the end of the period	Carrying balance at the beginning of the period
Intercompany current accounts	13,922.55	5,219.34
Other current accounts	3,509.56	2,097.54
Export tax rebate	3,312.86	2,573.53
Cash deposit	2,673.76	1,318.01
Government subsidies	3,661.86	3,506.00
Total	27,080.59	14,714.43

(15) Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Provision for bad debts	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss during the whole duration (without credit impairment)	Expected credit loss during the whole duration (with credit impairment)	
Balance of January 1, 2024	227.85		329.49	557.34
Balance of January 1, 2024 in the current period	227.85		329.49	557.34
-- Transfer to Phase II				
-- Transfer to Phase III				
-- Reverse to Phase II				
-- Reverse to Phase I				
Provision in the current period	1,406.66		372.30	1,778.96
Reserved in the current period				
Resold in the current period				
Written-off in the current period	5.11		2.00	7.11
Other changes	-0.09			-0.09
Balance of December 31, 2024,	1,629.31		699.79	2,329.10

Notes to the significant changes in the book balance of other receivables arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

Amount of bad debt provisions accrued for the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly:

□ Applicable√ Not Applicable

(16) Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts of other receivables	557.34	1,778.96		7.11	-0.09	2,329.10
Total	557.34	1,778.96		7.11	-0.09	2,329.10

Significant bad debt provision amounts reversed or recovered in the current period:

□ Applicable√ Not Applicable

(17) Particulars on other receivables actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant other receivables:

□ Applicable√ Not Applicable

Notes to the write-off of other receivables:

□ Applicable√ Not Applicable

(18) Particulars on top five other receivables in terms of the balance at the end of the period based on debtors

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance	Percentage (%) in the total balance at the end of the period of other receivables	Account nature	Aging	Provision for bad debts of closing balance
Trading unit 1	6,488.10	23.96	Payment for the sale of property and land	Within one year	43.11
Trading unit 2	3,129.35	11.56	Trading funds	Three to four years	1,308.79
Trading unit 3	2,949.64	10.89	Export tax rebate	Within one year	
Trading unit 4	2,825.92	10.44	Government subsidies	one to two years	
Trading unit 5	635.86	2.35	Government subsidies	Within one year	-

Name	Closing balance	Percentage (%) in the total balance at the end of the period of other receivables	Account nature	Aging	Provision for bad debts of closing balance
Total	16,028.87	59.19	/	/	1,351.90

(19) Other receivables reported due to centralized management of funds

□ Applicable√ Not Applicable

Other notes:

□ Applicable √ Not Applicable

10. Inventories

(1). Classification of inventories

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book value	Provision for the loss on decline in value of inventories/ provision for the impairment of contract performance cost	Carrying amount	Book value	Provision for the loss on decline in value of inventories/ provision for the impairment of contract performance cost	Carrying amount
Raw materials	174,469.66	1,639.61	172,830.05	115,308.84	156.43	115,152.41
Work-in-process	166,502.83	207.34	166,295.49	178,485.00	602.80	177,882.20
Finished products	101,951.90	3,562.56	98,389.34	66,266.35	410.68	65,855.67
Shipped goods	36,256.11		36,256.11	7,883.69		7,883.69
Materials in transit	5,658.94		5,658.94			
Total	484,839.44	5,409.51	479,429.93	367,943.88	1,169.91	366,773.97

(2) Data resource recognized as inventory

□ Applicable√ Not Applicable

(3) Devaluation provisions of inventories and impairment provisions of contract performance cost

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase amount of the current period		Decrease amount of the current period		Closing balance
		Provision	Others	Reversed or resold	Others	
Raw materials	156.43	1,622.18		139.00		1,639.61
Work-in-process	602.80	218.22		613.68		207.34
Finished products	410.68	3,562.55		410.67		3,562.56
Total	1,169.91	5,402.95		1,163.35		5,409.51

Reasons for reversal or write-off of provision for inventories impairment in the current period

□ Applicable√ Not Applicable

Inventories impairment provisions accrued according to the combination

□ Applicable√ Not Applicable

Criteria for inventories impairment provisions accrued according to the combination

□ Applicable√ Not Applicable

(4) Capitalization amount of the borrowing expenses included in the balance of inventories at the end of the period and the criteria and basis for its calculation

□ Applicable √ Not Applicable

(5) Description on amortization amount of the current period of contract performance cost

□ Applicable√ Not Applicable

Other notes:

√ Applicable□ Not Applicable

The ending balance of inventories for the current period increased by 30.72% compared to the end of the previous year, mainly due to stockpiling by building materials factories to meet the ever-expanding production scale and inventory for the glass project purchased by Keda Tanzania.

11. Assets held for sale

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Provision for impairment losses	Closing carrying value	Fair value	Estimated disposal expense	Estimated disposal time
Fixed assets	348.18		348.18	364.64	16.46	2025 Year
Total	348.18		348.18	364.64	16.46	/

Other notes:

The ending balance of assets held for sale for the current period is RMB3,481.8 thousand, mainly due to the increase in assets held for sale by the subsidiary Anhui Keda Platinum for the current period.

12. Non-current assets due within one year

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Debt investment due within one year		
Other debt investments due within one year		
Finance lease	76,460.69	43,894.60
Including: Unrealized finance lease income	3,893.83	2,547.82
Total	76,460.69	43,894.60

Debt investment due within one year

□ Applicable√ Not Applicable

Other debt investments due within one year

□ Applicable√ Not Applicable

Additional notes to non-current assets due within one year:

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book value	Percentage (%)	Provision for bad debts	Provision percentage (%)	Carrying amount	Book value	Percentage (%)	Provision for bad debts	Provision percentage (%)	Carrying amount
Provision for bad debts by single item	9,043.22	10.81	5,803.59	64.18	3,239.63	9,535.17	18.03	7,502.64	78.68	2,032.53
Provision set aside for bad	74,588.12	89.19	1,367.06	1.83	73,221.06	43,359.89	81.97	1,497.82	3.45	41,862.07

Category	Closing balance					Opening balance				
	Book value	Percentage (%)	Provision for bad debts	Provision percentage (%)	Carrying amount	Book value	Percentage (%)	Provision for bad debts	Provision percentage (%)	Carrying amount
debts by portfolio										
Total	83,631.34		7,170.65		76,460.69	52,895.06		9,000.46		43,894.60

Note 1: Notes to the provision set aside for bad debts by the single item:

Name	Closing balance			
	Book value	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 13	1,300.00	650.00	50.00	Projected risk of recovery
Customer 14	1,295.56	647.78	50.00	Projected risk of recovery
Customer 15	1,141.33	1,141.33	100.00	No repayment ability
Customer 16	1,025.99	205.20	20.00	Projected risk of recovery
Customer 17	785.88	785.88	100.00	No repayment ability
Customer 18	514.77	51.48	10.00	Projected risk of recovery
Customer 19	492.36	492.36	100.00	No repayment ability
Customer 20	471.71	235.85	50.00	Projected risk of recovery
Customer 21	446.64	357.31	80.00	Projected risk of recovery
Customer 22	308.74	308.74	100.00	No repayment ability
Others	1,260.24	927.66	73.61	
Total	9,043.22	5,803.59		/

Note 2: Provision in the Reporting Period

Category	Consolidation					
	Opening balance	Provision	Recovery or reversal	Charge-off or write-off	Other changes	Closing balance
Provision for bad debts	9,000.46	1,413.66		3,255.27	11.80	7,170.65
Total	9,000.46	1,413.66		3,255.27	11.80	7,170.65

Note 3: Significant write-offs in the Reporting Period

Name	Nature	Written-off amount	Reasons for the write-off	Write-off procedures performed	Whether the accounts arise from related party transactions
Customer 23	payment for goods	1,882.93	Irrecoverable	Management approval	No
Customer 24	payment for goods	1,216.33	Irrecoverable	Management approval	No

Name	Nature	Written-off amount	Reasons for the write-off	Write-off procedures performed	Whether the accounts arise from related party transactions
Total		3,099.26			

Other note: The ending balance of non-current assets due within one year increased by 74.19% compared to the end of the previous year, mainly due to the increase in the Company's financing lease business for the current period.

13. Other current assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Value-added tax input tax to be deducted	59,984.82	33,247.99
Prepaid taxes	3,953.02	3,005.10
Wealth management products		12,791.43
Contract costs	1,443.97	874.72
Total	65,381.81	49,919.24

Other notes:

The closing balance of other current assets increased by 30.98% year on year, mainly due to the increase in input tax to be written-off during the Reporting Period.

14. Debt investment

(1). Particulars on debt investment

□ Applicable√ Not Applicable

Changes in provision for impairment on debt investments in the current period

□ Applicable√ Not Applicable

(2). Important debt investment at the end of the period

□ Applicable√ Not Applicable

(3). Particulars on accruing of impairment provisions

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of debt investments arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

Bases for determining the amount of provision set aside for impairment and assessing whether the credit risk of financial instruments has increased substantially in the current period

□ Applicable√ Not Applicable

(4). Particulars on debt investment actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant debt investments

□ Applicable√ Not Applicable

Notes to write-off of debt investments:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

15. Other debt investment

(1). Other debt investment

□ Applicable√ Not Applicable

Changes in provision for impairment on other debt investments in the current period

□ Applicable√ Not Applicable

(2). Important other debt investments at the end of the period

□ Applicable√ Not Applicable

(3). Particulars on accruing of impairment provisions

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of other debt investments arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

Bases for determining the amount of provision set aside for impairment and assessing whether the credit risk of financial instruments has increased substantially in the current period

□ Applicable√ Not Applicable

(4). Particulars on other debt investments actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of other significant debt investments

□ Applicable√ Not Applicable

Notes to write-off of other debt investments:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

16. Long-term receivables

(1). Long-term receivables

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance			Range of discount rates
	Book value	Provision for bad debts	Carrying amount	Book value	Provision for bad debts	Carrying amount	
Finance lease payment	43,203.18	996.38	42,206.80	21,823.37	624.75	21,198.62	
Including: Unrealized financing income	1,973.74		1,973.74	578.41		578.41	
Total	43,203.18	996.38	42,206.80	21,823.37	624.75	21,198.62	/

(2). Classified disclosure according to bad debt provision method

□ Applicable√ Not Applicable

Provision set aside for bad debts by the single item:

□ Applicable√ Not Applicable

Description on bad debt provisions by the single item:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

√ Applicable □ Not Applicable

Portfolio-based provision item: Provision set aside for bad debts by portfolio

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Long-term receivables	Provision for bad debts	Provision percentage (%)
Provision set aside for bad debts by portfolio	43,203.18	996.38	2.31
Total	43,203.18	996.38	/

Notes to bad debt provisions accrued according to the combination

□ Applicable√ Not Applicable

(3). Provision set aside for bad debts by the general expected credit loss model

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Provision for bad debts	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss during the whole duration (without credit impairment)	Expected credit loss during the whole duration (with credit impairment)	
Balance of January 1, 2024	624.75			624.75
Balance of January 1, 2024 in the current period	624.75			624.75
-- Transfer to Phase II				
-- Transfer to Phase III				
-- Reverse to Phase II				
-- Reverse to Phase I				
Provision in the current period	171.65		199.72	371.37
Reserved in the current period				
Resold in the current period				
Written-off in the current period				
Other changes	0.26			0.26
Balance of December 31, 2024,	796.66		199.72	996.38

Notes to the significant changes in the book balance of long-term receivables arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

Bases for determining the amount of provision set aside for bad debts and assessing whether the credit risk of financial instruments has increased substantially in the current period

□ Applicable√ Not Applicable

(4). Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	624.75	371.37			0.26	996.38
Total	624.75	371.37			0.26	996.38

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(5). Particulars on long-term receivables actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant long-term receivables

□ Applicable√ Not Applicable

Notes to the write-off of long-term receivables:

□ Applicable√ Not Applicable

Other notes:

√ Applicable □ Not Applicable

The ending balance of long-term receivables for the current period increased by 99.10% compared to the end of the previous year, mainly due to the increase in the Company's financing lease business for the current period.

17. Long-term equity investments

(1). Long-term equity investments

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Investee	Beginning of the period balance	Increase and decrease in the current period								End of the period balance	Balance of provision for impairment at the end of the period
		Additional investment	Decrease investment	Profit or loss of investment recognized by equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to distribute	Impairment provision accrued	Others		
I. Associated enterprises											
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	231,219.14			25,986.75		290.18				257,496.07	
Foshan Keda Ceramic Technology Co., Ltd.	18,666.21		2,450.00	-8.84						16,207.37	
Zhangzhou Grande Graphite Material Co., Ltd.	2,813.45			-194.73						2,618.72	
Sichuan Guangxing Lithium Battery Technology Co., Ltd.	1,985.85		1,200.00	62.88		-31.00			-817.73		
Maanshan Qingshan Electricity Selling Co., Ltd.	556.54			29.33			5.20			580.67	
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	14,948.76			-4,580.13						10,368.63	
Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	28,802.70			7,789.15	19.95		4,000.00		-3.26	32,608.54	
Maanshan Kema New Energy Technology Co., Ltd.	1,055.74	714.08	35.41	248.75	-3.25		56.69			1,923.22	
Shanghai Mingfeng Management Consulting Partnership (Limited Partnership)		602.61								602.61	
Shanghai Mingzhao Management Consulting Partnership (Limited Partnership)		68.22								68.22	

Investee	Beginning of the period balance	Increase and decrease in the current period								End of the period balance	Balance of provision for impairment at the end of the period
		Additional investment	Decrease investment	Profit or loss of investment recognized by equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to distribute	Impairment provision accrued	Others		
Gongqingcheng Kehong Investment Partnership (Limited Partnership)		173.89								173.89	
Gongqingcheng Kexin Investment Partnership (Limited Partnership)		1,868.27								1,868.27	
Gongqingcheng Kehong Investment Partnership (Limited Partnership)		300.85								300.85	
Sub-total	300,048.39	3,727.92	3,685.41	29,333.16	16.70	259.18	4,061.89		-820.99	324,817.06	
Total	300,048.39	3,727.92	3,685.41	29,333.16	16.70	259.18	4,061.89		-820.99	324,817.06	

(2). Impairment test of long-term equity investments

□ Applicable√ Not Applicable

18. Other equity instruments investments

(1). Particulars on other equity instrument investments

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Beginning of the period balance	Increase and decrease in the current period					End of the period balance	Dividend income recognized in the current period	Accumulated gains included in other comprehensive Income	Accumulated losses included in other comprehensive income	Reason for designation as at fair value through other comprehensive income
		Additional investment	Decrease investment	Gains included in other comprehensive income in the current period	Accumulated losses included in other comprehensive income in the current period	Others					
Fujian Keda Electric Power Co., Ltd.	424.94		382.06		7.15	-35.73			35.73		
Changde Avenue New Materials Technology Co., Ltd.	476.30				55.79		420.51		120.51		
Jiaxing Keda Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership)	80,494.61		130,000.00		6,719.36	56,224.75				56,224.75	
Total	81,395.85		130,382.06		6,782.30	56,189.02	420.51		156.24	56,224.75	/

(2). Amount derecognized in the current period

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Accumulated gains transferred to retained earnings due to derecognition	Accumulated losses transferred into retained earnings due to derecognition	Reason for derecognition
Fujian Keda Electric Power Co., Ltd.	35.73		Investment recovery
Jiaxing Keda Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership)		56,224.75	Investment recovery
Total	35.73	56,224.75	/

Other notes:

√ Applicable □ Not Applicable

The ending balance of other equity instrument investments for the current period decreased by 99.48% compared to the end of the previous year, mainly due to the Company's disposal of the Jiaxing Keda Jinhong Fund for the current period.

19. Other non-current financial assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Financial assets measured at fair value through profit and loss of the current period	1,302.52	500.00
Total	1,302.52	500.00

Other notes:

√ Applicable □ Not Applicable

The closing balance of other non-current financial assets in the current period increased by 160.50% from the previous year, mainly due to the Company's investment in Huade Chengzhi Zhongke Equity Investment (Beijing) Partnership (Limited Partnership) in the current period.

20. Investment property

Measurement model of investment real estate

Not applicable

21. Fixed assets

Presented by item

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Fixed assets	640,352.85	403,096.25
Liquidation of fixed assets		
Total	640,352.85	403,096.25

Other notes:

√ Applicable □ Not Applicable

The ending balance of fixed assets for the current period increased by 58.86% compared to the end of the previous year, mainly due to the completion of construction in progress transferred during the current period and the acquisition of new fixed assets for the Tanzania glass project of overseas ceramics.

Fixed assets

(1).Particulars on fixed assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Land (overseas)	Properties and buildings	Machinery and equipment	Transportation tools	Electronic devices and others	Total
I. Original carrying value:						
1. Balance at the beginning of the period	8,190.69	286,308.87	289,704.83	18,940.89	12,177.71	615,322.99
2. Increase amount of the current period	15,215.32	164,853.55	120,789.35	6,160.67	3,294.47	310,313.36
(1) Acquisition	14,791.32	38,100.61	35,768.37	6,028.54	3,026.00	97,714.84
(2) Transfer-in from construction in progress		121,553.22	84,230.00			205,783.22
(3) Increase for business combination		2,793.27	790.98	132.13	201.59	3,917.97
(4) Exchange rate fluctuations	424.00	2,406.45			66.88	2,897.33
3. Decrease amount of the current period		18,213.32	18,969.87	2,593.12	2,050.09	41,826.40
(1) Disposal or scraping		18,213.32	15,262.23	2,555.47	2,048.22	38,079.24
(2) Transfer-in of construction in progress						
(3) Disposal of subsidiaries			1,253.98		1.87	1,255.85
(4) Exchange difference of foreign currency statement			2,453.66	37.65		2,491.31
4. Balance at the end of the period	23,406.01	432,949.10	391,524.31	22,508.44	13,422.09	883,809.95
II. Accumulated depreciation						
1. Balance at the beginning of the period		82,828.56	103,852.43	9,316.89	8,165.08	204,162.96
2. Increase amount of the current period		18,455.87	32,245.25	2,601.71	1,428.85	54,731.68
(1) Accruing		17,002.27	31,554.66	2,563.34	1,272.24	52,392.51
(2) Purchase						

(3) Increase for business combination		1,006.99	690.59	38.37	118.42	1,854.37
(4) Exchange difference of foreign currency statement		446.61			38.19	484.80
3. Decrease amount of the current period		8,743.14	8,197.01	1,888.10	1,775.93	20,604.18
(1) Disposal or scraping		8,743.14	7,958.37	1,877.50	1,774.95	20,353.96
(2) Transfer-in of construction in progress						
(3) Disposal of subsidiaries			139.47		0.98	140.45
(4) Exchange difference of foreign currency statement			99.17	10.60		109.77
4. Balance at the end of the period		92,541.29	127,900.67	10,030.50	7,818.00	238,290.46
III. Impairment provisions						
1. Balance at the beginning of the period		2,679.12	5,384.66			8,063.78
2. Increase amount of the current period		692.19	293.73		0.12	986.04
(1) Accruing		692.19	293.73		0.12	986.04
(2) Increase in business combinations						
(3) Exchange difference of foreign currency statement						
3. Decrease amount of the current period		705.46	3,177.72			3,883.18
(1) Disposal or scraping		705.46	3,177.72			3,883.18
(2) Exchange difference of foreign currency statement						
4. Balance at the end of the period		2,665.85	2,500.67		0.12	5,166.64
IV. Carrying value						
1. Carrying value at the end of the period	23,406.01	337,741.96	261,122.97	12,477.94	5,603.97	640,352.85

2. Carrying value at the beginning of the period	8,190.69	200,801.19	180,467.74	9,624.00	4,012.63	403,096.25

(2).Particulars on temporary idle fixed assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Original carrying value	Accumulated depreciation	Provision for impairment losses	Carrying amount	Notes
Properties and buildings	5,211.59	2,062.92	2,665.86	482.81	
Machinery and equipment	3,608.43	1,084.25	2,495.60	28.58	
Transportation tools					
Electronic devices and others	4.14	3.93	0.12	0.09	
Total	8,824.16	3,151.10	5,161.58	511.48	

(3).Particulars on fixed assets leased in under finance leases

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing carrying value
Properties and buildings	1,436.89
Machinery and equipment	12.17
Total	1,449.06

(4).Fixed assets without proper certificates of title

□ Applicable√ Not Applicable

(5).Impairment test of fixed assets

√ Applicable □ Not Applicable

The recoverable amount is determined as the net of fair value less costs of disposal

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Carrying Value	Recoverable amount	Impairment amount	Determination of fair value and disposal	Key parameters	Basis of determination of key parameters

				costs		
Shenyang Keda Asset Group	1,497.52	511.48	986.04	Market approach	Newness rate:5%-50%	Determined on the basis of on-site investigation

The recoverable amount is determined by the present value of the expected future cash flows

□ Applicable√ Not Applicable

Reasons for differences between the preceding information and information used in impairment tests in previous years or external information that is clearly inconsistent with the information

□ Applicable√ Not Applicable

Reasons for differences between the information used in the Company's impairment tests in previous years and the actual situation in the current year

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

Liquidation of fixed assets

□ Applicable√ Not Applicable

22. Construction in progress

Presented by item

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	97,086.31	143,181.73
Engineering materials	3,086.17	
Total	100,172.48	143,181.73

Other notes:

√ Applicable □ Not Applicable

The ending balance of construction in progress for the current period decreased by 30.04% compared to the end of the previous year, mainly due to the transfer of construction in progress to fixed assets in Keda Tanzania, Keda Kisumu, and Keda Cameroon during the current period.

Construction in progress

(1).Particulars on construction in progress

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book value	Provision for impairment losses	Carrying amount	Book value	Provision for impairment losses	Carrying amount
Fujian Keda New Energy Phase II Project	16,162.81		16,162.81	25,709.22		25,709.22
Keda Equipment Intelligent Manufacturing Base Project	15,186.30		15,186.30	23,338.59		23,338.59
Phase I Project of Cote d'Ivoire Ceramics Factory	8,466.69		8,466.69	490.06		490.06
Kenya Ceramics Factory Plant No. 2 Renovation Project	6,026.29		6,026.29			
Chongqing Keda Anode Material Intelligent Production Project	5,997.07		5,997.07	7,715.69		7,715.69
Technology Improvement Project of Keda Group	4,881.76		4,881.76	1,890.55		1,890.55
Peru Glass Factory New Construction Project	4,008.87		4,008.87	392.76		392.76
Turkey Base Project	3,739.25		3,739.25	85.59		85.59
Anhui Keda Industrial Factory Building Infrastructure Project	3,616.46		3,616.46	311.45		311.45
Technology Improvement Project of Kenya Ceramics Factory	3,461.05		3,461.05	23.66		23.66

Item	Closing balance			Opening balance		
	Book value	Provision for impairment losses	Carrying amount	Book value	Provision for impairment losses	Carrying amount
Senegal Ceramics Factory Photovoltaic Engineering Project	2,945.48		2,945.48			
Ghana Ceramics Factory Expansion of Carton Plant Project	2,871.32		2,871.32			
HLT Photovoltaic Engineering Project	2,557.36		2,557.36	82.63		82.63
Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing	2,064.95		2,064.95	6,065.81		6,065.81
Tanzania Glass Factory New Construction Project	1,189.08		1,189.08	26,496.54		26,496.54
Sanitary Ware Project of Kisumu Ceramics Factory	797.52		797.52	15,854.17		15,854.17
Ceramics Factory Phase I Project in Cameroon	762.24		762.24	26,509.84		26,509.84
Other projects	12,351.81		12,351.81	8,215.17		8,215.17
Total	97,086.31		97,086.31	143,181.73		143,181.73

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

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Project	Budget	Beginning of the period balance	Increase amount of the current period	Amount of transfer into fixed assets in the Reporting Period	Other decreases in the Reporting Period	End of the period balance	Percentage of accumulated project investment in the budget (%)	Project progress	Accumulated amount of interest capitalization	Including: Amount of interest capitalization in the Reporting Period	Capitalization rate of interest in the Reporting Period (%)	Reporting Period investment amount
Fujian Keda Phase II Project	74,945.89	25,709.22	42,320.77	51,867.18		16,162.81	90.77	90.77%	1,078.57	757.74	2.20	Self-financing
Glass Factory Project in Tanzania	41,395.76	26,496.54	13,097.05	39,593.59			95.65	100.00%				Self-financing
Ceramics Factory Phase I Project in Cameroon	48,888.43	26,509.84	20,733.38	46,480.98		762.24	98.27	100.00%	1,539.58	864.57	5.41	Self-financing

Keda Equipment Manufacturing Infrastructure Project	40,000.00	23,338.59	12,885.35	21,037.63		15,186.30	90.56	90.56%				Fund-raising + self-financing
Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing	33,500.00	6,065.81	6,707.41	10,708.27		2,064.95	93.01	93.01%				Fund-raising + self-financing
Phase I Project of Cote d'Ivoire Ceramics Factory	28,883.34	490.06	7,976.63			8,466.69	56.93	56.93%				Self-financing
Sanitary Ware Project of Kisumu Ceramics Factory	18,682.92	15,854.17	2,922.22	17,978.87		797.52	100.50	100.00%				Self-financing
Total	286,296.34	124,464.23	106,642.80	187,666.53		43,440.50			2,618.15	1,622.30		/

(3).Particulars on impairment provisions accrued for construction in progress in the current period

□ Applicable√ Not Applicable

(4).Impairment test of construction in progress

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

Engineering materials

(5).Particulars on engineering materials

□ Applicable√ Not Applicable

23. Productive biological assets

(1). Productive biological assets using cost measurement model

□ Applicable√ Not Applicable

(2). Impairment test of productive biological assets using cost measurement model

□ Applicable√ Not Applicable

(3). Productive biological assets using fair value measurement model

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

24. Oil and gas assets

(1) Particulars on oil and gas assets

□ Applicable√ Not Applicable

(2) Impairment test of oil and gas assets

□ Applicable√ Not Applicable

25. Right-of-use assets

(1) Particulars on right-of-use assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Land (overseas)	Properties and buildings	Total
I. Original carrying value			
1. Balance at the beginning of the period	859.76	1,285.81	2,145.57
2. Increase amount of the current period	489.09	3,228.59	3,717.68
(1) Increase in the current period	489.09	3,199.14	3,688.23
(2) Conversion of exchange rate fluctuations in foreign currency statements		29.45	29.45
3. Decrease amount of the current period	78.39	795.09	873.48
(1) Decrease in the current period		795.09	795.09
(2) Conversion of exchange rate fluctuations in foreign currency statements	78.39		78.39
4. Balance at the end of the period	1,270.46	3,719.31	4,989.77
II. Accumulated depreciation			
1. Balance at the beginning of the period	5.66	435.44	441.10
2. Increase amount of the current period	23.50	622.45	645.95
(1) Provision	23.50	612.39	635.89
(2) Conversion of exchange rate fluctuations in foreign currency statements		10.06	10.06
3. Decrease amount of the current period	1.61	530.06	531.67
(1) Disposal		530.06	530.06
(2) Conversion of exchange rate fluctuations in foreign currency statements	1.61		1.61
4. Balance at the end of the period	27.55	527.83	555.38
III. Impairment provisions			
1. Balance at the beginning of the period			
2. Increase amount of the current period			
(1) Provision			

3. Decrease amount of the current period			
(1) Disposal			
4. Balance at the end of the period			
IV. Carrying value			
1. Carrying value at the end of the period	1,242.91	3,191.48	4,434.39
2. Carrying value at the beginning of the period	854.10	850.37	1,704.47

(2) Impairment test of right-of-use assets

□ Applicable√ Not Applicable

Other notes:

The ending balance of right-of-use assets for the current period increased by 160.16% compared to the end of the previous year, mainly due to the addition of leased land use rights and buildings by building materials companies for the current period.

26. Intangible assets

(1). Particulars on intangible assets

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Land use right	Application software	Patent right	Trademark right	Others	Total
I. Original carrying value						
1. Balance at the beginning of the period	98,736.38	5,656.90	6,677.87			111,071.15
2. Increase amount of the current period	261.00	893.36	1.35	20,002.44	978.17	22,136.32
(1) Acquisition	261.00	833.06	1.35	19,796.69	889.80	21,781.90
(2) Transfer-in from construction in progress						
(3) Increase for business combination		60.30			88.37	148.67
(4) Exchange difference of foreign currency statement				205.75		205.75
3. Decrease amount of the current period	5,540.20	1,356.67	1,860.28		14.87	8,772.02

(1) Disposal or scraping	5,540.20	1,342.62	1,860.28			8,743.10
(2) Transfer-in of construction in progress						
(3) Disposal of subsidiaries						
(4) Exchange difference of foreign currency statement		14.05			14.87	28.92
4. Balance at the end of the period	93,457.18	5,193.59	4,818.94	20,002.44	963.30	124,435.45
II. Accumulated amortization						
1. Balance at the beginning of the period	14,496.45	2,531.99	6,599.71			23,628.15
2. Increase amount of the current period	2,363.71	938.47	34.06	166.68	435.39	3,938.31
(1) Accruing	2,363.71	880.43	34.06	164.97	432.66	3,875.83
(2) Purchase						
(3) Increase for business combination		58.04			2.73	60.77
(4) Exchange difference of foreign currency statement				1.71		1.71
3. Decrease amount of the current period	1,677.26	1,279.20	1,860.28		8.83	4,825.57
(1) Disposal or scraping	1,677.26	1,274.45	1,860.28			4,811.99
(2) Transfer-in of construction in progress						
(3) Disposal of subsidiaries						
(4) Exchange difference of foreign currency statement		4.75			8.83	13.58
4. Balance at the end of the period	15,182.90	2,191.26	4,773.49	166.68	426.56	22,740.89
III. Impairment provisions						
1. Balance at the beginning						

of the period						
2. Increase amount of the current period						
(1) Accruing						
(2) Increase in business combinations						
(3) Exchange difference of foreign currency statement						
3. Decrease amount of the current period						
(1) Disposal or scraping						
(2) Exchange difference of foreign currency statement						
4. Balance at the end of the period						
IV. Carrying value						
1. Carrying value at the end of the period	78,274.28	3,002.33	45.45	19,835.76	536.74	101,694.56
2. Carrying value at the beginning of the period	84,239.93	3,124.91	78.16			87,443.00

(2). Data resource recognized as intangible assets

□ Applicable√ Not Applicable

(3). Particulars on use rights of land of which the property ownership certificates have not been obtained

□ Applicable√ Not Applicable

(1) Impairment test of intangible assets

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

27. Goodwill

(1). Original carrying value of goodwill

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of invested company or event forming goodwill	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
		Formed due to business combination	Disposal	
Guangdong Keda Lithium Industry Co., Ltd.	26,131.58			26,131.58
Henan Kedaneu International Engineering Co., Ltd.	23,266.46			23,266.46
HLT Industry Co., Ltd.	18,791.54			18,791.54
Keda-Suremaker (Wuhu) Industrial Co., Ltd	18,909.55			18,909.55
Jiangsu Weilili New Material Co., Ltd.	14,408.22			14,408.22
Brightstar Investment Limited	11,352.23			11,352.23
Jiangsu Kehang Environmental Protection Co.,Ltd	7,559.68			7,559.68
I.C.F.&Welko S.P.A.	5,292.61			5,292.61
Keda (Ghana) Ceramics Company Limited	1,441.67			1,441.67
F.D.S. Ettmar S.r.l.		1,440.70		1,440.70
Keda (Tanzania) Ceramics Company Limited	1,025.91			1,025.91
Anhui Keda Prime Platform Energy Technology Co., Ltd.	469.40		469.40	
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	416.01			416.01
Anhui Kean Electric Power Engineering Co., Ltd.	94.38			94.38
Total	129,159.24	1,440.70	469.40	130,130.54

(2). Impairment provisions of goodwill

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of invested company or event forming goodwill	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
		Provision	Disposal	
Jiangsu Kehang Environmental Protection Co., Ltd	7,559.68			7,559.68

Henan Kedaneu International Engineering Co., Ltd.	23,266.46			23,266.46
Keda-Suremaker (Wuhu) Industrial Co., Ltd	6,540.79	6,804.77		13,345.56
Anhui Keda Prime Platform Energy Technology Co., Ltd.	469.40		469.40	
Total	37,836.33	6,804.77	469.40	44,171.70

(3). Information regarding the asset group or the combination of asset groups to which goodwill belongs

√ Applicable □ Not Applicable

Name	Composition and basis of the asset group or combination of asset groups	Operating segments and basis	Whether it is consistent with the previous year
HLT Industry Co., Ltd.	Long-term assets related to goodwill; based on the reasons for the formation of goodwill and the management's recognition		Yes
Keda (Kenya) Ceramics Company Limited	Long-term assets related to goodwill; based on the reasons for the formation of goodwill and the management's recognition		Yes
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Long-term assets related to goodwill; based on the reasons for the formation of goodwill and the management's recognition		Yes
Keda-Suremaker (Wuhu) Industrial Co., Ltd	Long-term assets related to goodwill; based on the reasons for the formation of goodwill and the management's recognition		Yes
I.C.F.&Welko S.P.A.	Long-term assets related to goodwill; based on the reasons for the formation of goodwill and the management's recognition		Yes

Changes in asset groups or combinations of asset groups

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

(4). Specific determination method for recoverable amount

The recoverable amount is determined as the net fair value less disposal costs

□ Applicable√ Not Applicable

The recoverable amount is determined as the present value of the expected future cash flows

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Carrying amount	Recoverable amount	Impairment amount	Years of the forecast period	Key parameters for the forecast period (growth rate, profit margin, etc.)	Basis for determining the parameters for the forecast period	Key parameters of the stable period (growth rate, profit margin, discount rate, etc.)	Basis for determining key parameters for the stable period
HLT Industry Co., Ltd.	55,288.66	96,918.22		2025-2029 year	Growth rate -4.00-4.00%; pre-tax profit margin 10.25-10.75%	Management forecast	Growth rate 0, pre-tax profit margin 10.60%, discount rate 10.60%	Management forecast
Keda (Kenya) Ceramics Company Limited	49,810.70	88,988.72		2025-2029 year	Growth rate 0-10%; pre-tax profit margin 12.53-18.51%	Management forecast	Growth rate 0, pre-tax profit margin 12.53%, discount rate 12.41%	Management forecast
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	524,892.49	1,029,165.11		2025-2029 year	Growth rate -13.00-14.00%; pre-tax profit margin 33.98-40.98%	Management forecast	Growth rate 0, pre-tax profit margin 38.94%, discount rate 11.91%	Management forecast
Keda-Suremaker (Wuhu) Industrial Co., Ltd	29,758.85	22,954.08	6,804.77	2025-2029 year	Growth rate -4.32-16.20%; pre-tax profit margin 7.29-10.00%	Management forecast	Growth rate 0, pre-tax profit margin 7.57%, discount rate 10.60%	Management forecast
I.C.F.&Welko S.P.A.	20,473.75	46,658.99		2025-2029 year	Growth rate 0-31.00%; pre-tax profit margin 10.17-14.25%	Management forecast	Growth rate 0, pre-tax profit margin 12.73%, discount rate 12.11%	Management forecast
Total	680,224.45	1,284,685.12	6,804.77	/	/	/	/	/

In recent years, influenced by the continued downturn in the domestic real estate market, the Company's wall material machinery business has faced certain pressures. Due to the decline in market demand, the wall material machinery business is experiencing dual pressures of insufficient orders and declining gross profit. During the Reporting Period, the Company engaged Beijing Zhongheyi Asset Appraisal Co., Ltd. to assess the asset group related to the goodwill of Keda Suremaker. The appraisal testing found that the goodwill had impaired. Based on the appraisal results, the Company made an impairment provision of RMB68,047.7 thousand oodwill of Keda Suremaker. After the goodwill impairment test, the Company's other goodwill showed no signs of impairment.

The differences between the foregoing information and the data used in impairment testing in the previous years, or external information, are due to apparent reasons

□ Applicable√ Not Applicable

The reasons for the disparity between the information used in impairment testing in the previous years and the actual situation of the current year are evident for the Company

□ Applicable√ Not Applicable

(5). Performance commitments and corresponding goodwill impairment

Performance commitments existed at the time goodwill was formed and are within the performance commitment period in the current period or the previous period

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

28. Long-term deferred expenses

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase amount of the current period	Amortization amount of the current period	Other decrease amounts	Closing balance
Sporadic projects	34.26	68.93	53.79		49.40
Total	34.26	68.93	53.79		49.40

29. Deferred income tax assets/deferred income tax liabilities

(1). Unoffset deferred income tax assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Impairment provisions of assets	25,756.73	5,260.22	23,988.25	4,529.23
Deductible losses	241,182.44	42,916.03	110,636.75	17,309.17
Change in the fair value of financial assets	197.48	29.62	38,520.04	5,778.01
Government subsidies	1,128.50	169.27	4,999.39	749.91
Lease liabilities	528.56	54.53	1,189.08	356.72
Others	38,132.38	10,461.34	17,219.87	4,462.02
Total	306,926.09	58,891.01	196,553.38	33,185.06

(2). Unoffset deferred income tax liabilities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Asset appraisal and appreciation of HLT	1,321.57	198.24	1,408.54	211.28
Asset appraisal and appreciation of Keda Suremaker	467.00	70.05	533.15	79.97
Asset appraisal and appreciation of Jiangsu Kehang			1,916.87	287.53
Asset appraisal and appreciation of Welko	2,615.23	729.65	2,615.23	729.65
Right-of-use assets	503.01	52.57	1,135.03	340.51
Fixed asset tax and accounting differences	58,039.96	15,352.69		
Change in the fair value of financial assets	278.43	69.61		
Total	63,225.20	16,472.81	7,608.82	1,648.94

(3). Deferred income tax assets or liabilities presented on a net basis after offsetting

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Ending off-set amount of deferred income tax assets and liabilities	Ending balance of deferred income tax assets and liabilities	Beginning off-set amount of deferred income tax assets and liabilities	Beginning balance of deferred income tax assets and liabilities
Deferred income tax assets	7,661.58	51,229.43		
Deferred income tax liabilities	7,661.58	8,811.23		

(4). Details of unrecognized deferred income tax assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Deductible temporary differences		
Deductible losses	87,599.88	85,039.42
Provision for impairment of fixed assets	5,166.64	8,063.79
Provision for impairment of other assets	17,505.21	15,777.36
合计	110,271.73	108,880.57

(5). The deductible losses of unrecognized deferred income tax assets will expire in the following years

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Year	Closing balance	Opening balance	Note
2024		3,504.54	
2025	24,298.11	28,031.10	
2026	11,604.87	12,534.64	
2027	11,295.23	13,833.69	
2028	20,606.41	27,135.45	
2029	18,846.26		
2030			
2031			
2032			
2033			

2034	949.00		
Total	87,599.88	85,039.42	/

Other notes:

□ Applicable√ Not Applicable

30. Other non- current assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book value	Provision for impairment losses	Carrying amount	Book value	Provision for impairment losses	Carrying amount
Prepaid long-term assets acquisition funds	18,734.71		18,734.71	19,027.68		19,027.68
Prepaid loan upfront fees				1,706.11		1,706.11
Total	18,734.71		18,734.71	20,733.79		20,733.79

31. Assets with restricted ownership or use rights

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	End of the period				Beginning of the period			
	Book value	Carrying amount	Type of restriction	Restriction details	Book value	Carrying amount	Type of restriction	Restriction details
Monetary funds	78,526.59	78,526.59	Others	Certificate of deposit, margin and judicially frozen funds	23,170.87	23,170.87	Others	Certificate of deposit, margin and judicially frozen funds
Receivables financing	-	-	/	/	8,353.13	8,353.13	Pledge	For pledge
Accounts receivable	3,369.45	3,358.45	Pledge	Pledge loans used for projects	4,501.56	4,499.46	Pledge	Pledge loans used for projects
Fixed assets	223,278.21	180,261.61	Mortgage	Mortgage loans used for projects	164,902.47	111,611.68	Mortgage	Mortgage loans used for projects

Construction in progress	-	-	/	/	31,229.62	31,229.62	Mortgage	Mortgage loans used for projects
Intangible assets	25,993.30	23,495.31	Mortgage	Mortgage loans used for projects	20,667.75	18,993.10	Mortgage	Mortgage loans used for projects
Total	331,167.55	285,641.96	/	/	252,825.40	197,857.86	/	/

32. Short-term loans

(1). Classification of short-term borrowings

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Guaranteed borrowings	26,293.15	1,731.23
Pledged borrowings	48,396.66	4,514.90
Mortgaged borrowings	300.00	10,300.00
Credit borrowings	25,711.12	32,773.83
Pledge loan + mortgage loan		2,000.00
Mortgage loan + guaranteed loan		3,000.00
Pledge loan + guaranteed loan	1,000.00	2,914.83
Accrued interest	91.77	
Total	101,792.70	57,234.79

(2). Particulars on overdue but yet unrepaid short-term borrowings

□ Applicable√ Not Applicable

Particulars of important overdue but yet unrepaid short-term borrowings:

□ Applicable√ Not Applicable

Other notes:

√ Applicable □ Not Applicable

The ending balance of short-term borrowings for the current period increased by 77.85% compared to the end of the previous year, mainly due to the addition of bank loans by the Company for the current period.

33. Financial liabilities held for trading

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Closing balance	Reasons and basis for designation
Financial liabilities held for trading	526.28	160.01	/
Specifically:			
Forward exchange rate hedging	526.28	160.01	/
Total	526.28	160.01	/

Other notes:

□ Applicable√ Not Applicable

34. Derivative financial liabilities

□ Applicable√ Not Applicable

35. Notes payable

(1). Presentation of notes payable

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance	Opening balance
Bank acceptance bills	43,517.35	57,889.54
Total	43,517.35	57,889.54

36. Accounts payable

(1). Presentation of accounts payable

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Purchase payment payable	295,408.20	183,950.36
Total	295,408.20	183,950.36

(2). Accounts payable with the account age over one year or overdue

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Reason for non-repayment or carry-over

Supplier 6	1,519.72	Within the credit period
Supplier 7	1,100.78	Within the credit period
Supplier 8	652.73	Within the credit period
Supplier 9	544.59	Within the credit period
Supplier 10	537.09	Within the credit period
Total	4,354.91	/

Other notes:

√ Applicable □ Not Applicable

The ending balance of accounts payable for the current period increased by 60.59%ompared to the end of the previous year, mainly due to the fixed asset procurement payments for building materials for the glass project for the current period.

37. Advance receipts

(1). Presentation of accounts received in advance

□ Applicable√ Not Applicable

(2). Significant accounts received in advance with an age of more than one year

□ Applicable√ Not Applicable

(3). Amount of and reason for significant changes in carrying value during the Reporting Period

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

38. Contract liabilities

(1). Contract liabilities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Advance receipts	228,154.47	188,871.57
Total	228,154.47	188,871.57

(2). Significant contract liabilities with an age of more than one year

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Reason for non-repayment or carry-over
Customer 25	3,051.86	Not yet completed
Customer 26	3,024.71	Not yet completed
Customer 27	2,843.20	Not yet completed
Customer 28	2,567.48	Not yet completed
Customer 29	2,459.51	Not yet completed
Total	13,946.76	/

(3). Amount of and reason for significant changes in carrying value during the Reporting Period

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

39. Payroll payable

(1). Presentation of employee benefits payable

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I. Short-term benefits	20,284.62	163,698.92	155,932.42	28,051.12
II. Post-employment benefits - Defined contribution plans		8,169.50	7,339.44	830.06
III. Termination benefits		1,528.97	1,260.67	268.30
IV. Other benefits due within one year				
Total	20,284.62	173,397.39	164,532.53	29,149.48

(2). Presentation of short-term benefits

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I. Salary, bonus, allowance and subsidy	20,284.62	146,530.71	138,808.90	28,006.43

II. Employee benefits		10,872.14	10,872.14	
III. Social insurance		2,749.74	2,720.38	29.36
Including: Medical insurance		2,271.86	2,254.55	17.31
Work-related injury insurance		477.88	465.83	12.05
Maternity insurance				
IV. Housing provident fund		3,151.30	3,135.97	15.33
V. Labor union and employee education funds		395.03	395.03	
VI. Short-term compensated absences				
VII. Short-term profit sharing plan				
Total	20,284.62	163,698.92	155,932.42	28,051.12

(3). Presentation of defined contribution plans

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Basic pension		7,855.38	7,042.50	812.88
2. Unemployment insurance		314.12	296.94	17.18
3. Enterprise annuity payment				
Total		8,169.50	7,339.44	830.06

Other notes:

□ Applicable√ Not Applicable

40. Taxes payable

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Value added tax	3,021.45	2,558.25
Enterprise income tax	12,130.96	5,041.33
Personal income tax	2,441.73	433.72
City maintenance & construction tax	117.02	117.85
Property tax	166.65	86.25
Land use tax	67.72	80.94
Educational surcharge	83.76	90.66

Embankment protection fee	19.87	14.99
Stamp duty	218.64	116.90
Other taxes	1,014.03	195.12
Total	19,281.83	8,736.01

Other notes:

The ending balance of taxes payable for the current period increased by 120.72% from the previous year, mainly due to the increase in the Company's corporate income tax for the current period.

41. Other payables

(1). Presented by item

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Interest payable		
Dividends payable	18.16	
Other payables	18,391.57	19,808.27
Total	18,409.73	19,808.27

Other notes:

□ Applicable√ Not Applicable

(2). Interest payable

Presentation by category

□ Applicable√ Not Applicable

Significant interest payable overdue:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

(3). Dividends payable

Presentation by category

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Dividends of ordinary shares	18.16	
Total	18.16	

(4). Other payables

Other payables presented by amount nature

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Intercompany current accounts	10,972.83	12,896.03
Other current accounts	1,790.19	1,693.04
Equity investment payment	3,114.12	4,740.00
Deposit	2,514.43	479.20
Total	18,391.57	19,808.27

Significant other payables with the account age over one year or overdue

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

42. Liabilities held for sale

□ Applicable√ Not Applicable

43. Non-current liabilities due within one year

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Long-term borrowings due within one year	140,988.59	87,788.54
Bonds payable due within one year		
Long-term payables due within one year		
Lease liabilities due within one year	636.45	181.01
Accrued interest	320.80	
Total	141,945.84	87,969.55

Other notes:

Note 1: Breakdown of long-term loans due within one year

Other explanations: The closing balance of non-current liabilities due within one year

Item	Closing balance	Opening balance
Credit borrowings	33,801.88	48,264.36
Guaranteed borrowings	76,807.59	16,603.03
Pledged borrowings	286.97	273.33
Mortgaged borrowings	14,243.74	8,741.75
Mortgage loan + guaranteed loan	15,328.50	13,341.50
Mortgage loan + pledge loan	519.91	564.57
Total	140,988.59	87,788.54

increased by 61.36% as compared with the closing balance of the previous year, which was mainly due to the increase in the Company's long-term borrowings due within one year during the period.

44. Other current liabilities

Particulars on other current liabilities

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Output tax to be written off	15,055.45	13,611.20
Notes endorsed but undue and not derecognized at the end of the Reporting Period	3,565.71	3,825.63
Total	18,621.16	17,436.83

Changes in short-term bonds payable:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

45. Long-term loans

(1). Classification of long-term borrowings

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Credit borrowings	100,939.22	125,375.21
Guaranteed borrowings	164,178.97	85,955.16
Pledged borrowings	1,122.90	1,410.52
Mortgaged borrowings	59,046.08	50,783.10
Mortgage loan + guaranteed loan	69,625.85	72,355.57
Mortgage loan + pledge loan	3,085.05	3,975.60
Accrued interest	346.48	
Total	398,344.55	339,855.16

Other notes:

□ Applicable√ Not Applicable

46. Bonds payable

(1). Bonds payable

□ Applicable√ Not Applicable

(2). Changes in bonds payable: (excluding other financial instruments such as preferred shares classified as financial liabilities and perpetual bonds)

□ Applicable√ Not Applicable

(3). Description on convertible corporate bonds

□ Applicable √ Not Applicable

Accounting for transfers of equity and basis of judgment

□ Applicable√ Not Applicable

(4). Description on other financial instruments classified as financial liabilities

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

□ Applicable√ Not Applicable

Form of changes in financial instruments such as outstanding preferred shares and perpetual bonds at the end of the period

□ Applicable√ Not Applicable

Notes to basis for the classification of other financial instruments as financial liabilities

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

47. Lease liabilities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Lease liabilities	3,758.30	1,601.34
Total	3,758.30	1,601.34

Other notes:

The ending balance of lease liabilities for the current period increased by 134.70% compared to the end of the previous year, mainly due to the addition of leased land use rights and building by the building materials company in the current period.

48. Long-term payables

Presented by item

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

Long-term payables

(1).Long-term payables presented by amount nature

□ Applicable√ Not Applicable

Special payables

(2).Special payables presented by amount nature

□ Applicable√ Not Applicable

49. Long-term employee benefits payable

□ Applicable√ Not Applicable

50. Estimated liabilities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance	Cause of formation
Product quality assurance	65.31	55.18	
Compensation related to pending lawsuits	3,902.57		
Compensation	150.00	150.00	
Total	4,117.88	205.18	

Other descriptions, including descriptions on important assumptions and estimates related to important estimated liabilities:

The estimated ending balance for the current period increased by 1,906.91% compared to the end of the previous year, mainly due to the provision for estimated liabilities by the Company based on the *Paper of Civil Judgment* issued by the People's Court of Quyang County, Hebei Province ((2023) Ji 0634 Civil First Instance 3134) and the Intermediate People's Court of Nanjing City, Jiangsu Province ((2023) Su 01 Civil First Instance 4209, (2023) Su 01 Civil First Instance 4210, (2023) Su 01 Civil First Instance 4211,(2024) Su 01 Civil First Instance 16).

51. Deferred income

Particulars on deferred income

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Cause of formation
Government subsidies	3,336.86	1,991.00	2,594.44	2,733.42	Special government subsidies
Total	3,336.86	1,991.00	2,594.44	2,733.42	/

Other notes:

□ Applicable√ Not Applicable

52. Other non- current liabilities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Government subsidies	1,007.91	2,345.81
Total	1,007.91	2,345.81

The ending balance of other non-current liabilities decreased by 57.03% compared to the end of the previous year, mainly due to the government's subsidized projects approved by the Company carried forward to other revenue.

53. Share capital

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

	Opening balance	Increase/decrease (+/-)					Closing balance
		Issuance of new shares	Bonus shares	Conversion of provident funds into shares	Others	Sub-total	
Total shares	194,841.99				-3,056.35	-3,056.35	191,785.64

Other notes:

The Company held the 29th meeting of the Eighth Board of Directors and the 25th meeting of the Eighth Board of Supervisors on April 26, 2024, and the 2023 Annual General Meeting of Shareholders on May 8, 2024, and considered and passed the *Proposal on Changing the Use and Cancellation of Part of the Repurchased Shares*, agreeing to change the use of the 30,563,538 shares that had been repurchased in the previous period from "for the implementation of the Employee Stock Ownership Plan and/or equity incentives" to "for cancellation and corresponding reduction of registered capital". After the completion of the cancellation, the total share capital has been reduced from 1,948,419,929 shares to 1,917,856,391 shares and the registered capital reduced from RMB1,948,419,929 to RMB1,917,856,391.

54. Other equity instruments

(1). Basic information on other financial instruments such as outstanding preferred shares and perpetual bonds at the end of the period

□ Applicable√ Not Applicable

(2). Form of changes in financial instruments such as outstanding preferred shares and perpetual bonds at the end of the period

□ Applicable√ Not Applicable

Changes in other equity instruments of the current period, reasons for changes, and basis for relevant accounting treatment:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

55. Capital reserve

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Capital premium (Share premium)	287,088.90	841.41	42,739.74	245,190.57
Other capital reserve	18,753.73	801.89	31.00	19,524.62
Total	305,842.63	1,643.30	42,770.74	264,715.19

Other descriptions, including descriptions on changes of the current period and reasons for changes:

Note 1: Capital reserve - stock premium increased by RMB8,414.1 thousand for the current period, mainly due to the adjustment of capital reserve resulting from the Company's purchase of minority shareholder equity for the current period;

Note 2: Capital reserve - stock premium decreased by RMB427,397.4 thousand for the current period, mainly due to the Company's cancellation and repurchase of treasury shares and the adjustment of capital reserve for the current period;

Note 3: Capital reserve - other capital reserves increased by RMB8,018.9 thousand for the current period, mainly due to the formation of capital reserve from equity incentives by subsidiary Twyford International and the equity method recognition by the subsidiary Keda Lithium Industry and Jiangsu Weili of their share in the other equity movements of the associate company Lanke Lithium Industry;

Note 4: Capital reserve - other capital reserves decreased by RMB310 thousand for the current period, mainly due to the disposal of an associate enterprise, Sichuan Guangxing Lithium, by a subsidiary, Keda Investment, during the current period.

56. Treasury stock

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Treasury shares	83,850.27	25,229.75	42,315.31	66,764.71
Total	83,850.27	25,229.75	42,315.31	66,764.71

Other descriptions, including descriptions on changes of the current period and reasons for changes:

The Company held the 29th meeting of the Eighth Board of Directors and the 25th meeting of the Eighth Board of Supervisors on April 26, 2024, and the 2023 Annual General Meeting

of Shareholders on May 8, 2024, and considered and passed the *Proposal on Changing the Use and Cancellation of Part of the Repurchased Shares*, agreeing to change the use of the 30,563,538 shares that had been repurchased in the previous period from "for the implementation of the Employee Stock Ownership Plan and/or equity incentives" to "for cancellation and corresponding reduction of registered capital". After the completion of the cancellation, the Company reduced treasury stock at the average repurchased price by RMB42,315.3 thousand.

The Company held the third meeting of the ninth Board of Directors and the third meeting of the ninth Board of Supervisors on October 29, 2024, where the *Proposal on Repurchasing Company Shares* was approved item by item. It was agreed that the Company would use its own funds and stock repurchase loans to repurchase shares through centralized bidding transactions, purchasing no less than 20 million shares and no more than 30 million shares, with a repurchase price not exceeding RMB10 per share (inclusive).

As of December 30, 2024, the Company completed the share repurchase, having repurchased 29,999,958 A shares through centralized bidding, accounting for 1.56% of the Company's total share capital. The lowest repurchase price was 7.80 yuan/share, the highest was 8.90 yuan/share, the average repurchase price was 8.41 yuan/share, and the total amount paid was RMB 252,297.5 thousand (including stamp duty, commission, and other transaction fees).

57. Other integrated income

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Beginning of the period balance	Amount accounted for in the current period						Closing balance
		Amount incurred before income tax for the current period	Less: Included in other comprehensive income in the previous period and transferred to profit or loss in the current period	Less: Included in other comprehensive income in the previous period and transferred to retained earnings in the current period	Less: Income tax expense	Attributable to the parent company after the tax	Attributable to minority shareholders after the tax	
I. Other comprehensive income not to be reclassified into profit or loss	-38,596.75	-6,785.85	0.00	-49,275.70	-1,132.49	38,540.86	5,081.47	-55.89
Including: change in re-measurement of defined benefit plans								

Item	Beginning of the period balance	Amount accounted for in the current period						Closing balance
		Amount incurred before income tax for the current period	Less: Included in other comprehensive income in the previous period and transferred to profit or loss in the current period	Less: Included in other comprehensive income in the previous period and transferred to retained earnings in the current period	Less: Income tax expense	Attributable to the parent company after the tax	Attributable to minority shareholders after the tax	
Other comprehensive income that may not be reclassified to profit or loss under equity method	6.38	-3.55		2.82		-6.38		
Changes in fair value of other equity instrument investments	-38,603.13	-6,782.30		-49,278.52	-1,132.49	38,547.24	5,081.47	-55.89
Change in fair value of enterprise's own credit risk								
II. Other comprehensive income to be reclassified into profit or loss	-25,610.93	4,138.37				1,952.80	2,185.58	-23,658.13
Including: Other comprehensive income that may be reclassified to profit or loss under equity method	-15.15	20.25				20.25		5.10
Changes in fair value of other debt investments								
Amount included in other comprehensive income on reclassification of financial assets								
Credit impairment provisions of other debt investments								
Cash flow hedging reserve								

Item	Beginning of the period balance	Amount accounted for in the current period						Closing balance
		Amount incurred before income tax for the current period	Less: Included in other comprehensive income in the previous period and transferred to profit or loss in the current period	Less: Included in other comprehensive income in the previous period and transferred to retained earnings in the current period	Less: Income tax expense	Attributable to the parent company after the tax	Attributable to minority shareholders after the tax	
Exchange differences from translation of financial statements	-25,595.78	4,118.12				1,932.55	2,185.58	-23,663.23
Total other comprehensive income	-64,207.68	-2,647.48		-49,275.70	-1,132.49	40,493.66	7,267.05	-23,714.02

58. Special reserve

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Safety production fund	439.01		15.14	423.87
Total	439.01		15.14	423.87

59. Surplus reserve

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserve	82,149.27	958.67		83,107.94
Arbitrary surplus reserve	1,016.82			1,016.82
Total	83,166.09	958.67		84,124.76

60. Undistributed profits

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Current period	Previous period
Pre-adjustment undistributed profits at the end of the previous period	703,612.40	668,431.59
Total adjustment amount of undistributed profits at the beginning of the period ("+" refers to increase by adjustment and "-" refers to decrease by adjustment)		
Post-adjustment amount of undistributed profits at the beginning of the period	703,612.40	668,431.59
Add: Net profit attributable to shareholders of the parent company in the current period	100,631.18	209,199.64
Other comprehensive income transferred to retained earnings	-43,662.76	
Less: Statutory surplus reserve accrued	958.67	43,549.59
Arbitrary surplus reserve accrued		
Withdrawal of general risk provision		
Dividends on common shares payable	62,299.26	130,414.23
Dividends on common shares converted to stock capital		
Others		55.01
Undistributed profit at the end of the period	697,322.89	703,612.40

61. Operating revenue and operating costs

(1). Particulars on revenue and operating costs

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period		Amount accounted for in the previous period	
	Income	Cost	Income	Cost
Main operations	1,259,015.71	932,382.36	968,754.72	685,662.91
Other business	1,010.48	624.59	809.26	490.91
Total	1,260,026.19	933,006.95	969,563.98	686,153.82

(2). Information on the breakdown of revenue and operating costs

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Classification of contracts	Segment		Total	
	Operating revenue	Operating expenses	Operating revenue	Operating expenses
Types of goods				
Building materials machinery and equipment	560,543.47	411,654.49	560,543.47	411,654.49
Building materials	471,475.64	324,354.20	471,475.64	324,354.20
New energy equipment	101,138.24	81,472.56	101,138.24	81,472.56
Lithium- ion materials	88,121.87	86,032.65	88,121.87	86,032.65
Others	37,736.49	28,868.46	37,736.49	28,868.46
Total	1,259,015.71	932,382.36	1,259,015.71	932,382.36
Classification by operation territory				
Domestic	457,021.74	373,808.60	457,021.74	373,808.60
Overseas	801,993.97	558,573.76	801,993.97	558,573.76
Total	1,259,015.71	932,382.36	1,259,015.71	932,382.36

Other notes:

√ Applicable □ Not Applicable

Note: Sales from the top five customers amounted to RMB1,917,566.7 thousand, accounting for 15.23% of sales revenue.

(3). Description on performance obligations

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Time for contract fulfillment obligations	Important payment terms	The nature of the Company's commitment to the transfer of the goods	Whether or not the person is primarily responsible	Company's share of expected refunds to customers	Types of quality assurance offered by the Company and related obligations
Sales of individual standard products, individual equipment and accessories	The point of transfer of control is based on the completion of delivery in China, and based on the completion of customs clearance outside China	Payment on delivery, partial advance receipts and partial payment days	Single product	Yes	0.00	Guaranteed quality assurance

Item	Time for contract fulfillment obligations	Important payment terms	The nature of the Company's commitment to the transfer of the goods	Whether or not the person is primarily responsible	Company's share of expected refunds to customers	Types of quality assurance offered by the Company and related obligations
Construction project	For clean energy and environmental projects, it follows the contract fulfillment progress; for complete sets of equipment for wall production lines with installation obligations, it should be the time when acceptance is completed, and those without installation obligations should be treated as individual products	Payment on delivery, partial advance receipts and partial payment days	Construction project or complete sets of equipment	Yes	0.00	Guaranteed quality assurance
Total	/	/	/	/		/

(4). Description on allocation to remaining performance obligations

√ Applicable □ Not Applicable

The amount of revenue corresponding to contract fulfillment obligations that had been contracted for but not yet fulfilled or not yet completed at the end of the current period was RMB6,184 million, including:

RMB 4,606 million is expected to be recognized as revenue in 2025

(5). Significant contract changes or significant transaction price adjustments

□ Applicable√ Not Applicable

62. Taxes and surcharges

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
City maintenance & construction tax	1,146.53	1,571.00
Educational surcharge	680.74	1,136.51
Property tax	1,595.33	1,367.85
Land use tax	718.79	794.82
Taxes and surcharges	8.72	9.61
Stamp duty	807.43	618.07
Embankment protection fee	137.85	95.38
Environmental protection tax	6.83	5.40
Other taxes	1,626.62	983.85
Total	6,728.84	6,582.48

63. Selling expenses

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Employee benefits	24,080.91	21,528.10
Travel expenses	5,852.07	5,159.03
Transport expense	274.15	4,929.75
Entertainment expense	2,165.23	2,611.42
Expenses for advertising and business promotion	3,831.77	2,567.78
After-sales service fee	3,088.25	1,974.22
Others	11,383.93	8,780.28
Total	50,676.31	47,550.58

64. Management expenses

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Employee benefits	59,705.89	37,924.43
Office expense	5,815.25	4,413.40
Utilities	2,041.02	1,833.29
Travel expenses	6,284.43	4,141.95
Audit and advisory fees	7,560.26	7,851.67

Depreciation and rental	9,796.71	8,585.80
Amortization of intangible assets	3,875.83	3,694.89
Equity incentive expense	1,093.04	
Others	14,656.75	16,597.21
Total	110,829.18	85,042.64

Other explanations: Management expenses for the current period increased by 30.32% compared to the same period of the previous year, mainly due to the expansion of overseas ceramics projects, the establishment of a management framework for the overseas ceramics business headquarters, and the Company's increased demand for relevant talents due to its development.

65. R&D expense

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Material expense	15,390.40	12,244.94
Labor expense	15,309.63	13,900.64
Depreciation and amortization	1,421.32	1,303.73
Other expenses	2,296.91	1,767.75
Total	34,418.26	29,217.06

66. Financial expenses

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Interest expense	22,830.18	21,301.75
Less: Interest income	-7,201.71	-9,110.91
Exchange loss	-3,899.21	10,837.35
Transaction fee	2,079.49	2,353.37
Total	13,808.75	25,381.56

Other notes:

Financial expenses for the current period decreased by 45.60% compared to the same period of the previous year, mainly due to an increase in exchange gains during the current period.

67. Other income

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Classification based on nature	Amount accounted for in the current period	Amount accounted for in the previous period
Government subsidies	10,427.82	12,635.89
VAT additional deduction	3,876.01	938.35
Others	343.89	41.56
Total	14,647.72	13,615.80

68. Investment income

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Long-term equity investment income calculated by equity method	29,333.16	146,951.81
Investment income arising from the disposal of long-term equity investments	-736.76	0.23
Investment income from held-for-trading financial assets during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from debt investment during the holding period		
Interest income from other debt investments during the holding period		
Investment income from disposal of held-for-trading financial assets	781.74	327.35
Investment income from disposal of other equity instrument investments		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investments		
Gains from debt restructuring	271.10	-8.70
Others	-96.11	
Total	29,553.13	147,270.69

Other notes:

Note 1: Long-term equity investment income calculated by the equity method:

Unit: Ten Thousand Yuan Currency: RMB

Investee	Amount accounted for in the current period	Amount accounted for in the previous period
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	25,986.75	144,216.71
Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	7,789.15	2,338.52
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	-4,580.13	3.18
Others	137.39	393.40
Total	29,333.16	146,951.81

Investment income for the current period decreased by 79.93% compared to the same period of the previous year, mainly due to a decline in the investment income recognized by the Company from the associate enterprise Lanke Lithium Industry during the current period.

69. Net gain on exposure hedging

□ Applicable√ Not Applicable

70. Income from changes in fair value

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Sources of income from changes in fair value	Amount accounted for in the current period	Amount accounted for in the previous period
Financial assets held for trading	425.28	1,325.90
Including: Income from changes in fair value of derivative financial instruments		
Financial liabilities held for trading	31.59	-835.57
Investment real estate measured at fair value		
Total	456.87	490.33

71. Credit impairment loss

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Bad debt losses of notes receivable	-2.43	3.23
Bad debt losses of accounts receivable	1,008.84	-3,854.59
Bad debt losses of other receivables	-1,778.96	263.37
Impairment losses of debt investment		
Impairment losses of other debt investments		

Bad debt losses of long-term receivables	-371.37	-254.99
Impairment losses related to financial guarantee		
Bad debt losses of non-current assets due within one year	-1,413.66	329.23
Bad debt losses of accounts receivable financing	-40.86	
Total	-2,598.44	-3,513.75

72. Asset impairment loss

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
I. Impairment losses of contract assets	-274.86	1,920.12
II. Loss for decline in value of inventories and loss for impairment of contract performance cost	-5,402.95	-1,135.83
III. Impairment losses of long-term equity investment		
IV. Impairment losses of investment real estate		
V. Impairment losses of fixed assets	-986.04	
VI. Impairment losses of engineering materials		
VII. Impairment losses of construction in progress		
VIII. Impairment losses of productive biological assets		
IX. Impairment losses of oil and gas assets		
X. Impairment losses of intangible assets		
XI. Impairment losses of goodwill	-6,804.77	
XII. Others		
Total	-13,468.62	784.29

Other notes:

Asset impairment losses for the current period increased by 1,817.30% compared to the same period of the previous year, mainly due to the Company's provision for goodwill impairment on Keda-Suremaker (Wuhu) and increased provision for inventory write-downs during the current period.

73. Income from disposal of assets

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Gains or losses arising from the disposal of fixed assets	-1,149.54	-92.11
Gains or losses arising from the disposal of intangible assets	5,094.68	
Gains or losses on the disposal of right-of-use assets	24.70	
Total	3,969.84	-92.11

Other notes:

Asset disposal income for the current period increased by 4,409.67% compared to the same period of the previous period, mainly due to the profits from the disposal of assets by Jiangsu Kehang.

74. Non-operating revenue

Particulars on non-operating profits

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period	Amount included in the current non-recurring gains and losses
Total gains from disposal of non-current assets	6.14	62.80	6.14
Including: Gains from disposal of fixed assets	6.14	62.80	6.14
Gains from disposal of intangible assets			
Debt restructuring gains			
Gains from exchange of non-currency assets			
Donations received			
Government subsidies			
Penalty income	463.39	92.12	463.39
Income from customer defaults	593.74	153.35	593.74
Others	4,137.71	19,594.66	4,137.71
Total	5,200.98	19,902.93	5,200.98

Other notes:

√ Applicable □ Not Applicable

Non-operating income for the current period decreased by 73.87% compared to the same period of the previous year, mainly due to the higher reversal of provisions in the same period of the previous year.

75. Non-operating expenses

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period	Amount included in the current non-recurring gains and losses
Total losses from disposal of non-current assets	2,501.98	372.28	2,501.98
Including: Losses from disposal of fixed assets	2,501.98	372.28	2,501.98
Losses from disposal of intangible assets			
Debt restructuring losses			
Compensation related to pending lawsuits	3,996.64	2,517.15	3,996.64
Offering of donations	116.63	507.66	116.63
Late fees and penalties	1,561.76	527.25	1,561.76
Others	928.32	783.78	928.32
Total	9,105.33	4,708.12	9,105.33

Other notes:

Non-operating expenses for the current period increased by 93.40% compared to the same period of the previous year, mainly due to losses from the disposal of fixed assets by Keda Foshan Industrial, the Company's provision for litigation expected liabilities during the current period, and tax penalties from the Indian subsidiary.

76. Income tax expenses

(1). Table of income tax expenses

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Current income tax expenses	20,466.36	7,326.90
Deferred income tax expenses	-10,097.83	-4,759.98
Total	10,368.53	2,566.92

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

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the Reporting Period
Total profits	139,214.05
Income tax expenses calculated at legal/applicable tax rate	20,882.11
Impact of different tax rates applied by subsidiaries	10,376.53
Impact of income tax in the periods before adjustment	3,207.17
Impact of non-taxable income	-11,620.79
Impacts of non-deductible costs, expenses, and losses	1,773.53
Impact of using deductible losses on the deferred tax assets not recognised previously	-12,349.21
Impact of deductible temporary differences or deductible losses of deferred tax assets not recognised in the Reporting Period	1,786.61
Accumulated deductions	-3,687.42
Income tax expense	10,368.53

Other notes:

√ Applicable □ Not Applicable

Income tax expenses for the current period increased by 303.93% compared to the same period of the previous year, mainly due to a substantial increase in taxable income during the current period.

77. Other integrated income

√ Applicable □ Not Applicable

See notes for details.

78. Items of the cash flow statement

(1).Cash related to operating activities

Other cash received from operating activities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Government subsidies	9,013.13	6,437.22
Interest income	7,201.71	9,110.91
Others	19,240.17	12,496.36
Total	35,455.01	28,044.49

Cash paid for other operating activities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Office expense	8,603.89	7,998.18
Electricity and water charges	15,704.38	14,466.67
Travel expenses	12,485.71	11,950.69
Transport expense	274.15	12,039.83
Entertainment expense	5,451.91	4,315.68
Rental fee	3,176.23	3,292.18
Repair fee	5,707.83	4,955.97
Advertising and business promotion fees	4,509.76	3,885.28
Audit and advisory fees	8,563.30	7,853.58
Others	39,553.70	15,349.74
Total	104,030.87	86,107.80

(2).Cash related to investing activities

Significant cash received related to investing activities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Received dividend payments from Lanke Lithium Industry	41,140.71	144,291.97
Disposal of Jiaxing Keda Jinhong Salt Lake Fund for recovery of investments	73,446.46	
Total	114,587.17	144,291.97

Significant cash paid related to investing activities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Investments for Jiaxing Keda Jinhong Salt Lake Fund		130,000.00
Total		130,000.00

Description of significant cash paid related to investing activities

None

Other cash received from investing-related activities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Principal of wealth management products recovered	382,484.59	302,530.12
Others	2,902.02	406.56
Total	385,386.61	302,936.68

Other cash paid for investing-related activities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Principal paid for purchasing financial products	456,925.91	217,569.12
Others		236.80
Total	456,925.91	217,805.92

(3).Other cash received related to financing activities

Other cash received from financing-related activities:

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Deposits for bank acceptance	49,416.78	34,204.90

Other deposits	1,011.66	1,698.57
Total	50,428.44	35,903.47

Other cash paid for financing-related activities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Deposits for bank acceptance	49,940.05	27,214.80
Cash paid for share repurchase	25,229.75	33,850.25
Cash paid for purchase of minority interest	1,397.70	4,528.47
Others	422.00	3,946.38
Total	76,989.50	69,539.90

Changes in liabilities arising from financing activities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term loans	57,234.79	133,244.68	7,283.89	92,786.66	3,184.00	101,792.70
Long-term borrowings (including long-term borrowings due within one year)	427,643.70	267,382.06	5,903.70	154,705.47	6,570.05	539,653.94
Total	484,878.49	400,626.74	13,187.59	247,492.13	9,754.05	641,446.64

(4).Notes to the presentation of cash flows on a net basis

□ Applicable√ Not Applicable

(5).Significant activities and financial effects that do not involve current cash receipts and payments but affect the financial position of the enterprise or may affect the enterprise's cash flows in the future

□ Applicable√ Not Applicable

79. Supplementary information for the cash flow statement

(1). Supplementary information for the cash flow statement

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Supplementary information	Amount in the current period	Amount of the previous period
1. Reconciliation of net profit to cash flow from operating activities:		
Net profit	128,845.52	260,818.98
Add: Impairment provisions of assets	13,468.62	-784.29
Credit impairment losses	2,598.44	3,513.75
Depreciation of fixed assets, oil and gas assets, and productive biological assets	52,392.51	42,059.00
Amortization of right-of-use assets	635.89	176.60
Amortization of intangible assets	3,875.83	3,166.01
Amortization of long-term prepaid expenses	53.79	
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" refers to gains)	-3,969.84	92.11
Losses from retirement of fixed assets ("-" refers to gains)	2,495.84	309.48
Losses from changes in fair value ("-" refers to gains)	-456.87	-490.33
Financial expenses ("-" refers to income)	23,061.11	21,640.80
Investment losses ("-" refers to gains)	-29,553.13	-147,270.69
Decrease in deferred income tax assets ("-" refers to increase)	-17,152.60	-5,040.61
Increase in deferred income tax liabilities ("-" refers to decrease)	7,162.29	280.63
Decrease in inventories ("-" refers to increase)	-125,934.78	-42,606.55
Decrease in operating receivables ("-" refers to increase)	-118,778.28	-29,137.28
Increase in operating payables ("-" refers to decrease)	118,389.84	-41,440.99
Others	-1,413.72	7,796.58
Net cash flows from operating activities	55,720.46	73,083.20
2. Major investing and financing activities not involving cash payment and receipts:		
Debts converted to capital		
Convertible company bonds due within one year		
Fixed assets acquired under financing leases		
3. Particulars on net changes in cash and cash equivalents:		
Closing balance of cash	216,676.64	337,047.68
Less: Opening balance of cash	337,047.68	373,708.48
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-120,371.04	-36,660.80

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

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount
Cash or cash equivalents paid in the current period for business combinations that occurred in the current period	5,194.61
F.D.S. Ettmar S.r.l.	1,971.09
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	3,145.28
Pt Keda Construction Indonesia	29.64
Sunbromate (Pty) Ltd	48.60
Less: Cash and cash equivalents held by subsidiaries on the purchase date	3,168.55
F.D.S. Ettmar S.r.l.	217.97
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	0.43
Pt Keda Construction Indonesia	0.21
Sunbromate (Pty) Ltd	2,949.94
Plus: Cash or cash equivalents paid in the current period for business combinations that occurred in previous periods	
Net cash paid by subsidiaries	2,026.06

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

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount
Cash or cash equivalents received in the current period from the disposal of subsidiaries in the current period	236.57
Maanshan Kean New Energy Technology Co., Ltd.	236.57
Less: Cash and cash equivalents held by subsidiaries on the day when control is lost	71.36
Maanshan Kean New Energy Technology Co., Ltd.	71.36
Add: Cash or cash equivalents received in the current period from the disposal of subsidiaries in previous periods	
Net cash amount received from the disposal of subsidiaries	165.21

(4). Composition of cash and cash equivalents

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
I. Cash	216,676.64	337,047.68
Including: Cash on hand	476.22	392.74
Bank deposits readily available for payment at any time	216,185.72	336,654.08
Other monetary funds readily available for payment at any time	14.70	0.86
Accounts in central bank available for payment		
Deposit accounts with peer banks		
Lending accounts with peer banks		
II. Cash equivalents		
Including: Bond investments due within three months		
III. Closing balance of cash and cash equivalents	216,676.64	337,047.68
Including: Cash and cash equivalents of which the use is restricted for the parent company or subsidiaries within the Group		

(5). Presentation of cash and cash equivalents with restricted use

□ Applicable√ Not Applicable

(6). Monetary funds not classified as cash and cash equivalents

□ Applicable√ Not Applicable

80. Notes to items of the statement of changes in owners' equity

Description on "other" item name and adjustment amount adjusted for balance at the end of the previous year:

□ Applicable√ Not Applicable

81. Foreign currency monetary items

(1). Foreign currency monetary items

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Balance converted into RMB at the end of the Reporting Period Balance
Monetary funds			
Including: USD	9,752.28	7.18840	70,103.29

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Balance converted into RMB at the end of the Reporting Period Balance
EUR	2,961.49	7.52570	22,287.29
HKD	212.76	0.92604	197.02
GBP	0.06	9.07650	0.54
TRY	2,282.03	0.20511	468.07
INR	36,630.41	0.08404	3,078.42
KES	66,742.77	0.05559	3,710.23
TZS	479,583.06	0.00294	1,409.97
GHS	2,777.51	0.48901	1,358.23
CFA franc	361,340.71	0.01150	4,155.42
ZMW	769.65	0.25694	197.75
XAF	190,591.52	0.01123	2,140.34
IDR	338,527.37	0.00045	152.34
PEN	75.71	1.91318	144.85
RUB	32.81	0.06606	2.17
UGX	456,247.46	0.00196	894.25
SGD	0.01	5.37680	0.05
JPY	75,500.00	0.04623	3,490.37
HNL	31.06	0.28190	8.76
ZAR	6,863.29	0.38441	2,638.32
Accounts receivable			
Including: USD	9,331.27	7.18840	67,076.90
EUR	3,852.20	7.52570	28,990.50
TRY	9,657.03	0.20511	1,980.75
INR	112,357.77	0.08404	9,442.55
KES	13,940.17	0.05559	774.93
TZS	272,160.04	0.00294	800.15

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Balance converted into RMB at the end of the Reporting Period Balance
GHS	895.81	0.48901	438.06
CFA franc	17,142.33	0.01150	197.14
XAF	61,800.32	0.01123	694.02
ZMW	609.51	0.25694	156.61
PEN	0.02	1.91318	0.04
Other receivables			
Including: USD	91.16	7.18840	655.29
EUR	9.13	7.52570	68.71
HKD	6.87	0.92604	6.36
TRY	133.65	0.20511	27.41
INR	51.89	0.08404	4.36
KES	2,000.20	0.05559	111.19
TZS	37,105.75	0.00294	109.09
GHS	278.14	0.48901	136.01
CFA franc	11,450.24	0.01150	131.68
ZMW	72.12	0.25694	18.53
XAF	8,132.13	0.01123	91.32
IDR	341,730.00	0.00045	153.78
PEN	5.94	1.91318	11.36
107.75	90.93	0.38441	34.95
Non-current assets due within one year			
Including: USD	3,680.59	7.18840	26,457.55
GBP	1.61	9.07650	14.61
Long-term receivables			
Including: USD	2,514.65	7.18840	18,076.31
EUR	673.01	7.52570	5,064.87

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Balance converted into RMB at the end of the Reporting Period Balance
Short-term loans			
Including: EUR	566.61	7.52570	4,264.14
PEN	254.37	1.91318	486.66
Accounts payable			-
Including: USD	1,598.29	7.18840	11,489.15
EUR	2,855.55	7.52570	21,490.01
HKD	0.28	0.92604	0.26
TRY	1,209.67	0.20511	248.12
INR	12,795.32	0.08404	1,075.32
KES	14,370.03	0.05559	798.83
TZS	24,948,726.08	0.00294	73,349.25
GHS	8,173.01	0.48901	3,996.68
CFA franc	99,920.83	0.01150	1,149.09
ZMW	4,821.37	0.25694	1,238.80
XAF	486,835.71	0.01123	5,467.17
PEN	757.19	1.91318	1,448.64
UGX	370.54	0.00196	0.73
ZAR	107.75	0.38441	41.42
Other payables			-
Including: USD	2,329.35	7.18840	16,744.30
EUR	118.44	7.52570	891.34
HKD	0.60	0.92604	0.56
INR	33.77	0.08404	2.84
TRY	673.84	0.20511	138.21
KES	1,214.11	0.05559	67.49
TZS	257.50	0.00294	0.76

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Balance converted into RMB at the end of the Reporting Period Balance
GHS	206.20	0.48901	100.83
CFA franc	160.99	0.01150	1.85
ZMW	15.65	0.25694	4.02
XAF	216.42	0.01123	2.43
PEN	17.96	1.91318	34.36
IDR	2,910.45	0.00045	1.31
UGX	3.43	0.00196	0.01
ZAR	59.32	0.38441	22.80
Non-current liabilities due within one year			-
Including: USD	455.98	7.18840	3,277.77
EUR	12,474.95	7.52570	93,882.73
KES	1,037.49	0.05559	57.67
TZS	8,096.88	0.00294	23.80
GHS	595.20	0.48901	291.06
XAF	4,454.09	0.01123	50.02
Long-term loans			-
Including: USD	1,918.81	7.18840	13,793.17
EUR	27,295.30	7.52570	205,416.24

(2). Descriptions on overseas operating entities, including: for important overseas business entities, their main overseas business locations, bookkeeping currency and selection basis shall be disclosed; in case of any change in the bookkeeping currency, the reasons for such change shall be also disclosed

√ Applicable □ Not Applicable

Full name of the subsidiary	Registered address	Registered capital	Currency	Scope of business	Nature of the business	Standard currency for accounting
Keda Industrial (Hong Kong) Limited	Hong Kong	8,587.00	USD	Import and export	Sales	HKD

Full name of the subsidiary	Registered address	Registered capital	Currency	Scope of business	Nature of the business	Standard currency for accounting
Xincheng International (Hong Kong) Co., Ltd.	Hong Kong	2,000.00	USD	Import and export	Sales	USD
Kami Materials Co., Limited	Hong Kong	3,311.38	HKD	Import and export	Sales	USD
Keda (Kenya) Ceramics Company Limited	Kenya	1,000.00	USD	Manufacturing	Tile production	KES
Keda (Ghana) Ceramics Company Limited	Ghana	1,000.00	USD	Manufacturing	Tile production	GHS
Keda (Tanzania) Ceramics Company Limited	Tanzania	1,000.00	USD	Manufacturing	Tile production	TZS
Keda (SN) Ceramics Limited	Senegal	100.00	USD	Manufacturing	Tile production	XOF
Kami Colourcera Private Limited	India	160.00	INR	Manufacturing	Color glaze production	INR
I.C.F.&Welko S.P.A.	Italy	850.00	EURO	Manufacturing	Ceramic machinery production	EURO
Keda Industrial (India) Limited	India	6,500.00	Rupee	Manufacturing	Sales of accessories and consumables	INR
Keda Turkey Makine Ticaret Limited Sirketi	Türkiye	61,144.64	Lira	Import and export	Sales of accessories and consumables	TRY
Forwell International (HK) Co., Limited	Hong Kong	6,001.00	USD	Import and export	Sales	USD
Keda Zambia Ceramics Company Limited	Zambia	1,000.00	USD	Manufacturing	Tile production	ZMW
Keda Ceramics International Company Limited	Kenya	1,000.00	USD	Manufacturing	Tile production	KES
Keda Cameroon Ceramics Limited	Cameroon	100.00	USD	Manufacturing	Tile production	XAF
Keda Cote D'ivoire Ceramics Company Limited	Cote d'Ivoire	510,010.00	XOF	Manufacturing	Tile production	XOF
Keda Tanzania Resource Company Limited	Tanzania	230.00	TZS	Manufacturing	Development of lithium ore and graphite deposit resources	TZS
Pt Keda Industrial Indonesia	Indonesia	300.00	USD	Import and export	Sales	IDR
Keda Peru Building Materials Company S.A.C	PERU	3,517.43	PEN	Manufacturing	Ceramic tile	PEN
HLT International (Hong Kong) Co., Ltd.	Hong Kong	100.00	HKD	Import and export	Sales	USD

Full name of the subsidiary	Registered address	Registered capital	Currency	Scope of business	Nature of the business	Standard currency for accounting
Twyford Peru Company S.R.L.	PERU	0.10	PEN	Import and export	Sales	PEN
Twyford Impex(U) Ltd	Uganda	195,000.00	UGX	Import and export	Sales	UGX
F.D.S. Ettmar S.r.l.	Italy	10.00	EURO	Manufacturing	Mold production	EURO
P.I.R.C. S.r.l.	Italy	1.00	EURO	Manufacturing	Mold maintenance	EURO
Keda (Kenya) Solar Co.,Ltd.	Kenya	100.00	USD	Import and export	Solar photovoltaic sales	KES
Pt Keda Construction Indonesia	Indonesia	1,001,000.00	IDR	Manufacturing	Gas furnace engineering installation	IDR
Sunbromate (Pty) Ltd	South Africa	0.01	ZAR	Import and export	Sales	ZAR
Keda Honduras Ceramic, S.r.l.	Honduras	500.00	HNL	Manufacturing	Tile production	HNL
Twyford Peru Comercial Company S.r.l.	PERU	0.10	PEN	Import and export	Sales	PEN

82. Lease

(1) As a lessee

√ Applicable □ Not Applicable

Variable lease payments not included in the measurement of lease liabilities

□ Applicable√ Not Applicable

Simplified accounting for short-term leases or lease fees for low-value assets of RMB34,119.4 thousand

□ Applicable√ Not Applicable

Sale and leaseback transactions and basis of judgment

□ Applicable√ Not Applicable

Total cash outflow related to leasing of RMB31,762.3 (Unit: Ten Thousand Yuan; Currency: RMB)

(2) As a lessor

Operating leases as a lessor

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Rental income	Including: Income relating to variable lease payments not recognized as lease receipts
Vehicle lease	3,319.92	
House lease	814.82	
Total	4,134.74	

Financial leases as a lessor

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Gain/loss on sale	Financing proceeds	Income related to variable lease payments not included in net investment in leases
Machinery and equipment lease	13,527.84	4,016.29	
Total	13,527.84	4,016.29	

Reconciliation statement of undiscounted lease receipts and net investment in leases

√ Applicable □ Not Applicable

Item	Net investment in leases (contract amount)	Amount received (rent + down payment)	Total lease interest	Undiscounted lease receipts
Machinery and equipment lease	173,713.45	102,407.37	10,816.31	82,122.38
Total	173,713.45	102,407.37	10,816.31	82,122.38

Undiscounted lease receipts for the next five years

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Annual undiscounted lease receipts	
	Closing balance	Opening balance
First year	60,235.76	45,258.25
Second year	17,038.78	17,145.34
Third year	4,414.93	1,054.70
Fourth year	346.81	
Fifth year	86.10	
Total undiscounted lease receipts after five years		

(3) Profit or losses on sales recognized under finance leases as a producer or distributor

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Sales income	Cost of sales amount	Profit or losses on sales of finance leases
Machinery and equipment lease	52,868.58	39,340.74	13,527.84
Total	52,868.58	39,340.74	13,527.84

83. Data resource

□ Applicable√ Not Applicable

84. Others

□ Applicable√ Not Applicable

VIII R&D Expenses

1. Presented based on nature of expense

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Material expense	15,390.40	12,244.94
Labor expense	15,309.63	13,900.64
Depreciation and amortization	1,421.32	1,303.73
Other expenses	2,296.91	1,767.75
Total	34,418.26	29,217.06
Including: Expensed R&D expenditure	34,418.26	29,217.06
Capitalized R&D expenditure		

2. Development expenses on R&D projects eligible for capitalization

□ Applicable√ Not Applicable

Significant capitalized R&D projects

□ Applicable√ Not Applicable

Provision for impairment of development expenses

□ Applicable√ Not Applicable

3. Significant outsourced ongoing research projects

□ Applicable√ Not Applicable

IX Change in Consolidation Scope

1. Business combination not under common control

√ Applicable □ Not Applicable

(1). Business combination involving enterprises not under common control occurred during the Reporting Period

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of the acquire	Time point of equity acquisition	Cost of equity acquisition	Ratio of equity acquired (%)	Equity acquisition method	Date of purchase	Recognition basis on the acquisition date	The income of the acquire from the date of acquisition to the end of the current period	The net profit of the acquire from the date of acquisition to the end of the current period	The cash flow of the acquire from the date of acquisition to the end of the current period
F.D.S. Ettmar S.r.l.	January 31, 2024	2,430.32	70.00	Cash	January 31, 2024	Date when de facto control is transferred	6,161.82	-323.54	-435.49
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	February 1, 2024	3,145.28	100.00	Cash	February 1, 2024	Date when de facto control is transferred			
Sunbromate (Pty) Ltd	August 31, 2024	47.62	100.00	Cash	August 31, 2024	Date when de facto control is transferred	11,833.20	-903.33	-145.47
Pt Keda Construction Indonesia	December 1, 2024	29.64	67.00	Cash	December 1, 2024	Date when de facto control is transferred		-48.12	6.67

(2). Combination cost and goodwill

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Combination cost	F.D.S. Ettmar S.r.l.	Foshan Shunruixinyu Investment Partnership (Limited Partnership)	Sunbromate (Pty) Ltd	Pt Keda Construction Indonesia
--Cash	2,430.32	3,145.28	47.62	29.64
--Fair value of non-cash assets				
--Fair value of debt issued or assumed				
--Fair value of equity securities issued				
--Fair value of contingent consideration				
--Fair value of equity held prior to the purchase date on the purchase date				
--Others				
Total combination cost	2,430.32	3,145.28	47.62	29.64
Less: the fair value of net identifiable assets obtained	989.62	3,145.28	47.62	29.64
Amount by which goodwill/combination cost is less than the fair value of net identifiable assets obtained	1,440.70			

Recognition method of the fair value of combination cost:

□ Applicable√ Not Applicable

Fulfillment of performance commitments:

□ Applicable√ Not Applicable

The main reason for the formation of large goodwill:

□ Applicable√ Not Applicable

(3). Identifiable assets and liabilities of the acquire at the date of purchase

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

	F.D.S. Ettmar S.r.l.		Foshan Shunruixinyu Investment Partnership (Limited Partnership)		Sunbromate (Pty) Ltd		Pt Keda Construction Indonesia	
	Fair value on the acquisition date	Carrying value on the acquisition date	Fair value on the acquisition date	Carrying value on the acquisition date	Fair value on the acquisition date	Carrying value on the acquisition date	Fair value on the acquisition date	Carrying value on the acquisition date
Assets:	7,550.01	7,550.01	3,145.33	3,000.43	14,678.97	14,175.51	45.00	11.42

	F.D.S. Ettmar S.r.l.		Foshan Shunruixinyu Investment Partnership (Limited Partnership)		Sunbromate (Pty) Ltd		Pt Keda Construction Indonesia	
	Fair value on the acquisition date	Carrying value on the acquisition date	Fair value on the acquisition date	Carrying value on the acquisition date	Fair value on the acquisition date	Carrying value on the acquisition date	Fair value on the acquisition date	Carrying value on the acquisition date
Monetary funds	217.97	217.97	0.43	0.43	2,926.82	2,926.82	0.21	0.21
Financial assets held for trading	43.52	43.52						
Receivables	3,798.59	3,798.59			3,116.90	3,116.90		
Prepaid accounts	77.63	77.63			550.64	550.64		
Other receivables	127.39	127.39			212.06	212.06	10.91	10.91
Inventories	1,025.23	1,025.23			7,293.92	6,790.46		
Other current assets	257.67	257.67			462.72	462.72	0.30	0.30
Long-term equity investments			3,144.90	3,000.00				
Fixed assets	1,947.69	1,947.69			115.91	115.91		
Intangible assets	54.32	54.32					33.58	
Liabilities:	6,136.27	6,136.27	0.05	0.05	14,631.35	14,631.35	0.76	0.76
Borrowings	2,952.79	2,952.79						
Payables	2,000.71	2,000.71			6,231.07	6,231.07		
Contract liabilities	420.87	420.87			2,148.54	2,148.54		
Employee benefits payable	756.56	756.56						
Taxes payable	5.34	5.34			0.48	0.48		
Other payables			0.05	0.05	5,928.98	5,928.98	0.76	0.76
Other current liabilities					322.28	322.28		
Net assets	1,413.74	1,413.74	3,145.28	3,000.38	47.62	-455.84	44.24	10.66
Less: Minority interests	424.12	424.12					14.60	3.52
Net assets obtained	989.62	989.62	3,145.28	3,000.38	47.62	-455.84	29.64	7.14

(4). Gains or losses from re-measurement of equity held prior to the purchase date according to the fair value

Whether there are transactions in which a business combination is realized in steps through multiple transactions and control is obtained during the Reporting Period.

□ Applicable√ Not Applicable

(5). Notes related to the fair value where the combination consideration cannot be reasonably recognized or the fair value of the identifiable assets and liabilities by the acquired party on the purchase date or at the end of the Reporting Period

□ Applicable √ Not Applicable

(6). Other notes

□ Applicable √ Not Applicable

2. Business combination involving enterprises under common control

□ Applicable√ Not Applicable

3. Reverse acquisition

□ Applicable√ Not Applicable

4. Disposal of subsidiaries

Whether there were any transactions or events during the current period in which control of subsidiaries was lost

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of subsidiaries	Control right losing time point	Disposal price at control right losing time point	Proportion of disposals at control right losing time point (%)	Disposal method at control right losing time point	Basis for determining control right losing time point	Difference between the disposal price and the attributable share of net assets of the subsidiary at the level of consolidated financial statements corresponding to the investment disposal	Residual equity proportion on the date of losing control power (%)	Carrying value of remaining equity at the level of the consolidated financial statements on the day when the control right is lost	Fair value of remaining equity at the level of the consolidated financial statements on the day when the control right is lost	Gains or losses from re-measurement of remaining equity at fair value	Recognition method and major assumptions of fair value of remaining equity at the level of the consolidated financial statements on the day when the control right is lost	Amount of other comprehensive income related to the equity investments of former subsidiaries transferred into investment profit or loss
Maanshan Kean New Energy Technology Co., Ltd.	October 1, 2024	236.57	100.00	Sale	Date when de facto control is transferred	89.92						

Other notes:

□ Applicable√ Not Applicable

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

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

5. Changes in scope of consolidated financial statements for other reasons

Descriptions on changes in the scope of consolidated financial statements for other reasons (e.g., establishing subsidiaries, clearing subsidiaries, etc.) and their related circumstances:

√ Applicable □ Not Applicable

Name	Acquisition method
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	Combination not under common control
F.D.S. Ettmar S.r.l.	Combination not under common control
P.I.R.C. S.r.l.	Combination not under common control
Guangdong HLT Construction Engineering Co., Ltd.	Combination not under common control
Pt Keda Construction Indonesia	Combination not under common control
Sunbromate (Pty) Ltd	Combination not under common control
Xiamen Keda New Energy Technology Co., Ltd.	Establishment
Hefei Keda Keheng New Energy Technology Co., Ltd.	Establishment
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	Establishment
Gao'an KEDA Mechanical Parts Co., Ltd.	Establishment
Twyford Impex (U) Ltd	Establishment

Name	Acquisition method
Twyford Peru Company S.R.L.	Establishment
KEDA (KENYA) Solar Co.,Ltd.	Establishment
Maanshan Kean Photovoltaic Power Generation Co., Ltd.	Establishment
Litai International (Hong Kong) Co., Ltd.	Establishment
KEDA HONDURAS CERAMIC, S.R.L.	Establishment
TWYFORD PERU COMERCIAL COMPANY S.R.L.	Establishment
Guangdong Keda Innovation Private Equity Investment Co., Ltd	Canceled
Anhui Keda Kenergy Sales Co., Ltd..	Canceled
Anhui Keda Prime Platform Energy Technology Co., Ltd.	Canceled
Toyo Hydraulic Technology (Dalian) Co., Ltd.	Canceled
Suzhou Keda Smart Energy Technology Co., Ltd.	Canceled
Maanshan Kean New Energy Technology Co., Ltd.	Sale

6. Others

□ Applicable √ Not Applicable

X Equity in Other Entities

1. Equity in subsidiaries

(1). Composition of the corporate group

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of subsidiaries	Main place of business	Registered capital	Registered address	Nature of the business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Anhui Keda Industrial Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB100 million	Maanshan Economic and Technological Development Zone, Anhui Province	Manufacturing	80.00		Establishment
Keda (Anhui) New Material Co., Ltd.	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	RMB400 million	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	Manufacturing		100.00	Establishment
Fujian Keda New Energy Technology Co., Ltd.	Luofeng Industrial Park, Taihua Town, Datian County, Sanming City, Fujian Province	RMB443,631.6thousand	Luofeng Industrial Park, Taihua Town, Datian County, Sanming City, Fujian Province	Manufacturing	57.23	1.39	Establishment
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	RMB8 million	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	Manufacturing		51.00	Combination not under common control
Sichuan Keda Jieneng New Materials Co., Ltd.	China (Sichuan) Pilot Free Trade Zone Chengdu High-tech Zone	RMB50 million	China (Sichuan) Pilot Free Trade Zone Chengdu High-tech Zone	Manufacturing		100.00	Establishment
Keda (Anhui) New Energy Vehicle Sales Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB10 million	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		100.00	Establishment
Keda (Anhui) Huadong New Energy Automobile Travel Service Co., Ltd	Maanshan Economic and Technological Development Zone, Anhui Province	RMB10 million	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		51.00	Establishment
Anhui Keda Smart Energy Technology Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB200,010 thousand	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		80.00	Establishment

Name of subsidiaries	Main place of business	Registered capital	Registered address	Nature of the business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Jiangsu Keda Electric Power Co., Ltd..	Tongshan District, Xuzhou City, Jiangsu Province	RMB201 million	Tongshan District, Xuzhou City, Jiangsu Province	Commercial services		100.00	Establishment
Anhui Kean Electric Power Engineering Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB100 million	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		100.00	Combination not under common control
Sixian Keda New Energy Technology Co., Ltd..	Sixian County, Suzhou City, Anhui Province	RMB10 million	Sixian County, Suzhou City, Anhui Province	Commercial services		70.00	Establishment
Maanshan Kehan New Energy Technology Co., Ltd.	Hanshan Industrial Park, Lintou Town, Hanshan County, Maanshan City, Anhui Province	RMB20 million	Hanshan Industrial Park, Lintou Town, Hanshan County, Maanshan City, Anhui Province	Commercial services		60.00	Establishment
Keda-Suremaker (Wuhu) Industrial co., ltd	Wanzhi District, Wuhu City, Anhui Province	RMB50 million	Wanzhi District, Wuhu City, Anhui Province	Manufacturing		100.00	Combination not under common control
Shenyang Keda Clean Energy Gas Co., Ltd.	Faku Economic Development Zone, Shenyang City, Liaoning Province	RMB1 billion	Faku Economic Development Zone, Shenyang City, Liaoning Province	Manufacturing	93.00		Establishment
Guangdong Keda Smart Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB200,010 thousand	Shunde District, Foshan City, Guangdong Province	Commercial services		95.00	Establishment
Keda (Anhui) Clean Energy Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB44,600 thousand	Maanshan Economic and Technological Development Zone, Anhui Province	Manufacturing	97.37		Establishment
Guangdong Keda Hydraulic Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB48,514.3thousand	Shunde District, Foshan City, Guangdong Province	Manufacturing	44.08	10.83	Establishment
HLT Industry Co., Ltd.	Sanshui Central Technology Industrial Zone, Foshan City, Guangdong Province	RMB200 million	Sanshui Central Technology Industrial Zone, Foshan City, Guangdong Province	Manufacturing	100.00		Combination not under common control
DLT Technology Co., Ltd.	Sanshui Central Technology Industrial Zone, Foshan City, Guangdong Province	RMB100 million	Sanshui Central Technology Industrial Zone, Foshan City, Guangdong Province	Manufacturing		100.00	Establishment
Anhui Keda Investment Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB250 million	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services	100.00		Establishment

Name of subsidiaries	Main place of business	Registered capital	Registered address	Nature of the business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Henan Kedaneu International Engineering Co., Ltd.	Shangwu Waihuan Road, Zhengzhou Area (Zhengdong) of China (Henan) Pilot Free Trade Zone	RMB50 million	Shangwu Waihuan Road, Zhengzhou Area (Zhengdong) of China (Henan) Pilot Free Trade Zone	Manufacturing		97.37	Combination not under common control
Jiangsu Kehang Environmental Protection Co.,Ltd	Yancheng Environmental Protection Industrial Park, Jiangsu Province	RMB386,363.6 thousand	Yancheng Environmental Protection Industrial Park, Jiangsu Province	Manufacturing		94.82	Combination not under common control
Anhui Keqing Environmental Engineering Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB25 million	Maanshan Economic and Technological Development Zone, Anhui Province	Manufacturing		100.00	Establishment
Jiangsu Weilili New Material Co., Ltd.	Huai'an District, Huai'an City, Jiangsu Province	RMB86,817.6 thousand	Huai'an District, Huai'an City, Jiangsu Province	Manufacturing	53.62		Combination not under common control
Guangdong Keda Lithium Industry Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB1 billion	Xining Economic and Technological Development Zone	Manufacturing	100.00		Combination not under common control
Keda Foshan Industrial Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB273,340 thousand	Shunde District, Foshan City, Guangdong Province	Manufacturing	100.00		Establishment
Foshan Keda Ceramic Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB20 million	Shunde District, Foshan City, Guangdong Province	Import and export	100.00		Establishment
Guangdong Artget Fluidtech Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB10 million	Shunde District, Foshan City, Guangdong Province	Manufacturing		73.20	Combination not under common control
Huadong (Maanshan) Tourist Transportation Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB10 million	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		100.00	Combination not under common control
Wuhu Keda Smart New Energy Technology Co., Ltd.	Wuhu City, Anhui Province	RMB12 million	Wuhu City, Anhui Province	Commercial services		100.00	Establishment
Hefei Binhu Keda Smart Energy Co., Ltd.	Baohe Economic Development Zone, Hefei City, Anhui Province	RMB10 million	Baohe Economic Development Zone, Hefei City, Anhui Province	Commercial services		100.00	Establishment
Hengwang (Anhui) Smart Energy Technology Co., Ltd.	Bowang District, Maanshan City, Anhui Province	RMB10 million	Bowang District, Maanshan City, Anhui Province	Commercial services		51.00	Establishment

Name of subsidiaries	Main place of business	Registered capital	Registered address	Nature of the business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Wuhu Kean Energy Technology Co., Ltd.	Jiujiang District, Wuhu City, Anhui Province	RMB1 million	Jiujiang District, Wuhu City, Anhui Province	Commercial services		100.00	Establishment
Foshan Keda Equipment Manufacturing Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	RMB735 million	Sanshui District, Foshan City, Guangdong Province	Manufacturing	100.00		Combination not under common control
HLT Technology Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	RMB100 million	Sanshui District, Foshan City, Guangdong Province	Manufacturing		100.00	Establishment
Foshan Kean New Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB1 million	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Dangtu Kean New Energy Technology Co., Ltd.	Dangtu County, Maanshan City, Anhui Province	RMB1 million	Dangtu County, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Guangde Kean Photovoltaic Power Co., Ltd.	Guangde, Xuancheng City, Anhui Province	RMB1 million	Guangde, Xuancheng City, Anhui Province	Commercial services		100.00	Establishment
Kunshan Boyue New Energy Technology Co., Ltd.	Kunshan, Suzhou City, Jiangsu Province	RMB1 million	Kunshan, Suzhou City, Jiangsu Province	Commercial services		100.00	Establishment
Shaoguan Keda Equipment Manufacturing Co., Ltd.	Zhenjiang District, Shaoguan City, Guangdong Province	RMB100 million	Zhenjiang District, Shaoguan City, Guangdong Province	Manufacturing	80.00		Establishment
Anhui Keda New Energy Equipment Co., Ltd.	Yushan District, Maanshan City, Anhui Province	RMB70 million	Yushan District, Maanshan City, Anhui Province	Manufacturing	100.00		Establishment
Maanshan Zhengpugang New District Taixin New Energy Technology Co., Ltd.	Yushan District, Maanshan City, Anhui Province	RMB1 million	Yushan District, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Dangtu Keda New Energy Technology Co., Ltd.	Dangtu County, Maanshan City, Anhui Province	RMB1 million	Dangtu County, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Guangdong Keda New Energy Equipment Co., Ltd	Shunde District, Foshan City, Guangdong Province	RMB60 million	Shunde District, Foshan City, Guangdong Province	Manufacturing		100.00	Establishment
Anhui KEDA Hydraulic Technology Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB30 million	Maanshan Economic and Technological Development Zone, Anhui Province	Manufacturing		100.00	Establishment
Hefei Lunuo New Energy Co., Ltd.	Changfeng County, Hefei City, Anhui Province	RMB1 million	Changfeng County, Hefei City, Anhui Province	Commercial services		100.00	Establishment

Name of subsidiaries	Main place of business	Registered capital	Registered address	Nature of the business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Maanshan Keci New Energy Technology Co., Ltd.	Yushan District, Maanshan City, Anhui Province	RMB1 million	Yushan District, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Hefei Kemao New Energy Co., Ltd.	Baohe District, Hefei City, Anhui Province	RMB1 million	Baohe District, Hefei City, Anhui Province	Commercial services		100.00	Establishment
Maanshan Keda Cigao New Energy Co., Ltd.	Maanshan Cihu High-tech Industrial Development Zone, Anhui Province	RMB1 million	Maanshan Cihu High-tech Industrial Development Zone, Anhui Province	Commercial services		100.00	Establishment
Langxi Kean New Energy Technology Co., Ltd.	Langxi County, Xuancheng City, Anhui Province	RMB1 million	Langxi County, Xuancheng City, Anhui Province	Commercial services		100.00	Establishment
Foshan Kesheng New Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB1 million	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Foshan Kexin New Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB1 million	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Foshan Keshiming New Energy Technology Co., Ltd.	Gaoming District, Foshan City, Guangdong Province	RMB1 million	Gaoming District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Maanshan Kegu New Energy Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB1 million	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		100.00	Establishment
HLT Ceramic Technologies Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	RMB20 million	Sanshui District, Foshan City, Guangdong Province	Import and export		100.00	Establishment
Wuhu Kesen New Energy Co., Ltd.	Fanchang County, Wuhu City, Anhui Province	RMB1 million	Fanchang County, Wuhu City, Anhui Province	Commercial services		100.00	Establishment
Maanshan Keda Kezhong New Energy Co., Ltd.	Yushan District, Maanshan City, Anhui Province	RMB1 million	Yushan District, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Foshan Kerongsheng New Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB1 million	Shunde District, Foshan City, Guangdong Province	Commercial services		55.00	Establishment
Chongqing Keda New Energy Materials Co., Ltd.	Tongliang District, Chongqing	RMB180 million	Tongliang District, Chongqing	Manufacturing		100.00	Establishment
Gongqingcheng Guanghai Investment Partnership (Limited Partnership)	Jiujiang City, Jiangxi Province	RMB13,680.1thousand	Jiujiang City, Jiangxi Province	Commercial services		56.73	Establishment

Name of subsidiaries	Main place of business	Registered capital	Registered address	Nature of the business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Guangdong Quanitech Material Ltd.	Shunde District, Foshan City, Guangdong Province	RMB20 million	Shunde District, Foshan City, Guangdong Province	Import and export	51.00		Establishment
Maanshan KEDA-SUREMAKER Industrial Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB5 million	Maanshan Economic and Technological Development Zone, Anhui Province	Import and export		100.00	Establishment
Foshan KEDA Ecological Stone Engineering Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB1 million	Shunde District, Foshan City, Guangdong Province	Commercial services		51.00	Establishment
Anhui Kechucheng New Energy Technology Co., Ltd.	Baohe District, Hefei City, Anhui Province	RMB10 million	Baohe District, Hefei City, Anhui Province	Commercial services		60.00	Establishment
Sixian Ketu New Energy Co., Ltd.	Sixian County, Suzhou City, Anhui Province	RMB1 million	Sixian County, Suzhou City, Anhui Province	Commercial services		100.00	Establishment
Guangdong Twyford International Holding Ltd	Shunde District, Foshan City, Guangdong Province	RMB52,631.6thousand	Shunde District, Foshan City, Guangdong Province	Management of corporate headquarters	48.45		Establishment
Twyford (Guangzhou) Furniture Co., Ltd.	Tianhe District, Guangzhou City, Guangdong Province	RMB30 million	Tianhe District, Guangzhou City, Guangdong Province	Import and export		48.45	Establishment
Gao'an KEDA Mechanical Parts Co., Ltd.	Gao'an City, Yichun, Jiangxi Province	RMB5 million	Gao'an City, Yichun, Jiangxi Province	Manufacturing	100.00		Establishment
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	Shunde District, Foshan City, Guangdong Province	RMB30,010 thousand	Shunde District, Foshan City, Guangdong Province	Commercial services	99.97	0.03	Combination not under common control
Xiamen Keda New Energy Technology Co., Ltd.	Siming District, Xiamen City, Fujian Province	RMB50 million	Siming District, Xiamen City, Fujian Province	Manufacturing		100.00	Establishment
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB10 million	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Hefei Keda Keheng New Energy Technology Co., Ltd.	Changfeng County, Hefei City, Anhui Province	RMB1 million	Changfeng County, Hefei City, Anhui Province	Commercial services		100.00	Combination not under common control
Guangdong HLT Construction Engineering Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	RMB10 million	Sanshui District, Foshan City, Guangdong Province	Manufacturing		100.00	Establishment
Kami Materials Co., Limited	Hong Kong	HKD33,113.8thousand	Hong Kong	Import and export		51.00	Establishment

Name of subsidiaries	Main place of business	Registered capital	Registered address	Nature of the business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Keda Industrial (Hong Kong) Limited	Hong Kong	USD85,870 thousand	Hong Kong	Import and export	100.00		Establishment
Kami Colourcera Private Limited	India	USD1,600 thousand	India	Manufacturing		72.00	Establishment
Xincheng International (Hong Kong) Co., Ltd.	Hong Kong	USD20 million	Hong Kong	Import and export		100.00	Establishment
Guangdong Xincheng Financial and Leasing Co., Ltd	Shunde District, Foshan City, Guangdong Province	USD27 million	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Anhui Xincheng Financial and Leasing Co., Ltd	Maanshan Economic and Technological Development Zone, Anhui Province	USD35 million	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		100.00	Establishment
Keda Holding (Mauritius) Limited	Mauritius	USD53,713.3thousand	Mauritius	Commercial services	100.00		Establishment
Brightstar Investment Limited	Mauritius	USD53,692 thousand	Mauritius	Commercial services		48.45	Combination not under common control
Keda (Kenya) Ceramics Company Limited	Kenya	USD10 million	Kenya	Manufacturing		48.45	Combination not under common control
Keda (Ghana) Ceramics Company Limited	Ghana	USD10 million	Ghana	Manufacturing		48.45	Combination not under common control
Keda (Tanzania) Ceramics Company Limited	Tanzania	USD10 million	Tanzania	Manufacturing		48.45	Combination not under common control
Keda (SN) Ceramics Company Limited	Senegal	USD1 million	Senegal	Manufacturing		48.45	Establishment
Forwell International (HK) Co., Limited	Hong Kong	USD60,010 thousand	Hong Kong	Import and export	100.00		Establishment
Tilemaster Investment Limited	Mauritius	USD97,632 thousand	Mauritius	Commercial services		48.45	Establishment
Keda Ceramics International Company Limited	Kenya	USD10 million	Kenya	Manufacturing		48.45	Establishment
Pt Keda Industrial Indonesia	Indonesia	USD3 million	Indonesia	Import and export		100.00	Establishment
Keda Zambia Ceramics Company Limited	Zambia	USD10 million	Zambia	Manufacturing		48.45	Establishment
Keda International Company S.a'r.l.	Luxembourg	EUR12 thousand	Luxembourg	Commercial services		100.00	Establishment
Keda Europe S.r.l.	Italy	EUR 1 million	Italy	Commercial services		100.00	Establishment
I.C.F.&Welko S.P.A.	Italy	EUR 8,500 thousand	Italy	Manufacturing		100.00	Combination not under

Name of subsidiaries	Main place of business	Registered capital	Registered address	Nature of the business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
							common control
Wibe S.L.	Spain	EUR1,202 thousand	Spain	Manufacturing		100.00	Combination not under common control
F.D.S. Ettmar S.r.l.	Italy	EUR100 thousand	Italy	Manufacturing		80.00	Combination not under common control
P.I.R.C. S.r.l.	Italy	EUR10 thousand	Italy	Manufacturing		100.00	Combination not under common control
Keda Industrial (India) Limited	India	INR 65 million	India	Manufacturing		90.00	Establishment
Keda Turkey Makine Ticaret Limited Sirketi	Türkiye	TRY 611,446.4 thousand	Türkiye	Import and export		100.00	Establishment
Keda Cameroon Ceramics Limited	Cameroon	XAF 1 million	Cameroon	Manufacturing		48.45	Establishment
Keda Cote D'ivoire Ceramics Company Limited	Cote d'Ivoire	CFA franc 5,100,100 thousand	Cote d'Ivoire	Manufacturing		48.45	Establishment
Keda Tanzania Resource Company Limited	Tanzania	TZS 2,300 thousand	Tanzania	Manufacturing		100.00	Establishment
KEDA Peru Building Materials Company S.A.C	PERU	PEN l35,174,300	PERU	Manufacturing		48.45	Establishment
Twyford Peru Company S.R.L.	PERU	PEN 1 thousand	PERU	Import and export		48.45	Establishment
Twyford Impex (U) Ltd	Uganda	UGX 1,950 million	Uganda	Import and export		48.45	Establishment
Keda Honduras Ceramic, S.R.L.	Honduras	HNL 5 million	Honduras	Manufacturing		48.45	Establishment
Sunbromate (Pty) Ltd	South Africa	ZAR 0.01	South Africa	Import and export		48.45	Combination not under common control
Twyford Peru Comercial Company S.R.L.	PERU	PEN 1 thousand	PERU	Import and export		48.45	Establishment
Pt Keda Construction Indonesia	Indonesia	IDR 10,010 million	Indonesia	Manufacturing		67.00	Combination not under common control
Keda (Kenya) Solar Co., Ltd.	Kenya	USD1 million	Kenya	Commercial services		100.00	Establishment
HLT International (Hong Kong) Li mited	Hong Kong	HKD1 million	Hong Kong	Import and export		100.00	Establishment

(2). Important non-wholly owned subsidiaries

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of subsidiaries	Minority shareholding proportion	Profits and losses attributable to minority shareholders in the current period	Dividends declared and distributed to minority shareholders in the current period	Minority equity balance at the end of the period
Keda (Ghana) Ceramics Company Limited	51.55%	16,859.39		22,075.65

Descriptions on the situation that the shareholding ratio of minority shareholders in the subsidiary is different from that of the voting rights:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

(3). Major financial information of important non-wholly owned subsidiaries

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of subsidiaries	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Keda (Ghana) Ceramics Company Limited	92,216.58	57,014.06	149,230.64	82,750.27	22,722.88	105,473.15	69,806.52	63,262.91	133,069.43	95,404.52	24,593.93	119,998.45

Name of subsidiaries	Amount accounted for in the current period				Amount accounted for in the previous period			
	Operating Revenue	Net profit	Total comprehensive income	Cash flow from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flow from operating activities
Keda (Ghana) Ceramics Company Limited	156,997.72	33,729.76	30,686.51	4,999.19	133,111.66	48,862.29	50,316.89	40,913.30

(4). Significant restrictions on the use of corporate group assets and the liquidation of corporate group debts

□ Applicable√ Not Applicable

(5). Financial support or other support provided to structured entities included in the scope of consolidated financial statements

□ Applicable √ Not Applicable

Other notes:

□ Applicable√ Not Applicable

2. Transactions which result in a change in the share of owners' equity in the subsidiary but the Company still controls the subsidiary

√ Applicable □ Not Applicable

(1). Notes to the changes in the share of owners' equity in the subsidiary

√ Applicable□ Not Applicable

a) In January 2024, by acquiring a 100.00% stake in Foshan Shunruixinyu Investment Partnership (Limited Partnership), the Company indirectly increased its stake in Fujian KEDA New Energy, raising its shareholding from 57.23% to 58.62% after the acquisition.

b) In January 2024, the Company disposed of its 1.00% equity in Guangdong Keda Hydraulic, and the Company's shareholding in Guangdong Keda Hydraulic changed from 45.08% to 44.08% after the completion of the equity transfer.

c) From July to December 2024, through its subsidiary Gonggingcheng Guanghai Investment Partnership (Limited Partnership), the Company indirectly acquired a 10.83% equity interest in Guangdong Keda Hydraulic held by minority shareholders. After the equity transfer, the Company's holding in Guangdong Keda Hydraulic increased from 44.08% to 54.91%.

d) In August 2024, subsidiary Guangdong Twyford International implemented an equity incentive plan to introduce an employee shareholding platformm. After the completion of the equity capital contribution the company's shareholding ratio in Guangdong TwyfordInternational decreased from 51.00% to 48.45%.

e) In October 2024, through its subsidiary Welko, the Company acquired a 10% shareholding in F.D.S Ettmar held by minority shareholders. After the equity transfer, the Company's holding in F.D.S Ettmar increased from 70.00% to 80.00%.

f) In November 2024, the Company disposed of a 5.18% shareholding in Jiangsu Kehang. After the equity transfer, the Company's holding in Jiangsu Kehang decreased from 100.00% to 94.82%.

(2). Effects of transactions on the equities of non-controlling interest and total owners' equity

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

	Purchase of minority equity	Disposal of minority equity
Purchase cost/disposal consideration	4,541.56	160.81
--Cash	4,541.56	160.81
--Fair value of non-cash assets		-
Total purchase cost/disposal consideration	4,541.56	160.81
Less: Shares of net assets of subsidiaries calculated in proportion to the acquired/disposed equity	3,569.02	2,050.79
Difference	972.54	-1,889.98
Including: Adjustment to capital reserves	-972.54	-1,889.98
Adjustment to surplus reserves		
aAdjustment to the undistributed profits		

Other notes:

□ Applicable√ Not Applicable

3. Equity in joint ventures or associates

√ Applicable □ Not Applicable

(1). Important joint ventures or associates

√ Applicable□ Not Applicable

Name of the joint venture or associated enterprise	Main place of business	Registered address	Nature of the business	Shareholding ratio (%)		Accounting processing method for investment in joint ventures or associated enterprises
				Direct	Indirect	
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Golmud, Qinghai	Golmud, Qinghai	Manufacturing		43.58	Equity method

Note to the difference between the shareholdings in the joint ventures or associated enterprises and the proportion of voting rights:

The Company holds 100% of shareholding in Guangdong Keda Lithium, through which it holds 37.80% of shareholding in Lanke Lithium Industry. The Company holds 53.62% of shareholding in Jiangsu Weilili, through which it holds 10.78% of shareholding in Lanke Lithium Industry. Therefore, the Company owns 48.58% of voting rights in Lanke Lithium and indirectly holds 43.58% of shares in Lanke Lithium.

(2). Major financial information of important joint ventures

□ Applicable √ Not Applicable

(3). Major financial information of important associates

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

	Closing balance/Amount accounted for in the current period		Opening balance/Amount accounted for in the previous period	
	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.
Current assets	216,852.01		261,479.04	
Non-current assets	276,284.93		284,930.09	
Total assets	493,136.94		546,409.13	
Current liabilities	66,985.56		174,737.31	
Non-current liabilities	3,199.21		2,809.66	
Total liabilities	70,184.77		177,546.97	
Minority interests				
Equities attributable to shareholders of the parent company				
Share of net assets calculated based on the shareholding	184,322.56		160,750.13	
Adjustments	73,173.51		70,469.01	
--Goodwill				
--Unrealized profits of internal transactions				
--Others	73,173.51		70,469.01	
Carrying value of equity investments in associated enterprises	257,496.07		231,219.14	
Fair value of equity investments in associated enterprises with public quotation				
Operating revenue		307,351.81		633,476.95
Net profit		53,492.70		296,864.36

	Closing balance/Amount accounted for in the current period		Opening balance/Amount accounted for in the previous period	
	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.
Net profit from discontinued operations				
Other integrated income				
Total comprehensive income		53,492.70		296,864.36
Dividends from associated enterprises for the Year		41,140.71		144,291.97

(4). Summary financial information of unimportant joint ventures and associates

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

	Closing balance/Amount accounted for in the current period	Opening balance/Amount accounted for in the previous period
Joint ventures:		
Total carrying value of investments		
Total of the following items calculated according to the shareholding ratio		
- Net profits		
- Other comprehensive income		
- Total comprehensive income		
Associates:		
Total carrying value of investments	67,320.99	68,829.25
Total of the following items calculated according to the shareholding ratio		
- Net profits	3,346.41	2,735.10
- Other comprehensive income	16.70	-8.78
- Total comprehensive income	3,363.11	2,726.32

(5). Descriptions on significant limitation of the ability of a joint venture or associate to transfer funds to the Company

□ Applicable √ Not Applicable

(6). Excess losses incurred by a joint venture or associate

□ Applicable √ Not Applicable

(7). Unrecognized commitments related to joint venture investment

□ Applicable √ Not Applicable

(8). Contingent liabilities related to joint venture or associate investment

□ Applicable √ Not Applicable

4. Important joint operations

□ Applicable√ Not Applicable

5. Equity in structured entities not included in the consolidated financial statements

Descriptions on structured entities not included in the consolidated financial statements:

□ Applicable√ Not Applicable

6. Others

□ Applicable √ Not Applicable

XI Government Subsidies

1. Government subsidies recognized at the end of the current period based on amounts receivable

√ Applicable □ Not Applicable

Ending balance of receivables: 3,661.86 (unit: Ten Thousand Yuan currency: RMB)

Reasons for not receiving the projected amount of government subsidies at the projected point in time

□ Applicable√ Not Applicable

2. Liability items involving government subsidies

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Financial statement Item	Opening balance	Subsidies increased in the current period	Amount recognized as non-operating income in the current period	Other income entered in the current Period	Other Changes in the current Period	Closing balance	Related to assets/income
Deferred income	3,336.86	1,991.00		1,156.33	1,438.11	2,733.42	Asset-related
Other non-current liabilities	2,345.81	7,933.59		9,271.49		1,007.91	Related to assets/income

Total	5,682.67	9,924.59		10,427.82	1,438.11	3,741.33	

3. Government subsidies recognized as profit and loss of the current period

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Type	Amount accounted for in the current period	Amount accounted for in the previous period
Income-related	9,271.49	11,425.73
Asset-related	2,594.44	1,210.16
Total	11,865.93	12,635.89

XII Risks Associated with Financial Instruments

1. Financial instrument risk

√ Applicable □ Not Applicable

i. Main contents and policies of risk management

Major financial instruments of the Company include financial assets held for trading, accounts receivable, accounts payable, and bank loans. The risks related to these financial instruments and the risk management policies adopted by the Company to mitigate these risks are described below. The Management of the Company manages and monitors these risk exposures to ensure that these risks are controlled within a limited scope.

1. Market risk

(1) Interest rate risk — Risk of changes in the fair value. The Company is exposed to the risk of changes in the fair value of financial instruments attributable to changes in interest rates, which mainly comes from short-term loans with fixed interest rates. As fixed interest rate loans are mainly short-term loans, the Company considers that the fair interest rate risk is insignificant. The Company currently does not have any interest rate hedging policies.

(2) Interest rate risk — Risk of changes in cash flows. The Company is exposed to the risk of changes in the cash flows of financial instruments attributable to changes in interest rates, which is mainly related to short-term and long-term loans with floating interest rates. It is the Company's policy to maintain the floating interest rates on these loans, thus eliminating the risk of changes in the fair value of interest rates.

(3) Foreign exchange risk — Risk of loss arising from changes in exchange rates. The substantial growth in the Company's overseas business in recent years will bring greater foreign exchange risk. The Company minimizes foreign exchange risk by conducting forward foreign exchange transactions and controlling the sizes of foreign currency assets and liabilities in line with the changes in market exchange rates.

2. Credit risk

The greatest credit risk exposure that may cause financial losses to the Company mainly comes from the losses on the Company's financial assets caused by the other party's failure to perform its obligations.

The financial assets in the Company's consolidated statements are mainly accounts receivable. In order to reduce credit risk, the Company established a team responsible for determining credit limits, conducting credit approvals, and implementing other monitoring procedures to ensure that necessary measures are taken to recover overdue claims. In addition, the Company reviews the recovery of each single receivable on each balance sheet date to ensure that sufficient provision for bad debts is made for the unrecoverable amount.

3. Liquidity risk

The Company's Management keeps monitoring its cash and cash equivalents on a timely basis so as to meet the Company's operational needs and reduce the impacts of cash flow fluctuations.

The Company's treasury management department, on an ongoing basis, monitors the Company's short-term and long-term funding requirements so as to ensure that adequate cash reserve is maintained. It also continuously monitors compliance with loan agreements in order to obtain adequate credit facilities from major financial institutions for the purpose of meeting its short-term and long-term funding requirements.

To sum up, the Company's Management believes that the liquidity risk to which the Company is exposed has been significantly reduced and will not have a material effect on the Company's operations and financial statements. This financial statement is prepared on a going concern basis.

As at December 31, 2024, the Company's financial assets and financial liabilities are presented in the form of undiscounted contractual cash flows by maturity date as follows:

Unit: Ten Thousand Yuan Currency: RMB

Item	31 December 2024				
	Carrying amount	Total value	Within one year	One to three years	Above three years
Monetary funds	295,203.23	295,203.23	295,203.23		
Financial assets held for trading	71,659.42	71,659.42	71,659.42		
Notes receivable	5,237.31	5,237.31	5,237.31		
Accounts receivable	225,181.62	225,181.62	192,651.01	30,819.27	1,711.34
Accounts receivables financing	21,080.16	21,080.16	21,080.16		
Other receivables	24,808.12	24,808.12	18,644.42	4,045.40	2,118.30
Non-current assets due within one year	76,460.69	76,460.69	76,460.69		
Long-term receivables	42,206.80	42,206.80		42,206.80	
Other non-current financial assets	420.51	420.51		420.51	
Sub-total	762,257.86	762,257.86	680,936.24	77,491.98	3,829.64

Borrowings from banks	641,446.64	641,446.64	243,102.09	398,344.55	
Notes payable	43,517.35	43,517.35	43,517.35		
Accounts payable	295,408.20	295,408.20	265,280.97	20,425.19	9,702.04
Other payables	18,409.73	18,409.73	8,922.43	8,420.33	1,066.97
Sub-total	998,781.92	998,781.92	560,822.84	427,190.07	10,769.01

Continued

Unit: Ten Thousand Yuan Currency: RMB

Item	31 December 2023				
	Carrying amount	Total value	Within one year	One to three years	Above three years
Monetary funds	360,218.54	360,218.54	360,218.54		
Financial assets held for trading	29,089.94	29,089.94	29,089.94		
Notes receivable	5,474.33	5,474.33	5,474.33		
Accounts receivable	176,691.26	176,691.26	148,098.49	27,627.14	965.63
Accounts receivables financing	23,576.65	23,576.65	23,576.65		
Other receivables	55,297.80	55,297.80	53,453.00	1,305.82	538.98
Non-current assets due within one year	43,894.60	43,894.60	43,894.60		
Other current assets	49,919.24	49,919.24	49,919.24		
Long-term receivables	21,198.62	21,198.62		21,198.62	
Other non-current financial assets	500.00	500.00		500.00	
Sub-total	765,860.98	765,860.98	713,724.79	50,631.58	1,504.61
Borrowings from banks	485,059.50	485,059.50	145,204.34	339,855.16	
Notes payable	57,889.54	57,889.54	57,889.54		
Accounts payable	183,950.36	183,950.36	159,612.43	15,805.86	8,532.07
Other payables	19,808.27	19,808.27	12,864.52	5,457.70	1,486.05
Sub-total	746,707.67	746,707.67	375,570.83	361,118.72	10,018.12

2. Hedging

(1) The Company conducts hedging operations for risk management

√ Applicable □ Not Applicable

Item	Corresponding risk management strategies and objectives	Qualitative and quantitative information on risk of being hedged	Economic relationships between hedged items and related hedging instruments	Effective achievement of expected risk management objectives	Impact of corresponding hedging activities on risk exposure
Contracts for future	Effectively avoid and prevent risks	Foreign exchange	Forward foreign exchange	The exchange rates of some	By carrying out hedging business,

settlement of exchange	in the foreign exchange market, and prevent the adverse impact of large exchange rate fluctuations on the Company's production and operations	market risk associated with foreign currency operations of fund receipts and payments	contracts have been signed to reduce the foreign exchange market risk associated with foreign currency operations of fund receipts and payments	foreign currency fund receipts and payments are locked to avoid high losses caused by sharp exchange rate fluctuations	the hedging function of the derivatives market can be fully utilized to avoid the risk of price fluctuations as result of fluctuations in foreign exchange prices, and to reduce its impact on the Company's normal operations

Other notes:

□ Applicable√ Not Applicable

(2) The Company conducts qualifying hedging operations and applies hedge accounting

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Carrying value related to hedged items and hedging instruments	Cumulative fair value hedge adjustments of hedged items included in the carrying value of recognized hedged items	Part of sources of hedge effectiveness and hedge ineffectiveness	Impact of hedge accounting related to the Company's financial statements
Type of hedging risk				
Foreign exchange risk	77,684.25	Not applicable	Relevance of hedged items to hedging instruments	Impact on financial assets held for trading: RMB9,337.3thousand, financial liabilities held for trading: RMB1,600.1 thousand, gains from changes in fair value: RMB8,626.9 thousand

Other notes:

□ Applicable√ Not Applicable

(3) The Company conducts hedging operations for risk management, expects to achieve its risk management objectives, but does not apply hedge accounting

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

3. Transfer of financial asset

(1) Classification of transfer modalities

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Transfer modality	Nature of financial assets transferred	Amount of financial assets transferred	Derecognition	Basis for determining derecognition
Endorsement, discounting	Bank acceptance bills	72,414.46	Derecognition	Almost all risks and remuneration have been transferred.
Endorsement	Bank acceptance bills and commercial acceptance bills	3,565.71	Not derecognized	
Total	/	75,980.17	/	/

(2) Financial assets derecognized as a result of a transfer

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Modality for the transfer of financial assets	Amount of financial assets derecognized	Gains or losses related to derecognition
Accounts receivables financing	Endorsement/Discounting	72,414.46	-46.47
Total	/	72,414.46	-46.47

(3) Transferred financial assets that continue to be involved

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

XIII Disclosure of Fair Value

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

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing fair value			
	Level-1 fair value measurement	Level-2 fair value measurement	Level-3 fair value measurement	Total
I. Continuous fair value measurement				
i. Trading financial assets		71,659.42	1,302.52	72,961.94

Item	Closing fair value			
	Level-1 fair value measurement	Level-2 fair value measurement	Level-3 fair value measurement	Total
1. Financial assets at fair value through profit or loss				
(1) Debt instrument investment				
(2) Equity instrument investment				
(3) Derivative financial assets				
2. Financial assets designated as at fair value through profit or loss		71,659.42	1,302.52	72,961.94
(1) Debt instrument investment		70,686.25		70,686.25
(2) Equity instrument investment			1,302.52	1,302.52
(3) Derivative financial assets		973.17		973.17
ii. Other debt investments				
iii. Other equity instrument investments			420.51	420.51
iv. Investment real estate				
1. Land use rights used for rent				
2. Rental buildings				
3. Land use rights held and ready to be transferred after appreciation				
v. Biological assets				
1. Consumable biological assets				
2. Productive biological assets				
vi. Receivables financing			21,080.16	21,080.16
Total assets continuously measured at fair value		71,659.42	22,803.19	94,462.61
vii. Trading financial liabilities				
1. Financial liabilities at fair value through profit or loss		160.01		160.01
Including: Trading bonds issued				
Derivative financial liabilities		160.01		160.01
Others				
2. Financial liabilities designated as at fair value through profit or loss				
Total liabilities continuously measured at fair value		160.01		160.01
II. Non-continuous fair value measurement				
i. Assets held for sale		348.18		348.18
Total assets not continuously measured at fair value		348.18		348.18
Total liabilities not continuously measured at fair value				

2. Basis for determining market prices of items continuously and not continuously measured at the first-level fair value

√ Applicable□ Not Applicable

The fair value of hedging instruments for futures contracts is determined using level-1 inputs. The call price of the corresponding futures contract of the Shanghai Futures Exchange on the balance sheet date is used as an important reference for assessing the fair value.

The Company's investment in Jiaxing Keda Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership) uses level-1 inputs. The closing price of the corresponding stock on the exchange at the balance sheet date is used as an important reference for assessing its fair value.

3. Qualitative and quantitative information on valuation techniques and important parameters adopted by items continuously and not continuously measured at the second-level fair value

√ Applicable□ Not Applicable

The fair value of forward exchange rate hedging instruments is determined using level-2 inputs. The hedging exchange rate provided by the bank is used as an important reference for assessing the fair value.

The fair value of the banking wealth management products is determined using level-2 inputs. The net share provided by the bank is used as an important reference for assessing the fair value.

The fair value of the asset management plan fund is determined using level-2 inputs. The net share of the asset management plan provided by the issuer is used as an important reference for assessing the fair value.

4. Qualitative and quantitative information on valuation techniques and important parameters adopted by items continuously and not continuously measured at the third-level fair value

√ Applicable□ Not Applicable

The fair value of other equity instruments investments cannot be determined using level-1 or level-2 inputs, but using level-3 inputs. The closing net assets of the investee are used as an important reference for assessing the fair value. Where the closing net assets of the investee can basically reflect the fair value, the net assets are used as the base for assessing the fair value.

Accounts receivables financing represents the banker's acceptance receivable, and its management model involves both the collection of contractual cash flows and endorsement transfer or discounting. Therefore, the Company measures the banker's acceptance held for an indefinite purpose with its face value as the fair value.

The fair value of other non-current financial assets is determined using level-3 inputs. The Company uses all information available on the operating results and operation of the investee

after the initial recognition date, and the progress of the investment projects and the net assets provided by the investee as an important reference for assessing the fair value.

5. Information on adjustment between the beginning carrying value and the closing carrying value of items continuously measured at the third-level fair value and sensitivity analysis on unobservable parameters

□ Applicable √ Not Applicable

6. For items continuously measured at fair value, in case of any conversion between various levels during the period, reasons for the conversion and policies to determine the conversion time should be provided

□ Applicable √ Not Applicable

7. Changes in valuation techniques and reasons for changes during the period

□ Applicable √ Not Applicable

8. Particulars on fair value of financial assets and liabilities which are not measured at fair value

□ Applicable √ Not Applicable

9. Others

□ Applicable √ Not Applicable

XIV Related Parties and Related-Party Transactions

1. Particulars on the parent company of the Company

□ Applicable √ Not Applicable

2. Particulars on subsidiaries of the Company

Particulars on subsidiaries of the Company are shown in the relevant notes

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Full name of the subsidiary	Type of enterprise	Registered address	Legal person representative	Nature of the business	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Anhui Keda Industrial Co., Ltd.	Other joint stock company	Maanshan Economic and Technological Development Zone, Anhui Province	Chen Xinjiang	Manufacturing	10,000.00	80.00	80.00	91340500675 89409XX
Keda (Anhui) New Material Co., Ltd.	Limited liability company	Dangtu Economic and Technological	Fu Jian	Manufacturing	40,000.00	100.00	100.00	91340521355 187820D

Full name of the subsidiary	Type of enterprise	Registered address	Legal person representative	Nature of the business	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
		Development Zone, Maanshan City, Anhui Province						
Fujian Keda New Energy Technology Co., Ltd.	Limited liability company	Luofeng Industrial Park, Taihua Town, Datian County, Sanming City, Fujian Province	Dai Tao	Manufacturing	44,363.16	58.62	58.62	91350425MA2YNNXG0K
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	Limited liability company	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	Tang Jiangang	Manufacturing	800.00	51.00	51.00	91340521MA2N1EB218
Sichuan Keda Jieneng New Materials Co., Ltd.	Limited liability company	China (Sichuan) Pilot Free Trade Zone Chengdu High-tech Zone	Xu Jianshe	Manufacturing	5,000.00	100.00	100.00	91510100MA6AFBR19Y
Keda (Anhui) New Energy Vehicle Sales Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Xu Jianshe	Commercial services	1,000.00	100.00	100.00	91340500MA2MTEPE07
Keda (Anhui) Huadong New Energy Automobile Travel Service Co., Ltd	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zhu Hongjun	Commercial services	1,000.00	51.00	51.00	91340500MA2MUTTP26
Anhui Keda Smart Energy Technology Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zhang Feng	Commercial services	20,001.00	80.00	80.00	91340500MA2MT7G34X
Jiangsu Keda Electric Power Co., Ltd..	Limited liability company	Jiangning District, Nanjing City, Jiangsu Province	Zhang Feng	Commercial services	20,100.00	100.00	100.00	91320115MA1P1QC122
Anhui Kean Electric Power Engineering Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zhang Feng	Commercial services	10,000.00	100.00	100.00	91340500066503989D
Sixian Keda New Energy Technology Co., Ltd..	Limited liability company	Sixian County, Suzhou City, Anhui Province	Zhang Feng	Commercial services	1,000.00	70.00	70.00	91341324MA2TGB741R
Maanshan Kehan New Energy Technology Co., Ltd.	Limited liability company	Hanshan Industrial Park, Lintou Town, Hanshan County, Maanshan City, Anhui Province	Zhang Feng	Commercial services	2,000.00	60.00	60.00	91341202MA2NR4H91F

Full name of the subsidiary	Type of enterprise	Registered address	Legal person representative	Nature of the business	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Keda-Suremaker (Wuhu) Industrial Co., Ltd.	Limited liability company	Wanzhi District, Wuhu City, Anhui Province	Zhou Peng	Manufacturing	5,000.00	100.00	100.00	91340221666 24276X0
Shenyang Keda Clean Energy Gas Co., Ltd.	Limited liability company	Liaoning Faku Economic Development Zone	Ma Liang	Manufacturing	100,000.00	93.00	93.00	91210124550 792268N
Guangdong Keda Smart Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	20,001.00	95.00	95.00	91440606MA 53N01N91
Keda (Anhui) Clean Energy Co., Ltd.	Other joint stock company	Maanshan Economic and Technological Development Zone, Anhui Province	Li Ting	Manufacturing	4,460.00	97.37	97.37	91340500661 503967A
Guangdong Keda Hydraulic Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Yang Jun	Manufacturing	4,851.43	54.91	54.91	91440606568 290581X
HLT Industry Co., Ltd.	Limited liability company	Sanshui Central Technology Industrial Zone, Foshan City, Guangdong Province	Yang Xuexian	Manufacturing	20,000.00	100.00	100.00	91440600712 393666R
DLT Technology Co., Ltd.	Limited liability company	Sanshui Central Technology Industrial Zone, Foshan City, Guangdong Province	Wu Junliang	Manufacturing	10,000.00	100.00	100.00	91440607MA 4UNRGA45
Anhui Keda Investment Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zeng Fei	Commercial services	25,000.00	100.00	100.00	91340500698 6740300
Henan Kedaneu International Engineering Co., Ltd.	Limited liability company	Shangwu Waihuan Road, Zhengzhou Area (Zhengdong) of China (Henan) Pilot Free Trade Zone	Li Ting	Manufacturing	5,000.00	97.37	97.37	91410100706 7856557
Jiangsu Kehang Environmenta l Protection Co.,Ltd	Joint stock company	Yancheng Environmental Protection Industrial Park, Jiangsu Province	Long Yuzhou	Manufacturing	38,636.36	94.82	94.82	91320902608 6112210
Anhui Keqing Environmenta l Engineering Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development	Wei Senmao	Manufacturing	2,500.00	100.00	100.00	91340500MA 2TN7CAXR

Full name of the subsidiary	Type of enterprise	Registered address	Legal person representative	Nature of the business	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
		Zone, Anhui Province						
Jiangsu Weilili New Material Co., Ltd.	Limited liability company	Huai'an District, Huai'an City, Jiangsu Province	Zeng Fei	Manufacturing	8,681.76	53.62	53.62	91632900679184650E
Guangdong Keda Lithium Industry Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zeng Fei	Manufacturing	100,000.00	100.00	100.00	916300006791880023
Keda Foshan Industrial Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	He Weidong	Manufacturing	27,334.00	100.00	100.00	91440606MA51BFQE8A
Foshan Keda Ceramic Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Qiu Hongying	Import and export	2,000.00	100.00	100.00	91440606MA534JQK1E
Guangdong Artget Fluidtech Co., Ltd.	Limited liability company	Panyu District, Guangzhou, Guangdong Province	Liu Zhengfu	Manufacturing	1,000.00	73.20	73.20	914401137219513328
Huadong (Maanshan) Tourist Transportation Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Qin Juan	Commercial services	1,000.00	100.00	100.00	91340500680813282J
Wuhu Keda Smart New Energy Technology Co., Ltd.	Limited liability company	Wuhu City, Anhui Province	Zhang Feng	Commercial services	1,200.00	83.33	83.33	91340222MA2W7K7P18
Hefei Binhu Keda Smart Energy Co., Ltd.	Limited liability company	Baohe Economic Development Zone, Hefei City, Anhui Province	Zhang Feng	Commercial services	1,000.00	100.00	100.00	91340111MA2WBGD22X
Hengwang (Anhui) Smart Energy Technology Co., Ltd.	Limited liability company	Bowang District, Maanshan City, Anhui Province	Qin Juan	Commercial services	1,000.00	51.00	51.00	91340506MA2WMGLG8H
Wuhu Kean Energy Technology Co., Ltd.	Limited liability company	Jiujiang District, Wuhu City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340207MA2WEEXX40
Foshan Keda Equipment Manufacturing Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Zhou Guosheng	Manufacturing	73,500.00	100.00	100.00	91440607MA56FY8T46
Gongqingcheng Guanghai Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	1,368.01	56.73	56.73	91360405MA3AEW5A96
HLT Technology Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Yang Xuexian	Manufacturing	10,000.00	100.00	100.00	91440607MA578CG434

Full name of the subsidiary	Type of enterprise	Registered address	Legal person representative	Nature of the business	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Foshan Kean New Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91440606MA56DX766W
Dangtu Kean New Energy Technology Co., Ltd.	Limited liability company	Dangtu County, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340521MA8MYRYQX4
Guangde Kean Photovoltaic Power Co., Ltd.	Limited liability company	Guangde, Xuancheng City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91341822MA8N02WA38
Kunshan Boyue New Energy Technology Co., Ltd.	Limited liability company	Kunshan, Suzhou City, Jiangsu Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91320583MA26UQCT4R
Shaoguan Keda Equipment Manufacturing Co., Ltd.	Limited liability company	Zhenjiang District, Shaoguan City, Guangdong Province	Zeng Pingli	Manufacturing	10,000.00	80.00	80.00	91440204MA58C6H03U
Anhui Keda New Energy Equipment Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Li Ting	Manufacturing	7,000.00	100.00	100.00	91340500MA8NDDRN9J
Maanshan Zhengpugang New District Taixin New Energy Technology Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340500MA2WT0TTXB
Dangtu Keda New Energy Technology Co., Ltd.	Limited liability company	Dangtu County, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340521MA8N13RC67
Guangdong Keda New Energy Equipment Co., Ltd	Limited liability company	Shunde District, Foshan City, Guangdong Province	Chen Shuifu	Manufacturing	6,000.00	100.00	100.00	91440606MABMRNAQ3D
Anhui KEDA Hydraulic Technology Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Yang Jun	Manufacturing	3,000.00	100.00	100.00	91340500MA8PB2FW7D
Hefei Lunuo New Energy Co., Ltd.	Limited liability company	Changfeng County, Hefei City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340121MA8NUMXP0D
Maanshan Keci New Energy Technology Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340500MA8N2T5D0L
Hefei Kemao New Energy Co., Ltd.	Limited liability company	Baohe District, Hefei City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340111MA8NU3H96U

Full name of the subsidiary	Type of enterprise	Registered address	Legal person representative	Nature of the business	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Maanshan Keda Cigao New Energy Co., Ltd.	Limited liability company	Maanshan Cihu High-tech Industrial Development Zone, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340500MA8P8QPQ0Q
Langxi Kean New Energy Technology Co., Ltd.	Limited liability company	Langxi County, Xuancheng City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91341821MA8LGUD10D
Foshan Kesheng New Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91440606MA7M5A3W5M
Foshan Kexin New Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91440606MA7MK86L0W
Foshan Keshiming New Energy Technology Co., Ltd.	Limited liability company	Gaoming District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91440608MABMPTRK87
Maanshan Kegu New Energy Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340500MA8NXXDK9T
HLT Ceramic Technologies Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Zhu Shouli	Import and export	2,000.00	100.00	100.00	91440607MAC7BWW81C
Wuhu Kesen New Energy Co., Ltd.	Limited liability company	Fanchang County, Wuhu City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340222MA8NTDTK4N
Maanshan Keda Kezhong New Energy Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340504MA8PLRNW05
Foshan Kerongsheng New Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	55.00	55.00	91440606MACGCAT004
Chongqing Keda New Energy Materials Co., Ltd.	Limited liability company	Tongliang District, Chongqing	Fu Jian	Manufacturing	18,000.00	100.00	100.00	91500151MAC5G48E7T
Guangdong Quanitech Material Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Cai Weiyong	Import and export	2,000.00	51.00	51.00	91440606MACR1G4836
Maanshan KEDA-SUREMAKER Industrial Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development	Chen Xinjiang	Import and export	500.00	100.00	100.00	91340500MA8QQW346G

Full name of the subsidiary	Type of enterprise	Registered address	Legal person representative	Nature of the business	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
		Zone, Anhui Province						
Foshan KEDA Ecological Stone Engineering Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Song Zhigang	Commercial services	100.00	51.00	51.00	91440606MACR2THF4A
Anhui Kechucheng New Energy Technology Co., Ltd.	Limited liability company	Baohe District, Hefei City, Anhui Province	Ma Liang	Commercial services	1,000.00	60.00	60.00	91340111MA8QRY3F7E
Sixian Ketu New Energy Co., Ltd.	Limited liability company	Sixian County, Suzhou City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91341324MA8PALBL8N
Guangdong Twyford International Holding Ltd	Limited liability company	Shunde District, Foshan City, Guangdong Province	Shen Yanchang	Management of corporate headquarters	5,263.16	48.45	48.45	91440606MAD2KFQE2R
Twyford (Guangzhou) Furniture Co., Ltd.	Limited liability company	Tianhe District, Guangzhou City, Guangdong Province	Shen Yanchang	Import and export	3,000.00	48.45	48.45	91440106MAD81GDF2X
Gao'an KEDA Mechanical Parts Co., Ltd.	Limited liability company	Gao'an City, Yichun, Jiangxi Province	Chen Yuheng	Manufacturing	500.00	100.00	100.00	91360983MAD6YT8D81
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	Limited partnership	Shunde District, Foshan City, Guangdong Province	/	Commercial services	3,001.00	100.00	100.00	91440606MAC4XHK30N
Xiamen Keda New Energy Technology Co., Ltd.	Limited liability company	Siming District, Xiamen City, Fujian Province	Wang Xueqiang	Manufacturing	5,000.00	100.00	100.00	91350200MADAR6548A
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	1,000.00	100.00	100.00	91340500MA8LJAHT7Y
Hefei Keda Keheng New Energy Technology Co., Ltd.	Limited liability company	Changfeng County, Hefei City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340121MA8PABW10P
Guangdong HLT Construction Engineering Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Li Xinxin	Manufacturing	1,000.00	100.00	100.00	91440402MAC24M6P53

Unit: Ten Thousand Yuan Currency: HKD

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)

KAMI materials Co., Ltd.	Limited liability company	Hong Kong	/	Import and export	3,311.38	51.00	51.00
HLT International (HongKong) Limited	Limited liability company	Hong Kong	/	Import and export	100.00	100.00	100.00

Unit: Ten Thousand Yuan Currency: USD

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Forwell International (HK) Co., Limited	Limited liability company	Hong Kong	/	Import and export	6,001.00	100.00	100.00
KEDA Industrial (Hong Kong) Limited	Limited liability company	Hong Kong	/	Import and export	8,587.00	100.00	100.00
Xincheng International (Hong Kong) Co., Ltd.	Limited liability company	Hong Kong	/	Import and export	2,000.00	100.00	100.00
Guangdong Xincheng Financial and Leasing Co., Ltd	Limited liability company	Shunde District, Foshan City	Wang Gang	Commercial services	2,700.00	100.00	100.00
Anhui Xincheng Financial and Leasing Co., Ltd	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Wang Gang	Commercial services	3,500.00	100.00	100.00
Keda Holding (Mauritius) Limited	Limited liability company	Mauritius	/	Commercial services	5,371.33	100.00	100.00
Brightstar Investment Limited	Limited liability company	Mauritius	/	Commercial services	5,369.20	48.45	48.45
Tilemaster Investment Limited	Limited liability company	Mauritius	/	Commercial services	9,763.20	48.45	48.45
Keda (Kenya) Ceramics Company Limited	Limited liability company	Kenya	/	Manufacturing	1,000.00	48.45	48.45
Keda (Ghana) Ceramics Company Limited	Limited liability company	Ghana	/	Manufacturing	1,000.00	48.45	48.45

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda (Tanzania) Ceramics Company Limited	Limited liability company	Tanzania	/	Manufacturing	1,000.00	48.45	48.45
Keda (SN) Ceramics Company Limited	Limited liability company	Senegal	/	Manufacturing	100.00	48.45	48.45
Kami Colourcera Private Limited	Limited liability company	India	/	Manufacturing	160.00	72.00	72.00
Keda Ceramics International Company Limited	Limited liability company	Kenya	/	Manufacturing	1,000.00	48.45	48.45
Pt Keda Industrial Indonesia	Limited liability company	Indonesia	Tan Xuhui	Import and export	300.00	100.00	100.00
Keda Zambia Ceramics Company Limited	Limited liability company	Zambia	/	Manufacturing	1,000.00	48.45	48.45
Keda (Kenya) Solar Co.,Ltd.	Limited liability company	Kenya	Zeng Fei	Commercial services	100.00	100.00	100.00

Unit: Ten Thousand Currency: EUR

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda International Company S.a'r.l.	Limited liability company	Luxembourg	/	Commercial services	1.20	100.00	100.00
Keda Europe S.r.l.	Limited liability company	Italy	Yang Xuexian	Commercial services	100.00	100.00	100.00
I.C.F.&Welko S.P.A.	Joint stock company	Italy	Guan Huojin	Manufacturing	850.00	100.00	100.00
Wibe S.L.	Limited liability company	Spain	/	Manufacturing	120.20	100.00	100.00
F.D.S. Ettmar S.r.l.	Limited liability company	Italy	Liu Xiaodong	Manufacturing	10.00	80.00	80.00
P.I.R.C. S.r.l.	Limited liability company	Italy	Liu Xiaodong	Manufacturing	1.00	100.00	100.00

Unit: Ten Thousand Currency: Rupee

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda Industrial (India) Limited	Limited liability company	India	SAMEER VITHALRAO	Manufacturing	6,500.00	90.00	90.00

Unit: Ten Thousand Currency: Turkish Lira

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda Turkey Makine Ticaret Limited Sirketi	Limited liability company	Türkiye	/	Import and export	61,144.64	100.00	100.00

Unit: Ten Thousand Currency: Central African Franc

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda Cameroon Ceramics Limited	Limited liability company	Cameroon	/	Manufacturing	100.00	48.45	48.45

Unit: Ten Thousand Currency: West African Franc

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda Cote D'ivoire Ceramics Company Limited	Limited liability company	Cote d'Ivoire	/	Manufacturing	510,010.00	48.45	48.45

Unit: Ten Thousand Currency: Tanzanian Shilling

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda Tanzania Resource Company Limited	Limited liability company	Tanzania	Li Qing	Manufacturing	230.00	100.00	100.00

Unit: Ten Thousand Currency: Peruvian New Sol

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda Peru Building Materials Company S.A.C	Limited liability company	PERU	/	Manufacturing	3,517.43	48.45	48.45
Twyford Peru Company S.R.L.	Limited liability company	PERU	/	Import and export	0.10	48.45	48.45
Twyford Peru Commercial Company S.R.L.	Limited liability company	PERU	/	Import and export	0.10	48.45	48.45

Unit: Ten Thousand Currency: UGX

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Twyford Impex (U) Ltd	Joint stock company	Uganda	/	Import and export	195,000.00	48.45	48.45

Unit: Ten Thousand Currency: Honduran Lempira

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Keda Honduras Ceramic, S.R.L.	Joint stock company	Honduras	/	Import and export	500.00	48.45	48.45

Unit: Ten Thousand Currency: Indonesian Rupiah

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Pt Keda Construction Indonesia	Limited liability company	Indonesia	/	Manufacturing	1,001,000.00	67.00	67.00

Unit: Ten Thousand Currency: Rand

Full name of the subsidiary	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding ratio (%)	Proportion of voting rights (%)
Sunbromate (Pty) Ltd	Limited liability company	South Africa	/	Import and export	0.01	48.45	48.45

3. Particulars on joint ventures and associates of the Company

For important joint ventures and associates of the Company, see the Notes for details

√ Applicable □ Not Applicable

Investee name	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding of the Company (%)	Proportion of voting rights of the Company in the investee	Unified social credit code
Associates								
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Joint stock company	Golmud, Qinghai	Zhang Chengsheng	Manufacturing	51,797.06	43.58	48.58	91630000781439859F
Maanshan Qingshan Electricity Selling Co., Ltd.	Limited liability company	Dangtu Economic and Technological Development Zone, Anhui Province	Suo Mengya	Commercial services	1,960.00	26.02	26.02	91340521MA2RU8N74T
Foshan KEDA Ceramic Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City	Huang Jianwu	Manufacturing	8,000.00	49.00	49.00	91440606MA4UUWAC43
Zhangzhou Grande Graphite Material Co., Ltd.	Limited liability company	Nanjing County, Fujian Province	Wang Xueqiang	Manufacturing	5,000.00	49.00	49.00	91350627717396444C
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	Limited partnership	Nanhai District, Foshan City	/	Capital market services	25,101.00	59.76	40.00	91440605MABTRA5H94
Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	Limited liability company	Dongying Economic and Technological Development Zone, Dongying City, Shandong Province	Huo Xiyun	Manufacturing	10,000.00	40.00	40.00	913705000897963311
Maanshan Kema New Energy Technology Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zhang Feng	Commercial services	1,800.00	45.97	45.97	91340500MA2RNGB63X
Shanghai Mingfeng Management Consulting Partnership (Limited Partnership)	Limited partnership	Fengxian District, Shanghai City	/	Commercial services	2,814.13	18.93	18.93	91310120MA1JKJP9XJ
Shanghai Mingzhao Management Consulting Partnership (Limited Partnership)	Limited partnership	Fengxian District, Shanghai City	/	Commercial services	578.82	10.42	10.42	91310120MA1JKJEN4F
Gongqingcheng Kehong Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	637.01	24.45	24.45	91360405MA7EPCUM2X

Investee name	Type of enterprise	Registered address	Legal representative	Nature of the business	Registered capital	Shareholding of the Company (%)	Proportion of voting rights of the Company in the investee	Unified social credit code
Gongqingcheng Kexin Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	3,109.74	47.35	47.35	91360405MA7G7R8X71
Gongqingcheng Kehong Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	633.15	41.59	41.59	91360405MA7FA19X81

Particulars on other joint ventures and associates which have related-party transactions with the Company in the current period or had related-party transactions with the Company in the previous period and form balances are as follows

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

4. Particulars on other related parties

√ Applicable □ Not Applicable

Name of other Related Parties	Relationship between other related Parties and the Company
Sunda Group Co., Ltd.	Others
Guangdong Hongyu Group Co., Ltd.	Others
Guangdong Liansu Technology Industrial Co., Ltd.	Others
Macrolink Group Holding Co., Ltd.	Others

Other notes:

(1) Given that Mr. Shen Yanchang, Director of the Company, is the de facto controller of Guangzhou Sunda and Sunda Group, and Sunda Group is an important strategic partner of the Company's overseas building material business, as well as the minority shareholder of the Company's African joint venture companies, namely, Keda Kenya, Keda Ghana, Keda Tanzania and Keda Senegal, Guangzhou Sunda, Sunda Group and its wholly-owned subsidiaries are considered to be related parties of the Company in accordance with Article 4 of the *Accounting Standards for Business Enterprises No. 36 - Disclosure of Related Parties*.

(2) Given that Mr. Liang Tongcan is the largest shareholder of the Company, Guangdong Hongyu Group Co., Ltd. and its subsidiaries controlled by him, and enterprises controlled by his relatives, are considered to be related parties of the Company in accordance with Article 4 of the *Accounting Standards for Business Enterprises No. 36 - Disclosure of Related Parties* and Article 6.3.3 of the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*.

(3) Given that Guangdong Liansu Technology Industrial Co., Ltd. holds more than 5% of the Company's shares, Guangdong Liansu and its subsidiaries are considered to be related parties of the Company in accordance with Article 4 of the Accounting Standards for Business Enterprises No. 36 - Disclosure of Related Parties.

(4) Given that Macrolink Group was a shareholder holding more than 5% of the Company's shares before May 27, 2024, according to Article 4 of the *Accounting Standards for Business Enterprises No. 36 - Disclosure of Related Parties* and Article 6.3.3 of the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange* and its subsidiaries are identified as related parties of the Company.

In the above table, Sunda Group Co., Ltd. includes Sunda Group Co., Ltd., Guangzhou Sunda International Trading Co., Ltd. and its wholly-owned subsidiaries; Guangdong Hongyu Group Co., Ltd. includes Guangdong Hongyu Group Co., Ltd. and its subsidiaries; Guangdong Liansu Technology Industrial Co., Ltd. includes Guangdong Liansu Technology Industrial Co., Ltd. and its subsidiaries, and Macrolink Group Holding Co., Ltd. includes Macrolink Group Holding Co., Ltd. and its subsidiaries.

5. Particulars on related-party transactions

(1). Related-party transactions for the purchase and sales of goods and the rendering and receipt of services

Table of information on the purchase of goods/the receipt of services

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Related parties	Related party transaction	Amount accounted for in the current period	Amount accounted for in the previous period
Sunda Group Co., Ltd.	Materials and labor services	46,806.61	147,317.94
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Lithium carbonate	4,445.31	3,643.81
Zhangzhou Grande Graphite Material Co., Ltd.	Raw materials	215.08	480.87
Hunan Liling Hongguanyao China Industry Co., Ltd.	Ceramics	4.50	20.24
Sichuan Guangxing Lithium Battery Technology Co., Ltd.	Lithium carbonate	10.00	22.50
Guangdong Hongyu Group Co., Ltd.	Ceramic tiles, etc.	93.74	122.66
Guangdong FCRI Group Co., Ltd.	Ceramic roller stick	7,676.79	3,904.89
Guangdong Liansu Technology Industrial Co., Ltd.	Photovoltaic module		430.33
Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	Ink, color glaze	14,308.60	6,752.34

Table of information on the sale of goods/the rendering of services

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Related parties	Related party transaction	Amount accounted for in the current period	Amount accounted for in the previous period
Sunda Group Co., Ltd.	Ceramics, sanitary wares, and equipment	77,584.28	84,287.87
Guangdong Hongyu Group Co., Ltd.	Ceramic machinery equipment, anode materials, and electricity costs for photovoltaic projects	1,779.84	1,674.50
Zhangzhou Grande Graphite Material Co., Ltd.	Processing fee	7.21	2,920.71
Macrolink Group Holding Co., Ltd.	Ceramic machinery equipment and service	9.53	47.35
Maanshan Qingshan Electricity Selling Co., Ltd.	Services	6.90	17.38
Guangdong Liansu Technology Industrial Co., Ltd.	Accessories	16.67	3.28
Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	Ceramic machinery equipment	78.69	0.00

Particulars on related-party transactions for the purchase and sales of goods and the rendering and receipt of services

□ Applicable√ Not Applicable

(2). Particulars on related-party entrusted management/contracting and entrusting management/outsourcing

Table of information on the Company's entrusted management/contracting:

□ Applicable√ Not Applicable

Particulars on related-party entrusting/contracting

□ Applicable√ Not Applicable

Table of information on the Company's entrusting management/outsourcing

□ Applicable√ Not Applicable

Particulars on related-party management/outsourcing

□ Applicable√ Not Applicable

(3). Related lease

The Company as the lessor:

□ Applicable√ Not Applicable

The Company as the lessee:

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Lessor name	Type of leased assets	Rental costs for short-term leases and leases of low-value assets with simplified treatment (if applicable)		Variable lease payments not included in lease liabilities (if applicable)		Rental Payments		Interest Expense on Lease Liabilities		Increase in Right-of-use Assets	
		Amount accounted for in the current period	Amount accounted for in the previous period	Amount accounted for in the current period	Amount accounted for in the previous period	Amount accounted for in the current period	Amount accounted for in the previous period	Amount accounted for in the current period	Amount accounted for in the previous period	Amount accounted for in the current period	Amount accounted for in the previous period
Foshan KEDA Ceramic Technology Co., Ltd.	Premises					600.00	480.00				
Guangdong Hongyu Group Co., Ltd.	Premises					25.14	24.15				

Descriptions on related-party leases

□ Applicable√ Not Applicable

(4). Particulars on related-party guarantees

The Company as a guarantor:

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Secured party	Guarantee amount	Start date of guarantee	Expiry date of guarantee	Guarantee is completed Y/N
Guangdong Xincheng Financial and Leasing Co., Ltd	8,621.93	June 25, 2023	August 12, 2027	No
Guangdong Xincheng Financial and Leasing Co., Ltd	2,772.00	November 26, 2024	May 26, 2025	No
Keda (Anhui) Clean Energy Co., Ltd.	2,491.81	July 30, 2024	June 13, 2025	No
Keda (Anhui) Clean Energy Co., Ltd.	7,286.00	January 29, 2024	March 20, 2025	No
Anhui Keda New Energy Equipment Co., Ltd.	776.22	July 25, 2024	June 26, 2025	No
Guangdong Keda New Energy Equipment Co., Ltd	1,022.44	May 28, 2024	July 12, 2027	No
Foshan DLT Technology Co., Ltd.	1,107.00	July 24, 2024	March 27, 2025	No
Keda Foshan Industrial Co., Ltd.	498.28	May 28, 2024	May 28, 2025	No
Anhui KEDA Hydraulic Technology Co., Ltd.	2,690.00	June 28, 2024	December 21, 2029	No
Keda (Anhui) Huadong New Energy Automobile Travel Service Co., Ltd	357.00	August 12, 2024	August 12, 2025	No
Anhui Keda Smart Energy Technology Co., Ltd.	1,428.14	February 06, 2024	January 31, 2032	No
Anhui Keda Smart Energy Technology Co., Ltd.	238.58	September 28, 2023	January 21, 2026	No
Anhui Kean Electric Power Engineering Co., Ltd.	4,000.00	September 04, 2024	September 26, 2025	No
Fujian Keda New Energy Technology Co., Ltd.	14,190.00	August 30, 2024	December 26, 2025	No
Chongqing Keda New Energy Materials Co., Ltd.	16,568.33	May 23, 2024	April 01, 2031	No
Twyford (Guangzhou) Furniture Co., Ltd.	3,000.00	December 11, 2024	September 24, 2025	No
Forwell International (HK) Co., Limited	EUR10,500.00	April 24, 2023	April 24, 2026	No
Forwell International (HK) Co., Limited	6,438.00	October 12, 2024	October 13, 2025	No
Forwell International (HK) Co., Limited	1,123.08	October 30, 2024	June 08, 2026	No
Forwell International (HK) Co., Limited	2,910.00	November 05, 2024	October 31, 2025	No
Keda (Ghana) Ceramics Company Limited	USD1,363.64	December 03, 2020	December 15, 2027	No

Secured party	Guarantee amount	Start date of guarantee	Expiry date of guarantee	Guarantee is completed Y/N
Keda (SN) Ceramics Company Limited	EUR 787.13	August 1, 2021	December 15, 2027	No
Keda Zambia Ceramics Company Limited	EUR 1,439.37	November 22, 2021	December 15, 2027	No
Keda Ceramics International Company Limited	EUR 2,243.26	September 30, 2022	December 15, 2029	No
Tilemaster Investment Limited &Keda Cameroon Ceramics Company Limited	EUR3,009.56	July 24, 2023	December 15, 2030	No
Tilemaster Investment Limited & Brightstar Investment Limited	EUR 20,000.00	January 31, 2024	December 15, 2028	No

The Company as a guaranteed party:

□ Applicable√ Not Applicable

Descriptions on related-party guarantees

□ Applicable√ Not Applicable

(5). Related-party fund lending

□ Applicable√ Not Applicable

(6). Related-party asset transfer and debt restructuring

□ Applicable√ Not Applicable

(7). Compensation of key management personnel

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Compensation of key management personnel	1,513.13	1,606.10

(8). Other related-party transactions

√ Applicable□ Not Applicable

1. Related transactions with other subsidiaries of the Sunda Group

(1) During the Reporting Period, the subsidiary Tilemaster has signed the *Trademark Transfer Framework Agreement* with the Sunda Group and has completed a payment of Sunda Group180 million, with the remaining transaction amount to be paid in an orderly manner as agreed in the agreement.

(2) During the Reporting Period, the subsidiary Tilemaster purchased 100% equity of Sunbromate (Pty) Ltd, a subsidiary of the Sunda Group, for RMB476.2 thousand.

(3) During the Reporting Period, the subsidiary Keda (SN) Ceramics Company Limited purchased overseas land from the Sunda Group for RMB13,034.2 thousand.

2. The subsidiary took over the share of employee shareholding platform of Anhui Keda Industrial and Fujian Keda New Energy.

In the first half of 2024, taking into account the adjustment of the Company's business segment management, changes in the positions of related parties, and the demand for talent incentives in the future, the Company agreed that its subsidiary Anhui KEDA Investment would use its own funds to accept 2.23% and 3.10% of the equity interests held in Anhui KEDA Industrial and Fujian KEDA New Energy by Yang Xuexian, Zhang Zhonghua, and Li Yuejin through the employee shareholding platform with the transaction amounts of RMB6,026.2 thousand thousand and RMB18,682.7 thousand, respectively.

3. The subsidiary took over the share of employee shareholding platform of Guangdong Keda Hydraulic

On August 1, 2024, Zhang Zhonghua resigned from the position of Director of Keda Group. In order to maintain the effectiveness of employee incentive strategies and consider future talent incentive needs, the Company agreed in October 2024 for its subsidiary Anhui Keda Investment to use its own funds to acquire 0.79% of Guangdong Keda Hydraulic's equity held by Zhang Zhonghua through the employee shareholding platform. The transaction amount is RMB914.4 thousand.

4. Employee shareholding platform of Guangdong Twyford International

In the first half of 2024, the Company agreed that key management personnel and key employees of related subsidiaries in the building materials business segment jointly invest to establish an employee shareholding platform, and through this platform, subscribe to RMB2,631.6 thousand of newly registered capital of Guangdong Twyford International with an investment of RMB54,289.5 thousand (corresponding to 5% of Guangdong Twyford International's shares after the increase). Among them, the Company's Director Li Yuejin invested RMB10,857.9 thousand. During the Reporting Period, due to adjustments in the positions of some personnel, Li Yuejin acquired equity in Guangdong Twyford International held by other partners through the employee shareholding platform, and his final indirect holding of Guangdong Twyford International's equity is 1.5%.

6. Receivables from and payables to related parties

(1). Receivables

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Project	Related parties	Closing balance		Opening balance	
		Book value	Provision for bad debts	Book value	Provision for bad debts
Accounts receivable	Sunda Group Co., Ltd.			3,350.31	40.57
Accounts receivable	Hunan Hualian Porcelain Industry Co., Ltd.	0.13	0.01	97.29	13.83
Accounts receivable	Hunan Hualian Torch Porcelain Insulator & Electrical Apparatus Co., Ltd.			16.25	6.08
Accounts receivable	Guangdong Hongyu Group Co., Ltd.	40.57	3.28	1,259.59	72.25
Accounts receivable	Zhangzhou Grande Graphite Material Co., Ltd.	236.85	3.59	239.18	3.64
Accounts receivable	Guangdong Liansu Technology Industrial Co., Ltd.	0.04		0.85	0.03
Dividend receivable	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.			41,140.71	
Other receivables	Guangdong Hongyu Group Co., Ltd.	7.09		107.09	
Prepaid accounts	Guangdong FCRI Group Co., Ltd.			742.40	
Prepaid accounts	Sichuan Guangxing Lithium Battery Technology Co., Ltd.			10.00	
Prepaid accounts	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.			1,156.19	
Prepaid accounts	Hunan Liling Hongguanyao China Industry Co., Ltd.	7.47			

(2). Payables

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Project	Related parties	Carrying balance at the end of the period	Carrying balance at the beginning of the period
Accounts payable	Sunda Group Co., Ltd.	3,545.37	
Accounts payable	Zhangzhou Grande Graphite Material Co., Ltd.	89.97	1.53
Accounts payable	Guangdong FCRI Group Co., Ltd.	460.94	
Other payables	Zhangzhou Grande Graphite Material Co., Ltd.	735.00	735.00
Other payables	Foshan KEDA Ceramic Technology Co., Ltd.	122.86	3,619.23
Other payables	Guangdong FCRI Group Co., Ltd.	0.50	
Notes payable	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.		4,800.00
Notes payable	FCRI Group Co., Ltd.	709.09	582.39

Project	Related parties	Carrying balance at the end of the period	Carrying balance at the beginning of the period
Accounts payable	Guangdong Hongyu Group Co., Ltd.	2,790.86	10.84
Advance receipts	Guangdong Liansu Machine Manufacturing Co., Ltd.		2.15
Advance receipts	Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	605.31	
Accounts payable	Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	3,076.08	3,314.57
Advance receipts	Foshan Sanshui Hongyuan Ceramics Enterprise Co., Ltd.		42.71

(3). Others

□ Applicable√ Not Applicable

7. Related-party commitments

□ Applicable √ Not Applicable

8. Others

□ Applicable √ Not Applicable

XV Share-based Payments

1. Various equity instruments

□ Applicable√ Not Applicable

Outstanding stock options or other equity instruments at the end of the period

□ Applicable√ Not Applicable

Other notes

On April 26, 2024, the Company held the 29th meeting of the 8th Board of Directors and the 25th meeting of the 8th Board of Supervisors, and reviewed and approved the *Proposal on Capital Increase and Share Expansion of a Holding Subsidiary and a Related Transaction*, agreeing that key management personnel and key employees of related subsidiaries in the building materials business segment establish an employee shareholding platform through joint investment to increase the capital of Guangdong Twyford International Holding Ltd by RMB54,289.5 thousand at a price of RMB20.63 per registered capital.

2. Particulars on equity-settled share-based payment

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Determination of the Fair Value of Equity Instruments at the Date of Grant	Market method
Important parameters of the fair value of equity instruments at the date of grant	Adopting the asset valuation value on the grant date
Determination basis for the number of vesting equity instruments	Best estimate of the quantity of options exercised by the recipients
Reasons for the significant difference between the current estimate and the previous estimate	
Cumulative amount of equity-settled share-based payments included in the capital reserve	1,093.04

3. Particulars on cash-settled share-based payment

□ Applicable√ Not Applicable

4. Share-based payment expense in the current period

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Type of Grant Recipients	Equity-settled Share-based Payment Expenses	Cash-settled Share-based Payment Expenses
Senior executives, middle management, and core key employees of Guangdong Twyford International	1,093.04	

5. Particulars on modification and termination of share-based payment

□ Applicable √ Not Applicable

6. Others

□ Applicable √ Not Applicable

XVI Commitments and Contingencies

1. Important commitments

□ Applicable√ Not Applicable

2. Contingencies

(1). Important contingencies on the balance sheet date

□ Applicable √ Not Applicable

(2). If the Company has no important contingent issues that need to be disclosed, it should also be explained:

□ Applicable √ Not Applicable

3. Others

√ Applicable □ Not Applicable

1. Prosecution raised by Jiangsu New Century Jiangnan Environmental Protection Co., Ltd. against the Company and subsidiaries, namely Jiangsu Cohen and Keda (Anhui) Clean Energy, as well as other related parties on infringement of technical secrets [(2019) S.01. M. CH. No.2893]

On October 18, 2019, Jiangsu Cohen, the Company's partially-owned subsidiary received such legal documents as the *Summons* sent by the Intermediate People's Court of Nanjing City, Jiangsu Province, in which Jiangnan Environmental Protection filed lawsuits against Jiangsu Cohen, the Company, and other related parties on infringement of technological secrets. After the first instance of the Intermediate People's Court of Nanjing City, the appeal of the Company and other related parties, and the second instance of the Supreme People's Court, in the final decree, Jiangsu Cohen was ruled to immediately stop infringing on technological secrets of Jiangnan Environmental Protection, compensating Jiangnan Environmental Protection economic losses of RMB22,285.2 thousand and RMB1 million for reasonable expenses incurred to stop the infringement.

On May 11, 2024, for refusing to accept the second instance judgment made by the Supreme People's Court, Jiangsu Cohen applied to the Supreme People's Court for a retrial according to law and received the *Notice on the Acceptance of Appeal* ((2024) Z. G. F. M. S. No. 3191) issued by the Supreme People's Court on June 6, 2024.

In August 2024, the Company and its subsidiaries received the *Notice of Response to Litigation* ((2024) Z. G. F. M. S. No.3191) issued by the Supreme People's Court, and learned that Jiangnan Environmental Protection applied to the Supreme People's Court for a retrial for refusing to accept the second instance judgment made by the Supreme People's Court. At present, the Supreme People's Court has filed a case for review of the two parties' retrial applications. For details, please see the relevant announcement of the Company.

2. Prosecution raised by Jiangsu New Century Jiangnan Environmental Protection Co., Ltd. against the Company and its subsidiaries Jiangsu Kehang and Keda (Anhui) Clean Energy, as well as other related parties on infringement of technical secrets ((2023) S. 01. M. CH. Nos. 4209, 4210, 4211 and (2024) S. 01 M. CH. 16)

In December 2024, the Company and its subsidiary, Nanjing Intermediate People's Court of Jiangsu Province, issued civil judgments in the first instance of four cases [(2023) Su 01 Minchu No. 4209, (2023) Su 01 Minchu No. 4210, (2023) Su 01 Minchu No. 4211, (2024) Su 01 Minchu No. 16], which ordered to support some of the litigation demands of Jiangnan Environmental Protection, and that Jiangsu Kexing compensated to Jiangnan Environmental Protection for the economic losses and its reasonable expenses paid to stop the infringement totaling RMB17,905.4 thousand, and counterclaims ordered Jiangnan Environmental Protection to compensate the Company and its subsidiaries for the reasonable expenses paid as a result of the case totaling RMB260 thousand.

In December 2024 and January 2025, Jiangsu Kehang and Jiangnan Environmental Protection filed appeals to the Jiangsu Provincial Higher People's Court in respect of the first-instance principal claim, the first-instance principal claim and the counterclaim respectively.

The appeals have all been accepted by the Jiangsu Provincial Higher People's Court (2023) Su 01 Civil First Instance 4209, (2023) Su 01 Civil First Instance 4210, (2023) Su 01 Civil First Instance 4211 (2024) Su 01 Civil First Instance 16). The second instance is currently under trial proceedings, and no verdict has been rendered yet.

As at December 31, 2024, the Company has recognized estimated liabilities of RMB18,327.5 thousand in accordance with the above civil judgments.

XVII Post-balance Sheet Date Events

1. Important non-adjustment matters

□ Applicable√ Not Applicable

2. Profit distribution

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Profits or dividends proposed to be distributed	37,157.13
Profits or dividends reviewed and approved to be declared for distribution	

On March 26, 2025, after consideration at the Sixth Meeting of the Ninth Session of the Board of Directors of the Company, the Company's profit distribution proposal for 2024 was as follows: on the basis of the total number of shares entitled to profit distribution of the Company, which amounted to 1,857,856,529 shares (the total share capital of 1,917,856,391 shares minus the number of shares held in the Company's repurchase-specific securities accounts, which amounted to 59,999,862 shares), a cash dividend of RMB2 (inclusive of tax) for every 10 shares was proposed to be distributed to all shareholders A cash dividend of RMB2 (inclusive of tax) will be paid for every 10 shares, totaling a cash dividend of RMB371,571.3 thousand (inclusive of tax). The proposal is subject to the approval of the shareholders at the general meeting.

3. Sales return

□ Applicable√ Not Applicable

4. Particulars on other post-balance-sheet-date events

□ Applicable √ Not Applicable

XVIII Other Important Issues

1. Correction of previous-period accounting errors

(1). Retrospective restatement method

□ Applicable√ Not Applicable

(2). Future application method

□ Applicable√ Not Applicable

2. Significant debt restructuring

□ Applicable√ Not Applicable

3. Asset replacement

(1). Non-monetary asset exchange

□ Applicable √ Not Applicable

(2). Other asset replacement

□ Applicable √ Not Applicable

4. Annuity plan

□ Applicable√ Not Applicable

5. Discontinued operations

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Income	Fees	Total profits	Income tax expenses	Net profit	Profits from discontinued operation attributable to owners of the parent company
Clean energy services	25.17	1,867.70	-1,842.53		-1,842.53	-1,842.53
Total	25.17	1,867.70	-1,842.53		-1,842.53	-1,842.53

6. Segment information

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

□ Applicable √ Not Applicable

(2). Financial information of reporting segments

□ Applicable √ Not Applicable

(3). If the Company does not have a reporting segment, or if it cannot disclose the total assets and total liabilities of each reporting segment, the reason should be explained

□ Applicable √ Not Applicable

(4). Other notes

□ Applicable √ Not Applicable

7. Other important transactions and matters that have an impact on investors' decisions

□ Applicable √ Not Applicable

8. Others

□ Applicable √ Not Applicable

XIX Notes on the Main Items of the Parent Company's Financial Statements

1. Accounts receivable

(1). Disclosure by aging

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Carrying balance at the end of the period	Carrying balance at the beginning of the period
Within one year	58,661.81	59,162.37
Sub-total within one year	58,661.81	59,162.37
One to two years	10,953.22	10,993.73
Two to three years	3,774.17	2,886.21
Above three years	1,008.03	1,134.56
Total	74,397.23	74,176.87

(2). Classified disclosure according to bad debt provision method

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book value		Provision for bad debts		Carrying value	Book value		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Provision for bad debts by single item	3,548.64	4.77	1,323.51	37.30	2,225.13	2,591.71	3.49	2,065.20	79.68	526.51
Provision for bad debts by groupings	70,848.59	95.23	3,666.77	5.18	67,181.82	71,585.16	96.51	3,936.87	5.50	67,648.29
Specifically:										

Provision for bad debts by groupings	34,111.26	45.85	3,666.77	10.75	30,444.49	42,634.85	57.48	3,936.87	9.23	38,697.98
Payments for goods from subsidiaries	36,737.33	49.38			36,737.33	28,950.31	39.03			28,950.31
Total	74,397.23	/	4,990.28	/	69,406.95	74,176.87	/	6,002.07	/	68,174.80

Provision set aside for bad debts by the single item:

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			
	Book value	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 1	2,376.51	650.48	27.37	Projected risk of recovery
Others	1,172.13	673.03	57.42	Projected risk of recovery
Total	3,548.64	1,323.51	37.30	/

Description on bad debt provisions accrued separately:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

√ Applicable □ Not Applicable

Portfolio-based provision item: Provision set aside for bad debts by portfolio

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debts	Provision percentage (%)
Within one year	24,358.50	1,254.30	5.15
One to two years	6,224.35	839.29	13.48
Two to three years	2,862.84	958.27	33.47
Three to four years	268.61	218.50	81.34
Four to five years	65.33	64.78	99.16
Over five years	331.63	331.63	100.00
Total	34,111.26	3,666.77	10.75

Description on bad debt provisions accrued according to the combination:

□ Applicable√ Not Applicable

Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of accounts receivable arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

(3). Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	6,002.07	-973.02	48.58	87.36		4,990.28
Total	6,002.07	-973.02	48.58	87.36		4,990.28

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(4). Particulars on accounts receivable actually written-off in the current period

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Written-off amount
Accounts receivable actually written-off	87.36

Writing-off of significant accounts receivable

□ Applicable√ Not Applicable

Description on writing-off of accounts receivable:

□ Applicable √ Not Applicable

(5). Particulars on top five accounts receivable and contract assets in terms of the balance at the end of the period based on debtors

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage (%) in the total balance at the end of the period of accounts receivable	Balance of bad debt provisions at the end of the period
Forwell International (HK) Co., Limited	11,124.82		11,124.82	14.95	
Xincheng International (Hong Kong) Co., Ltd.	10,474.55		10,474.55	14.08	
Customer 8	7,828.27		7,828.27	10.52	408.12
Anhui Xincheng Financial and Leasing Co., Ltd	6,706.52		6,706.52	9.01	
Keda Industrial (India) Limited	4,622.44		4,622.44	6.21	
Total	40,756.60		40,756.60	54.78	408.12

Other notes:

□ Applicable√ Not Applicable

2. Other receivables

Presented by item

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Interest receivable		
Dividend receivable		13,742.36
Other receivables	129,975.80	121,580.56
Total	129,975.80	135,322.92

Other notes:

□ Applicable√ Not Applicable

Interest receivable

(1).Classification of interest receivable

□ Applicable√ Not Applicable

(2).Important overdue interest

□ Applicable√ Not Applicable

(3).Classified disclosure according to bad debt provision method

□ Applicable√ Not Applicable

Provision set aside for bad debts by the single item:

□ Applicable√ Not Applicable

Description on bad debt provisions accrued separately:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

□ Applicable√ Not Applicable

(4).Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of interest receivable arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

(5).Particulars on bad debt provisions

□ Applicable√ Not Applicable

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(6).Particulars on interest receivable actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant interest receivable

□ Applicable√ Not Applicable

Notes on write-off:

□ Applicable√ Not Applicable

Other notes:

□ Applicable √ Not Applicable

Dividend receivable

(7).Dividend receivable

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item (or investee)	Closing balance	Opening balance
HLT Industry Co., Ltd.		10,000.00
Keda Foshan Industrial Co., Ltd.		3,742.36
Total		13,742.36

(8).Important dividend receivable with the account age over one year

□ Applicable√ Not Applicable

(9).Classified disclosure according to bad debt provision method

□ Applicable√ Not Applicable

Provision set aside for bad debts by the single item:

□ Applicable√ Not Applicable

Description on bad debt provisions accrued separately:

□ Applicable√ Not Applicable

Provision set aside for bad debts by portfolio:

□ Applicable√ Not Applicable

(10).Provision set aside for bad debts by the general expected credit loss model

□ Applicable√ Not Applicable

Notes to the significant changes in the book balance of dividends receivable arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

(11).Particulars on bad debt provisions

□ Applicable√ Not Applicable

Significant bad debt provision amounts recovered or reversed in the current period:

□ Applicable√ Not Applicable

(12).Particulars on dividend receivable actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant dividend receivable

□ Applicable√ Not Applicable

Notes on write-off:

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

Other receivables

(13).Disclosure by aging

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Carrying balance at the end of the period	Carrying balance at the beginning of the period
Within one year		
Sub-total within one year	47,652.67	27,608.14
One to two years	8,952.73	42,900.94
Two to three years	39,044.36	32,282.40
Above three years	58,349.24	40,700.59
Total	153,999.00	143,492.07

(14).Particulars on classification by amount nature

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Fund nature	Carrying balance at the end of the period	Carrying balance at the beginning of the period
Intercompany current accounts	149,107.82	140,194.49
Other current accounts	1,941.54	847.05
Export tax rebate	2,949.64	2,313.93
Cash deposit		136.60
Total	153,999.00	143,492.07

(15). Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Provision for bad debts	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss during the whole duration (without credit impairment)	Expected credit loss during the whole duration (with credit impairment)	
Balance of January 1, 2024	37.24		21,874.27	21,911.51
Balance of January 1, 2024 in the current period	37.24		21,874.27	21,911.51
-- Transfer to Phase II				
-- Transfer to Phase III				
-- Reverse to Phase II				
-- Reverse to Phase I				
Provision in the current period	1.30		2,110.39	2,111.69
Reserved in the current period				
Resold in the current period				
Written-off in the current period				
Other changes				
Balance of December 31, 2024,	38.54		23,984.66	24,023.20

Notes to the significant changes in the book balance of other receivables arising from changes in the provision for losses in the current period:

□ Applicable√ Not Applicable

Amount of bad debt provisions accrued for the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly:

□ Applicable√ Not Applicable

(16).Particulars on bad debt provisions

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts of other receivables	21,911.51	2,111.69				24,023.20

Total	21,911.51	2,111.69				24,023.20

Significant bad debt provision amounts reversed or recovered in the current period:

□ Applicable√ Not Applicable

(17).Particulars on other receivables actually written-off in the current period

□ Applicable√ Not Applicable

Including: Write-off of significant other receivables:

□ Applicable√ Not Applicable

Notes to the write-off of other receivables:

□ Applicable √ Not Applicable

(18).Particulars on top 5 other receivables in terms of the balance at the end of the period based on debtors

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance	Percentage (%) in the total balance at the end of the period of other receivables	Account nature	Aging	Balance of bad debt provisions at the end of the period
Anhui Keda Investment Co., Ltd.	42,000.00	27.27	Trading funds	Within five years	
Shenyang Keda Clean Energy Gas Co., Ltd.	24,533.00	15.93	Trading funds	Within seven years	21,874.27
Keda (Ghana) Ceramics Company Limited	15,247.85	9.90	Trading funds	Within three years	
Fujian Keda New Energy Technology Co., Ltd.	14,200.00	9.22	Trading funds	Within two years	
Keda Zambia Ceramics Company Limited	13,069.59	8.49	Trading funds	Within three years	
Total	109,050.44	70.81	/	/	21,874.27

(19).Other receivables reported due to centralized management of funds

□ Applicable√ Not Applicable

Other notes:

□ Applicable √ Not Applicable

3. Long-term equity investments

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book value	Provision for impairment losses	Carrying amount	Book value	Provision for impairment losses	Carrying amount
Investment in subsidiaries	714,383.79	60,000.00	654,383.79	737,822.54	60,000.00	677,822.54
Investments to associates and joint ventures	56,020.42		56,020.42	59,264.08		59,264.08
Total	770,404.21	60,000.00	710,404.21	797,086.62	60,000.00	737,086.62

(1). Investment in subsidiaries

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase and decrease in the current period				Ending balance (carrying value)	Balance of provision for impairment at the end of the period
			Additional investment	Decrease investment	Impairment provision accrued	Others		
Guangdong Keda Lithium Industry Co., Ltd.	140,386.80						140,386.80	
Foshan HLT Industry Co., Ltd.	85,735.44						85,735.44	
Keda (Anhui) Clean Energy Co., Ltd.	62,432.34						62,432.34	
Jiangsu Kehang Environmental Protection Co., Ltd	53,960.00			53,960.00			-	
Keda Inudstrial (Hong Kong) Limited	42,523.36		16,999.96				59,523.32	
Keda (Anhui) New Material Co., Ltd.	313.02						313.02	
Foshan Keda Equipment Manufacturing Co., Ltd.	37,500.00		7,500.00				45,000.00	

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase and decrease in the current period				Ending balance (carrying value)	Balance of provision for impairment at the end of the period
			Additional investment	Decrease investment	Impairment provision accrued	Others		
Keda Holding (Mauritius) Limited	36,453.18						36,453.18	
Anhui Keda Investment Co., Ltd.	26,595.48						26,595.48	
Keda Foshan Industrial Co., Ltd.	20,458.75						20,458.75	
Jiangsu Weilili New Material Co., Ltd.	20,014.37						20,014.37	
Anhui Keda Industrial Co., Ltd.	15,582.75						15,582.75	
Forwell International (HK) Co., Limited	40,781.64		676.00				41,457.64	
Guangdong Keda Hydraulic Technology Co., Ltd.	2,829.36						2,829.36	
Foshan Keda Ceramic Technology Co., Ltd.	500.00		1,500.00				2,000.00	
Fujian Keda New Energy Technology Co., Ltd.	73,619.45						73,619.45	
Anhui Keda Smart Energy Technology Co., Ltd.	66.60						66.60	
Shenyang Keda Clean Energy Gas Co., Ltd.		60,000.00						60,000.00
Shaoguan Keda Equipment Manufacturing Co., Ltd.	8,000.00						8,000.00	
Anhui Keda New Energy Equipment Co., Ltd.	6,500.00		500.00				7,000.00	
Guangdong Quanitech Material Ltd.	1,020.00						1,020.00	

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase and decrease in the current period				Ending balance (carrying value)	Balance of provision for impairment at the end of the period
			Additional investment	Decrease investment	Impairment provision accrued	Others		
Guangdong Twyford International Holding Ltd	2,550.00						2,550.00	
Gao'an KEDA Mechanical Parts Co., Ltd.			200.00				200.00	
Foshan Shunruixinyu Investment Partnership (Limited Partnership)			3,145.29				3,145.29	
Total	677,822.54	60,000.00	30,521.25	53,960.00			654,383.79	60,000.00

(2). Investments to associates and joint ventures

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Investment Unit	Beginning of the period balance	Increase and decrease in the current period								End of the period balance	Balance of provision for impairment at the end of the period
		Additional investment	Decrease investment	Profit or loss of investment recognized by equity method	Adjustment to other comprehensive income	Changes in other equities	Cash dividends or profits declared to distribute	Impairment provision accrued	Others		
I. Associated Enterprises											
Foshan KEDA Ceramic Technology Co., Ltd.	15,456.31		2,450.00	-8.84						12,997.47	
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	14,948.76			-4,580.13						10,368.63	
Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	28,859.01			7,775.36	19.95		4,000.00			32,654.32	
Sub-total	59,264.08		2,450.00	3,186.39	19.95		4,000.00			56,020.42	

Total	59,264.08		2,450.00	3,186.39	19.95		4,000.00			56,020.42	

(1). Impairment test of long-term equity investments

□ Applicable√ Not Applicable

4. Revenue and operating costs

(1). Particulars on revenue and operating costs

√ Applicable□ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period		Amount accounted for in the previous period	
	Income	Cost	Income	Cost
Main operations	219,112.58	169,504.39	186,537.57	148,437.58
Other business	2,105.29	1,417.59	1,642.00	805.72
Total	221,217.87	170,921.98	188,179.57	149,243.30

(2). Information on the breakdown of revenue and operating costs

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

(3). Description on performance obligations

□ Applicable√ Not Applicable

(4). Description on allocation to remaining performance obligations

□ Applicable√ Not Applicable

(5). Significant contract changes or significant transaction price adjustments

□ Applicable√ Not Applicable

5. Investment income

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Long-term equity investment income calculated by cost method	39,749.38	417,585.94

Long-term equity investment income calculated by equity method	3,186.39	2,430.47
Investment income arising from the disposal of long-term equity investments	-53,949.77	-255.64
Investment income from held-for-trading financial assets during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from debt investment during the holding period		
Interest income from other debt investments during the holding period		
Investment income from disposal of held-for-trading financial assets	318.30	211.73
Investment income from disposal of other equity instrument investments		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investments		
Gains from debt restructuring		
Total	-10,695.70	419,972.50

Other notes:

(1) Long-term equity investment income calculated by the cost method:

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Keda Holding (Mauritius) Limited		21,286.30
HLT Industry Co., Ltd.		36,000.00
Guangdong Keda Lithium Industry Co., Ltd.		336,500.00
Jiangsu Weilili New Material Co., Ltd.	35,216.80	15,729.50
Keda Industrial (Hong Kong) Limited	2,132.58	2,935.78
Keda Foshan Industrial Co., Ltd.		3,742.36
Anhui Keda Industrial Co., Ltd.	2,400.00	1,392.00
Total	39,749.38	417,585.94

(2) Long-term equity investment income calculated by the equity method:

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.	7,775.36	2,474.16

Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	-4,580.13	3.18
Others	-8.84	-46.87
Total	3,186.39	2,430.47

(3) Investment income arising from the disposal of long-term equity investments

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Sichuan Guangxing Lithium Battery Technology Co., Ltd.	10.23	-255.64
Jiangsu Kehang Environmental Protection Co., Ltd	-53,960.00	
Total	-53,949.77	-255.64

(4) Investment income arising from the disposal of the financial assets held for trading:

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount accounted for in the current period	Amount accounted for in the previous period
Wealth management products	318.30	211.73
Total	318.30	211.73

6. Others

□ Applicable √ Not Applicable

XX Supplementary information

1. Table on details of non-recurring gains and losses of the current period

√ Applicable □ Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount	Description
Profit or losses on disposal of non-current assets, including the portion offset for provisions for asset impairment	1,474.00	
Government grants included in gain and loss of the Reporting Period, except for government grants that are closely related to the Company's normal business operation, comply with national policies and are enjoyed in accordance with defined criteria, and have a continuing impact on the Company's profit or loss	8,147.44	
Profit or losses from changes in fair value of financial assets and liabilities held by non-financial corporations and profit or losses from the disposal of financial assets and liabilities, except for effective hedging operations related to the Company's normal business operations	-75.26	
Investment income from disposal of long-term equity investments	-736.76	

Item	Amount	Description
Reclassification of impairment loss allowances of receivables separately tested for impairment	4,113.09	
Profit or loss on debt restructuring	271.10	
Other non-operating income and expenses apart from the aforementioned items	-1,064.62	
Less: Income tax effect	1,508.76	
Effect equities of non- controlling interest (after tax)	2,056.07	
Total	8,564.16	

For non-recurring profit or loss items that the Company has recognized as non-recurring profit and loss items not listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public--Non-recurring Profit or Loss and the amount of which is material, and the non-recurring profit or loss items listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public--Non-recurring Profit or Loss defined as recurring profit or loss items by the Company, reasons shall be provided.

□ Applicable√ Not Applicable

Other notes:

□ Applicable√ Not Applicable

2. Return on net assets and earnings per share

√ Applicable □ Not Applicable

Profits during the Reporting Period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	8.80	0.534	0.534
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	8.05	0.488	0.488

3. Differences in Accounting Data under Domestic and Overseas Accounting Standards

□ Applicable√ Not Applicable

4. Others

□ Applicable √ Not Applicable

Chairman: Bian Cheng

Date of report and submission approved by the Board of Directors: March 26, 2025

Revision information

□ Applicable√ Not Applicable