

Stock Code: 600499

Company Name: Keda Group

Keda Industrial Group Co., Ltd.

2025 Annual Report

Important Notice

I. The Board of Directors, directors, 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, Luo lin, the Accounting Director and 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 2025 is as follows: based on the total number of 1,905,886,529 shares of the Company with the right to profit distribution (the total equity of 1,917,856,391 shares deducting the number of 11,969,862 shares in the Company's special securities account for repurchase), it is proposed to distribute a cash dividend of RMB 3.00 (including tax) for every 10 shares to all shareholders, with a total cash dividend of RMB 571,765,958.70 (including tax). The plan shall be valid only after being reviewed and approved at the general meeting of shareholders ("General Meeting").

As at the end of the reporting period, the parent company had unrecouped losses, together with the relevant circumstances and their impact on matters such as the Company's dividend distribution.

Applicable Not applicable

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 <i>China Securities Journal</i> , <i>Securities Times</i> , <i>Shanghai Securities News</i> , 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.
Shaoguan Keda	Shaoguan Keda Equipment Manufacturing Co., Ltd.
Quanitech	Guangdong Quanitech Material Ltd.
Guangdong Twyford International	Guangdong Twyford International Holding 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.
Fujian Keda New Energy	Fujian Keda New Energy Technology 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.
Guangdong Weilili	Guangdong Weilili New Material Co., 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.
Tilemaster	Tilemaster Investment Limited
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 Cote D'ivoire	Keda Cote D'ivoire Ceramics Company Limited
F.D.S Ettmar	F.D.S. Ettmar S.r.l.
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	2025	2024	Increase or decrease for the current Reporting period over corresponding period last year (%)	2023
Operating revenue	1,738,947.02	1,260,026.19	38.01	969,563.98
Total profit	269,188.95	139,214.05	93.36	263,385.90
Net profit attributable to shareholders of the listed company	130,886.34	100,631.18	30.07	209,199.64
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	119,874.63	92,067.02	30.20	187,875.40
Net cash flows from operating activities	181,910.98	55,720.46	226.47	73,083.20
	End of 2025	End of 2024	Increase or decrease at the end of the current Reporting period over the end of corresponding period last year (%)	End of 2023
Net assets attributable to shareholders of the listed company	1,259,276.28	1,147,893.62	9.70	1,139,844.17
Total assets	2,936,242.31	2,695,019.66	8.95	2,360,417.18

(II) Key financial indicators

Key financial indicators	2025	2024	Increase or decrease for the current Reporting period over corresponding period last year	2023
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			(%)	
Basic earnings per share (RMB per Share)	0.696	0.534	30.34	1.095
Diluted earnings per share (RMB per Share)	0.696	0.534	30.34	1.095
Basic earnings per share after deducting non-recurring profit or loss (RMB per Share)	0.637	0.488	30.53	0.984
Weighted average return on net assets (%)	10.90	8.80	Increase by 2.10 percentage points	18.42
Weighted average return on net assets after deducting non-recurring profit or loss (%)	9.98	8.05	Increase by 1.93 percentage points	16.54

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 2025

	Unit: Ten Thousand Yuan Currency: RMB			
	Q1 (January-March)	Q2 (April-June)	Q3 (July-September)	Q4 (October-December)
Operating revenue	376,690.37	442,151.52	441,691.85	478,413.28
Net profit attributable to shareholders of the listed company	34,690.70	39,816.00	40,407.61	15,972.03
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	32,296.26	37,692.82	36,161.16	13,724.39
Net cash flows from	9,139.92	56,824.53	90,076.06	25,870.47

operating activities				
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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

Non-recurring profit or loss items	Unit: Ten Thousand Yuan		Currency: RMB	
	Amount in 2025	Notes (if applicable)	Amount in 2024	Amount in 2023
Profit or losses on disposal of non-current assets, including the portion offset for provisions for asset impairment	867.51		1,474.00	-401.59
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	4,770.88		8,147.44	7,298.59
Profits or losses from changes in fair value of financial assets and liabilities held by non-financial corporations and profits or losses from the disposal of financial assets and liabilities, except for effective hedging operations related to the Company's normal business operations	3,752.06		-75.26	1,653.25
Investment income from disposal of long-term equity investments	53.07		-736.76	
Reclassification of impairment loss allowances of receivables separately tested for impairment	734.22		4,113.09	1,796.36
Profit or loss on debt restructuring	-48.52		271.10	-8.70
Other non-operating income and expenses apart from the aforementioned items	4,829.21		-1,064.62	13,115.28
Less: Income tax effect	2,471.02		1,508.76	1,490.91
Effect equities of non-controlling interest (after tax)	1,475.70		2,056.07	638.04
Total	11,011.71		8,564.16	21,324.24

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. Companies with equity incentives or employee stock ownership plans may disclose the net profit after deducting the impact of share-based payment

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Key accounting data	2025	2024	Increase or decrease for the current Reporting period over corresponding period last year (%)	2023
Net profit after deducting the impact of share-based payment	142,656.38	101,172.77	41.00	209,199.64

Note: the above is the net profit attributable to the shareholders of the listed company after deducting the impact of share-based payments.

XII. 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	71,659.42	57,946.59	-13,712.83	-163.52
Accounts receivables financing	21,080.16	21,523.95	443.79	
Other equity instruments investments	420.51	360.28	-60.23	
Other non-current financial assets	1,302.52	2,194.00	891.48	-108.52
Assets held for sale	348.18	-	-348.18	488.15
Financial liabilities held for trading	160.01	215.65	55.64	231.30
Total	94,970.80	82,240.47	-12,730.33	447.41

XIII. Others

Applicable Not applicable

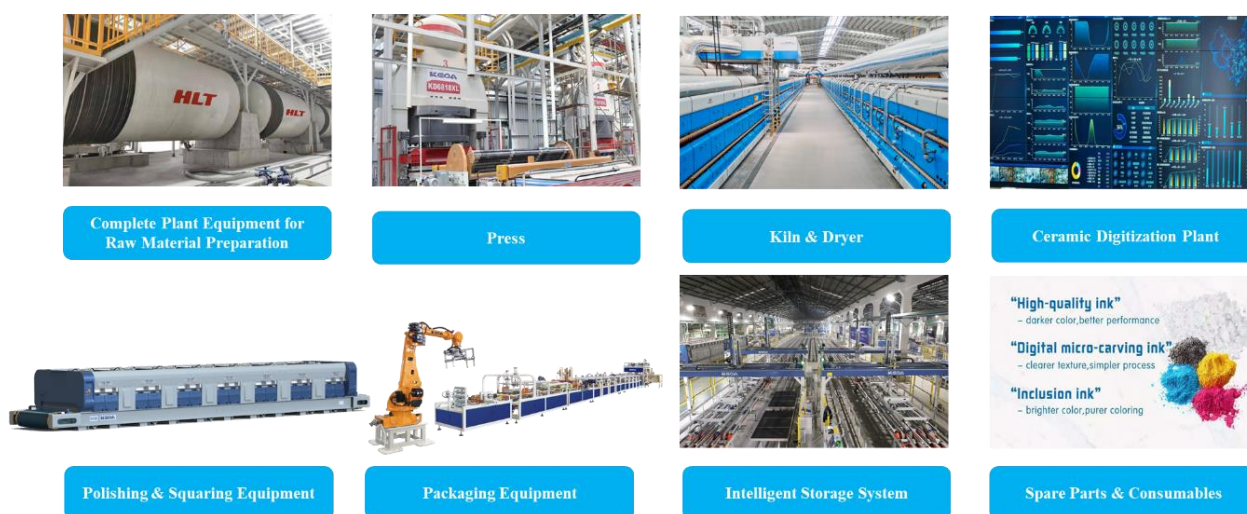
Section III Management Discussion and Analysis

I. Business Operations During the Reporting period

The Company's primary businesses include the manufacture and sale of ceramic machinery and building materials. It has also made a strategic investment in the lithium salt business, primarily through Lanke Lithium Industry, and is developing several emerging business segments, including lithium-ion battery materials and machinery, hydraulic pumps, and smart energy solutions. During the Reporting period, there were no material changes to the Company's principal businesses or operating model.

1. Ceramic Machinery Business

➤ **Business and product overview:** The Company's building materials machinery segment is mainly focused on ceramic machinery. Its core products include presses, kilns, polishing and squaring machines, and intelligent post-kiln complete production lines, which provide key manufacturing equipment for tile production by downstream ceramic manufacturers. In addition to supplying machinery, the Company provides a range of supporting services to downstream ceramic manufacturers, including spare parts and consumables supply, machinery maintenance and refurbishment, digital upgrades, and operation and maintenance services for entire production lines. Through this integrated approach combining machinery, spare parts & consumables, and services, the Company extends its service chain vertically and is committed to becoming a global producer and service provider of ceramics, creating value for customers worldwide.



While continuing to strengthen its traditional core business in ceramic machinery, the Company has also been exploring ways to extend the application of its core technologies and capabilities, further expanding its product portfolio. At present, its press equipment has been expanded into applications such as cookware pressing, isostatic or rolling forming for daily-use ceramics, metal forging, and aluminum profile extrusion. Kiln equipment has been applied in the production of sanitary ware, tableware, refractory materials, as well as in segments of the lithium-ion battery industry value chain.

➤ **Product market position and competitive advantages**

Advantage Category	Description
Market position and brand strength	Keda Group is a globally leading supplier of ceramic machinery. Originating in ceramic machinery manufacturing, the Company has achieved the historic objectives of localizing ceramic machinery in China and becoming a strong global competitor in the building materials machinery industry. It has grown into a leading enterprise in both China and the global ceramic machinery sector. The Company owns three well-known ceramic machinery brands — KEDA, HLT DLT, and ICF & Welko — all of which enjoy strong brand recognition and a solid reputation within the industry.
Integrated supply capability	The Company is currently the only enterprise in Asia capable of providing complete plant solutions for ceramic machinery. As part of its ongoing "Globalization" and "Servitization" strategies, the Company has strengthened its global service capabilities through several initiatives. By taking an equity stake in SinoCera Create-Tide, a leading Chinese manufacturer of ceramic inks and colored glaze materials, the Company has enhanced industry chain collaboration and supported the international expansion of spare parts and consumables. At the same time, it continues to optimize its global service network by establishing subsidiaries and spare-parts warehouses in key markets, creating an efficient and localized service system. To date, the Company's operations cover more than 80 countries and regions, enabling it to provide customers worldwide with comprehensive and timely products and services.
Product portfolio strength	Through ongoing technological and process innovation by its Chinese and Italian subsidiaries, the Company has progressively refined and expanded its product portfolio. Its offerings now cover multiple product lines, enabling the Company to better meet customers' diverse and customized requirements while providing stronger integrated product support and service capabilities.

➤ **Business model**

Category	Description
Nature of business	The Company's ceramic machinery business mainly supplies machinery products together with related spare parts and consumables, and also provides supporting technical services such as maintenance. Equipment products are primarily manufactured and operated by Keda Group and its wholly-owned subsidiaries. In the spare parts and consumables segment, in addition to certain self-operated products, the Company also expands its business through joint ventures. In 2023, the Company acquired an equity stake in SinoCera Create-Tide, a leading domestic manufacturer of ceramic inks and glazes, and jointly established Quanitech to expand into international markets.
Operations and management	The Company adopts a production-on-demand model, organizing production based on confirmed sales orders. Its affiliated financial leasing company is able to provide supporting financing services for customers. In addition, through subsidiaries and international offices in Turkey, India, Indonesia, and other locations, the Company provides spare parts, consumables, machinery maintenance, and refurbishment services to local and nearby markets, allowing it to respond promptly to the needs of international customers.

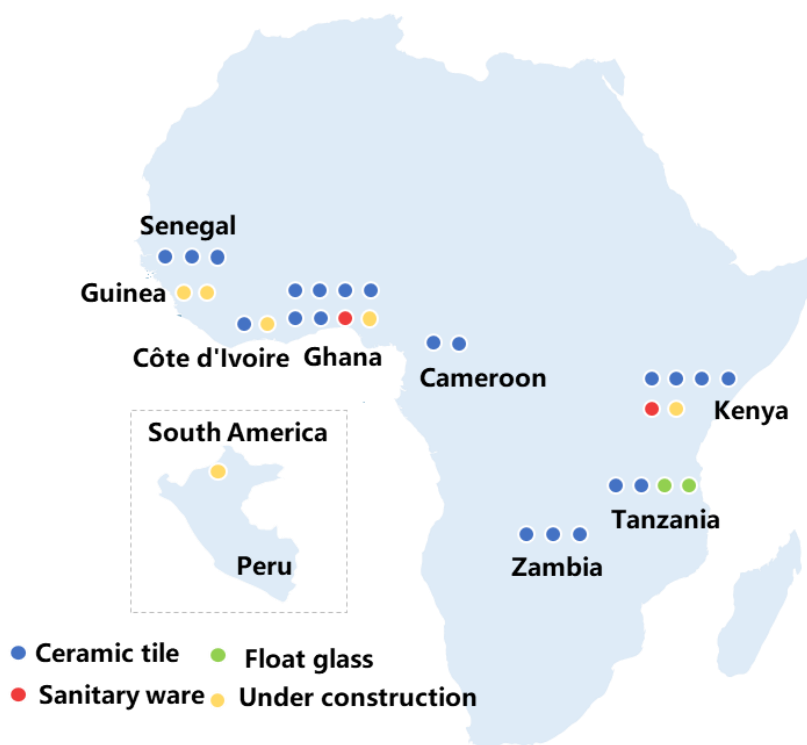
Sales model	Direct sales in the domestic market, and a combination of direct sales and agent/distributor channels in international markets.
Market presence	The Company's ceramic machinery business operates 13 manufacturing bases (including key component production facilities) across China, Italy, and India, with products sold to both domestic and international markets. In developing countries where the building materials industry is relatively mature, the Company implements a deep localization strategy by establishing subsidiaries or operational bases that bring spare parts, consumables, and maintenance services closer to customers. This approach enables the Company to build strong local sales and service teams and upgrade its service system to strengthen customer loyalty. For high-end markets in Europe and North America, the Company combines Italian manufacturing expertise with its own capabilities to enhance its product portfolio and competitiveness. By leveraging established local brand channels and developing demonstration factories, the Company provides cost-effective complete plant solutions along with follow-up spare parts and maintenance services, strengthening market recognition of its ceramic machinery in high-end markets while actively expanding new growth opportunities.

➤ **Key performance drivers:** In recent years, the ceramics industry in international markets has been undergoing structural adjustments as it seeks a new equilibrium, while the Chinese market is gradually shifting toward quality-driven development. The optimization of existing capacity in traditional production regions, together with expansion in emerging markets, has become a defining feature of the industry's development. Against this backdrop, the Company continues to deepen its global presence and localized operations. By leveraging its spare parts and consumables service business and expanding into non-ceramic machinery sectors, the Company seeks to unlock potential in both existing and emerging markets. At the same time, the Company is strengthening its capabilities in intelligent complete plant solutions and green, low-carbon technologies, building a core competency centered on an integrated "machinery + services" model. This enables downstream customers to enhance operational efficiency and achieve high-quality development.

2. Building Materials Business

➤ **Business and product overview:** In international emerging markets, the Company follows a "Building Materials Portfolio Expansion" Strategy. With Africa as its core market, the Company continues to expand local building materials production capacity, optimize regional market deployment, and broaden its business scope. It has established a diversified business structure covering ceramic tiles, glass, and sanitary ware, while also actively exploring opportunities in South America, with the aim of building a large-scale international building materials group with international competitiveness. As of the end of 2025, the Company's building materials operations included 21 ceramic production lines, 2 glass production lines, and 2 sanitary ware production lines across seven African countries: Kenya, Ghana, Tanzania, Senegal, Zambia, Cameroon, and Côte d'Ivoire. In 2025, the Company produced approximately 205 million square meters of ceramic tiles, over 350 thousand tons of float glass, and more than 2,700 thousand sanitary ware units. Its building materials products were exported to more than 60 countries and regions, including Uganda, Rwanda, and Malawi in East Africa, and Togo, Mali, and Burkina Faso in West Africa, among others.

The Overall Production Capacity Layout of Building Materials



➤ Product market position and competitive advantages

Advantage Category	Description
<p>Distribution network and market position advantages</p>	<p>After years of focused development in the African market, the joint venture has established extensive global coverage for ceramic tile and other building materials through a combination of domestic sales and export channels, reaching over 60 countries and regions worldwide. In Africa, it has developed a broad sales network with more than 600 branded specialty stores. As a leading enterprise in Africa's ceramics industry, the joint venture has secured a solid market position in its key target markets, with its main products consistently ranking among the top in market share across multiple African countries. By building a multi-tier brand portfolio covering high-, mid-, and entry-level segments, the Company is able to serve customers with different purchasing power. Through sustained localization efforts, the joint venture has also established certain barriers to entry in areas such as market presence, distribution channels, and supply chain management.</p>
<p>Localized production advantages</p>	<p>The joint venture has established and successfully operated production bases in several African countries and regions, creating advantages in both product design and production costs. In terms of product design, the presence of local manufacturing facilities enables a rapid feedback mechanism for responding to market demand, allowing the Company to update and iterate products quickly in line with market trends. In terms of logistics and raw material costs, compared with the traditional import-based trade model, the joint venture can supply the host countries and neighboring markets directly from its African production bases, thereby reducing unit transportation costs. At the same time, the local sourcing of most bulk raw materials, such as ceramic body materials, provides procurement cost advantages and creates a pricing advantage over imported products in end markets. With regard to labor costs, the joint venture has achieved a high degree of localization among</p>

	front-line production workers and entry-level management staff, effectively reducing direct labor costs in the manufacturing process.
Machinery and production process advantages	<p>Some machinery used in the joint venture's ceramic and sanitary ware production lines is supplied by the Company. With more than 30 years of experience in the manufacture of ceramic machinery, Keda Group is able to provide locally adapted machinery, spare parts and consumables, as well as manufacturing processes, ensuring stable production operations and optimizing product quality.</p> <p>In addition, given the varying mineral and clay characteristics across different regions of Africa, the joint venture has established a comprehensive raw material testing and analysis system together with a flexible formulation adjustment mechanism. This ensures consistent product quality while also creating advantages in raw material costs and forming technical barriers in terms of raw material adaptability and production stability.</p>

➤ Business model

Category	Description
Nature of business	The building materials business is operated through a joint venture between the Company and its strategic partner, Sunda Group. Guangdong Twyford International serves as the parent company (business headquarters) of this segment, with Keda Group holding 48.45% of the equity and Sunda Group holding 30.88%.
Operations and management	Guangdong Twyford International is responsible for the overall operational management of the building materials business, including production technology, marketing, supply chain management, infrastructure construction, and day-to-day operations. It has established building materials factories in multiple countries to undertake local manufacturing activities.
Procurement model	Production materials are procured through a combination of competitive bidding and tendering, supplemented by price comparison and quotation inquiries.
Production scheduling model	Production scheduling follows a model combining confirmed orders and demand forecasts.
Sales model	Products are primarily sold through a distributor-based sales model.
Market presence	The Company continues to deepen its presence in Sub-Saharan Africa, achieving broad coverage of the regional building materials market. It plans to replicate the successful experience gained in the African market in other promising markets, further expanding the footprint of its building materials business.

➤ **Key performance drivers:** Factors such as rapid population growth, steady economic development, and increasing demand for infrastructure construction in Africa have created substantial opportunities for the expansion of the Company's building materials business. In recent years, the Company has achieved steady performance growth through the continued release of newly added building materials production capacity in Africa. At the same time, it has strengthened the overall competitiveness of its building materials operations by enhancing cost control, improving operational efficiency, optimizing management systems, and deepening localized operations.

3. Strategic Investment and Incubation Businesses

- **Lithium-ion battery materials and new energy machinery:** The Company has established a business framework comprising anode materials, new energy machinery, and lithium salt investments. The anode materials segment is primarily operated through the subsidiary Fujian Keda New Energy and its subsidiaries. At present, the segment has essentially established an integrated production capacity of 150,000 tons per year of synthetic graphite. The new energy machinery segment focuses mainly on the research, development, and manufacturing of lithium-ion battery equipment and clean coal gasification equipment. In lithium-ion battery equipment, the Company concentrates on the sintering stage of lithium-ion battery material production, providing sintering equipment such as tunnel kilns, rotary kilns, and roller-hearth kilns to support the manufacturing of cathode and anode materials. The clean coal gasification equipment has already been successfully deployed and widely adopted in the alumina industry. In terms of lithium salt investment, the Company holds a 48.58% equity stake in Lanke Lithium Industry, a company engaged in lithium extraction from salt lakes. Lanke Lithium Industry currently has an annual production capacity of 41,000 tons of lithium carbonate and represents an important contributor to China's salt-lake lithium extraction sector.
- **Hydraulic pump and motor business:** Keda Hydraulic is a national specialized and sophisticated "Little Giant" enterprise, focusing on the development and technological innovation of high-end piston pumps, motors, and hydraulic systems. The Company has mastered the core technology of high-pressure piston pumps and has achieved domestic mass production of these products. The Company's independently developed large-displacement high-pressure piston pumps and bent-axis piston motors have been applied by leading enterprises across industries such as industrial manufacturing, construction machinery, and offshore engineering and marine vessels, as well as in major national engineering projects, providing customers with integrated system solutions. At present, Keda Hydraulic focuses on two primary areas: industrial hydraulics and mobile machinery. With the commissioning of Anhui Production & Research Bases, the Company is systematically advancing cost reduction and efficiency improvements through lean manufacturing and supply chain optimization. Building on this foundation, the Company aims to consolidate its existing market advantages while actively expanding into new markets by developing application-specific products and promoting domestic substitution, thereby continuously strengthening its overall competitiveness.
- **Smart energy business:** Keda Smart Energy focuses on integrated solar-plus-storage solutions, with core businesses covering power trading, integrated solar-storage-charging systems, distribution network operation, and carbon asset trading. Currently, the Company has deployed integrated energy service operations in several provinces in China, including Anhui, Guangdong, and Jiangsu, as well as in international markets such as Kenya, Senegal, and Morocco in Africa. During the Reporting period, Keda Smart Energy successfully advanced several international projects, including solar-plus-storage projects for international Chinese-operated supermarkets, a photovoltaic project for a sanitary products factory in Kenya, and photovoltaic projects for ceramic factories in Africa. Looking ahead, this business segment will continue to monitor developments in both domestic and international electricity markets. While providing energy support for the Company's international operations, it will also actively pursue and expand opportunities in external markets.

Explanation of Significant New Non-Core Businesses During the Reporting period

□Applicable √Not applicable

II. Industry Conditions During the Reporting period

1. Ceramics and Machinery Industry

China's ceramics industry continues to exert a strong influence on the global market while undergoing a critical phase marked by both adjustment and transformation. In 2024, affected by fluctuations in domestic demand, the industry remained in a cyclical adjustment period. According to the report World Production and Consumption of Ceramic Tiles produced by MECS / Acimac Research Center, China's annual ceramic tile production and consumption declined to 5.910 billion square meters and 5.314 billion square meters, respectively. Although these figures represent a contraction compared with previous years, China still maintained its position at the core of the global market, accounting for 39.5% of global production and 36.5% of global consumption. At the same time, the industry structure continued to improve, with the number of enterprises decreasing from 1,022 to 938, further increasing industry concentration.

In 2025, the industry entered a key stage of transition from scale-driven expansion to quality-driven development. Although structural pressures persist due to the adjustment of the real estate market and excess low-end production capacity, policy initiatives such as the "quality home" strategy, urban renewal programs, and age-friendly renovation of existing housing are gradually creating new demand for high-quality and functionally enhanced products. Multiple government departments have introduced policies promoting green building standards, quality grading systems for ceramic tiles, and the adoption of intelligent manufacturing system solutions. These initiatives encourage enterprises to upgrade products through technological innovation and help foster a healthy market environment in which high-quality products command appropriate pricing.

Date Issued	Issuing Authority	Policy	Key Content
March 2025	State Council	<i>Government Work Report of the State Council (2025)</i>	Calls for the implementation of more proactive and effective macroeconomic policies, focusing on expanding domestic demand, stimulating consumption, and optimizing the supply structure. The report also promotes the development of quality homes that are safe, comfortable, eco-friendly, and smart. It proposes the issuance of RMB 4.4 trillion in local government special-purpose bonds, primarily for investment in construction and the acquisition of existing commercial housing, as well as RMB 300 billion in ultra-long special treasury bonds to support consumer goods trade-in programs. These measures are expected to create new opportunities for the ceramics industry.
May 2025	State Administration for Market Regulation; Standardization	<i>Quality Grading of Consumer Products – Ceramic Tiles</i>	Introduces a quality grading management system for ceramic tiles with water absorption $\leq 3\%$, specifying the classification categories, grading principles, basic requirements, and grading indicators. The policy is

	Administration of China		intended to guide the industry in continuously improving manufacturing capabilities and product quality.
May 2025	General Office of the CPC Central Committee; General Office of the State Council	<i>Opinions on Continuously Advancing Urban Renewal Initiatives</i>	Proposes a series of measures, including strengthening the renovation and reuse of existing buildings, accelerating the renovation of aging residential communities, promoting the redevelopment of old urban districts, former industrial areas, and urban villages, and strengthening the construction and upgrading of urban infrastructure.
September 2025	Ministry of Industry and Information Technology and five other departments	<i>Work Plan for Stabilizing Growth in the Building Materials Industry (2025–2026)</i>	Introduces multi-dimensional measures to promote high-quality development of the building materials industry, including a target of over RMB 300 billion in revenue from green building materials by 2026. Policies such as urban renewal initiatives, consumer goods trade-in programs, and the promotion of green building materials in rural areas aim to expand market demand. Subsidy policies will support products such as thin ceramic tiles and smart toilets. In addition, policies including large-scale machinery upgrades, ultra-long-term special treasury bonds, and special re-lending programs will support enterprises in implementing digital and green technology upgrades, enabling coordinated upgrading of production and demand.
October 2025	Ministry of Industry and Information Technology	<i>Catalogue of Technologies and Products Encouraged for Promotion and Application in the Building Materials Industry (2025 Edition)</i>	Promotes the adoption of intelligent and green technologies in the ceramics sector. For example, the Intelligent Manufacturing System Solution for Architectural Ceramics Factories, which integrates manufacturing execution systems, intelligent polishing control, and warehouse logistics systems, can support smart factory upgrades and enable a 50% reduction in labor requirements, a 20% increase in efficiency, and a 5% reduction in energy consumption. Another example is the high-efficiency digital double-layer roller kiln technology, which offers advantages such as high output, high finished-product yield, and low energy consumption, significantly reducing combined fuel consumption in drying and firing processes and supporting the industry's green transformation.

At present, the competitive landscape of China's architectural ceramics industry is becoming increasingly diversified and tiered. Leading companies are strengthening their market positions through economies of scale and intelligent manufacturing upgrades, while small and medium-sized enterprises pursue differentiated development through regional specialization and distinctive products. In the short term, the industry continues to face demand fluctuations and competitive pressure, but structural opportunities remain. Driven by environmental and low-carbon requirements as well as technological innovation, the industry is unlocking the potential of existing markets through green manufacturing and technological upgrades, thereby reshaping its competitiveness amid structural adjustment. As a producer and service provider of ceramics, the Company supports downstream customers in achieving high-end, intelligent, and green development through integrated intelligent complete production lines and innovations in green and low-carbon technologies.

From a global perspective, the ceramics industry has demonstrated resilience despite ongoing challenges. According to the *World Production and Consumption of Ceramic Tiles* report, global ceramic tile output declined to 14.95 billion square meters in 2024 due to macroeconomic factors. However, the European Union market remained relatively stable, with production and consumption increasing 1.4% and 1% year-on-year, respectively. At the country level, Spain and Brazil saw production rebound against the broader trend, while Vietnam recorded a notable increase of 27%. Entering 2025, global markets continued to show divergent trends, with some traditional production regions and emerging markets beginning to stabilize. According to forecasts from industry associations and authoritative institutions such as the Italian Ceramic Industry Association, the Spanish Ceramic Association, and the Indonesian Ceramic Industry Association, Italy's ceramic tile production and sales are expected to increase 5% and 2% year-on-year, respectively, while Spain's domestic sales and production are also projected to grow. In Indonesia, ceramic tile production during January–September 2025 reached 330–335 million square meters, representing an approximately 8% year-on-year increase. In India, revenue in the ceramic tile industry is projected to grow 4%–5% in fiscal year 2025, with the pace of growth continuing to accelerate. In the upstream machinery segment, preliminary statistics from the MECS / Acimac Research Center indicate that total revenue in Italy's ceramic machinery industry is expected to reach EUR 1.732 billion in 2025, representing a 5.1% decline from EUR 1.825 billion in 2024. However, this contraction is significantly smaller than the 24% decline recorded in 2024. Overall, the global ceramics industry is gradually seeking a new balance between supply and demand amid structural adjustment. The optimization of existing capacity in traditional production regions, combined with incremental expansion in emerging markets, is shaping a new normal for industry development.

2. African Building Materials Market

In 2025, the economies and populations of Sub-Saharan Africa, the key region for the Company's building materials operations, continued to grow steadily. According to data from the World Bank and the International Monetary Fund, the region's economic growth rate is expected to rebound to 4% in 2025, while the population is projected to reach 1.26 billion, representing a year-on-year increase of 2.44%. These trends provide sustained internal momentum for the development of the building materials industry. With economic expansion and population growth, the region's urbanization rate has reached approximately 44% in recent years, indicating substantial room for further growth. Governments in countries such as Kenya and Côte d'Ivoire have stepped up support for housing construction and industrial infrastructure through initiatives including Affordable Housing Programs and national development plans. These policies have laid a solid foundation for the continued release of local demand for building materials.

Driven by the ongoing process of regional integration, the overall market environment in the region continues to improve. On the one hand, cross-border transportation networks under the African Union's *Agenda 2063* and the *Program for Infrastructure Development in Africa* (PIDA) are progressing steadily. The African Development Bank Group has already provided financing support for 18,000 kilometers of transnational highways, while the African Integrated High-Speed Railway Network has completed 12,000 kilometers of rail track construction. On the other hand, the African Continental Free Trade Area (AfCFTA) has made substantial progress. By the end of 2025, 48 countries had ratified the agreement, with tariff reductions and regulatory harmonization continuing to accelerate. According to the

Economic Report on Africa 2025 released by the United Nations Economic Commission for Africa, intra-African exports are expected to increase by 45% by 2045, while cross-border trade is projected to grow by USD 275.7 billion. Improvements in infrastructure and enhanced trade facilitation are jointly creating more favorable conditions for the regional circulation of building materials products.

From a supply-and-demand perspective in the ceramic tile industry, preliminary data from the MECS / Acimac Research Center indicates that Africa's ceramic tile output experienced a short-term decline of 13% in 2024, falling to 1.025 billion square meters, mainly due to production adjustments in North African countries such as Egypt and Algeria. However, ceramic tile production in Sub-Saharan Africa remained stable, while overall demand continued to show an expanding trend. Against this backdrop, the Company will follow the momentum of regional integration, leveraging its existing production base to further consolidate and strengthen its competitive position in the Sub-Saharan African market.

WORLD MANUFACTURING AREAS				WORLD CONSUMPTION AREAS			
AREAS	2024 (Sq.mt Mill.)	% on world production	% var. 24/23	AREAS	2024 (Sq.mt Mill.)	% on world consumption	% var. 24/23
EUROPEAN UNION (27)	1,054	7.1%	1.4%	EUROPEAN UNION (27)	839	5.8%	1.0%
OTHER EUROPE (Turkey included)	561	3.8%	-8.8%	OTHER EUROPE (Turkey included)	623	4.3%	-2.0%
NORTH AMERICA (Mexico included)	328	2.2%	-6.0%	NORTH AMERICA (Mexico included)	542	3.7%	-1.6%
CENTRAL-SOUTH AMERICA	1,100	7.4%	-2.1%	CENTRAL-SOUTH AMERICA	1,205	8.3%	-0.9%
ASIA	10,877	72.8%	-6.5%	ASIA	10,064	69.2%	-7.7%
AFRICA	1,025	6.9%	-13.0%	AFRICA	1,227	8.4%	-14.3%
OCEANIA	5	0.0%	0.0%	OCEANIA	52	0.4%	2.0%
TOTAL	14,950	100.0%	-6.2%	TOTAL	14,552	100.0%	-6.8%

Figure: Global Ceramic Tile Production and Consumption in 2024

III. Discussion and Analysis of Operating Performance

In 2025, amid a complex global environment characterized by escalating trade frictions, ongoing geopolitical tensions, and structural divergence in manufacturing investment, Keda Group continued to anchor its development strategy in globalization. The Company further strengthened the international presence and localized operating model of its ceramic machinery business, while actively advancing capacity expansion and market development for its building materials operations. As a result, the Company achieved solid overall performance growth, demonstrating strong resilience and development potential. During the Reporting period, the Company recorded operating revenue of RMB 17.389 billion, representing a year-on-year increase of 38.01%, with international revenue accounting for about 67% of total revenue. Net profit attributable to shareholders of the listed company amounted to RMB 1.309 billion, up 30.07% year-on-year. Supported by the strong performance of the building materials business, the Company generated net operating cash flow of RMB 1.819 billion, representing a 226.47% year-on-year change. Key initiatives undertaken during the Reporting period are summarized below.

1. Ceramics Machinery Business: Advancing Global Expansion and Strengthening Brand Influence Through an Integrated Products-and-Services Approach

In 2025, Keda Group continued to advance its global expansion strategy externally, while internally strengthening its spare parts and consumables service system and actively pursuing research and innovation aimed at broadening the application of mechanical equipment across industries. By improving its international localized service network and strengthening supply chain capabilities, the Company accelerated its transition toward becoming a global service provider for architectural ceramics production. During the Reporting period, the Company's building materials machinery segment generated operating revenue of RMB 5.144 billion. The ceramic machinery business maintained stable performance. Although domestic order intake declined somewhat, the Company's market share continued to increase steadily. In international markets, more than 60% of ceramic machinery orders were generated internationally. The Company maintained a solid business presence in Southeast Asia, the Middle East, and South Asia, while achieving notable order growth in East Asia and the Americas. The Company also secured cooperation with leading international ceramic manufacturers on complete ceramic production line projects, and for the first time exported complete ceramic production lines to Japan and press equipment to Europe. These breakthroughs in certain high-end markets have further enhanced the global brand recognition and influence of the Company's ceramic machinery business.

In terms of global expansion, the Company continues to implement the service philosophy of "rapid response and real-time service." By deepening localized operations, it aims to improve both the speed and quality of its response to customer needs. In 2025, the Company established new subsidiaries in Brazil, Vietnam, and Egypt, key countries, and production regions for the ceramics industry. It also continued to optimize the layout of international offices and spare parts and consumables warehouses in Algeria, the United Arab Emirates, Mexico, and Bangladesh. Meanwhile, as the Company's products have gained greater recognition and market penetration in Turkey, and leveraging Turkey's strategic geographic position spanning Europe and Asia, the Company upgraded its local trading subsidiary into a Research & Production Base. During the year, construction of the BOZUYUK factory in Turkey was completed. Supporting facilities, including spare parts and consumables operations and an ink workshop, have already been established. In the future, the Company plans to introduce additional services such as machinery maintenance and refurbishment, extending service coverage to surrounding regional markets. Through diversified services, the Company aims to strengthen customer loyalty and build a localized competitive advantage. During the Reporting period, as the Company intensified the development of its spare parts and consumables business, orders in this segment accounted for approximately 25% of total ceramic machinery order intake, with international orders increasing by more than 30% year-on-year, providing a steady and sustainable source of incremental growth for the ceramic machinery segment.

At the same time, the Company and its subsidiaries continued to expand the cross-industry application of mechanical equipment, introducing upgraded products such as soft magnetic presses, refractory brick presses, wheel hub forging presses, and aluminum extrusion presses. The Company also secured the industry's first double-deck roller kiln project for tableware production, along with kiln equipment orders for daily-use ceramics, sanitary ceramics, and microcrystalline glass. Total order value for these projects during the year exceeded RMB 500 million.

2. Building Materials Business: Product Expansion Driving Growth and Capacity Release Supporting Gains in Both Volume and Price

In 2025, the Company continued to advance the development of localized building materials projects in Africa by expanding production capacity and optimizing its regional footprint. It has initially established a product portfolio covering ceramic tiles, glass, and sanitary ware. Benefiting from increases in both sales volume and pricing of ceramics tiles, as well as the gradual release of glass production capacity, the Company's building materials segment achieved rapid growth. During the Reporting period, the Company produced approximately 205 million square meters of ceramics, representing a year-on-year increase of approximately 16%. The Company also began the production and sale of glass products, achieving annual float glass output exceeding 350 thousand tons. As a result, the building materials segment generated revenue of RMB 8.185 billion, representing a year-on-year increase of 73.61%, with a gross profit margin of 35.26%, up 4 percentage points year-on-year.

From an operational perspective, influenced by factors such as market demand in Africa, exchange rate fluctuations, the Company's competitive strategy, and supportive local policies, the Company's ceramic tile products continued an overall upward pricing trend during the Reporting period, resulting in improved profitability compared with the previous year. For the glass segment, as capacity utilization improved and the management team accumulated operational and manufacturing experience, profitability has gradually improved and stabilized. For the sanitary ware segment, although it continued to face certain operating pressures due to structurally insufficient demand and constraints related to certain raw material supply, the business achieved break-even performance for the full year. In addition, supported by the strong operating performance of the building materials segment during the Reporting period, the segment's asset-liability ratio declined. The Company also adjusted the currency composition of its borrowings by replacing certain U.S. dollar and euro loans with RMB-denominated loans, thereby reducing the impact of foreign currency borrowings on exchange gains and losses.

In terms of capacity deployment, following the commencement of operations of the Kenya Isinya ceramics project and the Côte d'Ivoire ceramics project in June and July, respectively, the Company's building materials business now operates 21 ceramic production lines, 2 glass production lines, and 2 sanitary ware production lines across seven African countries. These facilities provide an annual production capacity of approximately 200 million square meters of ceramics, 2.6 million sanitary ware units, and 400,000 tons of glass, strengthening both the scale of production capacity and regional operational synergies. Furthermore, to capture market opportunities and enhance competitiveness, in addition to the glass project in Peru, South America, which is progressing steadily, the Company has also initiated the construction of the Phase II ceramics project in Côte d'Ivoire and the Phase II Kisumu ceramics project in Kenya, and has planned the ceramics project in Guinea and the Ghana float glass project. These projects are expected to come into operation progressively between 2026 and 2027. Looking ahead, the Company will continue to monitor supply and demand dynamics in the building materials markets across Africa, promote the iterative upgrading of ceramics products to better meet consumer demand, and support the sustainable development of its building materials business by optimizing the balance between domestic and export sales within each region, strengthening supply chain capabilities, and improving production efficiency.

In 2026, the Company plans to acquire 51.55% of the equity interest in Guangdong Twyford International, the main operating entity of its building materials segment, through a combination of share issuance and cash payment, and to raise supporting funds through a

share issuance to no more than 35 specific investors. On January 28, 2026, the Company's Board of Directors approved the preliminary proposal for this transaction. Upon completion of the transaction, the Company will hold 100% equity ownership in Guangdong Twyford International, and key financial indicators such as net assets and net profit attributable to shareholders of the listed company are expected to increase significantly. As of now, the required regulatory approvals for this transaction have not yet been completed, and there remains uncertainty as to whether the transaction will ultimately be successfully implemented. Investors are advised to closely follow subsequent announcements and remain mindful of investment risks.

3. Lithium-ion Battery Materials Business: Improving Quality and Efficiency to Build Competitiveness and Capture Market Recovery

In 2025, driven by the continued rise in electric vehicle penetration and the rapid expansion of energy storage demand, the anode materials and lithium salt markets showed signs of a cyclical rebound from previous lows, with supply–demand dynamics gradually improving. In the anode materials segment, benefiting from the market recovery, the Company strengthened cooperation with leading enterprises in the energy storage sector during the Reporting period. Meanwhile, with the gradual release of production capacity from the Company's synthetic graphite production lines in Fujian and Chongqing, output and sales of synthetic graphite increased significantly. During the year, synthetic graphite products recorded production of 115.8 thousand tons and sales of 114.4 thousand tons, representing substantial growth in both output and sales volume. In 2025, the Company's lithium-ion battery materials segment achieved operating revenue of approximately RMB 2.384 billion, representing a year-on-year increase of about 170%. As production line utilization improved, equipment and technologies were upgraded and optimized, and a range of cost-reduction initiatives were implemented, the segment achieved a notable improvement in gross margin, increasing by 11 percentage points compared with 2024, and overall returned to profitability during the year.

In the lithium salt investment segment, the Company's investee Lanke Lithium Industry enhanced lithium recovery to over 90% through refined control of its adsorption-based lithium extraction process. At the same time, it carried out intelligent upgrades to its production facilities, reducing production costs to industry-leading levels and achieving improvements in both capacity utilization and operational efficiency. During the Reporting period, Lanke Lithium Industry produced 41,000 tons of lithium carbonate and sold 41,200 tons, with production and sales remaining stable year-on-year. For the full year, Lanke Lithium Industry recorded operating revenue of RMB 2.594 billion and net profit of RMB 0.73 billion, contributing RMB 0.318 billion to the Company's net profit attributable to shareholders of the parent company, representing a year-on-year increase of 36.56%. Looking ahead, the Company will continue working with Lanke Lithium Industry's controlling shareholder to support the Company's operational development and technological innovation, further enhancing Lanke Lithium Industry's operational quality and profitability.

IV. Analysis of Core Competitiveness During the Reporting period

Applicable Not applicable

In 2025, faced with a complex and evolving internal and external environment, the Company fully implemented its operating policy of "innovation, quality improvement, cost reduction,

and efficiency enhancement, with the aim of building comprehensive global competitiveness." Guided by its development strategy centered on "Globalization, Servitization, Digitalization and Youngization", the Company remained committed to its corporate culture, seized development opportunities, continuously strengthened its core competitive advantages, and further enhanced both the quality and resilience of its long-term development.

1. Advancing the "Globalization" Strategy and Leveraging Localized Operational Strengths

The Company adheres to its development strategies of "Globalization" and "Servitization", and continues to deepen its international expansion. In the ceramic machinery business, guided by its positioning as a global producer and service provider of ceramics, the Company has extended its service chain vertically while expanding its service scope horizontally, further refining a development model driven by the dual engines of manufacturing and services. In the spare parts and consumables segment, building on the positive outcomes of earlier cooperation with SinoCera Create-Tide, the Company has actively explored deeper collaboration and entered this field through joint ventures, thereby enriching its product offerings. In terms of international deployment, the Company has strengthened its global collaborative network by expanding international subsidiaries, representative offices, and spare parts warehouses, integrating R&D, manufacturing, sales, and service capabilities into a coordinated global system. This has shortened service response distances, accelerated response times, and enhanced the Company's flexibility in responding to market changes. As of the end of 2025, the Company operated 13 manufacturing bases across China, Italy, India, and Turkey, together with more than 120 service outlets worldwide. Its ceramic machinery business has now reached over 80 countries and regions.



Figure: Ribbon-cutting ceremony for the opening of the MICASSO tile flagship showroom



Figure: Ribbon-cutting ceremony for the KAMI ink factory in Turkey

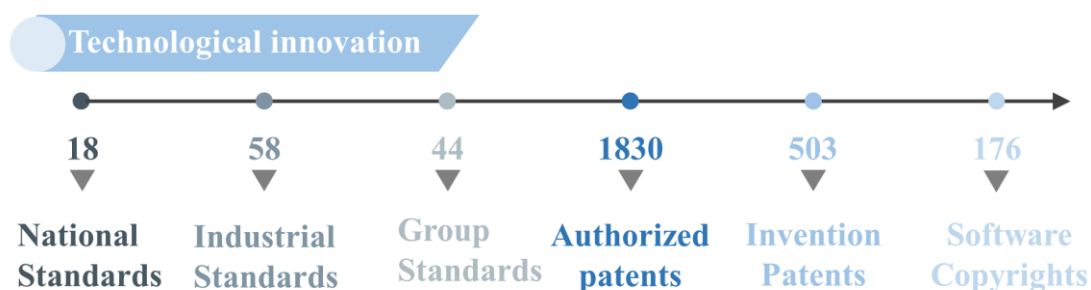
In the building materials business, after nearly ten years of localized operations, the joint venture has established production capacity for ceramics, glass, and sanitary ware across seven African countries, with products sold to more than 60 countries and regions globally. At present, the joint venture has developed first-mover advantages in Africa in areas such as branding, distribution channels, and supply chain networks, while also demonstrating strong capabilities in product design, production costs, machinery, and manufacturing processes (For details, see "Product market position and competitive advantages" under "I. Business

Operations during the Reporting period – 2. Building Materials Business."). In addition, the building materials business currently has a local employee ratio exceeding 90%. On one hand, the joint venture benefits from a Chinese management team with cross-border operational experience, which has accumulated extensive expertise in international market development, capacity expansion, manufacturing operations, and multinational management. On the other hand, through a comprehensive training system and promotion mechanism, the joint venture continues to cultivate local core talent familiar with regional market conditions, laying a solid foundation for further expansion into African and other international markets.

2. Technological Innovation Strengthening Product Capabilities and Driving Industry Progress

The Company consistently upholds its core philosophy of "Technology Brings Prosperity". It has established high-level innovation platforms including a State-Accredited Enterprise Technology Center and a Postdoctoral Research Station, as well as collaborative platforms linking industry, academia, and research institutions. Through continuous development of green and digital products and solutions, the Company actively promotes technological transformation and progress within the industry. During the Reporting period, several innovation platforms were completed and put into operation, including the Foshan Green Energy Thermal Equipment and Technology Engineering Research Center, the KEDA Hard Materials Grinding & Polishing Research Center, and the Fujian Keda New Energy Datian R&D Center. In terms of product innovation, the Company continued upgrading products such as post-kiln polishing & squaring machinery, packaging machinery, and intelligent warehousing systems, which have been successfully applied in markets including Europe and North Africa. Iterative improvements in machinery such as raw material processing systems and kilns have delivered significant energy-saving performance and enhanced fuel adaptability. In addition, in the field of cross-industry mechanical applications, the Company launched products such as the YPM1500 soft magnetic press, the KYM series wheel hub forging press, and the industry's first double-deck roller kiln for tableware production, all of which have received positive recognition from customers. For the digitalization of ceramic factories, Keda Ceramic Machinery optimized the ZhenTao MOM 2025 Digital Factory Intelligent Management System, enabling deeper integration across management, process engineering, and control systems.

Leveraging its strong technological foundation and sustained investment in R&D, the



Company has achieved significant results in scientific and technological innovation, with several products ranking among the leading solutions in the industry. During the Reporting period, the projects "R&D and Industrialization of an Intelligent Control System for Digital Ceramics Factories" and "Key Technologies and Industrialization of High-Speed Stone Wire Sawing" were evaluated by the Guangdong Mechanical Engineering Society as reaching an

international leading level. The project "Technology Development and Industrialization of High-Efficiency, Energy-Saving Continuous Ball Milling Equipment for Ceramic Industry Applications", developed by subsidiary HLT, was assessed by the Guangdong Building Materials Industry Association and the Guangdong Ceramics Association as reaching an international advanced level. HLT also participated in the project "Key Technologies and Engineering Applications of Multi-Axis Synchronous High-Performance Control for Large Equipment", which won the First Prize of the Fujian Provincial Science and Technology Progress Award. In addition, three subsidiaries including HLT and DLT received the China Patent Excellence Award at the 25th China Patent Awards.



3. Digital Transformation Empowering End-to-End Development and Lean Management Strengthening Comprehensive Competitiveness

Keda Group has advanced its "Digitalization" strategy, aiming to achieve enterprise-wide digital integration and intelligent applications across operational scenarios. The Company has progressively implemented digital upgrades across production operations, logistics and warehousing, and international business expansion. During the Reporting period, Keda Ceramic Machinery continued to develop and deploy digital tools such as the project management information system, the spare parts central warehouse information system, and the intelligent logistics and distribution system for deep-processing operations. These initiatives have effectively enhanced production efficiency and cost control, providing technological support for the global expansion of the ceramic machinery business. Within the building materials segment, the joint venture continued to expand the application of systems such as production planning and collaborative optimization systems and quality management systems at the factory level. At the distributor level, digital store management systems such as VOSA were introduced to dealers, further strengthening digital channel management and improving both the efficiency and quality of retail service. In the anode

materials segment, subsidiary Fujian Keda New Energy was recognized as a Digital Benchmark Enterprise of Fujian Province due to its outstanding performance in digital transformation and intelligent manufacturing. Its intelligent factory for anode materials was also selected as an Outstanding Smart Factory in Fujian Province.

Guided by the vision of "high quality, short lead times, high efficiency, and optimal cost", the Company continues to deepen the implementation of lean management. During the Reporting period, Keda Ceramic Machinery entered a new stage of lean management characterized by self-driven systems, internally cultivated talent, and autonomous continuous improvement. Through the improvement of its self-operated QCC (Quality Control Circle) system, along with the application of tools such as breakthrough product development and three-dimensional cost reduction initiatives, the Company exceeded its annual targets in areas including cost reduction and efficiency improvement, inventory turnover, and employee-driven improvement proposals. In addition, 90 employees from Keda Ceramic Machinery successfully obtained Lean Six Sigma Belt Certification, resulting in the formation of a sizeable and well-structured team of lean management specialists. In the building materials segment, the Company has focused on supply chain management, production management, and quality control, systematically advancing initiatives for cost control and efficiency improvement. At the same time, the Company has continued to enhance organizational capabilities and operational project support systems, further improving both operational efficiency and overall competitiveness.

4. Cultural Leadership Fostering a Partnership Ecosystem and Aligning Interests to Drive Collective Growth

The Company consistently upholds the corporate philosophy that "When money scatters, people gather and when money gathers, people scatter." Leveraging diversified incentive mechanisms—including Employee Stock Ownership Plans (ESOPs) of the listed company and equity participation platforms at the subsidiary level—the Company has built a partnership-based system that aligns interests and shares risks and rewards. During the Reporting period, the Company introduced its 2025 Employee Stock Ownership Plan, which sets performance assessment targets for the next three years, helping to build alignment and consensus across the organization. Under this incentive plan, the Company intends to grant nearly 60 million shares to no more than 550 employees. In the first phase, more than 380 employees, including mid- and senior-level managers and core business personnel, are included in the incentive scheme. At the same time, the Company has reserved a portion of the shares for future key personnel, ensuring continuity in its incentive mechanisms. By aligning the personal interests of core employees with the Company's long-term value creation, the program provides strong support for the effective implementation and execution of the Company's strategic objective.

V. Key Operating Results during the Reporting period

During the Reporting period, the Company reported an operating revenue of RMB 17,389.4702 million, up 38.01% YoY, including the overseas revenue of RMB 11,696.5886 million, up 45.84% YoY; reported a net profit of RMB 2,166.7907 million, up 68.17% YoY; reported a net profit attributable to the listed company of RMB 1,308.8634 million, up 30.07% YoY; and reported a net profit attributable to shareholders of the listed company after deducting the non-recurring gains and losses of RMB 1,198.7463 million, up 30.20% 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	1,738,947.02	1,260,026.19	38.01
Operating expenses	1,253,713.51	933,006.95	34.37
Selling expenses	53,065.53	50,676.31	4.71
Administrative expenses	133,030.51	110,829.18	20.03
Financial expenses	24,613.99	13,808.75	78.25
R&D expenses	39,026.54	34,418.26	13.39
Net cash flows from operating activities	181,910.98	55,720.46	226.47
Net cash flows from investing activities	-65,419.02	-201,324.89	67.51
Net cash flows from financing activities	-104,653.94	22,569.58	-563.69

The operating revenue in the current period increased by 38.01% compared with the same period last year, which was mainly due to the increase in the sales scale of building materials machinery and lithium-ion battery materials in the current period.

The operating costs in the current period increased by 34.37% compared with the same period last year, which was mainly due to the significant growth in the Company's sales scale during the current period.

The financial expenses in the current period increased by 78.25% compared with the same period last year, which was mainly due to the increase in the Company's interest expense and exchange loss in the current period.

Reason for the change in net cash flows from operating activities: The net cash flows from operating activities in the Reporting period increased by 226.47% compared to the same period of the previous year, mainly due to the expansion of the Company's sales, which led to an increase in cash received from sales of goods and provision of services in the Reporting period.

Reason for the change in net cash flows from investing activities: The net cash flows from investing activities in the Reporting period increased by 67.51% compared to the same period of the previous year, mainly due to the Company's increased redemption of wealth management products in the Reporting period.

Reason for the change in net cash flows from financing activities: The net cash flows from financing activities in the Reporting period decreased by 563.69% compared to the same period of the previous year, mainly due to the Company's increased repayment of bank loans in the Reporting period.

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 17,389.4702 million, up 38.01% YoY, including the main business revenue of RMB 17,361.4700 million, up 37.90% YoY and the main business expenses of RMB 12,522.5132 million, up 34.31% YoY.

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

Unit: Ten Thousand Yuan Currency: 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	647,245.81	500,239.41	22.71	-3.66	-0.27	Decrease by 2.63 percentage points
Building materials industry	818,541.54	529,900.36	35.26	73.61	63.37	Increase by 4.06 percentage points
Lithium-ion battery material industry	238,427.86	206,668.46	13.32	170.57	140.22	Increase by 10.95 percentage points
Other industries	34,731.81	16,905.27	51.33	26.05	-17.20	Increase by 25.43 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	514,412.92	390,707.85	24.05	-8.23	-5.09	Decrease by 2.51 percentage points
Building materials	818,541.54	529,900.36	35.26	73.61	63.37	Increase by 4.06 percentage points
New energy equipment	121,156.39	100,652.16	16.92	19.79	23.54	Decrease by 2.52 percentage points
Lithium-ion battery material	238,427.86	206,668.46	13.32	170.57	140.22	Increase by 10.95 percentage points
Others	46,408.31	25,784.68	44.44	22.98	-10.68	Increase by 20.94 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	569,288.16	468,498.54	17.70	24.56	25.33	Decrease by 0.50 percentage points
Abroad	1,169,658.86	785,214.97	32.87	45.84	40.57	Increase by 2.52 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 5.144 billion, decline 8.23% YoY.

2. During the Reporting period, the operating revenue of building materials was RMB 8.185 billion, up 73.61% YoY, mainly due to the impact of further release of production capacity of the building materials business and price increase of some building materials in the current period;

3. During the Reporting period, the operating revenue of new energy equipment was RMB 1.212 billion, up 19.79% 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 2.384 billion, up 170.57% 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 464 million, up 22.98% YoY, mainly due to the increase in external revenue from the subsidiary Anhui Keda 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 production volume over the previous year (%)	Increase/decrease in sales volume over the previous year (%)	Increase/decrease in inventory level over the previous year (%)
Press	Unit	305.00	269.00	114.00	3.39	-10.63	46.15
Polishing machine	Set	386.00	392.00	8.00	-14.79	-12.89	-42.86
Kiln	Set	211.00	202.00	10.00	10.47	1.51	900.00
Building Ceramics	Hundred Million m ²	2.05	2.00	0.31	16.44	15.07	14.66
Anode materials	Thousand tons	115.84	114.40	6.14	201.12	225.65	30.64

products							
Carburant	Thousand tons	79.29	78.07	1.33	73.16	63.92	1,068.36

(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	411,739.89	82.31	417,765.28	83.28	-1.44	
	Direct labor	21,947.90	4.39	21,503.37	4.29	2.07	
	Manufacturing expenses	60,994.02	12.19	57,611.33	11.49	5.87	
	Depreciation	5,557.60	1.11	4,698.51	0.94	18.28	
	Subtotal	500,239.41	100.00	501,578.49	100.00	-0.27	
Building materials	Direct material	296,605.02	55.98	184,063.49	56.75	61.14	
	Direct labor	16,013.58	3.02	13,346.30	4.11	19.99	
	Manufacturing expenses	165,289.79	31.19	85,178.57	26.26	94.05	
	Depreciation	51,991.97	9.81	41,765.84	12.88	24.48	
	Subtotal	529,900.36	100.00	324,354.20	100.00	63.37	
Lithium-ion battery materials industry	Direct material	114,447.36	55.37	39,728.09	46.18	188.08	
	Direct labor	10,449.74	5.06	2,733.49	3.18	282.29	
	Manufacturing expenses	74,792.88	36.19	41,325.12	48.03	80.99	
	Depreciation	6,978.48	3.38	2,245.95	2.61	210.71	
	Subtotal	206,668.46	100.00	86,032.65	100.00	140.22	
Other industries	Direct material	4,207.95	24.90	5,314.06	26.02	-20.81	
	Direct labor	1,280.23	7.57	1,445.00	7.08	-11.40	
	Manufacturing expenses	9,578.98	56.66	11,630.13	56.96	-17.64	
	Depreciation	1,629.74	9.64	1,796.90	8.80	-9.30	
	Interest	208.37	1.23	230.93	1.13	-9.77	

	Sub-total	16,905.27	100.00	20,417.02	100.00	-17.20	
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	316,229.63	80.94	340,734.50	82.77	-7.19	
	Direct labor	18,048.18	4.62	18,424.57	4.48	-2.04	
	Manufacturing expenses	51,581.96	13.20	48,489.67	11.78	6.38	
	Depreciation	4,848.08	1.24	4,005.75	0.97	21.03	
	Subtotal	390,707.85	100.00	411,654.49	100.00	-5.09	
Building materials	Direct material	296,605.02	55.98	184,063.49	56.75	61.14	
	Direct labor	16,013.58	3.02	13,346.30	4.11	19.99	
	Manufacturing expenses	165,289.79	31.19	85,178.57	26.26	94.05	
	Depreciation	51,991.97	9.81	41,765.84	12.88	24.48	
	Subtotal	529,900.36	100.00	324,354.20	100.00	63.37	
New energy machinery	Direct material	89,713.39	89.13	71,450.71	87.70	25.56	
	Direct labor	2,735.15	2.72	1,913.81	2.35	42.92	
	Manufacturing expenses	7,851.47	7.80	7,821.48	9.60	0.38	
	Depreciation	352.15	0.35	286.56	0.35	22.89	
	Subtotal	100,652.16	100.00	81,472.56	100.00	23.54	
Lithium-ion materials	Direct material	114,447.36	55.38	39,728.09	46.18	188.08	
	Direct labor	10,449.74	5.06	2,733.49	3.18	282.29	
	Manufacturing expenses	74,792.88	36.19	41,325.12	48.03	80.99	
	Depreciation	6,978.48	3.38	2,245.95	2.61	210.71	
	Interest	206,668.46	100.00	86,032.65	100.00	140.22	
Others	Sub-total	10,004.83	38.80	10,894.12	37.73	-8.16	
	Direct material	2,444.80	9.48	2,609.99	9.04	-6.33	
	Direct labor	11,139.57	43.20	12,930.31	44.79	-13.85	
	Manufacturing expenses	1,987.11	7.71	2,203.10	7.63	-9.80	
	Depreciation	208.37	0.81	230.93	0.80	-9.77	
	Subtotal	25,784.68	100.00	28,868.45	100.00	-10.68	

(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

Applicable Not applicable

(7) Main customers and main suppliers

Customers or suppliers controlled by the same controller are considered as the same customer or supplier and are presented on a consolidated basis, except for those controlled by the same state-owned asset management institution.

Explanation of the situation where the following customer and supplier information is presented on a consolidated basis according to the same control criteria

1. Top five customers:

(1) Sunda Group Co., Ltd. includes Sunda Group Co., Ltd., Guangzhou Sunda International Trading Co., Ltd., and its wholly-owned subsidiaries.

(2) Xiamen Hithium Energy Storage Technology Co., Ltd. includes Xiamen Hithium Energy Storage Technology Co., Ltd. and its subsidiary Chongqing Hithium Energy Storage Technology Co., Ltd.

(3) REPT BATTERO Energy Co., Ltd. includes REPT BATTERO Energy Co., Ltd., and its subsidiaries, REPT BATTERO Power Battery Co., Ltd., Guangdong REPT BATTERO Energy Co., Ltd., and REPT BATTERO New Energy Technology Co., Ltd.

2. Top five suppliers:

(1) Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd. includes Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd. and Foshan Kanglitai Digital Technology Co., Ltd.

(2) Guangdong Hongyu Group Co., Ltd. includes Guangdong Hongyu Group Co., Ltd., and its subsidiaries.

A. Major sales customers and major suppliers of the Company

Applicable Not applicable

Sales to the top five customers totaled RMB3,144,720 thousand, accounting for 18.11% of the annual total sales; among them, sales to related parties within the top five customers totaled RMB578,096.8 thousand, accounting for 3.33% of the annual total sales.

The procurement amount from the top five suppliers was RMB1,460,612.6 thousand, accounting for 11.90% of the annual total procurement; among them, the related party procurement amount from the top five suppliers was RMB425,383.5 thousand, accounting for 3.47% of the annual total procurement.

B. During the Reporting period, the proportion of sales to a single customer accounted for more than 50% of the total amount, and there were new customers or significant reliance on a few customers among the top five customers.

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Serial Number	Customer Name	Sales Volume	Proportion of Annual Sales Total (%)
1	Ripalandun Energy Co., Ltd.	62,685.67	3.61
2	Pt.Bintan Alumina Indonesia	35,671.16	2.05

Note: Ripalandun Energy Co., Ltd. and Pt. Bintan Alumina Indonesia fall under the category of new customers added in this period.

During the Reporting period, the proportion of purchases to a single supplier accounted for more than 50% of the total amount, and there were new suppliers or significant reliance on a few suppliers among the top five suppliers.

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Serial Number	Supplier Name	Purchase Amount	Proportion of Annual Purchase Total (%)
1	Ghana National Gas Company	32,608.69	2.66
2	Guangdong Hongyu Group Co., Ltd.	19,612.82	1.60
3	Glencore International Ag	16,450.14	1.34

Note: Ghana National Gas Company, Guangdong Hongyu Group Co., Ltd., and Glencore International Ag fall under the category of new suppliers added in this period.

C. During the Reporting period, the Company's stock was subject to delisting risk warning or other risk warnings.

Top five sales customers

Applicable Not applicable

Top five suppliers

Applicable Not applicable

D. During the Reporting period, the Company had trade business revenue.

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Trade business development	Operating revenue in the Reporting period	Operating revenue in the previous period	YoY change in operating revenue during the Reporting period (%)
Overseas building materials trade	52,857.31	21,938.49	140.7393

Ink and consumables trade	33,879.88	23,925.23	41.61
Lithium carbonate trade		4,529.35	-100.00
Total	86,737.19	50,393.07	72.12

Top five sales customers whose trading business accounts for more than 10% of operating revenue

Applicable Not applicable

Top five suppliers whose trading business revenue accounts for more than 10% of operating revenue

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	53,065.53	50,676.31	4.71
Administrative expenses	133,030.51	110,829.18	20.03
Financial expenses	24,613.99	13,808.75	78.25

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	39,026.54
Capitalized R&D investment in the current period	
Total R&D investment	39,026.54
Proportion of total R&D investment in the operating revenue (%)	2.24
Proportion of capitalized R&D investment (%)	

2) Table of R&D personnel

Applicable Not applicable

Number of R&D personnel of the Company	852
----------------------------------------	-----

Proportion of the number of R&D personnel in the total number of the Company (%)	4.24
Education structure of R&D personnel	
Category	Number of people
Doctoral Degree	2
Master's Degree	76
Bachelor's Degree	514
Associate Degree	181
High school and below	79
Age structure of R&D personnel	
Under 30 (exclusive) years old	Number of people
30 (inclusive) - 40 (exclusive) years old	243
40 (inclusive) - 50 (exclusive) years old	332
50 (inclusive) - 60 (exclusive) years old	188
60 years old and above	83
Under 30 (exclusive) years old	6

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	2025	2024	Increase or decrease	Change (%)
Cash received from sale of goods or rendering of services	1,627,738.45	1,205,667.29	422,071.16	35.01
Tax refunds received	37,020.08	27,110.77	9,909.31	36.55
Taxes paid	93,606.96	67,576.15	26,030.81	38.52
Cash received from disposal of investments	335.44	76,560.93	-76,225.49	-99.56
Cash received from investment income	60,513.43	45,611.38	14,902.05	32.67
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	15,570.83	11,699.18	3,871.65	33.09
Net cash received from disposal of subsidiaries and other business units	1,011.09	165.21	845.88	512.01
Cash paid for purchase and construction of fixed assets, intangible assets and other	158,035.41	252,132.31	-94,096.90	-37.32

long-term investments				
Cash paid for investment	1,425.50	6,762.57	-5,337.07	-78.92
Net cash paid for the acquisition of subsidiaries and other business units		4,927.41	-4,927.41	-100.00
Cash paid for debt repayment	469,466.12	247,492.13	221,973.99	89.69
Cash paid for distribution of dividend, profit or payment of interest	70,757.67	107,025.76	-36,268.09	-33.89
Other cash paid relating to financing activities	43,691.20	76,989.50	-33,298.30	-43.25

(1) The cash received from sale of goods or rendering of services in the Reporting period increased by 35.01%, compared to the same period of the previous year, mainly due to the expansion of the Company's sales, which led to an increase in the cash received from sale of goods or rendering of services in the Reporting period.

(2) The tax refunds received in the Reporting period increased by 36.55% compared to the same period of the previous year, mainly due to the increase in export tax rebates received by the Company in the Reporting period.

(3) The taxes paid in the Reporting period increased by 38.52% compared to the same period of the previous year, mainly due to the increase in value-added tax and corporate income tax paid in the Reporting period.

(4) The cash received from the disposal of investments in the Reporting period decreased by 99.56% compared to the same period of the previous year, mainly due to the Company's disposal of other equity instrument investments in Jiaying Keda Jinhong Fund in the previous year.

(5) The cash received from investment income in the Reporting period increased by 32.67% compared to the same period of the previous year, mainly due to the significant dividends obtained by the Company from the associated enterprise Lanke Lithium Industry in the Reporting period.

(6) The net cash received from disposal of fixed assets, intangible assets and other long-term assets in the Reporting period increased by 33.09% compared to the same period of the previous year, mainly due to the disposal of long-term assets by the subsidiary Keda-SureMaker (Wuhu) Industrial in the Reporting period and the recovery of disposal funds for long-term assets by Jiangsu Kehang in the current period.

(7) The net cash received from disposal of subsidiaries and other business units in the Reporting period increased by 512.01% compared to the same period of the previous year, mainly due to Anhui Kean Electric Power disposing of the subsidiary Foshan Ke'an New Energy and Kehua Baisi New Energy to recover the investment.

(8) The cash paid for purchase and construction of fixed assets, intangible assets and other long-term investments in the Reporting period decreased by 37.32% compared to the same period of the previous year, primarily due to the construction and equipment payments made by Keda Tanzania, Keda Kenya, Keda Cameroon, Fujian Keda New Energy, and Foshan Keda Equipment in the previous period, as well as the trademark payments made by Tilemaster in the previous period.

(9) The cash paid for investment in the Reporting period decreased by 78.92% compared to the same period of the previous year, mainly due to the Company paying the second installment for the acquisition of Sinocera Create-tide's equity in the same period of the previous year.

(10) The net cash paid for the acquisition of subsidiaries and other business units in the Reporting period decreased by 100.00% compared to the same period of the previous year, mainly because the Company paid a larger net amount of cash for acquiring subsidiaries F.D. S Ettmar and Foshan Shunruixinyu Investment Partnership (Limited Partnership) in the same period of the previous year.

(11) The cash paid for debt repayment in the Reporting period increased by 89.69% compared to the same period of the previous year, mainly because the Company repaid more bank loans in the Reporting period.

(12) The cash paid for distribution of dividend, profit, or payment of interest in the Reporting period decreased by 33.89% compared to the same period of the previous year, mainly because the Company distributed fewer dividends compared to the same period of the previous year.

(13) The other cash paid relating to financing activities in the Reporting period decreased by 43.25% compared to the same period of the previous year, mainly due to the cash paid by the Company for repurchasing treasury stock in the same period of the previous 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 (%)	Description
Cash	325,487.54	11.09	295,203.23	10.95	10.26	
Financial assets held for trading	57,946.59	1.97	71,659.42	2.66	-19.14	
Notes receivable	6,881.72	0.23	5,237.31	0.19	31.40	
Accounts receivable	320,178.10	10.90	225,181.62	8.36	42.19	
Receivables financing	21,523.95	0.73	21,080.16	0.78	2.11	

Advanced payments	41,725.49	1.42	44,241.35	1.64	-5.69	
Other receivables	22,044.35	0.75	24,808.12	0.92	-11.14	
Inventories	551,978.36	18.80	479,429.93	17.79	15.13	
Contract assets	35,773.24	1.22	14,614.29	0.54	144.78	
Non-current assets due within one year	62,922.50	2.14	76,460.69	2.84	-17.71	
Assets held for sale			348.18	0.01	-100.00	
Other current assets	65,287.55	2.22	65,381.81	2.43	-0.14	
Long-term receivables	44,896.50	1.53	42,206.80	1.57	6.37	
Long-term equity investments	309,678.89	10.55	324,817.06	12.05	-4.66	
Other equity instruments investments	360.28	0.01	420.51	0.02	-14.32	
Other non-current financial assets	2,194.00	0.07	1,302.52	0.05	68.44	
Fixed assets	763,553.17	26.00	640,352.85	23.76	19.24	
Construction in progress	49,071.71	1.67	100,172.48	3.72	-51.01	
assets	5,720.33	0.19	4,434.39	0.16	29.00	
Intangible assets	95,763.86	3.26	101,694.56	3.77	-5.83	
Goodwill	84,518.14	2.88	85,958.84	3.19	-1.68	
Long-term deferred expenses	51.80		49.40		4.86	
Deferred tax assets	52,882.13	1.80	51,229.43	1.90	3.23	
Other non-current assets	15,802.11	0.54	18,734.71	0.70	-15.65	
Total assets	2,936,242.31	100.00	2,695,019.66	100.00	8.95	
Short-term loans	139,153.54	10.32	101,792.70	7.74	36.70	
Financial liabilities held for trading	215.65	0.02	160.01	0.01	34.77	
Notes payable	65,748.91	4.87	43,517.35	3.31	51.09	
Accounts payable	263,605.93	19.55	295,408.20	22.46	-10.77	
Contract liabilities	234,733.73	17.40	228,154.47	17.35	2.88	
Employee benefits payable	34,465.97	2.56	29,149.48	2.22	18.24	
Taxes payable	19,776.59	1.47	19,281.83	1.47	2.57	
Other payable	44,149.78	3.27	18,409.73	1.40	139.82	
Non-current liabilities due within one year	111,765.37	8.29	141,945.84	10.79	-21.26	
Other current liabilities	21,123.55	1.57	18,621.16	1.42	13.44	
Long-term loans	366,577.04	27.18	398,344.55	30.29	-7.97	
Lease liabilities	4,602.42	0.34	3,758.30	0.29	22.46	
Estimated liabilities	4,796.25	0.36	4,117.88	0.31	16.47	

Deferred income	5,309.11	0.39	2,733.42	0.21	94.23	
Deferred tax liabilities	30,765.02	2.28	8,811.23	0.67	249.16	
Other non-current liabilities	1,917.75	0.14	1,007.91	0.08	90.27	
Total liability	1,348,706.61	100.00	1,315,214.06	100.00	2.55	

Other Explanation:

- (1) The ending balance of notes receivable for this period increased by 31.40% compared with the ending balance of the previous year, mainly due to an increase in bank acceptance bills held by the Company that had not yet matured during the period.
- (2) The ending balance of accounts receivable for this period increased by 42.19% compared with the ending balance of the previous year, mainly due to the growth in sales of lithium battery materials during the period.
- (3) The ending balance of contract assets for this period increased by 144.78% compared with the ending balance of the previous year, mainly due to the growth in sales of new energy equipment during the period.
- (4) The ending balance of assets held for sale this period decreased by 100% compared with the ending balance of the previous year, mainly because the subsidiary Anhui Keda Borui Energy Technology Co., LTD disposed of its assets held for sale during the period.
- (5) The ending balance of other non-current financial assets for this period increased by 68.44% compared with the ending balance of the previous year, mainly due to the Company's increased investment during the period in Huade Chengzhi Heavy Industry Equity Investment (Beijing) Partnership (Limited Partnership).
- (6) The ending balance of projects under construction in this period decreased by 51.01% compared with the ending balance in the previous year, mainly because construction projects of Fujian Keda New Energy, Keda Equipment, Keda Côte d'Ivoire and Keda Kenya were transferred to fixed assets during the period.
- (7) The ending balance of short-term borrowings for this period increased by 36.70% compared with the ending balance of the previous year, mainly due to the new bank borrowings of Fujian Keda New Energy in this period.
- (8) The ending balance of trading financial liabilities for this period increased by 34.77% compared with the ending balance of the previous year, mainly due to changes in the fair value of the Company's forward contracts in this period.
- (9) The ending balance of notes payable for this period increased by 51.09% compared with the ending balance of the previous year, mainly due to an increase in bank acceptance bills held by the Company during the period.
- (10) The ending balance of other payables for this period increased by 139.82% compared with the ending balance of the previous year, mainly due to the accrual of share repurchase consideration during the period.

(11) The ending balance of deferred income for this period increased by 94.23% compared with the ending balance of the previous year, mainly due to the asset-related government subsidies recognized by Fujian Keda New Energy in this period.

(12) The ending balance of deferred income tax liabilities for this period increased by 249.16% compared with the ending balance of the previous year, mainly due to the recognition of deferred income tax liabilities for taxable temporary differences in the building materials business.

(13) The ending balance of other non-current liabilities for this period increased by 90.27% compared with the ending balance of the previous year, mainly due to an increase in government subsidy projects recognized by the Company during the period that had not yet passed acceptance inspection.

2. Overseas assets

Applicable Not applicable

(1). Asset scale

Among them: Overseas assets amount to 1,003,088.43 (ten-thousand-yuan, currency: RMB), accounting for 34.16% of the total assets.

(2). Explanation regarding the high proportion of overseas assets

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of overseas assets	Reason for formation	Operation mode	Operating income for the current Reporting period	Net profit for the current Reporting period
Building materials	Investment establishment	Independent operation	818,541.54	149,565.45

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.

v. Analysis of investments

Overall analysis of external equity investments

√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Investment amount in the Reporting period	3,301.63
Increase/decrease in investments	-14,267.19
Investment amount in the same period last year	17,568.82
Increase or decrease in investment amount (%)	-81.21

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 invested	Source of funds
Ceramics Factory Phase I Project in Cote d'Ivoire	24,883.34	100.00	17,026.57	25,493.26	Self-financing
Fujian Keda New Energy Phase II Project	84,945.89	98.98	16,046.29	84,076.28	Self-financing
Kenya Isinya ceramics project	11,939.47	100.00	5,189.76	11,216.05	Self-financing
Keda Equipment Manufacturing Infrastructure Project	40,000.00	98.25	3,074.92	39,298.86	Fund-raising + Self-financing
Glass Factory Project in Peru	49,247.45	50.62	20,921.17	24,930.04	Self-financing
Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing	31,000.00	100.00	193.67	31,351.29	Fund-raising + Self-financing
Total	242,016.15		62,452.38	216,365.78	

3. Financial assets measured at fair value√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Asset category	Opening balance	Profits and losses on changes in fair value in the Reporting period	Accumulated changes in fair value recognized in equity	Provision set aside for impairment in the Reporting period	Purchase amount in the Reporting period	Amount sold/redeemed in the Reporting period	Other changes	Closing balance

Held-for-trading financial assets	71,659.42	3,938.76			330,199.30	347,808.56	-42.33	57,946.59
Assets held for sale	348.18					348.18		
Other equity instrument investments	420.51		-60.23					360.28
Other non-current financial assets	1,302.52	-108.52			1,000.00			2,194.00
Total	73,730.63	3,830.24	-60.23		331,199.30	348,156.74	-42.33	60,500.87

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

Huade Chengzhi Zhongke Equity Investment (Beijing) Partnership (Limited Partnership)	4.95	2,000.00	Yougan Technology (Beijing) Co., Ltd., Zhejiang 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., Beijing Bose Quantum Technology Co., Ltd	18,220.00
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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	407,574.38	77,684.25	-573.38	-	329,890.13	344,584.16	64,115.11	5.09
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								
Description of actual profit and losses during the Reporting period	The actual profit and loss of forward financial contracts was RMB11.2489 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. Due to the large fluctuations of foreign exchange rates, the Company adopts short-term and high-frequency derivatives transactions. 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 disclosed by the Company on March 27, 2025 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 quarterly 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 28, 2026							
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

vi. Disposal of significant assets and equity

Applicable Not applicable

vii. Analysis on major holding and participating companies

Applicable Not applicable

The principal subsidiaries and equity-method investees that contributed more than 10% to the Company's net profit for the Reporting period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Company name	Company Type	Main business	Registered capital	Total assets	Net asset	Operating Revenue	Operating Profit	Net Profit
Guangdong Keda Lithium Industry Co., Ltd.	subsidiary	Investment platform	RMB1 billion	240,969.83	240,969.82		27,613.26	27,613.26
Keda (Ghana) Ceramics Company Limited	subsidiary	Production and sales of building materials	USD 10 million	146,076.63	98,287.45	223,489.95	85,888.87	73,760.16
Keda (Tanzania) Ceramics Company Limited	subsidiary	Production and sales of building materials	USD 10 million	234,317.86	46,404.39	168,644.35	41,721.34	30,051.81

Acquisition and disposal of subsidiaries during the Reporting period

Applicable Not applicable

Company Name	Methods for Acquiring and Disposing of Subsidiaries during the Reporting period	Impact on the overall production and operation and performance
Xiamen Xindihui New Energy Technology Co., Ltd.	business combination not involving enterprises under common control	No significant impact
Foshan Keyunda Technology Co., Ltd.	Newly Established	No significant impact
Foshan HLT Intelligent Equipment Co., Ltd.	Newly Established	No significant impact
Foshan Kehua Baisi Smart Energy Technology Co., Ltd.	Newly Established	No significant impact

Kami Turkey Mürekkap Sanayi Ve Ticaret Anonim Şirketi	Newly Established	No significant impact
Keda Industrial Brazil Ltda	Newly Established	No significant impact
Vietnam Kete Company Limited	Newly Established	No significant impact
Keda Industrial Egypt Limited for Manufacturing and Trading	Newly Established	No significant impact
Keda Solar Ghana Ltd	Newly Established	No significant impact
Twyford International Guinea-SARLU	Newly Established	No significant impact
Twyford International Benin Company Limited	Newly Established	No significant impact
Twyford International Burkina Faso CO LTD	Newly Established	No significant impact
Gritrock Mining Limited (Kenya)	Newly Established	No significant impact
Maanshan Kean Photovoltaic Power Co., Ltd.	Sold	No significant impact
Foshan Kean Smart Energy Technology Co., Ltd.	Sold	No significant impact
Foshan Kesheng Smart Energy Technology Co., Ltd.	Sold	No significant impact
Foshan Kehua Baisi Smart Energy Technology Co., Ltd.	Sold	No significant impact
Foshan Keshiming Smart Energy Technology Co., Ltd.	Sold	No significant impact
Dangtu Kean Smart Energy Technology Co., Ltd.	Sold	No significant impact
Guangde Kean Photovoltaic Power Co., Ltd.	Sold	No significant impact
Maanshan Keci Smart Energy Technology Co., Ltd.	Sold	No significant impact
Wuhu Kesen Smart Energy Co., Ltd.	Sold	No significant impact
Hefei Keda Keheng Smart Energy Technology Co., Ltd.	Sold	No significant impact
Maanshan Keda Kezhong Smart Energy Co., Ltd.	Sold	No significant impact
Langxi Kean Smart Energy Technology Co., Ltd.	Sold	No significant impact
Foshan Keda Ecological Stone Engineering Technology Co., Ltd	Canceled	No significant impact
Wuhu Keda Smart Energy Technology Co., Ltd.	Canceled	No significant impact
Hefei Binhu Keda Smart Energy Co., Ltd.	Canceled	No significant impact
Anhui Keda Smart Energy Equipment Co., Ltd.	Canceled	No significant impact

Other notes

Applicable Not applicable

i. Information on structured entities controlled by the Company

Applicable Not Applicable

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

1. Industry Landscape and Trends

Applicable Not Applicable

i. Ceramics and Machinery Industry

(1) China market: Structural reshaping and green transformation in a mature market environment

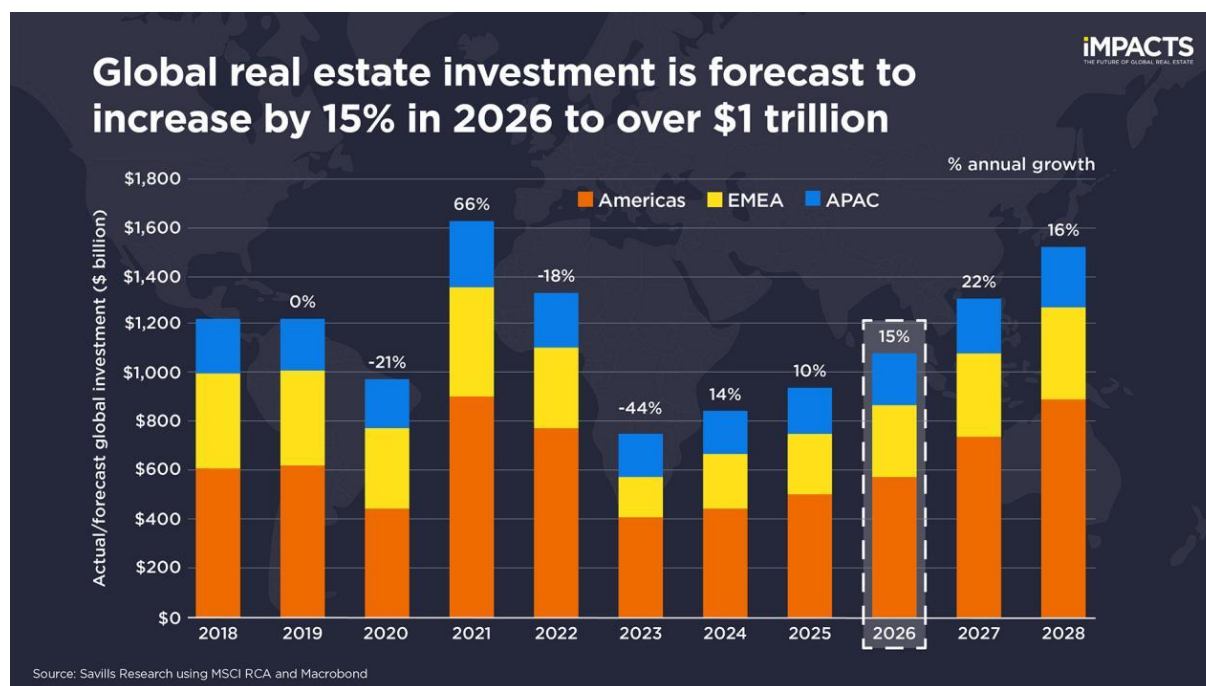
As China's real estate market continues to operate at a cyclical bottom, the ceramics industry has entered a critical phase of deep adjustment and structural restructuring. According to data from the National Bureau of Statistics, in 2025 real estate investment, new construction starts, and completed floor area declined by 17.2%, 20.4%, and 18.1% year-on-year, respectively. As a result, industry associations estimate that the kiln operating rate in China's ceramics industry will remain below 50%, with production and sales expected to stay at relatively low levels. In terms of international trade, customs statistics show that China's ceramic tile exports reached USD 3.069 billion, representing a 4.4% year-on-year decline, with major export destinations including emerging markets such as Vietnam and Malaysia. Imports totaled USD 88.7437 million, representing a 9.16% year-on-year increase, mainly sourced from high-end ceramic tile markets such as Italy and Spain. After experiencing a modest contraction in export markets in 2025, the industry will face an important policy turning point starting in April 2026, when export tax rebates for ceramic tile manufacturers will be fully eliminated. This policy shift is expected to move the industry away from price-based competition toward high-quality competition driven by technology, branding, and global market positioning. It will encourage enterprises to pursue reasonable profit margins and more sustainable development models, while also accelerating the globalization of production capacity across the industry.

Against the dual backdrop of a mature domestic market and the transition toward low-carbon development, improving quality and efficiency and advancing green manufacturing have become both intrinsic drivers and policy priorities for high-quality industry development. According to incomplete statistics from industry media sources, approximately 51 new or upgraded production lines were built or upgraded nationwide in 2025, with technical renovation and upgrading projects gradually becoming the mainstream approach. This reflects the industry's growing reliance on intelligent and flexible manufacturing equipment to improve operational efficiency. Meanwhile, by the end of 2025, the adoption rate of natural gas among ceramic manufacturers nationwide had reached approximately 60%, and the continued implementation of coal-to-gas conversion initiatives across multiple production regions in 2026 will further strengthen the industry's transition toward green manufacturing from the energy perspective. As the High-Quality Development Plan for Green Building Materials continues to be implemented, rising energy costs and increasingly stringent environmental requirements will further highlight the importance of advanced equipment and technological support. This will accelerate the adoption of low-carbon and energy-efficient technologies, such as large-scale tunnel kilns, dry powder processing, and continuous ball milling systems. In response, Keda Group will continue upgrading its manufacturing equipment through digitalization and network integration, building a low-carbon and intelligent manufacturing system. By aligning technological innovation with

supportive policy initiatives, the Company aims to fully support downstream manufacturers in achieving energy savings, carbon reduction, and improvements in both product quality and operational efficiency.

(2) International markets: Dual-track competition in the ceramics industry amid global real estate recovery

The global real estate sector is currently transitioning from a period of cyclical adjustment toward a phase of structural recovery. According to Savills Research's 2026 Global Investment Outlook, global real estate investment transactions in the first three quarters of 2025 increased by 10% year-on-year. Looking ahead, global direct real estate investment is expected to grow by 15% in 2026, exceeding USD 1 trillion, indicating that the global property market is gradually returning to more normalized operating conditions after a period of deep adjustment. From a regional perspective, the Americas, led by the United States, remain the largest market with an investment scale of approximately USD 570 billion, while the Europe, Middle East, and Africa (EMEA) region is expected to become the main engine of recovery, with a projected growth rate of 22%.



The marginal improvement in the global real estate sector provides a stable growth foundation for downstream building materials industries. According to forecasts by the MECS / Acimac Research Center, global ceramic tile production and consumption are expected to grow at compound annual rates of 2.2% and 2.5%, respectively, between 2024 and 2028. At the same time, the industry is showing increasingly pronounced regional differences, and the competitive landscape is undergoing change. Currently, the global ceramics industry is entering a phase of dual-track competition driven by both cost efficiency and low-carbon transformation. Some emerging production regions are strengthening their market positions by introducing advanced production lines and optimizing industrial policies, leveraging economies of scale to consolidate competitiveness. Meanwhile, traditional ceramic-producing countries, influenced by the implementation of the European Green Deal and the Carbon Border Adjustment Mechanism (CBAM), are focusing on green compliance

certification and high-value-added market segments, thereby building competitive advantages through low-carbon premiums. As a leading global supplier of ceramic machinery, Keda Group leverages its global presence and accumulated technological expertise to support customers worldwide. Through high-efficiency complete production line solutions, the Company helps clients manage cost fluctuations while progressively enabling low-carbon and intelligent manufacturing across the entire production chain, from raw material preparation to firing and packaging.

ii. African Building Materials Market: Multiple Drivers Supporting Continued Market Potential

Driven by both structural demand arising from population growth and urbanization and incremental demand generated by economic development and infrastructure investment, Africa's building materials industry is expected to maintain steady growth. As one of the fastest-growing regions in terms of population globally, Africa's urban population has increased from 248 million at the beginning of the 21st century to approximately 717 million today. According to projections from relevant institutions, the continent's population is expected to approach 2.2 billion by 2050, with roughly two-thirds living in urban areas. This increasing concentration of urban populations will directly stimulate demand for residential housing, commercial facilities, and transportation infrastructure. Against this backdrop, the urban built-up area in Africa is projected to expand from 175,000 square kilometers in 2020 to 450,000 square kilometers by 2050, representing an average annual growth rate of 3.2%. This expansion is expected to provide the building materials industry with long-term and stable market opportunities.

Map 1.9. Annual growth of urban built-up areas in Africa, 2020-50

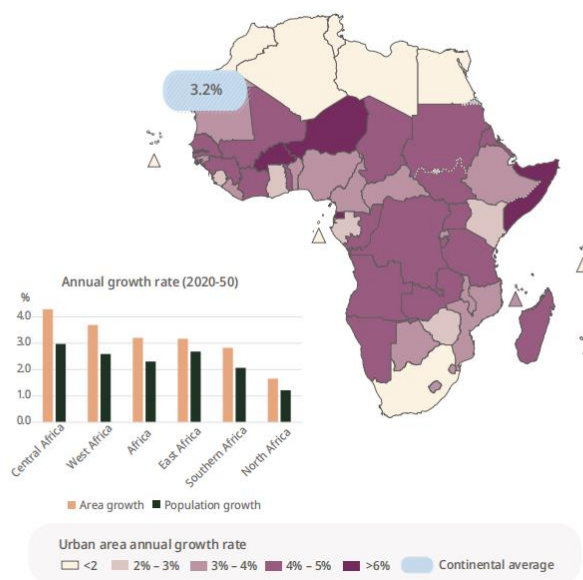


Figure: Average annual growth of urban areas in Africa from 2020 to 2050

At the same time, steady macroeconomic growth across Africa is further supporting the expansion of industry consumption. According to United Nations projections, Africa's economic growth rate is expected to increase from 3.5% in 2024 to 4.1% by 2027. The resulting rise in investment and consumer spending will continue to drive demand for building materials. Within the ceramics segment, preliminary data from the MECS / Acimac

Research Center indicates that Africa's ceramic tile production is expected to reach 1.545 billion square meters by 2028, while consumption is projected to reach 1.972 billion square meters, accounting for approximately 11.15% of global ceramic tile consumption. Overall, supported by the combined effects of demographic dividends, accelerating urbanization, and improving macroeconomic conditions, Africa's building materials industry has entered a critical phase of large-scale growth, and its market potential is expected to continue expanding.

2. Company Development Strategy

Applicable Not Applicable

In recent years, the Company has consistently implemented its "Globalization" strategy, exploring a service-oriented development path for its ceramic machinery business while actively expanding its international building materials operations by capitalizing on opportunities arising from urbanization in Africa. Entering its fourth decade of development, Keda Group will remain focused on the theme of high-quality development, concentrating on its core businesses and pursuing the strategic goals of building a global producer and service provider of ceramics and developing an international building materials group, thereby supporting the Company's long-term sustainable growth.

i. Ten Billion RMB Revenue Strategy for Ceramic Machinery: Advancing Two Strategic Pathways to Build a Global Producer and Service Provider of Ceramics

While continuing to expand its global footprint, the Company's ceramic machinery business will pursue growth along two strategic pathways—customer value and capability enhancement—and continue to explore new products and application areas. In terms of customer value creation, the Company is transitioning from a traditional machinery supplier to a provider of full lifecycle services, actively developing spare parts, consumables, and service-based business segments, and building a multi-tier and cross-regional development framework. In terms of core capability enhancement, the Company will leverage its accumulated technological expertise and experience in ceramic machinery to expand the cross-industry application of its equipment technologies, jointly advancing the realization of the "Ten Billion RMB Revenue Strategy for Ceramic Machinery" strategic objective (see the Company's 2022 Annual Report for details).

ii. Ten Billion RMB Revenue Strategy for Building Materials: Parallel Expansion of Production Capacity and Product Categories to Build a Global Building Materials Group

To support the long-term development of its building materials business, the joint venture will pursue the "Ten Billion RMB Revenue Strategy for Building Materials", guided by the concept of "Building Materials Portfolio Expansion" (see the Company's 2022 Annual Report for detailed planning). Based on the current product structure comprising ceramics, glass, and sanitary ware, the business is divided into two main segments: the tile segment (including ceramics and sanitary ware) and the glass segment. The tile business will continue to focus on the African market as its core base, while seeking opportunities to expand production capacity in untapped markets or supplement existing markets through greenfield investments, mergers, and acquisitions when appropriate. The glass business will leverage regional location advantages to actively expand its market presence and capture market share,

while developing regional supply chains to enhance overall profitability. In addition, leveraging the reusability of existing sales channels and the reinforcing effect of brand positioning, the Company plans to gradually expand into additional building materials categories in response to demand from end markets.

3. Operating Plan

√Applicable □Not Applicable

In 2026, the Company will continue to focus on the development of its ceramic machinery and building materials businesses. For the ceramic machinery segment, the Company will firmly advance its "Globalization" strategy while identifying new growth opportunities in areas such as spare parts and consumables and the cross-industry application of mechanical equipment. For the building materials segment, the Company will continue to advance capacity development for ongoing projects and further refine the strategic framework of its "Building Materials Portfolio Expansion" strategy. The Company aims to achieve total group sales revenue of RMB 19.5 billion in 2026. Key priorities for the year include the following:

i. Ceramics Machinery Business: Optimizing Brand and Product Strategy to Improve Quality, Efficiency, and Risk Management

(1) Optimizing brand strategy and international deployment

In response to differences in regional economic development worldwide, the Company will refine the positioning of its ceramic machinery brands. Keda Ceramic Machinery will target full market coverage and a comprehensive ceramic machinery product portfolio; HLT&DLT will focus on core markets and key ceramic machinery products; and ICF & Welko will maintain stable development. In the spare parts and consumables segment, the Company will actively support its subsidiary Quanitech in expanding international production capacity. For Keda Turkey, in addition to its existing spare parts services and ink production operations, the Company plans to introduce a mold manufacturing business to support business expansion in Turkey and neighboring markets. For Keda Indonesia, the Company plans to add glaze production capacity to meet the needs of local customers. At the same time, the Company will closely monitor market trends across different regions, enhance the local adaptability of products and solutions, and further develop the spare parts and consumables market. By establishing a comprehensive sales and warehousing network for spare parts and consumables, the Company aims to strengthen its one-stop service capabilities.

(2) Strengthening R&D to enhance product competitiveness

The Company will continue to develop equipment products that align with market demand and possess strong core competitiveness. In areas such as raw material processing equipment, presses, kilns, and polishing & squaring machinery, the Company will actively pursue cross-industry R&D initiatives, including applications in daily-use ceramics, extrusion presses, and glass manufacturing. For other ceramic machinery, the Company will continue to deepen expertise within its core business, while also promoting the development of mold and accessory components for presses and other equipment. To encourage and support R&D innovation and accelerate the commercialization and application of technological achievements, the Company established a RMB 10 million annual R&D fund for its ceramic machinery segment starting in 2025. This fund supports innovation projects and rewards

outstanding R&D initiatives. To date, seven projects have been approved, receiving a total of RMB 4 million in innovation funding. In 2026, the Company will continue to encourage the development of new products within the ceramic machinery segment and cultivate new profit growth drivers.

(3) Improving quality and efficiency

Within Keda Ceramic Machinery, the Company will continue to enhance the lean manufacturing capabilities of supply chain subsidiaries such as Foshan Keda Equipment and Shaoguan Keda. Within HLT&DLT, the Company has independently established a press supply chain production center, marking the first attempt to transform this function from a cost center into a profit center. At the same time, the Company will expand the scope of centralized procurement within the ceramic machinery segment, further optimize the lean management system, launch targeted process optimization initiatives, and strengthen training for lean management professionals.

(4) Financial digitalization and risk management

In 2026, the Company will continue promoting the digital transformation of financial and operational management, supported by an integrated digital platform and unified master data and governance rules. Through end-to-end process integration and interconnected information systems, the Company aims to establish a closed-loop management system linking strategic objectives, comprehensive budgeting, and full-cycle business operations. At the same time, the Company will work to establish a global financial management system and information platform covering international subsidiaries and international operational bases, providing support for the rapid development of its international businesses. In addition, in response to changes in the external economic environment and rising risks, the Company has established a Risk Control Department in coordination with regional sales departments and business divisions. In the future, the Company will place particular focus on accounts receivable risk, implementing monthly monitoring and enhanced performance assessment mechanisms to mitigate operational risks.

ii. Building Materials Business: Advancing Project Development and Strengthening Brand and Channel Engagement

(1) Construction and preparation of building materials projects

The Company will continue to advance the construction of several key projects, including the Phase II ceramics project in Côte d'Ivoire, Phase II Kisumu ceramics project in Kenya, the ceramics project in Guinea, the glass project in Ghana and Peru, South America. At the same time, technical upgrades and modernization initiatives will be implemented at existing factories to further enhance product quality, production efficiency, and alignment with evolving market demand. In addition, the joint venture will continue conducting market research in potential regions such as Africa and the Americas, identifying suitable projects to support the Company's long-term development pipeline.

(2) Strengthening brand and channel engagement

To address potential market competition, the Company will continue to strengthen its brand development and channel management capabilities. The joint venture will review its existing

building materials brands and align them with different market segments, ensuring that each brand corresponds to appropriate target customer groups and market positioning. At the same time, it will optimize the development of both self-operated retail stores and distributor networks, and promote upgrades in store size and operational standards for branded showrooms. In particular, the Company will gradually expand the presence of self-operated stores under the premium Micasso brand, as well as increase the coverage of exclusive high-end distributors. Meanwhile, the joint venture will further enhance the use of VOSA and CRM 2.0 systems, while actively implementing marketing initiatives, including mason engagement programs, advertising campaigns, and social media promotion. By promoting exclusive distributor policies, the Company aims to strengthen channel loyalty and long-term cooperation.

(3) Deepening cost reduction and enhancing quality and efficiency

The joint venture will continue implementing cost reduction initiatives across multiple areas, including technical cost savings related to raw materials and energy consumption, supply chain optimization through global sourcing and competitive procurement, and operational cost improvements through initiatives such as establishing in-house carton packaging plants and deploying solar photovoltaic power generation systems. In addition, by aligning and standardizing production processes, the Company will promote energy-efficient equipment upgrades, while further optimizing its supply chain management, quality management, and production management systems. Building on the successful operation of carton packaging plants in Ghana and Senegal, as well as solar power projects in Kenya and Senegal, the Company plans in 2026 to construct new carton packaging plants in Kenya and Cameroon, and to install solar power generation systems at African factories. The Company will also introduce self-operated transportation vehicles to improve logistics efficiency and reduce transportation costs.

4. Potential Risks

Applicable Not Applicable

i. Market Competition Risk

In recent years, international markets have been affected by factors such as geopolitical tensions, escalating trade frictions, and structural declines in demand for building materials. Meanwhile, in China, the Company is also facing challenges arising from the downturn in the real estate sector and the implementation of industrial policies related to energy conservation, environmental protection, and emissions reduction in the building materials industry. As the Company's building materials machinery business forms part of the industry value chain, these developments may place certain pressures on its production and operations. At the same time, Africa, as an emerging market, has attracted increasing attention in recent years. If industrial capital continues to increase investment in the African building materials market, resulting in more competitors entering the market, the Company's building materials business may face intensified competition, which could affect the profitability of this segment.

To address these risks, the Company will continue to strengthen its analysis and monitoring of macroeconomic trends and industry policy developments, closely align with national development strategies, and proactively adapt to evolving industry dynamics while seizing

opportunities and responding to challenges in both domestic and international markets. In its operations, the Company will optimize its market competition strategies in a timely manner, strengthen its supply chain deployment, promote product innovation and enhance product competitiveness, and continue to develop local talent, thereby maintaining its leading market position.

ii. Investment Governance and International Operational Risks

As a globally oriented manufacturing enterprise, the Company has established more than 25 production bases and over 100 subsidiaries worldwide through greenfield investment and mergers and acquisitions. Its business operations cover building materials machinery, building materials, lithium-ion battery materials and machinery, smart energy, and hydraulic pumps, with products sold in more than 100 countries and regions. Overseas revenue accounts for over 60% of the Company's total revenue. Against the backdrop of an increasingly uncertain global economic environment, as well as significant differences among countries in geopolitical conditions, legal and regulatory systems, social environments, and consumer behavior, the Company faces growing challenges in coordinating, integrating, and managing its cross-border operations as its business scale, operating segments, and geographic footprint continue to expand. If the Company is unable to effectively coordinate and manage its global subsidiaries, this may hinder the smooth execution of existing business activities or lead to investment projects failing to achieve expected returns or even resulting in losses, which could adversely affect the Company's operating performance. At the same time, the Company's international businesses generally settle transactions in local currencies or foreign currencies such as the U.S. dollar and the euro. If economic or political conditions change in the regions where the Company operates, or if monetary policies shift or market conditions fluctuate sharply, short-term exchange rate volatility may intensify. This could expose the Company to potential foreign exchange losses, thereby negatively affecting its operating results and financial position.

To address these risks, the Company will prudently advance its investment activities in accordance with its strategic plans and operational objectives, while strengthening post-investment governance, performance management, and talent development to improve the operational quality of relevant entities. In addition, the Company will closely monitor exchange rate movements and take measures such as controlling leverage levels, optimizing the structure of foreign currency liabilities, and adjusting product pricing to mitigate or offset the potential adverse effects of exchange rate fluctuations.

iii. International Trade and Political Risks

A substantial portion of the Company's international operations is conducted in emerging markets. In recent years, as economic and social development in these regions has progressed, the overall political environment and economic policies of many countries have become relatively more stable. However, such conditions remain subject to change and may be difficult to predict. In the future, if significant political instability occurs in countries where the Company operates, or if there are major unfavorable adjustments to policies governing foreign investment, or substantial changes to international trade or tariff policies, the Company could face heightened international trade and political risks, which may adversely affect its operating performance.

To address these risks, the Company will closely monitor developments in the international operating environment, leverage its headquarters platform to strengthen risk control and compliance management, and make appropriate use of insurance and other risk mitigation tools.

iv. Asset Impairment Risk

In recent years, China's building materials industry has been undergoing cyclical adjustment, and some downstream customers have experienced declining profitability, which may weaken their creditworthiness and debt repayment capacity, potentially increasing the risk of bad debts in the Company's accounts receivable. In addition, to support its business development, the Company has carried out several mergers and acquisitions over the years through equity investments and asset transactions. If the subsequent performance of these acquired entities fails to meet expectations, the Company may face potential impairment risks related to goodwill or other assets.

To mitigate these risks, the Company will continue to strengthen its accounts receivable risk management system by improving the risk control organizational structure, strictly managing contractual payment terms, establishing clear collection plans, and implementing accountability mechanisms, thereby reducing the risk of bad debts. At the same time, the Company will conduct dynamic monitoring and comprehensive assessments of subsidiaries whose performance falls below expectations. Based on the actual situation, it will develop targeted operational improvement plans or asset optimization and disposal strategies, ensuring the overall quality and efficiency of the Company's asset management and operations.

5. Others

Applicable Not Applicable

VII. Explanation of Circumstances Where the Company Did Not Disclose Information in Accordance with the Standards Due to Inapplicable Provisions or Special Reasons Such as State Secrets or Trade Secrets

Applicable Not Applicable

Section IV Corporate Governance, Environmental and Social Responsibility

I. Explanation on corporate governance

Applicable Not applicable

During the Reporting period, the Company complied with laws, regulations, and regulatory requirements such as the *Company Law*, *Securities Law*, *Code of Corporate Governance for Listed Companies*, and *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*. The Company continued to optimize its governance structure, improve its internal control system, enhance the transparency of information disclosure, and deepen investor relations management, thereby comprehensively consolidating the governance foundation for the Company's high-quality development.

i. Continuously improving the corporate governance system

In 2025, the Company, in accordance with the *Articles of Association* and relevant rules of procedure, duly convened and held shareholders' meetings and board meetings. A total of three shareholders' meetings, nine board meetings, and several special meetings were held, during which proposals on periodic reports, related party transactions, external guarantees, employee stock ownership plans, and other matters were reviewed and approved. The Company's Board of Supervisors diligently performed its duties and convened a total of four meetings. In accordance with the requirements of relevant laws and regulations, and the *Articles of Association* and the *Rules of Procedure for the Board of Supervisors*, it inspected and supervised the Company's lawful operations and major matters. The convening, holding, and voting procedures of the Board of Supervisors were lawful, and all resolutions adopted were valid. On August 26, 2025, in order to further enhance governance efficiency and actively respond to the latest regulatory requirements under the *Company Law* and the *Guidelines for the Articles of Association of Listed Companies*, the Company convened a shareholders' meeting and approved the *Proposal on Revising the Articles of Association and Its Appendices*. The Board of Supervisors was abolished, and its related duties were assumed and exercised by the Audit Committee of the Board of Directors. In addition, employee directors were added. After this adjustment, the Company's Board of Directors consists of 12 members, including seven external directors (including four independent directors) and one employee representative director, forming a scientifically balanced and diversified governance structure, and effectively strengthening internal oversight and management. Meanwhile, the Company comprehensively revised the *Articles of Association*, systematically reviewed, and updated 28 core governance systems, including the *Rules of Procedure for the Shareholders' Meeting* and the *Rules of Procedure for the Board of Directors*, to ensure that the corporate governance system is closely aligned with current laws and regulations and regulatory developments.

In response to the inadequate implementation of internal control systems identified during the on-site inspection by the CSRC Guangdong Office and the Company's internal self-inspection, the Company attaches great importance to these issues, has organized relevant departments and personnel to comprehensively review the related problems, and has formulated and implemented corrective measures. As of the end of the Reporting period, the Company has completed all rectification items as planned. The Company will take this rectification as an opportunity to comprehensively strengthen internal control management and enhance employees' compliance awareness, effectively improve the level of standardized operations, and safeguard the sound operation of the Company's governance system.

ii. Focusing on improving the quality of information disclosure

During the Reporting period, the Company cumulatively disclosed four periodic reports, 65 temporary announcements, and several other non-announcement documents, and simultaneously completed the disclosure of relevant English reports and announcements for the SIX Swiss Exchange. At the same time, the Company actively studied regulatory guidelines and work guidelines related to sustainability reporting, established a relevant indicator database and an internal information collection system, and continuously improved the report preparation mechanism and content framework. It also enhanced the quality of

non-financial information disclosure, and strengthened the standardization and effectiveness of information disclosure.

In accordance with relevant requirements such as the *Regulatory Guidelines No. 5 for Listed Companies—Insider Information Registration Management Policy of Listed Companies* and the *Administrative Provisions on the Deferral and Exemption of Information Disclosure by Listed Companies*, the Company revised, within the year, the *Insider Information and Insider Management Policy* and the *Information Disclosure Management Policy*. The Company has strictly implemented the confidentiality management system prior to information disclosure, fulfilled the registration and filing requirements for insiders, and carried out the relevant procedures for the deferral and exemption of information disclosure, thereby safeguarding investors' lawful rights and interests.

iii. Strengthening investor relations management

The Company has always upheld the principles of openness, fairness, and impartiality, and maintains positive interactions with investors through diversified channels. Online, the Company relied on the investor hotline, investor briefings, the investor section on the official website, SSE e-Interaction, and a dedicated email address. Offline, through forms such as shareholders' meetings, on-site research visits, reverse roadshows, and industry strategy meetings, the Company has established a normalized, multi-level communication mechanism to carefully listen to market feedback and convey the Company's value. The Company places great importance on investor returns, and continues to implement the "Improving Quality and Efficiency, Emphasizing Returns" action plan and the shareholder dividend return plan, effectively ensuring that investors share in the Company's development achievements. In addition, during the Reporting period, the Board of Directors reviewed and approved the *Market Value Management System*, which clarifies the basic principles of market value management, organizational responsibilities, and various management measures. A share price fluctuation monitoring, early warning, and emergency response mechanism was established to promote a reasonable reflection of the Company's investment value.

In the future, the Company will continue to improve its governance mechanisms, enhance governance effectiveness, promote the Company's standardized and sustainable development, and continuously improve the quality of information disclosure, maintain regular communication with investors, and safeguard the interests of the Company and all shareholders.

Whether there any significant difference between corporate governance and laws, administrative regulations, and relevant requirements of the CSRC on listed company governance: If there is a significant difference, the reasons shall be explained.

Applicable Not applicable

II. Concrete measures taken by the Company's controlling shareholders and actual controllers to ensure the independence of the Company in terms of assets, personnel, finance, institutions, and business, and solutions, work progress, and subsequent work plans adopted to cope with situations that compromise the Company's independence

Applicable Not applicable

The controlling shareholders, actual controllers and other entities under their control are engaged in the same or similar business as the Company, as well as the impact of horizontal competition or major changes in horizontal competition on the Company, the resolution measures that have been taken, the progress of the resolution and the follow-up resolution plan

Applicable Not applicable

III. Information on directors and senior management

i. Changes in shareholdings of current or resigned directors and senior management during the Reporting period and their remuneration

√ Applicable □ Not applicable

Unit: Shares

Name	Position	Gender	Age	Start of tenure	End of tenure	Shareholding at the beginning of the year	Shareholding at the end of the year	Changes in shareholding during the year	Reason for changes	Total before-tax remuneration obtained from the Company during the Reporting period (RMB10,000)	Whether obtaining remuneration from related parties of the Company
Bian Cheng	Chairman	Male	62	2012/8/20	2027/7/31	49,349,799	49,349,799	-		384.00	No
Yang Xuexian	Director	Male	57	2020/5/8	2027/7/31	30,000	30,000	-		341.00	No
	General Manager			2020/4/23	2027/7/31						
Shen Yanchang	Director	Male	52	2018/9/3	2027/7/31	7,646,400	7,646,400	-		-	Yes
Li Yuejin	Director	Male	39	2024/8/1	2027/7/31	-	-	-		329.00	No
Chen Xuwei	Director	Male	55	2023/5/8	2027/7/31	-	-	-		18.00	Yes
Chen Yongcheng	Director	Male	42	2025/8/26	2027/7/31	-	-	-		6.29	Yes
Zuo Manlun	Director	Male	53	2023/5/8	2027/7/31	-	-	-		18.00	Yes
Peng Hengxiang	Employee Representative Director	Female	53	2025/8/26	2027/7/31	-	-	-		190.00	No
	Chairman of the Board of Supervisors			2021/8/20	2025/8/26						

	(resigned)										
Chen Huan	Independent Director	Male	63	2020/6/29	2027/7/31	-	-	-		15.00	No
Li Songyu	Independent Director	Male	66	2021/8/20	2027/7/31	-	-	-		15.00	No
Lan Hailin	Independent Director	Male	66	2023/5/8	2027/7/31	-	-	-		15.00	No
Long Jiangang	Independent Director	Male	61	2021/8/20	2027/7/31	-	-	-		15.00	Yes
Zeng Fei	Vice President	Male	50	2015/5/18	2027/7/31	208,200	208,200	-		240.00	No
	Principal of Financial Affairs (resigned)			2020/10/28	2025/11/26						
Zhou Peng	Vice President	Male	62	2017/12/4	2027/7/31	2,049,922	2,049,922	-		260.00	No
Peng Qi	Secretary of the Board of Directors	Male	36	2024/8/1	2027/7/31	-	-	-		90.00	No
Luo Lin	Principal of Financial Affairs	Male	44	2025/11/26	2027/7/31	-	-	-		150.00	No
Deng Haoxuan	Director (resigned)	Male	37	2023/5/8	2025/6/30	-	-	-		9.00	Yes
Qiu Hongying	Employee Representative Supervisor (resigned)	Female	43	2021/8/20	2025/8/26	-	-	-		106.77	No
Chen Haiqin	Supervisor (resigned)	Male	53	2020/6/29	2025/8/26	-	-	-		-	No
Total	/	/	/	/	/	59,284,321	59,284,321	-	/	2,202.06	/

Note: The above shareholding quantity is the number of shares held directly, excluding the number of shares corresponding to the granted portion under the employee stock ownership plan.

Name	Main Work Experience
Bian Cheng	He joined the Company in 1998, served as Director and General Manager of the Company until August 2012, has served as Chairman of the Company from August 2012 to the present, and currently concurrently serves in subsidiaries as Executive Director of HLT Industry Co., Ltd., Director of Guangdong Twyford International Holding Ltd., Director of Guangdong Keda Hydraulic Technology Co., Ltd., and Director of Tilemaster Investment Limited, etc.

Yang Xuexian	He joined Foshan Ceramic Machinery Manufacturing General Plant in 1992 (the predecessor of HLT Industry Co., Ltd., a wholly owned subsidiary of Keda Group), and successively served as Sales Department Manager, Marketing Director, and General Manager of HLT Industry Co., Ltd. Since April 2020 and from May 2020 to present, he has served as General Manager and Director of the Company, respectively. Currently, he also concurrently serves in subsidiaries as General Manager of HLT Industry Co., Ltd., Director of Keda Foshan Industrial Co., Ltd., Director of HLT Industry Co., Ltd., Chairman of Guangdong Quanitech Material Ltd., Director of Keda Europe S.r.l., Director of I.C.F. & Welko S.P.A., etc., and concurrently serves as Director of the investee company Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.
Shen Yanchang	He previously worked at the Heilongjiang National Defense Economic and Technological Development Center, Nigeria General Steel Mills Group Ltd., Guangzhou Aokeye Economic and Trading Co., Ltd., and Guangzhou Sunda International Trading Co., Ltd. He has served as Director of the Company since September 2018. He currently also serves as Executive Director and General Manager of Guangzhou Senyang Investment Co., Ltd., Chairman of the Board and Non-Executive Director of Softcare Limited, and concurrently serves in subsidiaries as Chairman of Guangdong Twyford International Holding Ltd., Executive Director of Twyford (Guangzhou) Furniture Co., Ltd., etc.
Li Yuejin	He joined the Company in 2017. He previously served as Senior Consultant and Project Manager at Allpku Group, Board Secretary and Head of Investment at Yashili International Holdings Limited, and the Company's Board Secretary and Vice President. Currently he serves as Director of the Company and President of the building materials business segment. He concurrently serves at subsidiaries as Director and General Manager of Guangdong Twyford International Holding Ltd., Director of Tilemaster Investment Limited, Director of Guangdong Keda Hydraulic Technology Co., Ltd., General Manager of Twyford (Guangzhou) Furniture Co., Ltd., Supervisor of Anhui Keda Investment Co., Ltd., Supervisor of Guangdong Keda Lithium Industry Co., Ltd., etc., and concurrently serves as Director of Qinghai Yanhu Lanke Lithium Industry Co., Ltd., an investee company.
Chen Xuwei	He formerly served as Manager and Chief Financial Officer of the Finance Department at Xin Zhong Yuan Group, and Chief Financial Officer of Guangdong Hongyu Group Co., Ltd. He has served as Director of the Company since May 2023 and currently concurrently serves as Director of FCRI Group Co., Ltd., among others.
Chen Yongcheng	He previously worked at Guangzhou Red Bull Vitamin Beverage Co., Ltd. and Guangdong BODE Fine Building Materials Co., Ltd. Since August 2025, he has served as Director of the Company and concurrently serves as General Manager of the Hongyu Ceramics Brand Business Division.
Zuo Manlun	He serves as Director of the Company since May 2023. Currently he serves as Executive President and Executive Director of China Lesso Group Holdings Limited, and Non-executive Director of Xingfa Aluminum Holdings Limited, etc.
Peng Hengxiang	She joined the Company in 2020. She previously served as Deputy Director of the Finance Department of Guangdong Hongyu Group Co., Ltd., and Chairman of the Board of Supervisors of the Company. Currently she serves as Director of Audit and Supervision of the Company, and has been serving as Employee Representative Director since August 2025.
Chen Huan	He previously served as Section Chief and Deputy Minister of Guangdong Provincial Ceramics Company, Deputy General Manager and General Manager of Shenzhen Nanyu Artistic Ceramics Co., Ltd., and Independent Director of Monalisa Group Co., Ltd. From November 1998 to present, he has successively served as Secretary-General, Vice President, and President of the Guangdong Ceramics Association. From March 2004 to present, he has successively served as Secretary-General and Executive Vice President of the Guangdong Building Materials Industry Association. Currently he serves as Vice Chairman of the China Ceramic Industry Association. He has served as Independent Director of the Company since June 2020. He also currently holds concurrent positions as Independent Director of Guangdong Redwall New Materials Co., Ltd., and Director of Foshan Uniceramics Technology Development Co., Ltd., etc.
Li Songyu	He previously served as Deputy Division Director of the Development Research Center of the People's Government of Henan Province, Division Director of the

	Shenzhen Office, President of the PBOC Foshan Office, President of Guangzhou Branch of China CITIC Bank, President of Shenzhen Branch of China CITIC Bank, and Senior Advisor. From August 2021 to present, he has served as an Independent Director of the Company.
Lan Hailin	He is a Professor and PhD Supervisor at the School of Business Administration, South China University of Technology, from September 1997 to present. He previously served as an Independent Director of the Company, and has again served as an Independent Director of the Company from May 2023 to present. Currently he also concurrently serves as Executive Director and General Manager of Guangzhou Blue Ocean Enterprise Management Consulting Co., Ltd., etc.
Long Jiangang	He previously served at the Guizhou Provincial Committee of the Communist Youth League of China and Foshan University. Since August 2021, he has served as an Independent Director of the Company. Currently he concurrently serves as a Director of Eaglerise Electric & Electronic (China) Co., Ltd., Chief Researcher of Foshan Business Philosophy Research Institute (Limited Partnership), special commentator for Southern Daily, and guest program host for Foshan TV.
Zeng Fei	He joined the Company in 2002 and has served as the Company's Board Secretary and Principal of Financial Affairs. From May 2015 to present, he has served as Vice President of the Company. He currently serves in subsidiaries as a Director of Anhui Keda Industrial Co., Ltd., a Director of Keda (Anhui) Clean Energy Co., Ltd., a 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., a Supervisor of HLT Industry Co., Ltd., and concurrently serves as a Supervisor of Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.
Zhou Peng	He joined the Company in 2002, and has served as Assistant to the Chairman, General Manager of the Deep Processing Business Unit, Director, and Board Secretary. Currently he serves as Vice President of the Company, and concurrently serves in subsidiaries as a Director of Keda (Anhui) Clean Energy Co., Ltd., a Director of Fujian Keda New Energy Technology Co., Ltd., and a Director of Guangdong Keda Hydraulic Technology Co., Ltd., etc.
Peng Qi	He joined the Company in 2017, and previously served as Manager of the Company's Strategic Investment Department, Deputy General Manager and Board Secretary of the subsidiary Fujian Keda New Energy Technology Co., Ltd., and has served as the Company's Board Secretary since August 2024. Currently, he concurrently serves as a supervisor of the subsidiary Guangdong Twyford International Holding Ltd.
Luo Lin	He joined the Company in 2023. He previously served as Assistant Audit Manager at Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership), General Manager of the Finance Center at Guangdong Dongpeng Holdings Co., Ltd., and Senior Vice President of Finance at Guangzhou Shiyuan Electronic Technology Co., Ltd. Currently he serves as Finance Director of the Company headquarters and its subsidiary, Fujian Keda New Energy Technology Co., Ltd., and has served as the Company's Principal of Financial Affairs from November 2025 to the present.
Deng Haoxuan (resigned)	He previously served as Deputy Investment Director of Guangdong Hongyu Group Co., Ltd., and served as a Director of the Company from May 2023 to June 2025.
Qiu Hongying (resigned)	She joined the Company in 2005, successively served as the Company's General Ledger Supervisor, General Ledger Accounting Manager, and Audit Department Manager, and currently serves as Assistant to General Manager of the Company's Keda Ceramic. From August 2021 to August 2025, she served as the Company's Employee Representative Supervisor.
Chen Haiqin (resigned)	He previously served as a Relationship Manager at Shengtang Sub-branch and Jianfu Sub-branch of Foshan Branch of China Construction Bank, a Supervising Relationship Manager, Senior Risk Manager, Deputy General Manager, and General Manager of the Corporate Banking Department of Foshan Branch of China Construction Bank, General Manager of Foshan Saiermike Fund Management Co., Ltd., and has served as General Manager of the Investment Center of Foshan New Pearl Enterprise Group Co., Ltd. from 2018 to present, and as a Supervisor of the Company from June 2020 to August 2025.

Other explanations

Applicable Not applicable

ii. Positions held by current and resigned directors and senior management during the Reporting period

1. Positions held in shareholder entities

√ Applicable Not applicable

Name	Shareholder Entities	Positions Held in Shareholder Entities	Start of Tenure	End of Tenure
Chen Xuwei	Guangdong Hongyu Group Co., Ltd.	Chief Financial Officer	April 2017	February 13, 2026
Zuo Manlun	Guangdong Lesso Technology Industrial Co., Ltd.	Chairman, General Manager	December 1999	
Deng Haoxuan	Guangdong Hongyu Group Co., Ltd.	Deputy Investment Director	June 2017	May 31, 2025
Explanations about holding positions in shareholder entities	See resume for details.			

2. Positions held in other entities

√ Applicable Not applicable

Name	Other Entities	Positions Held in Other Entities	Start of Tenure	End of Tenure
Bian Cheng	Foshan Zhongtao Alliance Science & Technology Co., Ltd. (deregistered)	Director	February 2015	February 2026
Bian Cheng	Foshan Unicermics Technology 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, General Manager	January 2024	
Shen Yanchang	Softcare Limited	Chairman of the Board and Non-executive Director	July 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	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	PEAK STEEL GHANA LIMITED COMPANY	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	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	Sinsiwang Limited	Director	September 2022	
Shen Yanchang	SUNDA ENTERPRISE LIMITED	Director	July 2024	
Shen Yanchang	Senda Enterprise Group Co., Ltd.	Authorized Representative, Director	June 2025	
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	FCRI Group Co., Ltd.	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	Foshan Zhifeng Management Consulting Co., Ltd.	Director	January 2021	February 2026
Chen Xuwei	Guangdong Hongyu Mineral Investment Co., Ltd.	Supervisor	November 2020	February 2026
Chen Xuwei	Guangdong Hongjia Mineral Investment Co., Ltd.	Supervisor	January 2021	
Chen Xuwei	Guangdong Hongyu Commercial Management Co., Ltd.	Supervisor	July 2018	January 2026
Chen Xuwei	Guangdong Hongyu New Materials Technology Holdings Co., Ltd.	Principal of Financial Affairs	December 2020	April 2025
Chen Yongcheng	Guangdong Hongyu Ceramics Co., Ltd.	General Manager	January 2021	
Zuo Manlun	Guangdong Lesso Home Building Materials Co., Ltd.	Chairman, General 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 Lesso Aiboke Residential Equipment Design Service Co., Ltd.	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 and Decoration Engineering Co., Ltd.	Director	July 2012	
Zuo Manlun	Anhui Lesso Technology Industrial Co., Ltd.	Chairman	January 2023	
Zuo Manlun	Foshan Nanhai Eago 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, and Building Materials Mall Co., Ltd.	Director, Manager	October 2014	
Zuo Manlun	Guangdong Shunde Lingshang Property Management Co., Ltd.	Chairman	August 2019	
Zuo Manlun	Zhejiang Tianjing Plastics Co., Ltd.	Chairman	November 2015	
Zuo Manlun	Guangdong Lesso Trading Co., Ltd.	Chairman	March 2025	
Zuo Manlun	Lesso Municipal Pipeline (Xingtai) Co., Ltd.	Chairman	November 2018	
Zuo Manlun	Guangzhou Environmental Protection Engineering Design Institute Co., Ltd.	Chairman	April 2016	
Zuo Manlun	Guangdong Huaqing Eco-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 Protection Enterprise Management Co., Ltd.	Chairman	March 2017	
Zuo Manlun	Fujian Lesso New Materials 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 Inspection Management Co., Ltd.	Chairman	May 2018	
Zuo Manlun	Guangdong Xingmailiya Commercial Management Co., Ltd.	Chairman	July 2018	
Zuo Manlun	Anhui Lesso Huaqing Testing Technology Co., Ltd.	Chairman	July 2019	
Zuo Manlun	Jiangsu Yongbao Environmental 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 Huomanyun Logistics Information Service Co., Ltd.	Chairman	May 2019	
Zuo Manlun	Guangzhou Jingxing Construction Technology Co., Ltd.	Director	January 2020	
Zuo Manlun	Guangdong Yitong 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 Lingshi Digital Technology Co., Ltd.	Chairman	December 2020	
Zuo Manlun	CNPW Jiahui (Guangdong) Waterproofing Co., Ltd.	Chairman, General Manager	November 2020	
Zuo Manlun	Gansu Lesso Technology Industrial Co., Ltd.	Chairman	April 2021	
Zuo Manlun	Guangdong Kaihong Intelligent Equipment Co., Ltd.	Chairman	June 2021	
Zuo Manlun	Hubei Kinghonor Fresh Air Technology Co., Ltd.	Chairman	August 2021	December 2025
Zuo Manlun	Hubei Kangjing Fresh Air Environmental Protection Equipment Co., Ltd. (Deregistered)	Chairman	August 2021	October 2025
Zuo Manlun	Hunan Vary Technology Co., Ltd.	Director	April 2021	
Zuo Manlun	Guangdong Shiji Xinghui Creative Park Technology Co.,	Chairman	July 2021	

	Ltd.			
Zuo Manlun	Guangdong Lesso Solar New Energy Technology Group Co., Ltd.	Chairman	November 2021	
Zuo Manlun	Guangdong Solar 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	Chief Executive Officer, Executive President, Executive Director, Co-Executive President	February 2010	
Zuo Manlun	Xingfa Aluminum Holdings Limited	Non-executive Director	April 2018	
Zuo Manlun	Foshan Zhanhua Management Consulting Co., Ltd.	Executive Director, General Manager	July 2018	
Zuo Manlun	Foshan Yingsheng Real Estate Co., Ltd.	Chairman	January 2016	
Zuo Manlun	Maoming Lesso Building Materials Co., Ltd.	Director	February 2025	
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 Gaoming District Dajiahao Real Estate Co., Ltd.	Supervisor	June 2007	
Zuo Manlun	Foshan Shunde District Yingxin Property Management Co., Ltd.	Supervisor	September 2004	
Zuo Manlun	Foshan Zhuorui Management Consulting Co., Ltd.	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	
Zuo Manlun	Yili Lesso Pipe Industry Co., Ltd.	Chairman	February 2025	
Zuo Manlun	Samanea China Holdings Limited	Director	January 2024	
Zuo Manlun	Lesso Mall Development (Jurupa	Director	July 2018	

	Valley) Limited			
Zuo Manlun	Lesso (Tanzania) Technology Development Company Limited	Director	July 2018	
Zuo Manlun	China Lesso Finance Company Limited	Director	July 2016	
Peng Hengxiang	Guangzhou Jinpibao Real Estate Co., Ltd.	Supervisor	November 2018	
Peng Hengxiang	Foshan Leyun Innovation Technology Co., Ltd.	Supervisor	May 2018	
Peng Hengxiang	Guangdong Huasui Green Building Materials Co., Ltd.	Principal of Financial Affairs	August 2024	
Chen Huan	Guangdong Ceramics Association	Chairperson	December 1998	
Chen Huan	Guangdong Building Materials Association	Executive Vice President	March 2004	
Chen Huan	China Ceramic Industry Association	Vice Chairman	December 2007	
Chen Huan	Foshan Zhongtao Alliance Science & Technology Co., Ltd. (deregistered)	Director	February 2015	February 2026
Chen Huan	Foshan Uniceramics Technology 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	
Li Songyu	Longsi Liquidation Services (Guangzhou) Co., Ltd.	Manager	October 2023	
Li Songyu	Palm Eco-Town Development Co., Ltd.	Director	February 2022	February 2026
Lan Hailin	South China University of Technology	Professor, Doctoral Supervisor	September 1997	
Lan Hailin	Guangzhou Blue Ocean Enterprise Management Consulting Co., Ltd.	Executive Director, General Manager	November 2014	
Lan Hailin	Guangdong DECRO Film New Materials Co., Ltd.	Independent Director	December 2023	October 2025
Long Jiangang	Foshan Huajun Business Philosophy Research Institute Co., Ltd.	Supervisor	April 2018	
Long Jiangang	Eaglerise Electric & Electronic (China) Co., Ltd.	Director	November 2025	
Long Jiangang	Foshan Business Philosophy Research Institute (Limited Partnership)	Chief Researcher	May 2015	
Long Jiangang	Guangdong Hongchang Clothing Creativity Co., Ltd.	Chairman of the Board of Supervisors	March 2011	
Long Jiangang	Guizhou Plateau Tea Oil Co., Ltd.	Director	May 2018	
Long Jiangang	Shenzhen Kunyue Culture Media Co., Ltd. (deregistered)	Supervisor	April 2017	June 2025
Zeng Fei	Foshan Keda Ceramic	Manager,	September	

	Technology Co., Ltd.	Director	2016	
Zeng Fei	Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	Supervisor	July 2023	
Zeng Fei	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Supervisor	May 2021	September 2025
Explanations about holding posts in other entities	See resume for details.			

iii. Remuneration of directors and senior management

Applicable Not applicable

Decision-making procedures for the remuneration of directors and senior management	After the remuneration plan for the Company's directors is reviewed and approved by the Board's Remuneration and Assessment Committee, it shall be submitted to the Board of Directors and the shareholders' meeting for deliberation and approval before implementation. The remuneration plan for senior management shall, after being reviewed and approved by the Board's Remuneration and Assessment Committee, be submitted to the Board of Directors for deliberation and approval before implementation.
Whether a director shall abstain from voting when the Board discusses the remuneration matters concerning the director.	Yes
The recommendations made by the Remuneration and Assessment Committee or a special meeting of independent directors on the remuneration matters concerning directors, supervisors and senior management	On March 26, 2025, the Company convened a meeting of the Remuneration and Assessment Committee of the Board of Directors, which reviewed and approved the <i>Proposal on Revising the Remuneration and Performance Management System for Directors, Supervisors and Senior Management</i> , the <i>Proposal on Determining the Remuneration of Directors for 2024 and the Remuneration Plan for 2025</i> , and the <i>Proposal on Determining the Remuneration of Senior Management for 2024 and the Remuneration Plan for 2025</i> . On February 9, 2026, the Company convened another meeting of the Remuneration and Assessment Committee, which reviewed and approved the <i>Proposal on Determining the Remuneration of Directors and Senior Management for 2025</i> . The Committee confirmed the performance assessment results of internal directors and senior management, believing that the results objectively reflected their performance of duties in 2025. The remuneration arrangement links with operational responsibilities, risks, and performance, providing appropriate incentives and restraints, and generally complies with the Company's remuneration policies.
Basis for determining the remuneration of directors and senior management	Independent directors and external directors who do not hold any other specific positions in the Company receive allowances paid by the Company in accordance with the standards determined by the shareholders' meeting. Internal directors and senior management, in accordance with the <i>Remuneration and Performance Management System for Directors and Senior Management</i> , have their remuneration comprehensively assessed based on the specific positions they hold in the Company, actual work performance, and factors such as the Company's operating performance. Director Mr. Shen Yanchang is the

	actual controller of Sunda Group, a strategic cooperation partner for the Company's building materials business, and he does not receive remuneration or allowances from the Company.
Actual payment of remuneration for directors and senior management	For details, see "i. Changes in shareholdings of current or resigned directors and senior management during the Reporting period and their remuneration" in this section.
Total remuneration received by all directors and senior management at the end of the Reporting period	RMB 20.9529 million
Assessment basis and completion status for the remuneration received by all directors and senior management at the end of the Reporting period	The director allowances received by external directors (including independent directors) of the Company are not subject to performance assessment. Internal directors and senior management who hold specific positions in the Company or are directly involved in its management operations shall be subject to <i>Remuneration and Performance Management System for Directors and Senior Management</i> . In 2025, the Company's the Remuneration and Assessment Committee of the Board of Directors, in accordance with the Company's performance assessment policies, conducted formal performance evaluations of internal directors and senior executives. Executive compensation for the year was subsequently determined and disbursed in strict alignment with the evaluation outcomes.
Deferred payment arrangements for the remuneration received by all directors and senior management at the end of the Reporting period	In 2025, there is no deferred payment arrangements for the remuneration received by all directors and senior management.
Payment suspension or recourse for the remuneration received by all directors and senior management at the end of the Reporting period	In 2025, there is no payment suspension or recourse for the remuneration received by all directors and senior management.

iv. Changes in directors and senior management

√ Applicable Not applicable

Name	Position	Nature of Change	Reason for Change
Deng Haoxuan	Director	Resigned	Personal reasons
Chen Yongcheng	Director	Election	
Peng Hengxiang	Employee Representative Director	Election	
Zeng Fei	Principal of Financial Affairs	Resigned	Job transfer
Luo Lin	Principal of Financial Affairs	Appointed	

v. Explanation on penalties imposed by securities regulatory authorities in the recent three years

√ Applicable Not applicable

Due to issues such as the Company's illegal off-book receipts and payments and accounting, and payment of remuneration to directors, supervisors, and senior management, on October 31, 2025, the Shanghai Stock Exchange issued the *Disciplinary Sanction Decision* ([2025] No. 209), and gave a notification of criticism to the Company and the then Chairman Bian Cheng, the then General Managers Yang Xuexian and Wu Muhai, the then Chief Financial Officers Zeng Fei and Li Qing, and the then Board Secretary Li Yuejin. The Listed Companies Administration Department I of the Shanghai Stock Exchange issued the *Decision on Issuing a Regulatory Warning to the Relevant Responsible Persons of Keda Industrial Group Co., Ltd.* (SH.ZH.G.J.H. [2025] No. 0208), issuing regulatory warnings to the Company's then Board Secretary Peng Qi, then Director Zhang Zhonghua, then Deputy General Manager Zhou Peng, and then Supervisor Peng Hengxiang. The CSRC Guangdong Office issued the *Administrative Regulatory Measures Decision* ([2025] No. 122), ordering the Company to make corrections and taking the administrative regulatory measure of issuing warning letters to Bian Cheng, Yang Xuexian, Zeng Fei, Li Yuejin, Zhou Peng, Peng Hengxiang, Peng Qi, Zhang Zhonghua, Wu Muhai and Li Qing. In response to the above violations, the Company has completed the main rectifications and will continue to implement standardized practices.

vi. Others

Applicable Not applicable

IV. Duty performance of directors

i. Directors' attendance at board meetings and shareholders' meetings

Name of director	Independent director	Attendance at board meetings						Attendance at shareholders' meetings
		Number of required attendances at board meetings during the Reporting period	Number of attendances in person	Number of attendances by means of telecommunications	Number of attendances by proxy	Number of absences	Failing to attend meetings in person for two consecutive times	Number of attendances at shareholders' meetings
Bian Cheng	No	9	9	0	0	0	No	3
Yang Xuexian	No	9	9	0	0	0	No	3
Shen Yanchang	No	9	9	5	0	0	No	3
Li Yuejin	No	9	9	5	0	0	No	3
Chen Xuwei	No	9	9	6	0	0	No	3
Chen Yongcheng	No	5	5	2	0	0	No	1
Zuo Manlun	No	9	9	9	0	0	No	3

Peng Hengxiang	No	4	4	1	0	0	No	0
Chen Huan	Yes	9	9	5	0	0	No	3
Li Songyu	Yes	9	9	5	0	0	No	3
Lan Hailin	Yes	9	9	7	0	0	No	3
Long Jiangang	Yes	9	9	8	0	0	No	3
Deng Haoxuan	No	3	3	2	0	0	No	2

Note: Mr. Chen Yongcheng and Ms. Peng Hengxiang were elected as a director and an employee representative director of the Company on August 26, 2025, and Mr. Deng Haoxuan resigned from his position as a director of the Company on June 30, 2025.

Explanation on failing to attend board meetings in person for two consecutive times

Applicable Not applicable

Number of board meetings held for the year	9
Including: Number of meetings held onsite	0
Number of meetings held by means of telecommunications	0
Number of meetings held onsite or by means of telecommunications	9

ii. Objections raised by directors against relevant matters of the Company

Applicable Not applicable

iii. Others

Applicable Not applicable

V. Special committees under the Board of Directors

Applicable Not applicable

i. Members of special committees under the Board of Directors

Category of Special Committees	Member Name
Audit Committee	Li Songyu, Chen Xuwei, Peng Hengxiang, Chen Huan, and Long Jiangang
Nomination Committee	Bian Cheng, Zuo Manlun, Chen Huan, Lan Hailin, and Li Songyu
Remuneration and Assessment Committee	Bian Cheng, Yang Xuexian, Chen Huan, Lan Hailin, and Li Songyu
Strategy Committee	Bian Cheng, Li Yuejin, Zuo Manlun, Chen Yongcheng, and Lan Hailin

ii. The Audit Committee held seven meetings during the Reporting period

Convening date	Meeting content	Important comments and suggestions	Other duty performance
March 12, 2025	Reviewing the <i>2024 Financial and Accounting Statements</i>	Providing review comments on the <i>2024 Financial and Accounting Statements</i> and agreeing to carry out the 2024 financial audit work based on these financial statements.	Reviewing the <i>2024 Compliance Review Report on Major Matters</i>
March 20, 2025	Reviewing five proposals, including the <i>2024 Financial and Accounting Statements</i> and the <i>Proposal on Re-appointing the Accounting Firm</i> .	Re-raising review comments on the <i>2024 Financial and Accounting Statements</i> , and agreeing to prepare the Company's 2024 annual report based on these financial statements; reviewing and approving other meeting matters, and agreeing to submit them to the Board of Directors for deliberation.	Reviewing the <i>2024 Internal Audit Work Report</i> and the <i>2025 Internal Audit Work Plan</i>
March 26, 2025	Reviewing four proposals, including the <i>2024 Annual Report and Its Abstract</i>	Reviewing and approving the meeting matters, and agreeing to submit them to the Board of Directors for review.	/
April 28, 2025	Reviewing the <i>Report for the First Quarter of 2025</i>	Reviewing and approving the meeting matters, and agreeing to submit them to the Board of Directors for review.	Reviewing the <i>Internal Audit Work Report for the First Quarter of 2025</i>
August 25, 2025	Reviewing the <i>2025 Semi-Annual Report and Its Abstract</i> and the <i>Proposal on Revising the Internal Audit System</i> .	Reviewing and approving the meeting matters, and agreeing to submit them to the Board of Directors for review.	Reviewing the <i>Internal Audit Work Report for the Second Quarter of 2025</i> and the <i>Compliance Review Report on Major Matters for the First Half of 2025</i> .
October 30, 2025	Reviewing the <i>Report for the Third Quarter of 2025</i>	Reviewing and approving the meeting matters, and agreeing to submit them to the Board of Directors for review.	Reviewing the <i>Internal Audit Work Report for the Third Quarter of 2025</i> .
November 26, 2025	Reviewing the <i>Proposal on Appointing the Principal of Financial Affairs for the Company</i>	Carefully reviewing the candidate's qualifications, capability to perform duties, and professional integrity, and agreeing to submit the proposal to the Board of Directors for deliberation.	/

iii. The Nomination Committee held two meetings during the Reporting period

Convening date	Meeting content	Important comments and suggestions	Other duty performance
August 5, 2025	Reviewing the <i>Proposal on the Nomination of</i>	Carefully reviewing the candidates' qualifications for the	/

	<i>Non-independent Director Candidates for the Ninth Board of Directors</i>	position, duty performance capabilities, and moral character, and agreeing to nominate the relevant candidates and submit the proposal to the Company's Board of Directors for deliberation.	
November 26, 2025	<i>Reviewing the Proposal on Nominating the Principal of Financial Affairs for the Company</i>	Carefully reviewing the candidates' qualifications for the position, duty performance capabilities, and moral character, and agreeing to nominate the relevant candidates and submit the proposal to the Company's Board of Directors for deliberation.	/

iv. The Remuneration and Assessment Committee held five meetings during the Reporting period

Convening date	Meeting content	Important comments and suggestions	Other duty performance
January 20, 2025	<i>Reviewing the Proposal on Determining the Remuneration of Directors and Senior Management for 2024</i>	The committee believed that the remuneration of directors and senior management for 2024 complied with the relevant provisions of the Company's remuneration management and performance assessment. Interested committee members abstained from voting, and the other committee members expressed agreement with the meeting matters.	/
March 26, 2025	<i>Reviewing six proposals, including the Draft of the 2025 Employee Stock Ownership Plan (ESOP) and Summary</i>	Interested committee members abstained from voting, and the other committee members agreed to the meeting matters and agreed to submit them to the Board of Directors for deliberation.	/
May 30, 2025	<i>Reviewing the Proposal on Adjustments to Relevant Matters of the 2025 Employee Stock Ownership Plan</i>	Interested committee members abstained from voting, and the other committee members agreed on the meeting matters and agreed to submit them to the Board of Directors for deliberation.	/
August 5, 2025	<i>Reviewing the Proposal on Revising the Remuneration and Performance Management System for Directors and Senior Management</i>	As all committee members had conflicts of interest regarding the matter under review, all members abstained from voting, and the proposal was directly submitted to the Board of Directors and the shareholders' meeting for deliberation.	/

November 26, 2025	Reviewing the <i>Proposal on Extending the Duration of the 2020 Employee Stock Ownership Plan</i>	Interested committee members abstained from voting, and the other committee members agreed to the meeting matters and agreed to submit them to the Board of Directors for deliberation.	/
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v. The Strategy Committee held two meetings during the Reporting period

Convening date	Meeting content	Important comments and suggestions	Other duty performance
March 26, 2025	Reviewing the <i>2024 Corporate Social Responsibility Report</i> and the <i>Proposal on Formulating the Market Value Management System.</i>	Unanimously agreeing to the meeting matters and agreeing to submit them to the Board of Directors for deliberation.	/
November 26, 2025	Reviewing the <i>Proposal on Revising the Investment Management Policy</i>	Unanimously agreeing to the meeting matters and agreeing to submit them to the Board of Directors for deliberation.	/

vi. Details of objections

Applicable Not applicable

VI. Explanation on the risks of the Company identified by the Audit Committee

Applicable Not applicable

The Audit Committee raised no objections regarding its supervisory matters during the Reporting period.

VII. Employees of the parent company and major subsidiaries at the end of the Reporting period

i. Employees

Number of in-service employees of the parent company	1,468
Number of in-service employees of major subsidiaries	18,640
Total number of in-service employees	20,108
Number of resigned and retired employees with expenses borne by the parent company and major subsidiaries	0
Specialty composition	
Category of specialty composition	Number of specialty compositions
Production personnel	13,794
Sales personnel	1,207
Technical personnel	679

Financial personnel	423
Administrative personnel	4,005
Total	20,108
Educational level	
Category of education level	Number (person)
Graduate or above	474
Bachelor's degree	3,985
College	2,906
Vocational or below	12,743
Total	20,108

ii. Remuneration policy

Applicable Not applicable

The Company has always regarded talent as its core asset and the foundation of development. Upholding an open, fair, and competitive talent philosophy, it attracts outstanding professionals from all sides, provides market-competitive compensation and diversified benefits, and promotes mutual empowerment and shared growth between the Company and its employees.

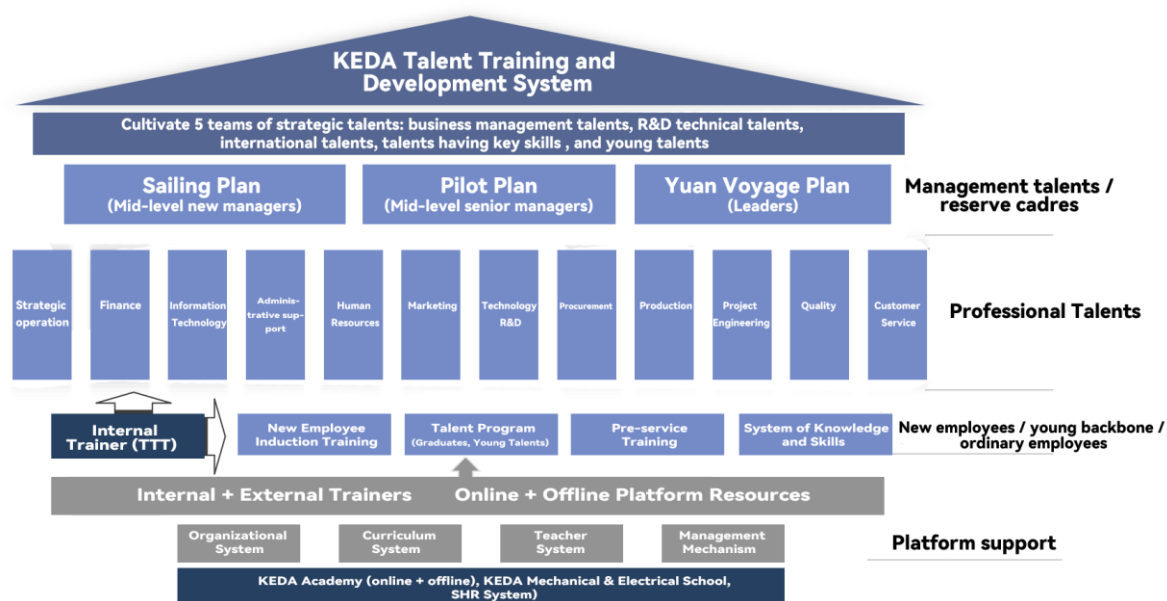
In terms of remuneration management, the Company follows rules and regulations such as the *Employee Remuneration and Benefits Management System* and the remuneration distribution philosophy of “justice, fairness, openness, incentives, and compliance”. With “salary is determined by position, and adjusted with position change” as the guiding principle, and in combination with market compensation levels and the Company’s operating conditions, the Company has formulated a remuneration system and adjustment mechanism that fit the Company’s characteristics, based on employees’ value creation capability (talent), employees’ position in the value creation process (responsibility and risk commitment) and performance (work attitude), as well as the results of value creation (contribution), and incorporates potential assessment into the comprehensive assessment. The Company implements a monthly and annual performance-based remuneration assessment mechanism, closely linking remuneration distribution with performance results, to ensure that employees’ income levels match their work performance, competency qualities, contribution value, and development potential, fully reflecting the incentive orientation of distribution according to work and better performance. On this basis, the Company has concurrently established a multidimensional incentive system as a supplement to remuneration, ranging from short-term incentives to long-term interest alignment, effectively leveraging the incentive and guiding role of remuneration and continuously stimulating employees’ intrinsic motivation and the vitality of organizational development.

iii. Training plans

Applicable Not applicable

The Company attaches great importance to the development and cultivation of the talent pipeline. Closely centering on the Company’s strategy and operational development

requirements, it focuses on five key talent teams: “business management talent, R&D technical talent, international talent, key skilled talent, and young talent”, and systematically advances differentiated and precise special talent development programs. Through a tiered and category-based training system and a practice-oriented development platform, the Company strives to select and cultivate a group of outstanding talents with broad vision, strong practical capabilities, and the courage to take responsibility. It continuously optimizes the structure of the talent pipeline, providing solid talent support and intellectual assurance for the Company’s long-term development.



Some key training courses in 2025:

Training type	Trainees	Training objectives	Training content
Leadership Decoding Development Program	Managers and potential elite personnel	To promote the transformation of management roles and the upgrading of capabilities to achieve aligned management.	Centering on four major modules: role transition, task planning, motivation and execution, and performance evaluation; the AI-enhanced closed-loop learning system includes online courses, AI hands-on drills, and live-stream coaching.
Leadership Enhancement and Management Cognition Deepening Program	Core cadres of the building materials business	To build an overseas management team with both strategic vision and breakthrough execution capability.	Starting from multiple dimensions such as self-management, tackling key business challenges, and team empowerment, diversified teaching formats are used to help trainees enhance their comprehensive management capabilities.
Specialized Onboarding Training for University Graduates	2025 fresh graduates	To help newcomers integrate quickly, and solidify the globalized young talent pipeline.	Team-building icebreaking, company business interpretation, base visits, professional ethics training, face-to-face exchanges with senior management, etc.
Dual-system Craftsman Class	Students from Foshan Polytechnic	To cultivate highly skilled talents and deepen the	The training drew on domestic and international experience to develop an integrated “dual-system” vocational

		integration of industry and education.	education curriculum, combining theoretical courses with enterprise-based training, and incorporating corporate internship training into the professional curriculum system.
English Proficiency Enhancement Program	Personnel in ceramic machinery customer service, marketing, and spare parts services	To enhance global service communication capabilities to support overseas business expansion.	A closed-loop “learning, practice, and testing” system featuring English reading & imitation check-ins, AI real-time pronunciation correction and intelligent question generation, supplemented by listening examinations.

During the Reporting period, the number of employee training sessions was 10,062 times, the overall employee training coverage rate was 99.82%, and the training investment amount was RMB 2,988.5 thousand.

iv. Labor outsourcing

Applicable Not applicable

VIII. Profit distribution plan or plan of capital reserve to share capital

i. Formulation, implementation, or adjustment of cash dividend policy

Applicable Not applicable

To effectively safeguard investors’ rights and interests, the Company has made explicit stipulations on the principles and requirements for profit distribution in the *Articles of Association* and the *Shareholder Dividend Return Plan*, in compliance with the requirements of relevant regulatory documents such as the *Regulatory Guidelines for Listed Companies No. 3—Cash Dividends of Listed Companies*.

1. 2024 profit distribution

During the Reporting period, the Company implemented the 2024 profit distribution plan. Based on the total number of shares entitled to profit distribution of 1,857,856,529 shares (total share capital of 1,917,856,391 shares minus 59,999,862 shares held in the Company’s repurchase securities account), a cash dividend of RMB2.00 (tax inclusive) was distributed for every 10 shares to all shareholders, with total cash dividends of RMB371,571,305.80 (tax inclusive), representing 36.92% of the Company’s net profit attributable to shareholders of the listed company for 2024. The formulation and distribution procedures of the Company’s profit distribution plan comply with the provisions of the *Articles of Association* and the requirements of the shareholders’ meeting resolutions. The relevant decision-making procedures are lawful and compliant, and can fully protect the legitimate rights and interests of minority investors.

2. 2025 profit distribution

The Company’s profit distribution plan for 2025 is as follows: Based on the total number of shares entitled to profit distribution held by the Company, 1,905,886,529 shares (total share capital of 1,917,856,391 shares minus 11,969,862 shares held in the Company’s repurchase

securities account), it is proposed to distribute a cash dividend of RMB 3.00 (tax inclusive) for every 10 shares to all shareholders, with total cash dividends to be distributed amounting to RMB 571,765,958.70 (tax inclusive). This plan shall become effective only after being reviewed and approved by the shareholders' meeting.

ii. Specific explanation on the cash dividend policy

Applicable Not applicable

Whether the policy complies with the Company's Articles of Association and the resolutions of the shareholders' meeting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the criteria and proportion of dividends are specific and clear	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether relevant decision-making procedures and mechanisms are complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether independent directors have performed their duties and given play to their due roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether minority shareholders have adequate opportunities to express their opinions and demands, and whether their legitimate rights and interests have been adequately protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

iii. Provided that the Company has made profits and the parent company's profits distributable to shareholders are positive, but no plan for distribution of profits by cash has been proposed during the Reporting period, the Company shall disclose in details the reasons therefore and use and plan of usage of the undistributed profit

Applicable Not applicable

iv. Profit distribution plan and plan of capital reserve to share capital during the Reporting period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Bonus shares per 10 shares	0
Cash dividend per 10 shares (RMB) (tax inclusive)	3.00
Capitalization shares per 10 shares	0
Amount of cash dividend (tax inclusive)	57,176.60
Net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements	130,886.34
Total amount of cash dividend as a percentage of the net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)	43.68
Amount of repurchase of shares under cash offer included in cash dividend	0
Total amount of dividend (tax inclusive)	57,176.60
Total amount of dividend as a percentage of the net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)	43.68

v. Cash dividend distribution for the most recent three accounting years

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Cumulative cash dividend amount (including tax) over the most recent three accounting years (1)	156,632.99
Cumulative amount repurchased and canceled over the most recent three accounting years (2)	49,995.52
Cumulative amount of cash dividends and repurchases with cancellation over the most recent three accounting years (3) = (1) + (2)	206,628.51
Average annual net profit amount for the most recent three accounting years (4)	146,905.72
Cash dividend payout ratio (%) for the most recent three accounting years (5) = (3) / (4)	140.65
Net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements for the most recent accounting year	130,886.34
Undistributed profit at the end of the most recent accounting year in the parent company's financial statements	305,394.59

IX. Share incentive plans, employee stock ownership plans, or other employee incentive measures and their impact

i. Incentive plans disclosed in temporary announcements with no subsequent progress or changes

√ Applicable □ Not applicable

Summary of the Matter	Reference
On November 13 and November 30, 2020, the Company convened the 32nd meeting of the 7th Board of Directors and the 3rd Extraordinary General Meeting of Shareholders in 2020, respectively, during which the <i>2020 Employee Stock Ownership Plan (ESOP)</i> was reviewed and approved. Based on the subscription results, 43,113,440 shares held in the Company's repurchase securities account were transferred via off-market transaction on February 9, 2021, to the ESOP's securities account. The ESOP has a term of 36 months and became eligible for unlocking in two tranches, starting 12 months after February 11, 2021. Considering continued confidence in the Company's long-term growth and intrinsic value, the Company held relevant ESOP holders' meetings and a board meeting in January and December 2024 and November 2025, respectively, approving an extension of the plan's duration to February 11, 2027. As of the end of the Reporting period, both tranches under the ESOP had been fully unlocked. However, the second tranche is still undergoing asset liquidation and distribution. The plan currently holds 17,556,700 shares of Keda Industrial Group Co., Ltd., representing approximately 0.92% of the Company's total share capital.	For further details, please refer to the Company's disclosures published on the Shanghai Stock Exchange website (www.sse.com.cn) on November 14, 2020; February 11, 2021; January 20, 2024; December 10, 2024; and November 27, 2025, including: <i>Draft of the 2020 Employee Stock Ownership Plan of Keda Industrial Group Co., Ltd., Announcement on Completion of Non-Trade Share Transfer for the 2020 Employee Stock Ownership Plan, and Announcement on Extending the Duration of the 2020 Employee Stock Ownership Plan.</i>
On March 26, April 16, and May 30, 2025, the Company convened the 6th Meeting of the 9th Board of Directors, the 2024 Annual General Meeting of Shareholders, and the 8th Meeting of the 9th Board of Directors, respectively, during which the <i>Draft of the 2025 Employee Stock Ownership Plan (ESOP) and Summary</i> and the <i>Proposal on Adjustments to Relevant Matters of the 2025 Employee Stock Ownership Plan</i> , among other proposals, were reviewed and approved. Based on the subscription results, more than 380	For further details, please refer to the Company's disclosures published on the Shanghai Stock Exchange website (www.sse.com.cn) on April 17, 2025, May 31, 2025, July 16, 2025, including <i>Keda Industrial Group Co., Ltd.</i>

<p>employees (excluding those under the reserved portion) participated in the initial grant under the plan, subscribing to 48.03 million shares. On July 14, 2025, these shares were transferred from the Company's repurchase securities account to the "Keda Industrial Group Co., Ltd.-2025 Employee Stock Ownership Plan" securities account, at a price of RMB 3.95 per share, representing 2.50% of the Company's total share capital.</p>	<p><i>2025 Employee Stock Ownership Plan, Announcement on Adjustments to Matters Related to the 2025 Employee Stock Ownership Plan, and Announcement on the Completion of Non-Trading Share Transfer for the Initial Grant under the 2025 Employee Stock Ownership Plan.</i></p>
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ii. Incentive measures not disclosed in temporary announcements or with subsequent developments

Equity incentive plans

Applicable Not applicable

Other notes:

Applicable Not applicable

Employee stock ownership plans

Applicable Not applicable

Other incentive measures

Applicable Not applicable

For specific details, please refer to "iii. Significant related party transactions of joint foreign investments" under "Significant related party transactions" in Section V "Significant Matters".

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

Applicable Not applicable

iv. Establishment and implementation of assessment and incentive mechanisms for senior management during the Reporting period

Applicable Not applicable

During the Reporting period, the Company revised the *Remuneration and Performance Management System for Directors and Senior Management* to further improve the Company's remuneration management for directors and senior management and establish a scientific and effective incentive and constraint mechanism. The remuneration and assessment of the Company's directors and senior management take the achievement of the Company's strategic objectives and economic benefits as the starting point, establish principles such as the "unity of responsibilities, authority, and benefits", and align their

remuneration levels with the Company's scale, performance, and market remuneration levels. The Company's senior management implements an annual salary system. The basic remuneration is determined mainly by considering factors such as the value of the position held, responsibilities, capabilities, and market salary levels, and is paid on an average monthly basis. Performance-based remuneration is based on the Company's annual target performance-based remuneration and is linked to the Company's annual operating performance. It is determined at year-end based on the assessment results for the year. Among them, the Company's Remuneration and Assessment Committee of the Board designates the President's Office and the Human Resources Department, together with the Finance Department, to formulate a performance assessment plan based on the Company's overall operating objectives and the work overseen by senior management. The weighting of each item in senior management's work plans and objectives shall be confirmed. The performance assessment plan will serve as the basis for their annual remuneration assessment. In addition, besides establishing an employee stock ownership plan at the listed company level, the Company has also set up an employee stock ownership platform at the business segment level, binding key management personnel to the long-term development of the business segments through equity, aligning the strategic objectives of all parties, and optimizing the Company's long-term incentive mechanism.

X. Construction and implementation of internal control systems during the Reporting period

Applicable Not applicable

During the Reporting period, the Company established a strict internal control management system in strict compliance with the requirements of the CSRC, the Shanghai Stock Exchange and the Company Law, the *Articles of Association* and other laws and regulations, and implemented a compliance governance structure where the responsibility is taken by the Board of Directors, supervision and management performed by the Audit Committee and the Audit and Supervision Department, and implementation made by all functional departments. During the Reporting period, the Company strengthened its *Internal Audit System*, clarified the responsibilities and authorities of internal auditing, and enhanced supervision over key areas such as financial reporting and fund management. The Audit and Supervision Department regularly or irregularly carried out independent and objective supervision, evaluation, and recommendations on the Company and its branches/subsidiaries regarding financial revenues and expenditures, economic activities, internal control, and risk management, so as to promote improved governance and the achievement of objectives. At the same time, the Company has continuously optimized its internal control system through measures such as optimizing production management processes, enhancing the level of digitalization, optimizing the corporate governance structure, and strengthening the performance of duties by the "key few", thereby improving the Company's operational management level and its risk prevention and control capabilities.

In addition, the Company, and its subsidiaries within the scope of the consolidated financial statements have completed the 2025 internal control self-assessment in accordance with the established plan. The Audit and Supervision Department supervised the internal control self-assessment, conducted focused spot checks on certain companies, performed evaluation testing on key internal control points and risk points, put forward improvement recommendations for weak links in internal control, and formed evaluation conclusions.

Based on the testing and evaluation conducted by the Audit and Supervision Department on the Company's various operating processes, the Company had no material deficiencies or significant deficiencies in internal control during the Reporting period. For details, please refer to the *2025 Internal Control Assessment Report* disclosed by the Company on March 28, 2026 on the Shanghai Stock Exchange website (www.sse.com.cn).

Explanation on any significant defects in internal control during the Reporting period

Applicable Not applicable

XI. Management and control over subsidiaries during the Reporting period

Applicable Not applicable

During the Reporting period, the Company strictly complied with the relevant requirements of the Company Law, the *Articles of Association*, and the standardized operation of listed companies, continuously optimized the management and control of its subsidiaries, focused on promoting their improved governance, sound internal control, and standardized operations, and continuously enhanced overall risk prevention and control capabilities.

The Company systematically revised core management systems such as the *Internal Reporting System for Material Information*, the *External Guarantee Management System*, and the *Related party Transaction System*. It formulated and issued guidelines and related templates for the work of the "Board of Directors, Board of Supervisors and shareholders' meeting" of subsidiaries, clarified the decision-making processes and execution standards for key matters, and continuously optimized informatization processes and system platforms. This promoted the online and standardized processing of workflows in key areas such as external guarantees and routine related party transactions, and effectively improved the level of compliant operation of subsidiaries. In recent years, the Company has continued to promote the optimization of the equity structure of its subsidiaries, reasonably dividing business segments with clear equity relationships, fully leveraging the headquarters' coordinating role in "risk control, empowerment, sharing, and collaboration", and strengthening unified management and resource integration. By appointing directors, supervisors, and senior management to subsidiaries, dynamically tracking their financial status and production and operating progress, and implementing operating performance assessments, the Company promotes the continuous improvement of operating quality and efficiency. The Company's Audit and Supervision Department urges subsidiaries to implement various institutional requirements through a supervision and inspection mechanism that combines regular and irregular inspections. The Securities Department also regularly carries out compliance communication and publicity for key management personnel of subsidiaries, continuously strengthening compliance awareness in daily operations and consolidating the foundation for standardized operations of subsidiaries. In addition, the Company continues to advance the informatization development of its subsidiaries, strengthen the real-time collection and analysis of operational and financial information, and leverage digital means to optimize process design, enhance management effectiveness and information transmission efficiency, providing strong support for achieving efficient control and business collaboration.

Risk alerts on anomalies in management control of subsidiaries

Applicable Not applicable

XII. Explanation on internal control audit report

Applicable Not applicable

The internal control audit report issued by the accounting firm is consistent with the opinions in the Company's internal control assessment report. For details, please refer to the *2025 Internal Control Assessment Report* and the *2025 Internal Control Audit Report* disclosed by the Company on March 28, 2026 on the Shanghai Stock Exchange website (www.sse.com.cn).

Whether the internal control audit report was disclosed: Yes

Opinion type of internal control audit report: Standard unqualified opinions

Whether non-standard audit opinions on internal control were issued during the Reporting period or the previous year

Yes No

XIII. Rectification of problems identified by self-inspection in the special action on the governance of listed companies

Not applicable

XIV. Environmental disclosure status of listed companies and their major subsidiaries included in the list of companies of statutory environmental information disclosure

Applicable Not applicable

Number of Companies Included in the List of Companies of Statutory Environmental Information Disclosure		2
No.	Company Name	Reference for Statutory Environmental Information Disclosure Report
1	Fujian Keda New Energy Technology Co., Ltd.	System on Corporate Environmental Information Disclosed in accordance with the Law (Fujian Beta Version) (http://220.160.52.213:10053/idp_province/#/home)
2	Chongqing Keda New Energy Materials Co., Ltd.	System on Corporate Environmental Information Disclosed in accordance with the Law (Chongqing) (http://cqtpf.cqree.cn:10001/eps/index/enterprise-search)

Other notes

Applicable Not applicable

XV. Social responsibility work

i. Whether to disclose social responsibility report, sustainability report or ESG report separately

Applicable Not applicable

For the detailed reports, see the *Keda Industrial Co., Ltd. 2025 Sustainability Report* disclosed on the same day.

ii. Detailed performance of social responsibilities

√ Applicable □ Not applicable

External Donations, Public Service Projects	Number/Content	Explanation
Total inputs (Ten Thousand Yuan)	136.35	
Including: Funds (Ten Thousand Yuan)	99.66	
Goods converted into money (Ten Thousand Yuan)	36.69	
Number of people benefited (person)	/	

Specific explanation

√ Applicable □ Not applicable

The Company has always upheld the corporate mission of “making happiness last longer”, actively fulfilling the social responsibility of “taking root locally and benefiting the community”. In areas such as charitable donations, volunteer services, and community co-building, it continues to give back to society and enhance people’s well-being. During the Reporting period, the Company and its subsidiaries supported local prevention and control of chikungunya fever and other mosquito-borne infectious diseases through charitable donations. Keda (Anhui) Clean Energy organized employees to participate in unpaid blood donation, conveying caring and charitable deeds. Keda Huadong New Energy Automobile opened free tomb-sweeping shuttle routes during the 2025 “Spring Festival”, “Pure Brightness”, and “Winter Solstice” periods, safely transporting residents a total of about 3,200 passenger trips. Anhui Keda Industrial visited the Ma’anshan Welfare Home to convey corporate care through practical actions, and, by virtue of its performance in fulfilling social responsibilities, was awarded the title of the 7th “National Civilized Unit”.

Looking overseas, subsidiaries in Turkey and Africa provided targeted assistance to impoverished students by establishing scholarships and donating school supplies, and supported improvements to local school infrastructure, helping to enhance the teaching environment. The African subsidiaries actively promoted the protection of women’s rights and the improvement of medical and health conditions through initiatives such as donating charitable supplies and supporting the renovation of hospital facilities, and participated in the construction or repair of local roads and assisted in the construction of public facilities such as water wells and solar lights, to effectively improve local community infrastructure conditions.

XVI. Efforts in rural development, public welfare, and global community engagement

√ Applicable □ Not applicable

Poverty Alleviation and Rural Revitalization Projects	Number/Content	Explanation
Total inputs (Ten Thousand Yuan)	39.94	

Including: Funds (Ten Thousand Yuan)	39.42	
Goods converted into money (Ten Thousand Yuan)	0.52	
Number of people benefited (person)	/	
Forms of alleviation (such as poverty alleviation through industry, poverty alleviation through employment, poverty alleviation through education, etc.)	Cultural revitalization, poverty relief for the elderly, employment-based poverty alleviation, and education-based poverty alleviation	

Specific explanation

Applicable Not applicable

In response to the national rural revitalization strategy and the work deployment for consolidating and expanding the achievements of poverty alleviation, the Company has continued to exert efforts and act solidly in cultural revitalization, poverty relief and respect for the elderly, and support for education and employment. During the Reporting period, the Company and its subsidiary Fujian Keda New Energy provided financial support, respectively, for traditional folk activities such as the Caoting Tug-of-War Competition in Xianyong Village, Foshan City, the Dragon-Welcoming Blessing Ceremony in Luofeng Village, Sanming City, and the Lantern-Welcoming event in Tangquan Village, helping promote the inheritance, preservation, and protection of rural culture. During the Double Ninth Festival, the Company, and its subsidiary Fujian Keda New Energy, sponsored charitable activities to honor and care for the elderly in places such as Xianyong Village and Tangquan Village. During the Spring Festival, they delivered condolence money to impoverished households in Luofeng Village, effectively helping disadvantaged groups alleviate difficulties and solve urgent problems. At the same time, Fujian Keda New Energy supported local primary schools and kindergartens in Datian County in carrying out Children's Day activities, demonstrating its commitment to local education development. The Company has also been steadily advancing the ramp-up of anode material production capacity at the Datian base. By recruiting and nurturing local talent, it is injecting momentum into the resilience and quality of regional economic development.

XVII. Others

Applicable Not applicable

Section V Significant Matters

I. Fulfillment of commitments

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

√ Applicable □ Not applicable

Context of Commitment	Type of Commitment	Committing Party	Description of Commitment	Date of Commitment	Timeframe Specified	Commitment Period	Fulfilled as Agreed	Reason for Delay (if any)	Planned Follow-up Actions
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 five years from the date of commitment making	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	June 19, 2024	No	Long-term fulfillment	Yes	/	/

			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.						
	Share restriction	Bian Cheng	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 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 issuance during the term of commitment.	September 18, 2024	Yes	Within the 12 months starting from September 30, 2024	Yes	/	/
	Share restriction	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 issuance during the term of commitment.	September 18, 2024	Yes	Within the 12 months starting from September 30, 2024	Yes	/	/

ii. The explanation provided by the Company for the original profit forecast which assets and projects meet and its reasons if there is a profit forecast for the Company's assets and projects which remain in the profit forecast during the Reporting period

Met Not met Not applicable

iii. Performance commitments

Applicable Not applicable

Changes in performance commitments

Applicable Not applicable

Other notes

Applicable Not applicable

II. Non-operating capital occupation by the controlling shareholder and its related parties during the Reporting period

Applicable Not applicable

III. Guarantees in violation of regulations

Applicable Not applicable

IV. Explanation of the Board of Directors of the Company on the “non-standard opinion audit report” of the accounting firm

Applicable Not applicable

V. Analysis and explanation of the Company on the reasons for and impacts of changes in accounting policies and accounting estimates or correction of significant accounting errors

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

Applicable Not applicable

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

Applicable Not applicable

iii. Communication with the former accounting firm

Applicable Not applicable

iv. Approval procedures and other explanations

Applicable Not applicable

VI. Appointment and removal of the accounting firm

Unit: Ten Thousand Yuan Currency: RMB

	Appointed Currently
Name of the domestic accounting firm	Zhongxi CPAS (Special General Partnership)
Remuneration for the domestic accounting firm	180
Limit of audit service years of the domestic accounting firm	25
Name of certified accountant of the domestic accounting firm	Lv Xiaoyun and Su Shengnan
Limit of audit service years of certified public accountant of the domestic accounting firm	3 and 3

	Name	Remuneration
Accounting firm for internal control audit	Zhongxi CPAS (Special General Partnership)	70

Explanation on appointment and removal of the accounting firm

Applicable Not applicable

Explanation on changing the appointment of the accounting firm during the audit period

Applicable Not applicable

Explanation on the decrease of 20% or more in the audit fee as compared with the previous year

Applicable Not applicable

VII. Exposure to delisting

i. Reasons for warning of delisting

Applicable Not applicable

ii. Countermeasures to be adopted by the Company

Applicable Not applicable

iii. Exposure to termination of listing and reasons therefor

Applicable Not applicable

VIII. Bankruptcy and restructuring matters

Applicable Not applicable

IX. Major litigation and arbitration matters

The Company has significant litigation or arbitration matters during the Reporting Period.
 The Company has significant litigation or arbitration matters during the Reporting Period.

i. Litigation and arbitration matters disclosed in temporary announcements with no subsequent developments

Applicable Not applicable

Description and Type of Matter	Reference
On October 18, 2019, the Company's controlling subsidiary, Jiangsu Kehang, received a summons and other legal documents from the Nanjing Intermediate People's Court of Jiangsu Province (hereinafter referred to as "NIPC"), Jiangnan Environmental Protection Group Inc. (formerly Jiangsu New Century Jiangnan Environmental Protection Co. Ltd., hereinafter referred to as "Jiangnan Environmental") filed a lawsuit against Jiangsu Kehang, the Company, and related parties alleging misappropriation of trade secrets. Following the first instance trial by the NIPC, appeals by the Company and other parties, and a second instance review by the Supreme People's Court, Jiangsu Kehang was ordered to immediately cease the infringement of Jiangnan Environmental's trade secrets and compensate Jiangnan Environmental RMB 22.2852 million in economic losses plus RMB1 million for reasonable expenses incurred in stopping the infringement. Dissatisfied with the Supreme Court's ruling, both Jiangsu Kehang and Jiangnan Environmental applied for a retrial. On May 23, 2025, the Supreme People's Court issued a <i>Civil Ruling</i> rejecting both parties' retrial applications as they did not meet the conditions stipulated in Article 211 of the <i>Civil Procedure Law of the People's Republic of China</i> .	For further details, please refer to the Company's <i>Announcement on the Company's Receipt of the Retrial Ruling</i> (Announcement No.: 2025-021) disclosed on the Shanghai Stock Exchange website (www.sse.com.cn) on May 26, 2025.

ii. Litigation and arbitration matter not disclosed in temporary announcements or with subsequent developments

Applicable Not applicable

iii. Other notes

Applicable Not applicable

X. Suspected violations of laws and regulations by listed companies, their directors, senior management, controlling shareholders and actual controllers, the penalties imposed on them and the rectifications they have made

Applicable Not applicable

Due to issues such as the Company's illegal off-book receipts and payments and accounting, and payment of remuneration to directors, supervisors, and senior management, on October 31, 2025, the Shanghai Stock Exchange issued the *Disciplinary Sanction Decision* ([2025] No. 209), and gave a notification of criticism to the Company and the then Chairman Bian Cheng, the then General Managers Yang Xuexian and Wu Muhai, the then Chief Financial Officers Zeng Fei and Li Qing, and the then Board Secretary Li Yuejin. The Listed

Companies Administration Department I of the Shanghai Stock Exchange issued the *Decision on Issuing a Regulatory Warning to the Relevant Responsible Persons of Keda Industrial Group Co., Ltd.* (SH.ZH.G.J.H. [2025] No. 0208), issuing regulatory warnings to the Company's then Board Secretary Peng Qi, then Director Zhang Zhonghua, then Deputy General Manager Zhou Peng, and then Supervisor Peng Hengxiang. The CSRC Guangdong Office issued the *Administrative Regulatory Measures Decision* ([2025] No. 122) (hereinafter the *Decision*), ordering the Company to make corrections and taking the administrative regulatory measure of issuing warning letters to Bian Cheng, Yang Xuexian, Zeng Fei, Li Yuejin, Zhou Peng, Peng Hengxiang, Peng Qi, Zhang Zhonghua, Wu Muhai and Zhang Zhonghua.

The Company attached great importance to this matter and, at the earliest opportunity, notified and communicated the relevant matters to all directors and senior management. In order to promptly eliminate the adverse impact caused by such noncompliant conduct, the Company organized the relevant departments and personnel to conduct a comprehensive review of the issues involved in the *Decision*. In accordance with relevant laws, regulations, normative documents, and the Company's internal management systems, and considering the Company's actual circumstances, the Company formulated a rectification plan, implemented rectification measures, enhanced its corporate governance, and improved internal control processes. With respect to the main issues raised in the *Decision*, the Company has completed rectification and continues to carry out standardized implementation. On November 26, 2025, the Company convened the 13th meeting of the 9th Board of Directors and reviewed and approved the *Rectification Report on the Decision of the CSRC Guangdong Office to Take Administrative Regulatory Measures Against the Company*. For details of the specific rectification status, please refer to the Company's disclosure on the Shanghai Stock Exchange website (www.sse.com.cn) on November 27, 2025: *Announcement on the Rectification Report on the Decision of the CSRC Guangdong Office to Take Administrative Regulatory Measures Against the Company*.

XI. Explanation on integrity of the Company, its controlling shareholders, and actual controllers during the Reporting period

Applicable Not applicable

XII. Significant related party transactions

i. Related party transactions connected to daily operations

1. Matters disclosed in temporary announcements with no subsequent progress or changes

Applicable Not applicable

2. Matters disclosed in temporary announcements with subsequent progress or changes

Applicable Not applicable

On December 9, 2024, and January 3, 2025, the Company convened the 5th Meeting of the 9th Board of Directors and the 1st Extraordinary General Meeting of Shareholders in 2025,

respectively, during which the *Proposal on Routine Related party Transactions Between the Company and Its Subsidiaries* was reviewed and approved. On August 25, 2025, the Company held the 10th Meeting of the 9th Board of Directors, during which the *Proposal on Adding Routine Related party Transactions Between the Company and Its Subsidiaries* was reviewed and approved. For the year 2025, the Company and its subsidiaries were authorized to engage in related party transactions with Guangzhou Sunda, Sunda International Group, and its subsidiaries, with an expected annual procurement of raw materials and goods totaling approximately RMB 21.375 million, sale of building materials and raw materials totaling around RMB 820.5243 million, and acceptance of labor services provided by related parties totaling RMB 20 million; approved to sell machinery and provide contract energy management services amounting to approximately RMB 29.2294 million for subsidiaries under Hongyu Group, and to receive graphite processing services valued at RMB 242 million; approved to purchases of ceramic accessories and related items from FCRI Group Co., Ltd. (including its subsidiaries, hereinafter referred to as "FCRI Group") at an estimated amount of RMB 92.43 million; approved to procure ink and colored glaze materials totaling RMB 200.06 million from the associate company SinoCera Create-Tide (including its subsidiaries). The above figures represent the estimated total contract amounts inclusive of tax, with some sales and purchase of machinery parts or service subject to actual shipment quantities or actual orders.

As of the end of the Reporting period, based on the actual contracts signed by the Company and its subsidiaries with the respective related parties during the period, the Company and its subsidiaries entered into contracts with Guangzhou Sunda, Sunda International Group, and its subsidiaries for the procurement of raw materials and goods totaling RMB 32.6475 million, the sale of building materials and raw materials totaling RMB 574.5959 million, and acceptance of services provided by related parties totaling RMB 20.7768 million. Contracts signed with subsidiaries of Hongyu Group covered the sale of machinery and the provision of contract energy management services totaling RMB 7.6486 million, as well as the receipt of graphite processing services totaling RMB 242.5689 million. Contracts signed with the FCRI Group totaled RMB 92.4536 million for the procurement of ceramic accessories and related items, while contracts signed with SinoCera Create-Tide totaled RMB 229.2554 million for the procurement of ink and colored glaze materials. The actual transaction amounts recognized during the Reporting period are presented in Section VIII "Financial Report" under "Related Party and Related Party Transaction" in the subsection "Related party Transactions".

3. Matters not disclosed in temporary announcements

Applicable Not applicable

ii. Related party transactions involving asset or equity acquisitions or disposals

1. Matters disclosed in temporary announcements with no subsequent progress or changes

Applicable Not applicable

Summary of the Matter	Reference
The Company held the 4th meeting of the 9th Board of Directors on November 12, 2024, and approved that its subsidiary Guangdong Twyford International	For details, please refer to the

<p>designate its wholly owned subsidiary Tilemaster to sign a Trademark Assignment Framework Agreement (hereinafter referred to as the “Framework Agreement”) with Sunda Group, to acquire 182 trademarks related to the building materials business that have been registered or are under application for registration worldwide by Sunda Group and its affiliates for RMB 200 million (tax included). On November 25, 2024, both parties signed the Framework Agreement, and within the Reporting period, the trademark assignment consideration under the Framework Agreement was fully paid. Guangdong Twyford International and Tilemaster have jointly obtained ownership of the subject trademarks. Meanwhile, the Framework Agreement stipulates that Sunda Group and its related parties will, at an appropriate time, transfer the “TWYFORD” trademark to Tilemaster or a third party designated by it free of charge.</p> <p>On January 21, 2026, Guangdong Twyford International designated its subsidiary Tilemaster to sign a <i>Trademark Assignment Agreement</i> with Sunda Group, pursuant to which Sunda Group transferred the “TWYFORD” trademark to Tilemaster or a third party designated by it free of charge. From the effective date of the <i>Trademark Assignment Agreement</i>, Tilemaster or its designated third party shall enjoy ownership of the “TWYFORD” trademark, including, without limitation, the exclusive right to use, the right to license use, exclusivity, the right to proceeds, the right of disposition, the right of renewal, and the right to prohibit infringement by others.</p>	<p><i>Announcement on the Subsidiary’s Acquisition of Trademarks and Related party Transaction and the Announcement on the Progress of the Subsidiary’s Acquisition of Trademarks and Related party Transaction</i> disclosed by the Company on November 13, 2024 and January 22, 2026 on the Shanghai Stock Exchange website (www.sse.com.cn).</p>
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2. Matters disclosed in temporary announcements with subsequent progress or changes

Applicable Not applicable

3. Matters 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. Matters disclosed in temporary announcements with no subsequent progress or changes

Applicable Not applicable

2. Matters disclosed in temporary announcements with subsequent progress or changes

Applicable Not applicable

Taian Fujin Investment Service Partnership (Limited Partnership) and Taian Fuhao Investment Service Partnership (Limited Partnership) are minority shareholders of the Company’s controlled subsidiary Guangdong Twyford International. The two companies intend to transfer 0.90% and 0.60% equity interests in Guangdong Twyford International

indirectly held by their partner Li Yuejin to be directly held by Li Yuejin, at the price of RMB 34.2022 million and RMB 22.8015 million, respectively. After the transfer is completed, Li Yuejin's shareholding in Guangdong Twyford International will change from indirectly holding a 1.50% equity interest through the partnership enterprises to directly holding a 1.50% equity interest. During the Reporting period, Li Yuejin has completed the payment of the transfer consideration, and Guangdong Twyford International has completed the industrial and commercial change procedures.

3. Matters not disclosed in temporary announcements

Applicable Not applicable

iv. Related party credit and debt transactions

1. Matters disclosed in temporary announcements with no subsequent progress or changes

Applicable Not applicable

2. Matters disclosed in temporary announcements with subsequent progress or changes

Applicable Not applicable

3. Matters not disclosed in temporary announcements

Applicable Not applicable

v. Financial transactions between the Company and related financial companies, and between financial companies controlled by the Company and related parties

Applicable Not applicable

vi. Others

Applicable Not applicable

XIII. Significant 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. Guarantees

√ 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 signing)	Guarantee Start date	Guarantee Maturity date	Type of guarantee	Collateral (if any)	Whether the performance of guarantee has been completed	Whether the guarantee is overdue	Amount of guarantee overdue	Counter guarantee	Whether it is related party guarantee	Related party relation
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														
Total guarantee for the subsidiaries incurred during the Reporting period									232,829.71					
Total balance of guarantee for the subsidiaries as at the end of the Reporting period (B)									390,812.55					
Total amount of the Company's guarantee (including guarantee for its subsidiaries)														
Total guarantees amount (A+B)									390,812.55					
Proportion of total guarantee to the Company's net assets (%)									31.03					
Including:														
Amount of guarantee provided for shareholders, actual controller and their related parties (C)														
Amount of guarantees on debts directly or indirectly provided for guaranteed parties with a gearing ratio over 70% (D)									187,058.85					
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)									187,058.85					
Description of possible several and joint liability for undue guarantee														
Description of guarantees														

iii. Entrusted cash asset management

1. Entrusted wealth management

(1). Overview of entrusted wealth management

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Type	Risk Characteristics	Undue Balance	Overdue Outstanding Amount
Bank wealth management products	Low risk	40,001.23	
Securities firm wealth management products	Medium-low risk, Medium risk, Medium-high risk	17,500.00	

Others

Applicable Not applicable

(2). Individual entrusted wealth management

Applicable Not applicable

Others

Applicable Not applicable

(3). Provision for impairment of entrusted wealth management

Applicable Not applicable

2. Entrusted loans

(1). Overview of entrusted loans

Applicable Not applicable

Others

Applicable Not applicable

(2). Individual entrusted loans

Applicable Not applicable

Others

Applicable Not applicable

(3). Provision for impairment of entrusted loans

Applicable Not applicable

3. Others

Applicable Not applicable

iv. Other material contracts

Applicable Not applicable

XIV. Explanation on process in use of proceeds

Applicable Not applicable

XV. Explanation on other significant matters that have a significant impact on the investors' value judgment and investment decisions

Applicable Not applicable

On January 28, 2026, the 15th Meeting of the Company's 9th Board of Directors reviewed and approved the *Proposal on the Plan of Keda Industrial Group Co., Ltd. for Issuing Shares and Paying Cash to Purchase Assets and Raising Supporting Funds and Related party Transactions* and other proposals. The Company plans to acquire 51.55% of the equity of Guangdong Twyford International by means of issuing shares and paying cash, and to issue shares to no more than 35 specific investors to raise supporting funds (hereinafter referred to as "this transaction"). This transaction consists of issuing shares and paying cash to purchase assets and raising supporting funds. The raising of supporting funds is premised on the successful implementation of the issuance of shares and paying cash to purchase assets. The issuing of shares and paying cash to purchase assets is not premised on the successful implementation of the raising of supporting funds. Whether the raising of supporting funds is ultimately successful does not affect the implementation of this issuance of shares and payment of cash to purchase assets. As of the disclosure date of this announcement, the audit, assessment, and other work related to this transaction are being advanced in an orderly manner. The transaction plan still needs to be resubmitted to the Company's Board of Directors for further deliberation and to the Company's shareholders' meeting for review and approval, and may be implemented only after being approved by, passing the review of, or being agreed for registration by the competent regulatory authorities. For details, please refer to the *Plan of Keda Industrial Group Co., Ltd. for Issuing Shares and Paying Cash to Purchase Assets and Raising Supporting Funds and Related party Transaction* and related announcements disclosed by the Company on the Shanghai Stock Exchange website (www.sse.com.cn) on January 29, 2026, as well as the *Announcement on the Progress of Issuing Shares and Paying Cash to Purchase Assets and Raising Supporting Funds and Related party Transaction* disclosed on February 28, 2026.

Section VI Change in Shares and Details of Shareholders

I. Changes in share capital

i. Table of changes in shares

1. Table of changes in shares

During the Reporting period, there were no changes in the total number of shares or the share capital structure of the Company.

2. Description of changes in shares

Applicable Not applicable

3. The impact of changes in shares on financial indicators such as earnings per share and net asset per share for the latest year and the latest period (if any)

Applicable Not applicable

4. Other information deemed necessary by the Company or required by securities regulatory authorities

Applicable Not applicable

ii. Changes in restricted shares

Applicable Not applicable

II. Security issuance and listing

i. Securities issuance as at the Reporting period

Applicable Not applicable

Explanation on securities issuance as at the Reporting period (for bonds with different interest rates during the duration, please specify separately):

Applicable Not applicable

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

Applicable Not applicable

iii. Current internal employee shares

Applicable Not applicable

III. Shareholders and actual controllers

i. Total number of shareholders

Total number of ordinary shareholders as of the end of the Reporting period (account)	55,049
Total number of ordinary shareholders as at the end of the previous month before the disclosure date of the annual report (account)	55,732
Total number of preference shareholders with voting rights restored as at the end of the Reporting period (account)	0
Total number of preference shareholders with voting rights restored as at the end of the previous month before the disclosure date of the annual report (account)	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: Shares

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	194,900,000	Domestic natural person
Guangdong Lesso Technology Industrial Co., Ltd.	-	153,600,077	8.01	0	None	0	Domestic non-state-owned legal entity
Hong Kong Securities Clearing Company Ltd.	63,349,589	142,769,229	7.44	0	None	0	Foreign legal entity
Lu Qin	-	125,983,334	6.57	0	None	0	Foreign natural person
Guangdong Hongyu Group Co., Ltd.	-	64,341,152	3.35	0	Pledged	64,341,152	Domestic non-state-owned legal entity
Foshan New Pearl Enterprise Group Co., Ltd.	-	52,994,111	2.76	0	Pledged	27,000,000	Domestic non-state-owned legal entity
Guan Qi	-	49,349,799	2.57	0	None	0	Domestic natural person
Bian Cheng	-	49,349,799	2.57	0	None	0	Domestic natural person
Keda Industrial Group Co., Ltd. - 2025 Employee Stock Ownership Plan	48,030,000	48,030,000	2.50	0	None	0	Others
Xie Yuezeng	-	42,286,000	2.20	0	None	0	Domestic natural person
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				
Hong Kong Securities Clearing Company Ltd.	142,769,229	RMB ordinary shares	142,769,229				
Lu Qin	125,983,334	RMB ordinary shares	125,983,334				

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
Keda Industrial Group Co., Ltd. - 2025 Employee Stock Ownership Plan	48,030,000	RMB ordinary shares	48,030,000
Xie Yuezeng	42,286,000	RMB ordinary shares	42,286,000
Explanation of repurchase special account among the top ten shareholders	None		
Explanation of the above shareholders' proxy voting rights, entrusted voting rights and waiver of voting rights	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 <i>Notice on Changes in Shareholders' Equity</i> disclosed by the Company on September 19, 2024.		
Description of the above shareholders' affiliation or concerted action	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. Keda Industrial Group Co., Ltd. - 2025 Employee Stock Ownership Plan is a dedicated securities account for the Company's employee stock ownership plan. It is unknown whether there is any affiliated relationship among the other shareholders or whether they constitute persons acting in concert.		
Explanation of preference shareholders with voting rights restored and their shareholdings	None		

Note: As of December 31, 2025 (Swiss Time) at the close of trading on the SIX Swiss Exchange, the outstanding number of the Company's Global Depositary Receipts (GDRs) was 3,049,103, representing 25.41% of the total issued GDRs.

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

Applicable Not applicable

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 shareholders and actual controllers

i. Controlling shareholders**1. Legal person**

Applicable Not applicable

2. Natural person

Applicable Not applicable

3. Special explanation for absence of the Company's controlling shareholders

Applicable Not applicable

As of December 31, 2025, shareholders holding more than 5% of the Company's shares include Liang Tongcan and his concert party Guangdong Hongyu Group Co., Ltd.; Guangdong Lesso Technology Industrial Co., Ltd.; Lu Qin; and Bian Cheng and his concert party Guan Qi. Among them, Liang Tongcan and his concert party hold a total of 22.88% of the Company's shares and are the largest shareholder. Guangdong Lesso Technology Industrial Co., Ltd. holds 8.01%, Lu Qin holds 6.57%, and Bian Cheng and his concert party Guan Qi hold a total of 5.15%. There are no other related party relationships or concerted actions among the above shareholders. In view of the fact that the Company does not have any shareholder holding more than 50% of its shares, or any shareholder that can actually control more than 30% of the voting rights of the listed company's shares; the shares held by any shareholder of the Company are insufficient to have a material impact on the resolutions of the Company's shareholders' meeting. The Company does not have a situation where any shareholder controls more than half of the seats on the Board of Directors, nor is there any other person who can dominate the Company's actions. Therefore, the Company has no controlling shareholders or actual controllers.

4. Explanation for changes in controlling shareholders during the Reporting period

Applicable Not applicable

5. Diagram of the property rights and control relationship between the Company and controlling shareholders

Applicable Not applicable

ii. Actual controllers**1. Legal person**

Applicable Not applicable

2. Natural person

Applicable Not applicable

3. Special explanation for absence of the Company's actual controllers

Applicable Not applicable

As of December 31, 2025, shareholders holding more than 5% of the Company's shares include Liang Tongcan and his concert party Guangdong Hongyu Group Co., Ltd.; Guangdong Lesso Technology Industrial Co., Ltd.; Lu Qin; and Bian Cheng and his concert party Guan Qi. Among them, Liang Tongcan and his concert party hold a total of 22.88% of the Company's shares and are the largest shareholder. Guangdong Lesso Technology Industrial Co., Ltd. holds 8.01%, Lu Qin holds 6.57%, and Bian Cheng and his concert party Guan Qi hold a total of 5.15%. There are no other related party relationships or concerted actions among the above shareholders. The Company does not have any shareholder holding more than 50% of its shares, or any shareholder that can actually control more than 30% of the voting rights of the listed company's shares; the shares held by any shareholder of the Company are insufficient to have a material impact on the resolutions of the Company's shareholders' meeting. The members of the Company's Board of Directors (excluding employee representative directors) are nominated by shareholders or the Board of Directors and elected by the shareholders' meeting. Among them, Liang Tongcan nominated two directors, Chen Xuwei and Chen Yongcheng; and Guangdong Lesso Technology Industrial Co., Ltd. nominated one director, Zuo Manlun. The rest were nominated by the Board of Directors. The Company does not have a situation where any shareholder controls more than half of the seats on the Board of Directors, nor is there any other person who can dominate the Company's actions. Therefore, the Company has no controlling shareholders or actual controllers.

4. Explanation for changes in the Company's control rights during the Reporting period

Applicable Not applicable

5. Property rights and control relationship diagram between the Company and the actual controllers

Applicable Not applicable

6. The actual controllers control the Company through trusts or other asset management methods

Applicable Not applicable

iii. Other information about the controlling shareholders and actual controllers

Applicable Not applicable

V. The Company's controlling shareholders or the largest shareholder and their parties acting in concert with pledged shares amounting more than 80% of the shares held by them in the Company

Applicable Not applicable

VI. Other legal person shareholders holding more than 10% of the shares

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of Legal Person Shareholder	Leader or Legal Representative	Date of Establishment	Unified Social Credit Code	Registered Capital	Principal Business or Management
Guangdong Hongyu Group Co., Ltd.	Liang Tongcan	June 23, 1997	914406002319308891	100,000.00	A large modern enterprise group with coordinated development in ceramic manufacturing, real estate development, cultural and creative tourism, and investment holding.
Explanation	Liang Tongcan is the actual controller of Guangdong Hongyu Group Co., Ltd. The two parties are acting in concert to each other and jointly hold 22.88% of the Company's shares, making them the Company's largest shareholder.				

VII. Explanation of reduction in shares restriction

Applicable Not applicable

Shareholder Mr. Bian Cheng, due to the dissolution of the marital relationship, has divided 49,349,799 shares of the Company he holds and transferred them to Ms. Guan Qi. Meanwhile, both Mr. Bian Cheng and Ms. Guan Qi have made a commitment that, within 12 months from the date on which the non-trading transfer procedures for the aforesaid 49,349,799 shares are completed (including the completion date of the non-trading transfer, hereinafter referred to as the "Commitment Period"), they will not reduce their holdings of the Company's shares in any manner, including shares generated during the Commitment Period as a result of the Company's conversion of capital reserve into share capital, distribution of share dividends, rights issue, additional issuance, or other such events. On September 30, 2024, the above non-trading transfer registration procedures were completed. For details, please refer to the *Notice on Changes in Shareholders' Equity* and the *Announcement on Completion of Transfer Registration for Changes in Shareholders' Equity* disclosed by the Company on September 19, 2024 and October 8, 2024. During the aforementioned Commitment Period, neither Mr. Bian Cheng nor Ms. Guan Qi reduced their shareholdings in the Company.

VIII. Specific implementation of share repurchase during the Reporting period

Applicable Not applicable

IX. Preference shares

Applicable Not applicable

Section VII Bond Information

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

Applicable Not applicable

II. Convertible corporate bonds

Applicable Not applicable

Section VIII Financial Report

I. Auditor's Report

Applicable Not applicable

Auditor's Report

Z. X. C. Sh. No. 2026S00722

To all Shareholders of Keda Industrial Group Co., Ltd.:

I. Opinion

We have audited the financial statements of Keda Industrial Group Co., Ltd. (hereinafter referred to as the "Keda Group"), which comprise the consolidated and parent company balance sheets as of 31 December 2025, the consolidated and parent company statements of income, cash flows and changes in owners' equity for the year 2025, as well as the notes to the financial statements.

In our opinion, the accompanying financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises in all material respects and fairly present the consolidated and parent company financial position of Keda Group as of December 31, 2025, as well as the consolidated and parent company operating results and cash flows for the year 2025.

II. Basis for Opinion

We conducted our audit in accordance with the Auditing Standards for Certified Public Accountants of China. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. In accordance with the Independence Standards for the audit of financial statements of public interest entities under the China Code of Ethics for Certified Public Accountants (Independence Standards) and the China Code of Professional Conduct for Certified Public Accountants., we are independent of Keda Group and have fulfilled other professional ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

(1) Recognition of Revenue from Building Materials Machinery and Revenue from Building Materials

1. Matter description

In 2025, Keda Group achieved revenue of RMB 5,144.1292 million from building materials machinery and revenue of RMB 8,185.4154 million from building materials (see Note III-30 and Note V-48 to the Financial Statements), accounting for 29.58% and 47.07% of total operating revenue respectively, which constitute the main sources of revenue of Keda Group. Revenue from building materials machinery decreased by 8.23% this year compared to the previous year, while revenue from building materials increased by 73.61% this year compared to the previous year. Due to the significant impact of revenue from building materials machinery and revenue from building materials on the financial statements, and as revenue is one of the key performance indicators of Keda Group, there is an inherent risk that the Management may manipulate the timing of revenue recognition to achieve specific targets or expectations. Therefore, we have identified the recognition of revenue from building materials machinery and revenue from building materials as key audit matters.

2. Audit response

The audit procedures we implemented for revenue recognition mainly include:

- (1) Understand and evaluate the design feasibility of key internal controls related to revenue recognition by the Management and tested the effectiveness of the implementation of those key controls;
- (2) Identify sales contracts, understand the Company's sales model, key contract terms, and settlement methods through sample inspection of sales contracts and interviews with the Management, identify, analyze, and evaluate the contractual terms and conditions related to the transfer of control of goods according to the new revenue standard, and evaluate whether the Company's timing of revenue recognition complies with the Accounting Standards for Business Enterprises;
- (3) Perform analytical review audit procedures on operating revenue, analyze changes in revenue and gross profit margins, and assess the reasonableness of such changes;
- (4) Conduct the revenue detail test by selecting samples from accounting records of sales revenue and outbound shipment records, and cross-check sample-related sales contracts, delivery notes, transport documents, and acceptance receipts to determine whether the revenue is genuine and complete. For export business, we obtained customs declaration forms, packing lists, bills of lading, and foreign exchange receipt and settlement documents, and cross-checked them against the tax authority's declaration forms for "Exemption, Expiation and Drawback" to confirm whether the revenue had been realized;
- (5) Conduct the cutoff test by selecting samples of revenue transactions recorded around the balance sheet date, and verify them with sales contracts, delivery notes, receipt records, acceptance receipts, and bank statements to check whether the revenue is recorded in the correct period;
- (6) Select customer samples to confirm this year's sales. For items for which no response has been received, perform alternative audit procedures. For overseas sales, review supporting documents related to revenue recognition, such as major customers' sales orders and customs declaration forms, and check post-period payment records.

(II) Income from the Long-term Equity Investment in Lanke Lithium Industry Accounted for under the Equity Method

1. Matter description

The Company's investment in the associate, Qinghai Salt Lake Lanke Lithium Industry Co., Ltd. (hereinafter referred to as "Lanke Lithium Industry"), is accounted for under the equity method. In 2025, investment income of RMB 354.8767 million was recognized (see Note III-19, Note V-55, and Note VIII-3 to the financial statements), representing a 36.56% increase over the previous year and accounting for 16.38% of the net profit in the consolidated financial statements. The Company indirectly holds 48.58% of Lanke Lithium Industry's shares and has significant influence over Lanke Lithium Industry. According to the provisions of the *Accounting Standards for Business Enterprises No. 2 - Long-term Equity Investments*, the Company accounts for this investment under the equity method and recognized investment income of RMB 354.8767 million for this period. Given that the income from the Company's long-term equity investment in Lanke Lithium Industry, which is accounted for under the equity method, has a significant impact on the financial statements. We have identified the income from the long-term equity investment accounted for under the equity method as a key audit matter.

2. Audit response

The audit procedures we implemented for the income from the long-term equity investment accounted for under the equity method mainly included:

(1) Understand the internal controls related to such long-term equity investment, evaluate the design of these controls, determine whether these controls are executed, and test the operating effectiveness of relevant internal controls;

(2) We have obtained Lanke Lithium Industry's Articles of Association, investment agreements, the composition of the Board of Directors, and other information to confirm that the Company has significant influence over Lanke Lithium Industry. In accordance with the provisions of the *Accounting Standards for Business Enterprises No. 2 - Long-term Equity Investments*, we have adopted the equity method for accounting purposes;

(3) We have investigated Lanke Lithium Industry's business status. Through communicating with Lanke Lithium Industry's Management, we inquired about and obtained information regarding its business status and financial performance for the year 2025, including the achieved annual revenue, production and sales volumes of major products, and the achieved net profit. Combining such information with industry analysis, including but not limited to understanding Lanke Lithium Industry's industry status and product price fluctuations through online research and other means, we analyzed the reasonableness of its performance changes and assessed the reliability of its financial data;

(4) Conduct analytical review audit procedures on Lanke Lithium Industry's operating income and operating costs to analyze changes in revenue and gross profit margin, obtain major sales contracts, delivery notes and bank statements of Lanke Lithium Industry to conduct income detail test and determine the authenticity of the income, obtain unit costs of products to compare them with the previous period, and, in conjunction with an examination

of the inventory account, review relevant source documents for significant changes in cost of main operations and assess the authenticity and reasonableness of such changes;

(5) Check whether the information related to income from the long-term equity investment accounted for under the equity method has been appropriately presented and disclosed in the financial statements.

IV. Other Information

The Management of Keda Group shall be responsible for other information. Other information includes the information contained in the 2025 Annual Report, excluding the financial statements and our auditor's report. We expect to receive the 2025 Annual Report after the auditor's report date.

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

In combination with our audit of the financial statements, it is our responsibility to review such information, to the extent it is available, and in doing so, to consider whether the other information is materially inconsistent with the financial statements or with information we have obtained during the audit, or appears to be materially misstated.

Based on the work we have already carried out, if we determine that there are significant misstatements in other information, we should report this fact. In this regard, we have nothing to report.

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

The Management of Keda Group shall be responsible for the preparation and fair presentation of these financial statements in accordance with the Accounting Standards for Business Enterprises, and for designing, implementing and maintaining such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with Governance shall be responsible for overseeing the preparation process of Keda Group's financial reports.

VI. Responsibilities of the Certified Accountants for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether these 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 our 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 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) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(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 application of the going concern assumption. At the same time, based on the audit evidence obtained, a conclusion is reached on whether there is any material uncertainty regarding events or conditions that may cast significant doubt on Keda Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by the Auditing Standards to draw users' attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, we should 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 circumstances may result Keda Group being unable to continue as a going concern.

(5) Evaluate the overall presentation, structure, and content (including disclosures) of the financial statements and whether the financial statements can reflect fairly the related transactions and events.

(6) Obtain sufficient and 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 the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance on such matters as the scope of audit as planned, the schedule, and material audit findings, including the deficiencies in internal control that are worth paying attention to identified in this audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with the governance members, 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 auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

ZHONGXI CPAS

Chinese CPA

(SPECIAL GENERAL
PARTNERSHIP)

(Engagement Partner):

Beijing · China

Chinese CPA

March 27, 2026

II. Financial Statements**Consolidated Balance Sheet**

31 December 2025

Prepared by: Keda Industrial Group Co., Ltd.

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	31 December, 2025	31 December, 2024
Current assets:			
Monetary funds	VII.1	325,487.54	295,203.23
Settlement funds			
Lending funds			
Financial assets held for trading	VII.2	57,946.59	71,659.42
Derivative financial assets			
Notes receivable	VII.4	6,881.72	5,237.31
Accounts receivable	VII.5	320,178.10	225,181.62
Receivables financing	VII.7	21,523.95	21,080.16
Advanced payments	VII.8	41,725.49	44,241.35
Premium receivable			
Reinsurance accounts receivable			
Provision for reinsurance contract receivable			
Other receivables	VII.9	22,044.35	24,808.12
Including: Interest receivable			
Dividends receivable		46.82	56.63
Purchases of resold financial assets			
Inventories	VII.10	551,978.36	479,429.93
Of which: data resources			
Contract assets	VII.6	35,773.24	14,614.29
Assets held for sale	VII.11		348.18
Non-current assets due within one year	VII.12	62,922.50	76,460.69
Other current assets	VII.13	65,287.55	65,381.81
Total current assets		1,511,749.39	1,323,646.11
Non-current assets:			
Loans and advances granted			
Debt investments			
Other debt investments			
Long-term receivables	VII.16	44,896.50	42,206.80
Long-term equity investments	VII.17	309,678.89	324,817.06

Other equity instrument investments	VII.18	360.28	420.51
Other non-current financial assets	VII.19	2,194.00	1,302.52
Investment properties			
Fixed assets	VII.21	763,553.17	640,352.85
Construction in progress	VII.22	49,071.71	100,172.48
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VII.25	5,720.33	4,434.39
Intangible assets	VII.26	95,763.86	101,694.56
Of which: data resources			
Development expenses			
Of which: data resources			
Goodwill	VII.27	84,518.14	85,958.84
Long-term deferred expenses	VII.28	51.80	49.40
Deferred income tax assets	VII.29	52,882.13	51,229.43
Other non-current assets	VII.30	15,802.11	18,734.71
Total non-current assets		1,424,492.92	1,371,373.55
Total assets		2,936,242.31	2,695,019.66
Current liabilities:			
Short-term loans	VII.32	139,153.54	101,792.70
Borrowings from the Central Bank			
Borrowing funds			
Financial liabilities held for trading	VII.33	215.65	160.01
Derivative financial liabilities			
Notes payable	VII.35	65,748.91	43,517.35
Accounts payable	VII.36	263,605.93	295,408.20
Advance receipts			
Contract liabilities	VII.38	234,733.73	228,154.47
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	34,465.97	29,149.48
Taxes payable	VII.40	19,776.59	19,281.83
Other payables	VII.41	44,149.78	18,409.73
Including: Interest payable			
Dividends payable		5.82	18.16

Handling charges and commission			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	VII.43	111,765.37	141,945.84
Other current liabilities	VII.44	21,123.55	18,621.16
Total current liabilities		934,739.02	896,440.77
Non-current liabilities:			
Insurance contracts provision			
Long-term loans	VII.45	366,577.04	398,344.55
Bonds payable			
Including: Preferred stock			
Perpetual bonds			
Lease liabilities	VII.47	4,602.42	3,758.30
Long-term payables			
Long-term payroll payables			
Estimated liabilities	VII.50	4,796.25	4,117.88
Deferred income	VII.51	5,309.11	2,733.42
Deferred income tax liabilities	VII.29	30,765.02	8,811.23
Other non-current liabilities	VII.52	1,917.75	1,007.91
Total non-current liabilities		413,967.59	418,773.29
Total liabilities		1,348,706.61	1,315,214.06
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	VII.53	191,785.64	191,785.64
Other equity instruments			
Including: Preferred stock			
Perpetual bonds			
Capital reserves	VII.55	237,269.92	264,715.19
Less: Treasury stock	VII.56	32,291.29	66,764.71
Other integrated income	VII.57	-13,256.12	-23,714.02
Special reserves	VII.58	634.11	423.87
Surplus reserves	VII.59	88,228.66	84,124.76
General risk provision			
Undistributed profits	VII.60	786,905.36	697,322.89
Total owners' equity (or shareholders' equity) attributable to parent company		1,259,276.28	1,147,893.62
Non-controlling interests		328,259.42	231,911.98
Total owners' equity (or shareholders' equity)		1,587,535.70	1,379,805.60
Total liabilities and owners' equity (or shareholders' equity)		2,936,242.31	2,695,019.66

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

Balance Sheet of Parent Company

31 December 2025

Prepared by: Keda Industrial Group Co., Ltd.

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	31 December, 2025	31 December, 2024
Current assets:			
Monetary funds		116,915.49	99,388.65
Financial assets held for trading		57,762.75	67,307.80
Derivative financial assets			
Notes receivable		307.42	1,140.83
Accounts receivable	XIX. 1	58,923.11	69,406.95
Receivables financing		3,924.00	5,321.87
Prepayments		623.14	6,236.52
Other receivables	XIX. 2	122,681.99	129,975.80
Including: Interest receivable			
Dividends receivable			
Inventories		38,077.06	35,933.57
Of which: data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		446.93	98.37
Total current assets		399,661.89	414,810.36
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	XIX.3	733,187.84	710,404.21
Other equity instrument investments			
Other non-current financial assets		2,194.00	1,302.52
Investment properties			
Fixed assets		30,910.39	25,141.81
Construction in progress			5,158.67
Productive biological assets			
Oil and gas assets			

Right-of-use assets			
Intangible assets		3,192.65	3,673.51
Of which: data resources			
Development expenses			
Of which: data resources			
Goodwill			
Long-term prepaid expenses			
Deferred income tax assets		29,403.32	29,080.28
Other non-current assets		2.27	611.18
Total non-current assets		798,890.47	775,372.18
Total assets		1,198,552.36	1,190,182.54
Current liabilities:			
Short-term loans			16,315.74
Financial liabilities held for trading		202.11	
Derivative financial liabilities			
Notes payable		27,930.00	17,484.00
Accounts payable		61,168.29	50,995.79
Receipts in advance			
Contract liabilities		28,717.96	39,550.55
Payroll payable		7,619.95	7,599.81
Taxes payable		113.89	124.49
Other payables		150,722.16	109,548.95
Including: Interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities due within one year		19,332.00	25,563.69
Other current liabilities		1,836.22	3,365.90
Total current liabilities		297,642.58	270,548.92
Non-current liabilities:			
Long-term loans		53,433.50	86,784.63
Bonds payable			
Including: Preferred stock			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term payroll payables			
Estimated liabilities		129.47	
Deferred income		59.60	

Deferred income tax liabilities			
Other non-current liabilities			169.20
Total non-current liabilities		53,622.57	86,953.83
Total liabilities		351,265.15	357,502.75
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)		191,785.64	191,785.64
Other equity instruments			
Including: Preferred stock			
Perpetual bonds			
Capital reserves		294,942.07	318,746.95
Less: Treasury stock		32,291.29	66,764.71
Other comprehensive income		-176.67	-171.61
Special reserves		104.92	
Surplus reserves		87,527.95	83,424.05
Undistributed profits		305,394.59	305,659.47
Total owners' equity (or shareholders' equity)		847,287.21	832,679.79
Total liabilities and owners' equity (or shareholders' equity)		1,198,552.36	1,190,182.54

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

Consolidated Income Statement

January - December 2025

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Year 2025	Year 2024
I. Total operating revenue		1,738,947.02	1,260,026.19
Including: Operating revenue	VII.61	1,738,947.02	1,260,026.19
Interest income			
Premium earned			
Handling charges and commission income			
II. Total operating expenses		1,512,059.03	1,149,468.29
Including: Operating expenses	VII.61	1,253,713.51	933,006.95
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	8,608.95	6,728.84
Selling expenses	VII.63	53,065.53	50,676.31
Administrative expenses	VII.64	133,030.51	110,829.18
R&D expenses	VII.65	39,026.54	34,418.26
Financial expenses	VII.66	24,613.99	13,808.75
Including: Interest expenses		27,029.59	22,830.18
Interest income		6,924.26	7,201.71
Add: Other income	VII.67	7,874.55	14,647.72
Investment income (losses marked with “-”)	VII.68	44,778.24	29,553.13
Including: Investment income in associates and joint ventures		41,118.01	29,333.16
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	-40.73	456.87
Credit impairment loss (losses marked with “-”)	VII.71	-10,060.86	-2,598.44
Asset impairment loss (losses marked with “-”)	VII.72	-5,678.28	-13,468.62
Income from disposal of assets (losses marked with “-”)	VII.73	2,117.75	3,969.84
III. Operating profits (losses marked with “-”)		265,878.66	143,118.40
Add: Non-operating revenue	VII.74	6,496.91	5,200.98
Less: Non-operating expenses	VII.75	3,186.62	9,105.33
IV. Total profit (total losses marked with “-”)		269,188.95	139,214.05
Less: Income tax expenses	VII.76	52,509.88	10,368.53
V. Net profit (net losses marked with “-”)		216,679.07	128,845.52
(I) Classified by business continuity			
1. Net profit from continuing operations (net losses marked with “-”)		216,927.87	130,688.05
2. Net profit from discontinued operations (net losses marked with “-”)		-248.80	-1,842.53
(II) Classified by ownership			
1. Net profit attributable to shareholders of parent company (net losses marked with “-”)		130,886.34	100,631.18
2. Profit or loss attributable to minority interests (net losses marked with “-”)		85,792.73	28,214.34
VI. Other comprehensive income, net of tax		24,344.13	-1,514.98
(I) Other comprehensive income attributable to owners of parent company, net of tax		10,415.03	-3,169.10

1. Other comprehensive income that may not be reclassified to profit or loss		-52.67	-5,121.90
(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
(3) Changes in fair value of other equity instrument investments		-52.67	-5,118.35
(4) Changes in fair value of enterprise's own credit risk			
2. Other comprehensive income that will be reclassified to profit or loss		10,467.70	1,952.80
(1) Other comprehensive income that may be transferred to profit or loss under equity method		-57.93	20.25
(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		10,525.63	1,932.55
(7) Others			
(II) Other comprehensive income attributable to minority interests, net of tax		13,929.10	1,654.12
VII. Total comprehensive income		241,023.20	127,330.54
(I) Total comprehensive income attributable to owners of parent company		141,301.37	97,462.08
(II) Total comprehensive income attributable to minority interests		99,721.83	29,868.46
VIII. Earnings per share:			
(I) Basic earnings per share (RMB per share)		0.696	0.534
(II) Diluted earnings per share (RMB per share)		0.696	0.534

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

Income Statement of Parent Company

January- December 2025

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Year 2025	Year 2024
I. Operating revenue	XIX. 4	209,855.63	221,217.87
Less: Operating expenses	XIX. 4	163,857.14	170,921.98
Taxes and surcharges		1,428.37	780.35
Selling expenses		13,797.96	14,001.06
Administrative expenses		21,883.16	18,668.26
R&D expenses		8,653.36	9,635.35
Financial expenses		-581.59	-2,894.93
Including: Interest expenses		3,593.73	3,544.25
Interest income		4,790.07	5,570.41
Add: Other income		723.47	2,806.75
Investment income (losses marked with “-”)	XIX. 5	36,285.00	-10,695.70
Including: Investment income in associates and joint ventures		5,305.01	3,186.39
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 “-”)		83.05	-278.33
Credit impairment loss (losses marked with “-”)		1,119.58	-1,133.32
Impairment losses on assets (losses marked with “-”)			
Income from disposal of assets (losses marked with “-”)			-2.06
II. Operating profits (losses marked with “-”)		39,028.33	803.14
Add: Non-operating revenue		3,486.72	2,817.88
Less: Non-operating expenses		174.97	215.80
III. Total profit (total losses marked with “-”)		42,340.08	3,405.22
Less: Income tax expenses		1,301.09	-6,181.54
IV. Net profit (net losses marked with “-”)		41,038.99	9,586.76
(I) Net profit from continuing operations (net losses marked with “-”)		41,038.99	9,586.76
(II) Net profit from discontinued operations (net losses marked with “-”)			
V. Other comprehensive income, net of tax		-47.90	-4,424.14

(I) Other comprehensive income that may not be reclassified to profit or loss		7.56	-4,444.09
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		7.56	-4,444.09
4. Changes in fair value of enterprise's own credit risk			
(II) Other comprehensive income that will be reclassified to profit or loss		-55.46	19.95
1. Other comprehensive income that may be transferred to profit or loss under equity method		-55.46	19.95
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		40,991.09	5,162.62
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: Luo Lin Person in charge of accounting department: Luo Lin

Consolidated Cash Flow Statement

January - December 2025

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Year 2025	Year 2024
I. Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		1,627,738.45	1,205,667.29
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		37,020.08	27,110.77
Other cash received relating to operating activities	VII. 78	35,259.80	35,455.01
Subtotal of cash inflow from operating activities		1,700,018.33	1,268,233.07
Cash paid for purchase of goods and receipt of services		1,125,234.34	878,956.53
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		196,048.65	161,949.06
Various types of taxes paid		93,606.96	67,576.15
Other cash paid relating to operating activities	VII. 78	103,217.40	104,030.87
Subtotal of cash outflow from operating activities		1,518,107.35	1,212,512.61

Net cash flows from operating activities		181,910.98	55,720.46
II. Cash flows from investment activities:			
Cash received from disposal of investments		335.44	76,560.93
Cash received from investment income		60,513.43	45,611.38
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		15,570.83	11,699.18
Net cash received from disposal of subsidiaries and other business units		1,011.09	165.21
Other cash received relating to investment activities	VII. 78	360,109.97	385,386.61
Subtotal of cash inflow from investing activities		437,540.76	519,423.31
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		158,035.41	252,132.31
Cash paid for investment		1,425.50	6,762.57
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	343,498.87	456,925.91
Subtotal of cash outflow from investing activities		502,959.78	720,748.20
Net cash flows from investing activities		-65,419.02	-201,324.89
III. Cash flows from financing activities:			
Cash received from capital contributions		2,936.39	3,021.79
Including: Cash received from minority shareholders investment by subsidiaries		2,936.39	3,021.79
Cash received from borrowings		422,174.71	400,626.74
Other cash received relating to financing activities	VII.78	54,149.95	50,428.44
Subtotal of cash inflow from financing activities		479,261.05	454,076.97
Cash paid for debt repayment		469,466.12	247,492.13
Cash paid for distributing dividend, profit or repaying interest		70,757.67	107,025.76
Including: Dividend and profit paid to minority shareholders by subsidiaries		9,555.02	29,541.94
Other cash paid relating to financing activities	VII. 78	43,691.20	76,989.50
Subtotal of cash outflow from financing activities		583,914.99	431,507.39
Net cash flows from financing activities		-104,653.94	22,569.58

IV. Effect of foreign exchange rate changes on cash and cash equivalents		10,226.73	2,663.81
V. Net increase in cash and cash equivalents		22,064.75	-120,371.04
Add: Opening balance of cash and cash equivalents		216,676.64	337,047.68
VI. Closing balance of cash and cash equivalents		238,741.39	216,676.64

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

Cash Flow Statement of Parent Company

January - December 2025

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Year 2025	Year 2024
I. Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		201,362.22	224,700.40
Tax refunds received		8,242.12	10,667.93
Other cash received relating to operating activities		562,261.46	425,775.90
Subtotal of cash inflow from operating activities		771,865.80	661,144.23
Cash paid for purchase of goods and receipt of services		136,803.16	182,774.77
Cash paid to and for staff		30,224.36	29,496.89
Various types of taxes paid		8,036.50	2,918.94
Other cash paid relating to operating activities		527,004.69	427,181.73
Subtotal of cash outflow from operating activities		702,068.71	642,372.33
Net cash flows from operating activities		69,797.09	18,771.90
II. Cash flows from investment activities:			
Cash received from disposal of investments		7,658.74	58,618.54
Cash received from investment income		33,699.49	57,763.09
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			0.10
Net cash received from disposal of subsidiaries and other business units			

Other cash received relating to investment activities		350,624.51	289,234.08
Subtotal of cash inflow from investing activities		391,982.74	405,615.81
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		1,427.82	4,806.53
Cash paid for investment		22,389.92	33,638.10
Net cash paid for the acquisition of subsidiaries and other business units			
Other cash paid relating to investment activities		348,987.67	346,115.78
Subtotal of cash outflow from investing activities		372,805.41	384,560.41
Net cash flows from investing activities		19,177.33	21,055.40
III. Cash flows from financing activities:			
Cash received from capital contributions			
Cash received from borrowings		44,400.00	62,500.27
Other cash received relating to financing activities		27,538.83	4,423.39
Subtotal of cash inflow from financing activities		71,938.83	66,923.66
Cash paid for debt repayment		100,284.55	117,181.45
Cash paid for distributing dividend, profit or repaying interest		40,299.78	65,895.25
Other cash paid relating to financing activities		17,110.55	34,509.91
Subtotal of cash outflow from financing activities		157,694.88	217,586.61
Net cash flows from financing activities		-85,756.05	-150,662.95
IV. Effect of foreign exchange rate changes on cash and cash equivalents		69.11	687.32
V. Net increase in cash and cash equivalents		3,287.48	-110,148.33
Add: Opening balance of cash and cash equivalents		72,156.96	182,305.29
VI. Closing balance of cash and cash equivalents		75,444.44	72,156.96

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

Consolidated Statement of Changes in Owners' Equity

January - December 2025

Unit: Ten Thousand Yuan Currency: RMB

Item	2025														
	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	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
Add: Change in accounting policy															
Correction of accounting errors in prior periods															
Others															
II. Balance at the beginning of the year	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
III. Increase or decrease in amount for current period (decrease marked with "-")					-27,445.27	-34,473.42	10,457.90	210.24	4,103.90		89,582.47		111,382.66	96,347.44	207,730.10
(I) Total comprehensive income							10,415.03				130,886.34		141,301.37	99,721.83	241,023.20
(II) Capital contribution or reduction by owners					-27,516.04	-34,473.42							6,957.38	2,654.20	9,611.58
1. Ordinary shares contributed by owners														2,888.41	2,888.41
2. Capital contribution by other equity instrument holders															
3. Share-based payments recognized in owners' equity					11,770.05								11,770.05		11,770.05
4. Others					-39,286.09	-34,473.42							-4,812.67	-234.21	-5,046.88
(III) Profit distribution									4,103.90		-41,261.03		-37,157.13	-6,028.59	-43,185.72
1. Withdrawal of surplus reserves									4,103.90		-4,103.90				
2. Withdrawal of general risk provision															
3. Distribution to owners (or shareholders)											-37,157.13		-37,157.13	-6,028.59	-43,185.72
4. Others															
(IV) Internal transfer of owners' equity							42.84				-42.84				
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							42.84							-42.84	
6. Others															
(V) Special reserves								210.24					210.24		210.24
1. Amount withdrawn during current period								229.76					229.76		229.76
2. Amount utilized during current period								-19.52					-19.52		-19.52
(VI) Others					70.77		0.03						70.80		70.80
IV. Balance at the end of current period	191,785.64				237,269.92	32,291.29	-13,256.12	634.11	88,228.66		786,905.36		1,259,276.28	328,259.42	1,587,535.70

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 retains 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

Person in charge of the Company: Bian Cheng

Accounting Director: Luo Lin

Person in charge of accounting department: Luo Lin

Statement of Changes in Owners' Equity for Parent Company

January - December 2025

Unit: Ten Thousand Yuan Currency: RMB

Item	2025										
	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	191,785.64				318,746.95	66,764.71	-171.61		83,424.05	305,659.47	832,679.79
Add: Change in accounting policy											
Correction of accounting errors in prior periods											
Others											
II. Balance at the beginning of the year	191,785.64				318,746.95	66,764.71	-171.61		83,424.05	305,659.47	832,679.79
III. Increase or decrease in amount for current period (decrease marked with "-")					-23,804.88	-34,473.42	-5.06	104.92	4,103.90	-264.88	14,607.42
(I) Total comprehensive income							-47.90			41,038.99	40,991.09
(II) Capital contribution or reduction by owners					-23,804.88	-34,473.42					10,668.54
1. Ordinary shares contributed by the owners											
2. Capital contribution by other equity instrument holders											
3. Share-based payment recognized in owners' equity					10,668.54						10,668.54
4. Others					-34,473.42	-34,473.42					
(III) Profit distribution									4,103.90	-41,261.03	-37,157.13
1. Withdrawal of surplus reserves									4,103.90	-4,103.90	
2. Distributions to owners (shareholders)										-37,157.13	-37,157.13
3. Others											
(IV) Internal transfer of owners' equity							42.84			-42.84	
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							42.84			-42.84	
6. Others											
(V) Special reserves								104.92			104.92
1. Amount withdrawn during current period								104.92			104.92
2. Amount utilized during current period											
(VI) Others											
IV. Balance at the end of current period	191,785.64				294,942.07	32,291.29	-176.67	104.92	87,527.95	305,394.59	847,287.21

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. Withdraw 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

Person in charge of the Company: Bian Cheng

Accounting Director: Luo Lin

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 materials 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 administrative 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

The determination method and accounting treatment method for the expected credit loss of receivable bills

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 agingApplicable 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: ① the 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 administrative 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	10-40	5.00%	2.40%-9.50%
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. Simple structures are classified under houses and buildings. 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; ③ the 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 production line equipment with acceptance obligations, revenue is recognized upon completion of acceptance and obtaining relevant acceptance documents. For complete sets of production line equipment without 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 the single equipment completely 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;
- ③ The 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: ①When the lease term expires, the ownership of the leased asset is transferred to the lessee. ②The 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. ③Although the ownership of the asset is not transferred, the lease term covers the major part of the service life of the leased assets. ④The present value of lease receipts on the lease commencement date is nearly equal to the fair value of the leased assets. ⑤The 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

For details, please refer to the "Company's analysis and explanation on the reasons and impacts of changes in accounting policies and accounting estimates or correction of major accounting errors" in "Significant Matters".

41. Others

Applicable Not Applicable

VI. Taxation

1. Major tax types and rates

Major tax types and rates

Applicable Not applicable

Tax types	Taxable basis	Tax rates
Value-added tax	Taxable income	1%, 3%, 5%, 6%, 8%, 9%, 10%, 11%, 12%, 13%, 14%, 15%, 16%, 18%, 19.25%, 20%, 21%, 21.9%, 22%
City maintenance & construction tax	Amount of turnover tax payable	5%, 7%
Corporate income tax	Taxable income	12.5%, 15%, 16.5%, 20%, 22%, 22.5%, 22.8%, 23%, 24%, 25%, 27%, 27.5%, 27.9%, 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
Twiford International Guinea-SARLU	12.50
Fujian Keda New Energy Technology Co., Ltd.	15.00
HLT Industry Co., Ltd.	15.00
HLT Technology Co., Ltd.	15.00
DLT Technology Co., Ltd.	15.00
Keda Industrial Group Co., Ltd.	15.00
Keda Foshan Industrial Co., Ltd.	15.00
Guangdong Keda New Energy Equipment Co., Ltd.	15.00
Anhui Keda Smart Energy Technology Co., Ltd.	15.00
Keda (Anhui) Clean Energy Co., Ltd.	15.00
Henan Kedaneu International Engineering Co., Ltd.	15.00
Anhui Keda Industrial Co., Ltd.	15.00
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	15.00
Guangdong Keda Hydraulic Technology Co., Ltd.	15.00
HLT International (Hong Kong) Limited	16.50
Forwell International (HK) Co., Limited	16.50
Kami Materials Co., Limited	16.50
Xincheng International (Hong Kong) Co., Ltd.	16.50
VIETNAM KETE COMPANY LIMITED	20.00
Foshan Keyunda Technology Co., Ltd.	20.00
Foshan Kexin New Energy Technology Co., Ltd.	20.00
Dangtu Keda New Energy Technology Co., Ltd.	20.00
Sixian Keda New Energy Technology Co., Ltd.	20.00
Maanshan Kehan New Energy Technology Co., Ltd.	20.00
Wuhu Kean Energy Technology Co., Ltd.	20.00
Maanshan Zhengpugang New District Taixin New Energy Technology Co., Ltd.	20.00
Kunshan Boyue New Energy Technology Co., Ltd.	20.00
Hefei Lunuo New Energy Co., Ltd.	20.00
Hefei Kemao New Energy Co., Ltd.	20.00
Maanshan Kegou New Energy Co., Ltd.	20.00
Hengwang (Anhui) Smart Energy Technology Co., Ltd.	20.00
Keda (Anhui) New Energy Vehicle Sales Co., Ltd.	20.00
Huadong (Maanshan) Tourist Transportation Co., Ltd.	20.00
Anhui Kechucheng New Energy Technology Co., Ltd.	20.00
Foshan Kerongsheng New Energy Technology Co., Ltd.	20.00

Maanshan Keda Cigao New Energy Co., Ltd.	20.00
Sixian Ketu New Energy Co., Ltd.	20.00
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	20.00
Xiamen Xindihui New Energy Technology Co., Ltd.	20.00
Pt Keda Industrial Indonesia	22.00
Pt Keda Construction Indonesia	22.00
Keda Industrial Egypt Limited for Manufacturing and Trading	22.50
Keda International Company S.a.r.l.	22.80
Wibe S.L.	23.00
Keda Industrial Brazil Ltda	24.00
Keda (Anhui) New Material Co., Ltd.	25.00
Twyford (Guangzhou) Furniture Co., Ltd.	25.00
Guangdong Twyford International Holding Ltd.	25.00
Keda Cote D'ivoire Ceramics Company Limited	25.00
Keda Honduras Ceramic, S. de R.L.	25.00
HLT Ceramic Technology Co., Ltd.	25.00
Guangdong HLT Construction Engineering Co., Ltd.	25.00
Foshan HLT Intelligent Equipment Co., Ltd.	25.00
Foshan Keda Ceramic Technology Co., Ltd.	25.00
Keda Turkey Makine Ticaret Limited Şirketi	25.00
Keda Industrial (Hong Kong) Limited	25.00
Shaoguan Keda Equipment Manufacturing Co., Ltd.	25.00
Foshan Keda Equipment Manufacturing Co., Ltd.	25.00
Guangdong Artget Fluidtech Co., Ltd.	25.00
Guangdong Quanitech Material Ltd.	25.00
Gao'an Keda Machinery Parts Co., Ltd.	25.00
Kami Turkey Mürekkap Sanayi Ve Ticaret Anonim Şirketi	25.00
Guangdong Keda Smart Energy Technology Co., Ltd.	25.00
Anhui Kean Electric Power Engineering Co., Ltd.	25.00
Jiangsu Keda Electric Power Co., Ltd.	25.00
Keda (Anhui) Huadong New Energy Automobile Travel Service Co., Ltd.	25.00
KEDA SOLAR GHANA LTD	25.00
Jiangsu Kehang Environmental Protection Co., Ltd.	25.00
Keda-SureMaker (Maanshan) Industrial Co., Ltd.	25.00
Anhui Keqing Environmental Engineering Co., Ltd.	25.00
Xiamen Keda New Energy Technology Co., Ltd.	25.00
Sichuan Keda Jieneng New Materials Co., Ltd.	25.00
Guangdong Weilili New Materials Co., Ltd.	25.00

Chongqing Keda New Energy Materials Co., Ltd.	25.00
Guangdong Keda Lithium Industry Co., Ltd.	25.00
Keda (Anhui) Hydraulic Technology Co., Ltd.	25.00
Anhui Keda Investment Co., Ltd.	25.00
Anhui Xincheng Financial and Leasing Co., Ltd.	25.00
Guangdong Xincheng Financial and Leasing Co., Ltd.	25.00
Keda-SureMaker (Wuhu) Industrial Co., Ltd.	25.00
Shenyang Keda Clean Energy Gas Co., Ltd.	25.00
Sunbromate (Pty) Ltd	27.00
Twyford International Burkina Faso CO LTD	27.50
Keda Europe S.r.l.	27.90
I.C.F. & Welko S.P.A.	27.90
F.D.S. Ettmar S.r.l.	27.90
P.I.R.C. S.r.l.	27.90
KEDA Peru Building Materials Company S.A.C	29.50
Twyford Peru Company S.R.L.	29.50
Twyford Peru Comercial Company S.r.l.	29.50
Twyford International Benin Company Limited	30.00
Keda Tanzania Resource Company Limited	30.00
Keda Ceramics International Company Limited	30.00
Keda (Kenya) Ceramics Company Limited	30.00
Keda (Sn) Ceramics Company Limited	30.00
Keda (Tanzania) Ceramics Company Limited	30.00
Keda Zambia Ceramics Company Limited	30.00
Twyford Impex (U) Ltd	30.00
Keda Industrial (India) Limited	30.00
Kami Colourcera Private Limited	30.00
Keda (Kenya) Solar Co., Ltd.	30.00
Gritrock Mining Limited(Kenya)	30.00
Keda Cameroon Ceramics Limited	33.00

2. Tax preference

√ Applicable □ Not applicable

HLT Industry Co., Ltd. (Certificate No. GR202344003960) was recognized as a High-tech Enterprise of Guangdong Province for 2023, with an income tax rate of 15%.

HLT Technology Co., Ltd. (Certificate No. GR202444015430) was recognized as a High-tech Enterprise of Guangdong Province for 2024, with an income tax rate of 15%.

DLT Technology Co., Ltd. (Certificate No. GR202444002029) was recognized as a High-tech Enterprise of Guangdong Province for 2024, with an income tax rate of 15%.

Keda Industrial Group Co. Ltd. (Certificate No. GR202344002406) was recognized as a High-tech Enterprise of Guangdong Province for 2023, with an income tax rate of 15%.

Keda Foshan Industrial Co., Ltd. (Certificate No. GR202544008482) was recognized as a High-tech Enterprise of Guangdong Province for 2025, with an income tax rate of 15%.

Guangdong Keda New Energy Equipment Co., Ltd. (Certificate No. GR202444001942) was recognized as a High-tech Enterprise of Guangdong Province for 2024, with an income tax rate of 15%.

Anhui Keda Smart Energy Technology Co., Ltd. (Certificate No. GR202534003189) was recognized as a High-tech Enterprise of Anhui Province for 2025, with an income tax rate of 15%.

Keda (Anhui) Clean Energy Co., Ltd. (Certificate No. GR202534001494) was recognized as a High-tech Enterprise of Anhui Province for 2025, with an income tax rate of 15%.

Henan Kedaneu International Engineering Co., Ltd. (Certificate No. GR202441003547) was recognized as a High-tech Enterprise of Henan Province for 2024, with an income tax rate of 15%.

Anhui Keda Industrial Co., Ltd. (Certificate No. GR202434002580) was recognized as a High-tech Enterprise of Anhui Province for 2024, with an income tax rate of 15%.

Fujian Keda New Energy Technology Co., Ltd. (Certificate No. GR202335001631) was recognized as a High-tech Enterprise of Fujian Province for 2023, with an income tax rate of 15%.

Anhui Keda Platinum Platform Energy Technology Co., Ltd. (Certificate No. GR202334004843) was recognized as a High-tech Enterprise of Anhui Province for 2023, with an income tax rate of 15%.

Guangdong Keda Hydraulic Technology Co., Ltd. (Certificate No. GR202544009644) was recognized as a High-tech Enterprise of Guangdong Province for 2025, 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	395.53	476.22
Bank deposits	187,270.42	216,185.72
Other monetary funds	137,821.59	78,541.29
Deposits with financial institutions		
Total	325,487.54	295,203.23
Including: Total funds deposited outside China	132,699.98	108,106.65

Other notes

The closing balance of other monetary funds includes RMB943,542.7 thousand for time deposits, RMB189,967.2 thousand of deposits for banker's acceptances, RMB43,591.6 thousand for frozen funds, RMB166,066.7 thousand of deposits for letters of guarantee (L/Gs), and RMB35,047.7 thousand for others.

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 at fair value through profit or loss	57,946.59	71,659.42	/
Including:			
Debt instrument	57,767.27	70,686.25	/
Derivative instrument	179.32	973.17	/
Total	57,946.59	71,659.42	/

Other notes:

Applicable Not applicable

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
Banker's acceptance bills	6,437.30	4,735.36
Commercial acceptance bills	444.42	501.95

Total	6,881.72	5,237.31
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(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	Derecognized amount at the end of the Reporting Period	Non-derecognized amount at the end of the Reporting Period
Banker's acceptance bills		5,358.01
Total		5,358.01

(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 set aside for bad debts by portfolio	6,889.73	100.00	8.01	0.12	6,881.72	5,248.40	100.00	11.09	0.21	5,237.31
Including:										
Grouping of commercial acceptance bills	452.43	6.57	8.01	1.77	444.42	513.04	9.78	11.09	2.16	501.95
Grouping of banker's acceptance bills	6,437.30	93.43			6,437.30	4,735.36	90.22			4,735.36
Total	6,889.73	/	8.01	/	6,881.72	5,248.40	/	11.09	/	5,237.31

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		
	Book balance	Provision for bad debts	Provision percentage (%)
Grouping of commercial acceptance bill	452.43	8.01	1.77
Total	452.43	8.01	1.77

Notes to the provision set aside for bad debts 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 notes receivable arising from changes in the provision for losses in the Reporting Period:

Applicable Not applicable

(5) Provision for bad debts

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the reporting period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	11.09	-3.08				8.01
Total	11.09	-3.08				8.01

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(6) Notes receivable written off in the Reporting 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

The closing balance of notes receivable in the reporting period increased by 31.40% compared with the closing balance of the previous year, which was mainly due to the increase of the unexpired banker's acceptance bills held by the Company in the reporting period.

5. Accounts receivable

(1) Disclosure by aging

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Closing book balance	Opening book balance
Within one year (inclusive)	289,493.94	197,895.17
One to two years	29,613.54	28,151.68
Two to three years	15,794.80	11,575.03
Over three years	10,674.56	11,575.45
Total	345,576.84	249,197.33

(2) 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 set aside for bad debts by the single item	13,971.32	4.04	10,347.96	74.07	3,623.36	15,612.00	6.26	6,162.56	39.47	9,449.44
Provision set aside for bad debts by portfolio	331,605.52	95.96	15,050.78	4.54	316,554.74	233,585.33	93.74	17,853.15	7.64	215,732.18
Total	345,576.84	/	25,398.74	/	320,178.10	249,197.33	/	24,015.71	/	225,181.62

Provision set aside for bad debts by the single item:

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 1	2,376.50	1,901.20	80.00	Projected risk of recovery
Customer 2	1,508.41	1,508.41	100.00	Irrecoverable as projected
Customer 3	1,134.69	173.00	15.25	Projected risk of recovery
Customer 4	1,029.92	168.80	16.39	Projected risk of recovery
Customer 5	858.85	365.54	42.56	Projected risk of recovery
Customer 6	677.40	677.40	100.00	Irrecoverable as projected
Customer 7	604.03	302.01	50.00	Projected risk of recovery
Customer 8	510.37	510.37	100.00	Irrecoverable as projected
Customer 9	474.57	474.57	100.00	Irrecoverable as projected
Customer 10	377.82	377.82	100.00	Irrecoverable as projected
Others	4,418.76	3,888.84	88.01	
Total	13,971.32	10,347.96	74.07	/

Notes to the 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: Provision set aside for bad debts by portfolio

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Within one year	289,277.81	6,356.03	2.20
One to two years	25,889.06	2,341.48	9.04
Two to three years	10,997.15	2,466.58	22.43
Three to four years	3,377.11	1,935.22	57.30
Four to five years	913.01	800.09	87.63
Over five years	1,151.38	1,151.38	100.00
Total	331,605.52	15,050.78	4.54

Notes to the provision set aside for bad debts 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 receivable arising from changes in the provision for losses in the Reporting Period:

Applicable Not applicable

(3) Provision for bad debts

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the reporting period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	24,015.71	8,473.24	125.94	7,608.90	392.75	25,398.74
Total	24,015.71	8,473.24	125.94	7,608.90	392.75	25,398.74

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(4) Accounts receivable written off in the Reporting Period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Written-off amount
Accounts receivable written off	7,608.90

Including: Write-off of significant accounts receivable

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Unit	Nature of accounts receivable	Written-off amount	Reasons for write-off	Write-off procedures performed	Whether the accounts arise from related party transactions
Customer 11	Payment for goods	1,119.76	Irrecoverable	Management approval	No
Customer 12	Payment for goods	1,064.30	Irrecoverable	Management approval	No
Customer 13	Payment for goods	939.08	Irrecoverable	Management approval	No
Customer 14	Payment for goods	654.44	Irrecoverable	Management approval	No

Customer 15	Payment for goods	448.00	Irrecoverable	Management approval	No
Customer 16	Payment for goods	352.55	Irrecoverable	Management approval	No
Customer 17	Payment for goods	300.00	Irrecoverable	Management approval	No
Total	/	4,878.13			

Notes to the write-off of accounts receivable:

Applicable Not applicable

(5) Top five accounts receivable and contract assets in the closing balance categorized by debtors

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Unit	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage in the total closing balance of the accounts receivable and contract assets (%)	Closing balance of the provision for bad debts
Customer 18	63,236.33		63,236.33	16.49	1,473.41
Customer 19	33,151.72		33,151.72	8.65	206.58
Customer 20	24,412.07		24,412.07	6.37	615.78
Customer 21	3,739.40	14,337.00	18,076.40	4.71	595.60
Customer 22	7,601.96		7,601.96	1.98	55.70
Total	132,141.48	14,337.00	146,478.48	38.20	2,947.07

Other notes:

Applicable Not applicable

The closing balance of accounts receivable in the reporting period increased by 42.19% compared with the closing balance of the previous year, mainly due to the increase in the sales scale of lithium battery materials in the reporting period.

6. Contract assets

(1) Contract assets

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debts	Carrying value	Book balance	Provision for bad debts	Carrying value
Contract assets	37,865.60	2,092.36	35,773.24	17,936.94	3,322.65	14,614.29

Total	37,865.60	2,092.36	35,773.24	17,936.94	3,322.65	14,614.29
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(2) Amount of significant changes in the carrying value in the Reporting Period and reasons for such changes

Applicable Not applicable

(3) 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 on percentage (%)		Amount	Percentage (%)	Amount	Provision on percentage (%)	
Provision set aside for bad debts by the single item	1,772.85	4.68	1,204.70	67.95	568.15	4,329.42	24.14	3,005.60	69.42	1,323.82
Provision set aside for bad debts by portfolio	36,092.75	95.32	887.66	2.46	35,205.09	13,607.52	75.86	317.05	2.33	13,290.47
Total	37,865.60	100.00	2,092.36	5.53	35,773.24	17,936.94	100.00	3,322.65	18.52	14,614.29

Provision set aside for bad debts by the single item:

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 23	1,420.38	852.23	60.00	Projected risk of recovery
Customer 24	352.47	352.47	100.00	Irrecoverable as projected
Total	1,772.85	1,204.70	67.95	/

Notes to the provision set aside for bad debts 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 credit risk grouping

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Provision set aside for bad debts by portfolio	36,092.75	887.66	2.46
Total	36,092.75	887.66	2.46

Notes to the provision set aside for bad debts 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 contract assets arising from changes in the provision for losses in the Reporting Period:

 Applicable Not applicable**(4) Provision set aside for bad debts on contract assets in the Reporting Period** Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Change in the reporting period				Closing balance	Reasons
		Provision in the reporting period	Recovery or reversal in the reporting period	Charge-off/write-off in the reporting period	Other changes		
Provision for impairment	3,322.65	1,289.73	93.36	2,613.38		2,092.36	
Total	3,322.65	1,289.73	93.36	2,613.38		2,092.36	/

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

 Applicable Not applicable**(5) Contract assets written off in the Reporting Period** Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Written-off amount
Contract assets written off	2,613.38

Including: Write-off of significant contract assets

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Unit	Nature of fund	Written-off amount	Reasons for write-off	Write-off procedures performed	Whether the accounts arise from related party transactions
Customer 25	Payment for goods	1,862.62	Irrecoverable	Management approval	No
Customer 26	Payment for goods	476.88	Irrecoverable	Management approval	No
Total	/	2,339.50	/	/	/

Notes to write-off of contract assets:

Applicable Not applicable

Other notes:

Applicable Not applicable

The closing balance of contract assets in the reporting period increased by 144.78% compared with the closing balance of the previous year, mainly due to the increase in the sales scale of new energy equipment in the reporting period.

7. Accounts receivables financing

(1) Classified presentation of receivables financing

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Banker's acceptance bills	19,818.61	19,242.67
Supply chain bills	1,705.34	1,837.49
Total	21,523.95	21,080.16

(2) Receivables financing pledged by the Company at the end of the Reporting Period

Applicable Not applicable

(3) Receivables financing 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	Derecognized amount at the end of the reporting period	Non-derecognized amount at the end of the reporting period
Banker's acceptance bills	135,633.00	
Supply chain bills	2,790.27	

Total	138,423.27
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(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 set aside for bad debts by portfolio	21,565.88	100.00	41.93	0.19	21,523.95	21,121.02	100.00	40.86	0.19	21,080.16
Including:										
Supply chain bills	1,747.27	8.10	41.93	2.40	1,705.34	1,878.35	8.89	40.86	2.18	1,837.49
Banker's acceptance bills	19,818.61	91.90			19,818.61	19,242.67	91.11			19,242.67
Total	21,565.88	100.00	41.93	0.19	21,523.95	21,121.02	100.00	40.86	0.19	21,080.16

Provision set aside for bad debts by the single item:

Applicable Not applicable

Notes to the 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: Supply chain bills

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Supply chain bills combination	1,747.27	41.93	2.40
Total	1,747.27	41.93	2.40

Notes to the provision set aside for bad debts 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 receivables financing arising from changes in the provision for losses in the Reporting Period:

Applicable Not applicable

(5) Provision for bad debts

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the reporting period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	40.86	1.07				41.93
Total	40.86	1.07				41.93

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(6) Receivables financing written off in the Reporting Period

Applicable Not applicable

Including: Significant write-off of receivables financing

Applicable Not applicable

Notes on write-off:

Applicable Not applicable

(7) Change in receivables financing and in fair value in the Reporting Period:

Applicable Not applicable

(8) Other notes:

Applicable Not applicable

8. Prepayments

(1) Aging-based presentation of prepayments

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within one year	39,989.50	95.84	41,348.04	93.46
One to two years	1,135.39	2.72	1,653.56	3.74
Two to three years	263.12	0.63	964.90	2.18
Over three years	337.48	0.81	274.85	0.62
Total	41,725.49	100.00	44,241.35	100.00

(2) Top five prepayments in the closing balance categorized by payees

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Unit	Closing balance	Percentage in the total closing balance of the prepayments (%)
Supplier 1	5,541.65	13.28
Supplier 2	4,089.99	9.80
Supplier 3	2,201.33	5.28
Supplier 4	1,639.03	3.93
Supplier 5	1,604.07	3.84
Total	15,076.07	36.13

Other notes

Applicable Not applicable

9. Other receivables

Presentation of items

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Interest receivable		
Dividends receivable	46.82	56.63
Other receivables	21,997.53	24,751.49
Total	22,044.35	24,808.12

Other notes:

Applicable Not applicable

Interest receivable**(1) Classification of interest receivable**

Applicable Not applicable

(2) Significant overdue interest

Applicable Not applicable

(3) Classified disclosure according to the methods for setting aside provision for bad debts

Applicable Not applicable

Provision set aside for bad debts by the single item:

Applicable Not applicable

Notes to the provision set aside for bad debts 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 reporting period:

Applicable Not applicable

(5) Provision for bad debts

Applicable Not applicable

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(6) Interest receivable written off in the Reporting 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

Dividends receivable

(1) Dividends 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
Foshan Kean New Energy Technology Co., Ltd.	27.59	
Foshan Kesheng New Energy Technology Co., Ltd.	9.63	
Foshan Keshiming New Energy Technology Co., Ltd.	9.60	
Total	46.82	56.63

(2) Significant dividends receivable with an age of more than one year

Applicable Not applicable

(3) Classified disclosure according to the methods for setting aside provision for bad debts

Applicable Not applicable

Provision set aside for bad debts by the single item:

Applicable Not applicable

Notes to the provision set aside for bad debts 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 dividends receivable arising from changes in the provision for losses in the reporting period:

Applicable Not applicable

(5) Provision for bad debts

Applicable Not applicable

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(6) Dividends receivable written off in the Reporting Period

Applicable Not applicable

Including: Write-off of significant dividends receivable

Applicable Not applicable

Notes on write-off:

Applicable Not applicable

Other notes:

Applicable Not applicable

Other receivables

(1) Disclosure by aging

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Closing book balance	Opening book balance
Within one year (inclusive)	16,160.50	18,699.25
One to two years	1,641.28	3,771.28
Two to three years	3,679.45	459.69
Over three years	4,349.64	4,150.37
Total	25,830.87	27,080.59

(2) Classification based on the fund nature

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Nature of fund	Closing book balance	Opening book balance
Intercompany current accounts	12,746.89	13,922.55
Other current accounts	2,813.74	3,509.56
Export tax rebate	4,398.70	3,312.86

Margin	1,933.08	2,673.76
Government grants	3,938.46	3,661.86
Total	25,830.87	27,080.59

(3) Provision set aside for bad debts

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Provision for bad debts	Phase I	Phase II	Phase III	Total
	Expected credit loss for the next 12 months	Expected credit loss during the whole outstanding maturity (without credit impairment loss)	Expected credit loss during the whole outstanding maturity (with credit impairment loss)	
Balance as of January 1, 2025	1,629.31		699.79	2,329.10
Balance as of January 1, 2025 in the reporting period	1,629.31		699.79	2,329.10
-- Transferred to Phase II				
-- Transferred to Phase III				
-- Reclassified under Phase II				
-- Reclassified under Phase I				
Provision in the reporting period	2,092.93		67.89	2,160.82
Reclassification in the reporting period	5.61			5.61
Charge-off in the reporting period				
Write-off in the reporting period	21.03		365.22	386.25
Other changes	-297.59		21.65	-275.94
Balance on December 31, 2025	3,409.23		424.11	3,833.34

Notes to the significant changes in the book balance of other receivables arising from changes in the provision for losses in the Reporting 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 Reporting Period:

Applicable Not applicable

(4) Provision for bad debts√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the reporting period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts for other receivables	2,329.10	2,160.82	5.61	386.25	-275.94	3,833.34
Total	2,329.10	2,160.82	5.61	386.25	-275.94	3,833.34

Including: Significant amount of provision for bad debts reclassified or recovered in the Reporting Period:

 Applicable Not applicable**(5) Other receivables written off in the Reporting Period**√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Written-off amount
Other receivables written off	386.25

Including: Write-off of significant other receivables:

 Applicable Not applicable

Notes to the write-off of other receivables:

 Applicable Not applicable**(6) Top five other receivables in the closing balance categorized by debtors**√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Unit	Closing balance	Percentage in the total closing balance of other receivables (%)	Account nature	Aging	Closing balance of provision for bad debts
Daliang Export Tax Rebate Branch of Shunde District, Foshan City	4,202.93	16.27	Export tax rebate	Within one year	
Qinghai Salt Industry Co., Ltd.	3,129.35	12.11	Intercourse funds	Four to five years	2,481.58

Guangdong Shunkong Group	2,966.21	11.48	Intercourse funds	Within one years	96.29
Finance Bureau of Datian County	2,825.92	10.94	Government grants	Two to three years	
Transportation Bureau of Bowang District, Ma'anshan City	1,048.48	4.06	Government grants	Within one year	
Total	14,172.89	54.86			2,577.87

(7) Other receivables reported due to centralized management of funds

Applicable Not applicable

Other notes:

Applicable Not applicable

10. Inventories

(1) Inventories classification

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for inventories impairment/for contract fulfillment cost impairment	Carrying value	Book balance	Provision for inventories impairment/for contract fulfillment cost impairment	Carrying value
Raw materials	200,742.25	227.92	200,514.33	174,469.66	1,639.61	172,830.05
Goods in process	182,115.29	250.68	181,864.61	166,502.83	207.34	166,295.49
Commodities in stock	127,025.61	5,234.46	121,791.15	101,951.90	3,562.56	98,389.34
Shipped commodities	47,808.27		47,808.27	36,256.11		36,256.11
Materials in transit				5,658.94		5,658.94
Total	557,691.42	5,713.06	551,978.36	484,839.44	5,409.51	479,429.93

(2) Data resource recognized as inventory

Applicable Not applicable

(3) Provision for inventories impairment and contract fulfillment cost impairment

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period		Decrease in the reporting period		Closing balance
		Provision	Others	Reclassification or charge-off	Others	
Raw materials	1,639.61	83.03	-	1,494.72	-	227.92
Goods in process	207.34	186.19	-	142.85	-	250.68
Commodities in stock	3,562.56	2183.08	34.93	546.11	-	5,234.46
Total	5,409.51	2,452.30	34.93	2,183.68	-	5,713.06

Reasons for reversal or write-off of provision for inventories impairment in the Reporting Period

Applicable Not applicable

Provision set aside for inventories impairment by portfolio

Applicable Not applicable

Criteria for setting aside provision for inventories impairment by portfolio

Applicable Not applicable

(4) Capitalized amount of borrowing costs included in the closing balance of inventories and the criteria and basis for its calculation

Applicable Not applicable

(5) Notes to the amortized amount of contract fulfillment costs in the Reporting Period

Applicable Not applicable

Other notes:

Applicable Not applicable

11. Assets held for sale

Applicable Not applicable

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	62,922.50	76,460.69

Including: Unrealized finance lease income	2,797.94	3,893.83
Total	62,922.50	76,460.69

Debt investment due within one year

Applicable Not applicable

Other debt investments due within one year

Applicable Not applicable

Other notes to non-current assets due within one year:

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance	Percentage (%)	Provision for bad debts	Provision percentage (%)	Carrying value	Book balance	Percentage (%)	Provision for bad debts	Provision percentage (%)	Carrying value
Provision set aside for bad debts by the single item	8,767.42	12.70	4,769.62	54.40	3,997.80	9,043.22	10.81	5,803.59	64.18	3,239.63
Provision set aside for bad debts by portfolio	60,284.78	87.30	1,360.08	2.26	58,924.70	74,588.12	89.19	1,367.06	1.83	73,221.06
Total	69,052.20	/	6,129.70	/	62,922.50	83,631.34	/	7,170.65	/	76,460.69

Note 1: Notes to the provision set aside for bad debts by the single item:

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			Reasons for the provision
	Book balance	Provision for bad debts	Provision percentage (%)	
Customer 27	2,419.67	568.73	23.50	Projected risk of recovery
Customer 28	1,044.65	208.93	20.00	Projected risk of recovery
Customer 29	1,649.44	824.72	50.00	Projected risk of recovery
Customer 30	1,141.33	1,141.33	100.00	No repayment ability
Customer 31	550.00	275.00	50.00	Projected risk of recovery
Customer 32	474.85	474.85	100.00	No repayment ability
Customer 33	433.66	346.93	80.00	Projected risk of recovery
Customer 34	308.74	308.74	100.00	No repayment ability
Others	745.08	620.39	83.26	
Total	8,767.42	4,769.62	54.40	

Note 2: Provision in the Reporting Period

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the reporting period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	7,170.65	-746.77	565.34	832.26	-27.26	6,129.70
Total	7,170.65	-746.77	565.34	832.26	-27.26	6,129.70

Note 3: Write-off in the reporting period

Item	Written-off amount
Debt investments due within one year written off	832.26

Unit	Nature of fund	Written-off amount	Reasons for write-off	Write-off procedures performed	Whether the accounts arise from related party transactions
Customer 35	Payment for goods	577.23	Irrecoverable	Management approval	No
Others	Payment for goods	255.03	Irrecoverable	Management approval	No
Total	/	832.26	/	/	/

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	54,368.79	59,984.82
Prepaid taxes	9,188.75	3,953.02
Contract costs	1,730.01	1,443.97
Total	65,287.55	65,381.81

14. Debt investments**(1) Debt investments** Applicable Not applicable

Changes in provision for impairment on debt investments in the Reporting Period

 Applicable Not applicable

(2) Significant debt investments at the end of the Reporting Period

Applicable Not applicable

(3) Provision set aside for impairment

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 Reporting 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 Reporting Period:

Applicable Not applicable

(4) Debt investments written off in the Reporting 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 investments**(1) Other debt investments**

Applicable Not applicable

Changes in provision for impairment on other debt investments in the Reporting Period

Applicable Not applicable

(2) Significant other debt investments at the end of the Reporting Period

Applicable Not applicable

(3) Provision set aside for impairment

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 reporting 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 reporting period

Applicable Not applicable

(4) Other debt investments written off in the Reporting 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 balance	Provision for bad debts	Carrying value	Book balance	Provision for bad debts	Carrying value	
Finance lease payment	46,061.95	1,165.45	44,896.50	43,203.18	996.38	42,206.80	2.98%-7.61%
Including: Unrealized financing income	2,522.50		2,522.50	1,973.74		1,973.74	
Total	46,061.95	1,165.45	44,896.50	43,203.18	996.38	42,206.80	/

(2) 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
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	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 set aside for bad debts by the single item	374.87	0.81	187.43	50.00	187.44	399.44	0.92	199.72	50	199.72
Provision set aside for bad debts by portfolio	45,687.08	99.19	978.02	2.14	44,709.06	42,803.74	99.08	796.66	1.86	42,007.08
Total	46,061.95	/	1,165.45	2.53	44,896.50	43,203.18	/	996.38	2.31	42,206.80

Provision set aside for bad debts by the single item:

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 36	374.87	187.43	50	Risk of recovery in the customer
Total	374.87	187.43	50	/

Notes to the provision set aside for bad debts 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		
	Book balance	Provision for bad debts	Provision percentage (%)
Provision set aside for bad debts by portfolio	45,687.08	978.02	2.14
Total	45,687.08	978.02	2.14

Notes to the provision set aside for bad debts by portfolio

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 for the next 12 months	Expected credit loss during the whole outstanding maturity (without credit impairment loss)	Expected credit loss during the whole outstanding maturity (with credit impairment loss)	
Balance as of January 1, 2025	796.66		199.72	996.38
Balance as of January 1, 2025 in the reporting period	796.66		199.72	996.38
-- Transferred to Phase II				
-- Transferred to Phase III				
-- Reclassified under Phase II				
-- Reclassified under Phase I				
Provision in the reporting period	187.87		-12.29	175.58
Reclassification in the reporting period				
Charge-off in the reporting period				
Write-off in the reporting period				
Other changes	-6.51			-6.51
Balance on December 31, 2025	978.02		187.43	1,165.45

Notes to the significant changes in the book balance of long-term receivables arising from changes in the provision for losses in the Reporting 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 Reporting Period:

 Applicable Not applicable**(4) Provision for bad debts**√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the reporting period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	

Provision for bad debts	996.38	175.58			-6.51	1,165.45
Total	996.38	175.58			-6.51	1,165.45

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(5) Other long-term receivables written off in the Reporting 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

17. Long-term equity investments

(1) Long-term equity investments

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Investee	Opening balance (Carrying value)	Change in the Reporting Period								Closing losing Balance (Carrying value)	Closing Balance of the Provision for impairment
		Increase in the investment	Decrease in the investment	Profits or losses of investment recognized by the equity method	Changes in other comprehensive income	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others		
II. Associated enterprises											
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	257,496.07			35,487.67		68.90	53,432.62			239,620.02	
Foshan Keda Ceramic Technology Co., Ltd.	16,207.37			-40.90						16,166.47	
Zhangzhou Grande Graphite Material Co., Ltd.	2,618.72			-146.94						2,471.78	
Maanshan Qingshan Electricity Selling Co., Ltd.	580.67			1.94						582.61	

Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	10,368.63			-2,249.54						8,119.09	
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	32,608.54			7,602.13	-55.47		2,400.00		1.91	37,757.11	
Maanshan Kema New Energy Technology Co., Ltd.	1,923.22	49.04	556.12	413.97	-2.45	8.97	187.87		-126.34	1,522.42	
Gongqingcheng Xinmingfeng Investment Partnership Enterprise (Limited Partnership)	602.61			44.63			44.63			602.61	
Gongqingcheng Xinmingzhao Investment Partnership Enterprise (Limited Partnership)	68.22			5.05			5.05			68.22	
Gongqingcheng Kehong Investment Partnership (Limited Partnership)	173.89	87.81								261.70	
Gongqingcheng Kehan Investment Partnership (Limited Partnership)	0.00	303.08								303.08	
Gongqingcheng Kexin Investment Partnership (Limited Partnership)	1,868.27									1,868.27	
Gongqingcheng Keyu Investment Partnership (Limited Partnership)	300.85	34.66								335.51	
Subtotal	324,817.06	474.59	556.12	41,118.01	-57.92	77.87	56,070.17	0.00	-124.43	309,678.89	
Total	324,817.06	474.59	556.12	41,118.01	-57.92	77.87	56,070.17		-124.43	309,678.89	

(2) Impairment test of long-term equity investments

Applicable Not applicable

18. Other equity instruments investments**(1) Other equity instruments investments**√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Change in the reporting period					Closing balance	Dividend income recognized in the reporting period	Accumulated gains included in other comprehensive income	Accumulated losses included in other comprehensive income	Reason for assigning to measure in fair value of which changes included other comprehensive income
		Increase in the investment	Decrease in the investment	Gains included in other comprehensive income in the reporting period	Losses included in other comprehensive income in the reporting period	Others					
Changde Avenue New Materials Technology Co., Ltd.	420.51				60.23		360.28		60.28		
Total	420.51				60.23		360.28		60.28		/

(2) Amount derecognized in the Reporting Period Applicable Not applicable

Other notes:

 Applicable Not applicable**19. Other non-current financial assets**√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	2,194.00	1,302.52
Total	2,194.00	1,302.52

Other notes:

√ Applicable Not applicable

The closing balance of other non-current financial assets in the reporting period increased by 68.44% from the end of the previous year, mainly due to the Company's increased investment in Huade Chengzhi Zhongke Equity Investment (Beijing) Partnership (Limited Partnership) in the reporting period.

20. Investment properties

Measurement model of investment properties

Not applicable

(1) Not applicable

(2) Impairment test of investment properties measured at cost

Applicable Not applicable

Other notes:

Applicable Not applicable

21. Fixed assets

Presentation of items

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Fixed assets	763,553.17	640,352.85
Liquidation of fixed assets		
Total	763,553.17	640,352.85

Other notes:

Applicable Not applicable

Fixed assets

(1) 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. Opening balance	23,406.01	432,949.10	391,524.31	22,508.44	13,422.09	883,809.95
2. Increase in the reporting period	2,337.25	95,797.67	123,862.44	8,787.10	3,973.73	234,758.19
(1) Purchase	1,120.85	11,342.84	18,413.24	7,085.94	3,973.73	41,936.60
(2) Transfer-in of construction in progress		72,720.23	77,735.25			150,455.48
(3) Increase in business combinations						
(4) Other changes	1,216.40	11,734.60	27,713.95	1,701.16		42,366.11

3. Decrease in the reporting period		12,742.42	23,303.63	2,337.79	1,109.51	39,493.35
(1) Disposal or write-off		11,722.94	14,834.87	2,337.79	1,084.61	29,980.21
(2) Transfer-in of construction in progress		1,019.48				1,019.48
(3) Disposal of subsidiaries			8,468.76			8,468.76
(4) Other changes					24.90	24.90
4. Closing balance	25,743.26	516,004.35	492,083.12	28,957.75	16,286.31	1,079,074.79
II. Accumulated depreciation						
1. Opening balance		92,541.29	127,900.67	10,030.50	7,818.00	238,290.46
2. Increase in the reporting period		25,890.52	59,564.71	4,845.83	2,116.10	92,417.16
(1) Provision		22,999.50	48,270.60	3,797.26	2,006.75	77,074.11
(2) Purchase						
(3) Increase in business combinations						
(4) Other changes		2,891.02	11,294.11	1,048.57	109.35	15,343.05
3. Decrease in the reporting period		6,764.80	9,829.11	1,754.36	726.33	19,074.60
(1) Disposal or write-off		6,231.56	8,756.50	1,754.36	726.33	17,468.75
(2) Transfer-in of construction in progress		533.24				533.24
(3) Disposal of subsidiaries			1,072.61			1,072.61
(4) Other changes						
4. Closing balance		111,667.01	177,636.27	13,121.97	9,207.77	311,633.02
III. Provision for impairment						
1. Opening balance		2,665.85	2,500.67		0.12	5,166.64
2. Increase in the reporting period			512.34	26.62		538.96
(1) Provision			469.61	25.94		495.55
(2) Other changes			42.73	0.68		43.41
3. Decrease in the reporting period		1,816.28	0.72			1,817.00
(1) Disposal or write-off		1,816.28	0.72			1,817.00
(2) Other changes						
4. Closing balance		849.57	3,012.29	26.62	0.12	3,888.60
IV. Carrying value						
1. Closing carrying value	25,743.26	403,487.77	311,434.56	15,809.16	7,078.42	763,553.17
2. Opening carrying value	23,406.01	337,741.96	261,122.97	12,477.94	5,603.97	640,352.85

(2) Temporarily idle fixed assets√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Original carrying value	Accumulated depreciation	Provision for impairment	Carrying value	Notes
Properties and buildings	2,839.58	1,526.63	849.57	463.38	
Machinery and equipment	4,605.07	1,568.53	3,007.95	28.59	
Transportation tools	532.39	505.77	26.62		
Electronic devices and others	4.14	3.93	0.12	0.09	
Total	7,981.18	3,604.86	3,884.26	492.06	

(3) Fixed assets leased out through operating leases√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing carrying value
Properties and buildings	116.95
Total	116.95

(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 fair value minus disposal expenses**√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Carrying value	Recoverable amount	Impairment amount	Determination of fair value and disposal expenses	Key parameters	Basis for determining key parameters
Ceramic factory machinery and equipment as well as transportation tools	538.96	0.00	538.96	Market method	No sale value	Unable to use
Total	538.96	0.00	538.96	/	/	/

The recoverable amount is determined as the present value of the expected future cash flows

Applicable Not applicable

The differences between the foregoing information and the data used in impairment testing in 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

Other notes:

Applicable Not applicable

Liquidation of fixed assets

Applicable Not applicable

22. Construction in progress

Presentation of items

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	44,595.82	97,086.31
Construction materials	4,475.89	3,086.17
Total	49,071.71	100,172.48

Other notes:

Applicable Not applicable

The closing balance of construction in progress in the reporting period decreased by 51.01% compared with the closing balance of the previous year, which was mainly due to the transfer of construction in progress in Fujian Keda New Energy, Keda Equipment, Keda Côte d'Ivoire and Keda Kenya to fixed assets.

Construction in progress

(1) Construction in progress

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Peru Glass Factory New Construction Project	23,995.51		23,995.51	4,008.87		4,008.87
Fujian Keda New Energy Phase II Project	3,134.21		3,134.21	16,162.81		16,162.81
Keda Equipment Intelligent Manufacturing Base Project	2,221.64		2,221.64	15,186.30		15,186.30
Phase I Project of Cote d'Ivoire Ceramics Factory				8,466.69		8,466.69
Ghana Ceramic Plant Expansion of Local Dormitory Project	1,796.59		1,796.59	775.40		775.40
Kenya Ceramics Factory Construction Project	1,704.33		1,704.33			
Construction Project of the Living Building of the Ceramic Factory in Cameroon	1,546.09		1,546.09			
Tanzania Glass Factory Phase II New Construction Project	1,189.76		1,189.76			
Staff Dormitory Add-story Project at Kenya Ceramics Factory	714.73		714.73			
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
Technology Improvement Project of Keda Group				4,881.76		4,881.76
Turkey Base Project				3,739.25		3,739.25
Anhui Keda Industrial Factory Building Infrastructure Project				3,616.46		3,616.46

Technology Improvement Project of Kenya Ceramics Factory				3,461.05		3,461.05
Senegal Ceramic Factory Photovoltaic Engineering Project				2,945.48		2,945.48
Ghana Ceramic Factory Expansion of Carton Plant Project				2,871.32		2,871.32
Keda High-End High-Pressure Piston Pump and Motor R&D and Manufacturing Base Project				2,557.36		2,557.36
Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing				2,064.95		2,064.95
Tanzania Glass Factory New Construction Project				1,189.08		1,189.08
Sanitary Ware Project of Kisumu Ceramics Factory				797.52		797.52
Other projects	8,292.96			8,292.96	12,338.65	12,338.65
Total	44,595.82			44,595.82	97,086.31	97,086.31

(2) Changes in major construction in progress in the Reporting Period

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Budget	Opening balance	Increase in the reporting period	Amount of transfer into fixed assets in the reporting period	Other decreases in the reporting period	Closing 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 (%)	Source of fund
Phase I Project of Cote d'Ivoire Ceramics Factory	24,883.34	8,466.69	17,026.57	25,493.26			102.45	100.00%				Self-financing
Fujian Keda Phase II Project	84,945.89	16,162.81	16,046.29	29,074.89		3,134.21	98.98	98.98%	1,316.81	238.24	2.60	Self-financing
Kenya Ceramics Factory Plant No. 2 Renovation Project	11,939.47	6,026.29	5,189.76	11,216.05			93.94	100.00%				Self-financing
Keda Equipment Manufacturing Infrastructure Project	40,000.00	15,186.30	3,074.92	16,039.58		2,221.64	98.25	98.25%				Fund-raising + self-financing
Peru Glass Factory New Construction Project	49,247.45	4,008.87	20,921.17	934.53		23,995.51	50.62	50.62%				Self-financing
Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing	31,000.00	2,064.95	193.67	2,258.62			101.13	100.00%				Fund-raising + self-financing
Total	242,016.15	51,915.91	62,452.38	85,016.93	-	29,351.36			1,316.81	238.24	/	/

(3) Provision set aside for impairment of construction in progress in the Reporting Period

Applicable Not applicable

(4) Impairment test of construction in progress

Applicable Not applicable

Other notes

Applicable Not applicable

Construction materials

Applicable Not applicable

23. Productive biological assets**(1) Productive biological assets measured at cost**

Applicable Not applicable

(2) Impairment test of productive biological assets measured at cost

Applicable Not applicable

(3) Productive biological assets measured at fair value

Applicable Not applicable

Other notes

Applicable Not applicable

24. Oil and gas assets**(1) Oil and gas assets**

Applicable Not applicable

(2) Impairment test of oil and gas assets

Applicable Not applicable

25. Right-of-use assets**(1) Right-of-use assets**

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Land (overseas)	Properties and buildings	Total
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I. Original carrying value			
1. Opening balance	1,270.46	3,719.31	4,989.77
2. Increase in the reporting period	293.31	2,771.35	3,064.66
(1) Increase in the reporting period		2,116.65	2,116.65
(2) Changes in exchange rate for translation of foreign currencies	293.31	654.70	948.01
3. Decrease in the reporting period		973.34	973.34
(1) Decrease in the reporting period		973.34	973.34
(2) Changes in exchange rate for translation of foreign currencies			
4. Closing balance	1,563.77	5,517.32	7,081.09
II. Accumulated depreciation			
1. Opening balance	27.55	527.83	555.38
2. Increase in the reporting period	57.59	1,010.77	1,068.36
(1) Provision	45.22	893.42	938.64
(2) Changes in exchange rate for translation of foreign currencies	12.37	117.35	129.72
3. Decrease in the reporting period		262.98	262.98
(1) Disposal		262.68	262.68
(2) Changes in exchange rate for translation of foreign currencies		0.30	0.30
4. Closing balance	85.14	1,275.62	1,360.76
III. Provision for impairment			
1. Opening balance			
2. Increase in the reporting period			
(1) Provision			
3. Decrease in the reporting period			
(1) Disposal			
4. Closing balance			
IV. Carrying value			
1. Closing carrying value	1,478.63	4,241.70	5,720.33
2. Opening carrying value	1,242.91	3,191.48	4,434.39

(2) Impairment test of right-of-use assets

Applicable Not applicable

26. Intangible assets

(1) 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. Opening balance	93,457.18	5,193.59	4,818.94	20,002.44	963.30	124,435.45
2. Increase in the reporting period	97.82	757.28	2.60		143.36	1,001.06
(1) Purchase	97.82	723.44	2.60		78.03	901.89
(2) Transfer-in of construction in progress						
(3) Internal R&D						
(4) Increase in business combinations						
(5) Changes in exchange rate		33.84			65.33	99.17
3. Decrease in the reporting period	879.41	36.73				916.14
(1) Disposal	879.41	36.73				916.14
(2) Disposal of subsidiaries						
(3) Changes in exchange rate						
4. Closing balance	92,675.59	5,914.14	4,821.54	20,002.44	1,106.66	124,520.37
II. Accumulated amortization						
1. Opening balance	15,182.90	2,191.26	4,773.49	166.68	426.56	22,740.89
2. Increase in the reporting period	2,308.95	1,127.36	26.56	2,396.23	384.38	6,243.48
(1) Provision	2,308.95	1,107.48	26.56	1,986.53	336.76	5,766.28
(2) Increase in business combinations						
(3) Changes in exchange rate		19.88		409.70	47.62	477.20
3. Decrease in the reporting period	227.86					227.86
(1) Disposal	227.86					227.86
(2) Transfer-in of construction in progress						
(3) Changes in exchange rate						
4. Closing balance	17,263.99	3,318.62	4,800.05	2,562.91	810.94	28,756.51
III. Provision for impairment						

1. Opening balance						
2. Increase in the reporting period						
(1) Provision						
(2) Increase in business combinations						
(3) Changes in exchange rate						
3. Decrease in the reporting period						
(1) Disposal						
(2) Disposal of subsidiaries						
(3) Changes in exchange rate						
4. Closing balance						
IV. Carrying value						
1. Closing carrying value	75,411.60	2,595.52	21.49	17,439.53	295.72	95,763.86
2. Opening carrying value	78,274.28	3,002.33	45.45	19,835.76	536.74	101,694.56

(2) Data resource recognized as intangible assets

Applicable Not applicable

(3) Land use rights without proper certificates of title

Applicable Not applicable

(4) 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 reporting period	Decrease in the reporting period	Closing balance
		Formed through business combinations	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
Keda-SureMaker (Wuhu) Industrial Co., Ltd.	18,909.55			18,909.55
HLT Industry Co., Ltd.	18,791.54			18,791.54
Guangdong Weilili New Materials 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 SRL	1,440.70			1,440.70
Keda (Tanzania) Ceramics Company Limited	1,025.91			1,025.91
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	416.01			416.01
Anhui Kean Electric Power Engineering Co., Ltd.	94.38			94.38
Total	130,130.54			130,130.54

(2) Provision for goodwill impairment

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of invested company or event forming goodwill	Opening balance	Increase in the reporting period	Decrease in the reporting 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.	13,345.56			13,345.56
F.D.S. ETTMAR SRL		1,440.70		1,440.70
Total	44,171.70	1,440.70		45,612.40

(3) Information on the asset group or the combination of asset groups of the goodwill

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
F.D.S. Ettmar S.r.l.	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 minus disposal expenses

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 value	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 of the stable period
HLT Industry Co., Ltd.	54,336.44	81,923.60		2026-2030	Growth rate 0.51-8.51%; pre-tax profit margin 9.02-10.16%	Management forecast	Growth rate 0.59%, pre-tax profit margin 9.29%, discount rate 10.63%	Management forecast
Keda (Kenya) Ceramics Company Limited	62,804.17	125,274.64		2026-2030	Growth rate 2.00-5.00%; pre-tax profit margin 16.59-19.69%	Management forecast	Growth rate 0, pre-tax profit margin 16.59%, discount rate 13.11%	Management forecast
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	508,119.69	1,875,838.99		2026-2030	Growth rate -9.09-105.47%; pre-tax profit margin 42.14-53.04%	Management forecast	Growth rate 0, pre-tax profit margin 42.15%, discount rate 12.19%	Management forecast

Keda-Suremaker (Wuhu) Industrial Co., Ltd.	24,666.03	25,901.21		2026-2030	Growth rate -7.73-69.25%; pre-tax profit margin 6.38-9.37%	Management forecast	Growth rate 0, pre-tax profit margin 6.89%, discount rate 10.42%	Management forecast
I.C.F. & Welko S.P.A.	21,139.05	23,596.85		2026-2030	Growth rate -8.91-17.74%; pre-tax profit margin 8.24-16.66%	Management forecast	Growth rate 0, pre-tax profit margin 12.32%, discount rate 13.63%	Management forecast
F.D.S. Ettmar S.r.l.	4,081.88	2,023.74	1,440.70	2026-2030	Growth rate -40.58-13.22%; pre-tax profit margin 1.34-8.71%	Management forecast	Growth rate 0, pre-tax profit margin 5.76%, discount rate 13.63%	Management forecast
Total	675,147.26	2,134,559.03	1,440.70	/	/	/	/	

Due to multiple factors, including high raw materials and labor costs in Italy, the sluggish European economy, and the continued inflation pushing up operating costs, subsidiary FDS had been under increasing operational pressure, and its performance had fallen short of expectations. As a result, its future cash flow projections could no longer support the original goodwill valuation. During the Reporting Period, the Company conducted an impairment test on the relevant goodwill and, based on the test results, recognized an impairment loss of RMB14,407 thousand for the goodwill of subsidiary FDS.

The differences between the foregoing information and the data used in impairment testing in 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 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 Reporting Period or the previous Reporting Period

Applicable Not applicable

Other notes:

Applicable Not applicable

28. Long-term prepaid expenses

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Amortization amount in the reporting period	Other decreases	Closing balance
Sporadic projects	49.40	16.51	14.11		51.80
Total	49.40	16.51	14.11		51.80

29. Deferred tax assets/deferred tax liabilities**(1) Deferred tax assets that have not been offset**√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for asset impairment	33,943.44	6,719.13	25,756.73	5,260.22
Deductible losses	192,605.34	31,869.64	241,182.44	42,916.03
Change in the fair value of financial assets	306.00	45.90	197.48	29.62
Government grants	696.95	156.28	1,128.50	169.27
Lease liabilities	5,695.92	1,054.21	528.56	54.53
Others	140,630.18	34,222.82	38,132.38	10,461.34
Total	373,877.83	74,067.98	306,926.09	58,891.01

(2) Deferred tax liabilities that have not been offset√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Asset appraisal and appreciation of HLT	1,234.61	185.19	1,321.57	198.24
Asset appraisal and appreciation of Keda SureMaker	143.69	21.55	467.00	70.05
Asset appraisal and appreciation of Welko	2,615.23	729.65	2,615.23	729.65
Right-of-use assets	5,664.48	1,047.17	503.01	52.57
Fixed asset tax and accounting differences	156,626.84	42,545.91	58,039.96	15,352.69
Unrealized exchange profits and losses	47,354.25	7,421.40		
Change in the fair value of financial assets			278.43	69.61
Total	213,639.10	51,950.87	63,225.20	16,472.81

(3) Deferred tax assets or liabilities presented in the net amount after offsetting√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance		Opening balance	
	Off-set amount of deferred tax assets and liabilities	Balance of deferred tax assets or liabilities	Off-set amount of deferred tax assets and liabilities	Balance of deferred tax assets or liabilities
Deferred tax assets	21,185.85	52,882.13	7,661.58	51,229.43
Deferred tax liabilities	21,185.85	30,765.02	7,661.58	8,811.23

(4) Breakdown of unrecognized deferred tax assets√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Deductible temporary differences		
Deductible losses	80,994.87	87,599.88
Provision for fixed assets impairment	3,888.61	5,166.64
Provision for impairment of other assets	10,439.15	17,505.21
Total	95,322.63	110,271.73

(5) Deductible losses of unrecognized deferred tax assets matured/will mature in the following year√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Year	Closing balance	Opening balance	Notes
2025		24,298.11	
2026	10,906.04	11,604.87	
2027	10,277.96	11,295.23	
2028	19,678.48	20,606.41	
2029	17,760.47	18,846.26	
2030	4,509.98		
2031			
2032			
2033	663.99		
2034	949.00	949.00	
2035	1,444.61		
Total	66,190.53	87,599.88	/

Other notes:

√ Applicable Not applicable

The balance of deferred tax liabilities at the end of the current period increased by 249.16% compared with that at the end of the previous year, mainly due to the deferred tax liabilities recognized for taxable temporary differences arising from the building materials business.

30. Other non-current assets

√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Prepaid long-term assets acquisition funds	15,802.11		15,802.11	18,734.71		18,734.71
Total	15,802.11		15,802.11	18,734.71		18,734.71

31. Assets with restricted ownership or right of use

√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing				Opening			
	Book balance	Carrying value	Type of restriction	Restriction details	Book balance	Carrying value	Type of restriction	Restriction details
Monetary funds	86,746.14	86,746.14	Others	Time deposit, margin, and judicially frozen funds	78,526.59	78,526.59	Others	Time deposit, margin, and judicially frozen funds
Accounts receivable					3,369.45	3,358.45	Pledge	Pledge loans used for projects
Fixed assets	339,122.11	236,730.45	Mortgage	Mortgage loans used for projects	223,278.21	180,261.61	Mortgage	Mortgage loans used for projects
Construction in progress	5,155.72	5,155.72	Mortgage	Mortgage loans used for projects				
Intangible assets	49,508.24	41,585.00	Mortgage	Mortgage loans used for projects	25,993.30	23,495.31	Mortgage	Mortgage loans used for projects
Total	480,532.21	370,217.31	/	/	331,167.55	285,641.96	/	/

32. Short-term loans

(1) Classification of short-term loans

√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Pledge loans	72,834.48	48,396.66
Mortgage loans	6,628.30	300.00

Guaranteed loan	42,824.02	26,293.15
Unsecured loan	15,088.74	25,711.12
Mortgage loan + guaranteed loan	700.00	
Pledge loan + guaranteed loan	1,000.00	1,000.00
Accrued interest	78.00	91.77
Total	139,153.54	101,792.70

(2) Short-term loans overdue and subject to repayment

Applicable Not applicable

Including significant short-term loans overdue and subject to repayment as follows:

Applicable Not applicable

Other notes:

Applicable Not applicable

The closing balance of short-term loans in the reporting period increased by 36.70% from the end of the previous year, mainly due to the addition of bank loans by Fujian Keda New Energy in the reporting 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	160.01	215.65	/
Including:			
Forward exchange settlement contract	160.01	215.65	/
Total	160.01	215.65	/

Other notes:

Applicable Not applicable

The closing balance of financial liabilities held for trading in the reporting period decreased by 34.77% from the closing balance of the previous year, mainly due to the change in the fair value of the Company's forward contracts in the reporting period.

34. Derivative financial liabilities

Applicable Not applicable

35. Notes payable√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Type	Closing balance	Opening balance
Banker's acceptance bills	65,512.70	43,517.35
Supply chain bills	236.21	
Total	65,748.91	43,517.35

Other notes:

√ Applicable Not applicable

The closing balance of notes payable in the reporting period increased by 51.09% from the closing balance of the previous year, mainly due to the increase was primarily attributable to the increase in bank acceptance drafts issued during the current period.

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	263,605.93	295,408.20
Total	263,605.93	295,408.20

(2) Significant accounts payable with an age of more than 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	1,519.95	Within the credit period
Supplier 7	1,409.57	Within the credit period
Supplier 8	828.58	Within the credit period
Supplier 9	652.73	Within the credit period
Supplier 10	537.09	Within the credit period
Total	4,947.92	/

Other notes:

 Applicable √ Not applicable

37. Receipts in advance**(1) Presentation of accounts received in advance**

Applicable Not applicable

(2) Significant receipts in advance with an age of more than one year

Applicable Not applicable

(3) Amount of significant changes in the carrying value in the Reporting Period and reasons for such changes

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
Advances on sales	234,733.73	228,154.47
Total	234,733.73	228,154.47

(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 37	5,869.64	Contract performance is not yet completed
Customer 38	4,749.18	Contract performance is not yet completed
Customer 39	3,297.69	Contract performance is not yet completed
Customer 40	3,051.86	Contract performance is not yet completed
Customer 41	2,958.80	Contract performance is not yet completed
Total	19,927.17	/

(3) Amount of significant changes in the carrying value in the Reporting Period and reasons for such changes

Applicable Not applicable

Other notes:

Applicable Not applicable

39. Payroll payables

(1) Presentation of payroll payables

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance
I. Short-term remuneration	28,051.12	197,997.85	192,674.35	33,374.62
II. Post-employment benefits-defined contribution plan	830.06	10,187.67	9,933.76	1,083.97
III. Termination benefits	268.30	2,310.75	2,571.67	7.38
IV. Other benefits due within one year				-
Total	29,149.48	210,496.27	205,179.78	34,465.97

(2) Presentation of short-term remuneration

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance
I. Wages, bonuses, allowances, and subsidies	28,006.43	176,613.51	171,692.39	32,927.55
II. Employee welfare expenses		12,644.06	12,620.41	23.65
III. Social insurance expenses	29.36	4,164.48	4,076.16	117.68
Including: Medical insurance premiums	17.31	3,415.39	3,364.12	68.58
Work injury insurance premiums	12.05	721.40	684.35	49.10
Maternity insurance premiums		27.69	27.69	-
IV. Housing fund	15.33	4,136.44	3,929.67	222.10
V. Labor union and employee education funds		439.36	355.72	83.64
VI. Short-term compensated absences				
VII. Short-term profit sharing plan				

Total	28,051.12	197,997.85	192,674.35	33,374.62
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(3) Presentation of the defined contribution plan

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance
1. Basic endowment insurance	812.88	9,600.74	9,358.42	1,055.20
2. Unemployment insurance premiums	17.18	586.93	575.34	28.77
Total	830.06	10,187.67	9,933.76	1,083.97

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	3,787.75	3,021.45
Corporate income tax	13,119.84	12,130.96
Personal income tax	1,508.05	2,441.73
City maintenance & construction tax	44.38	117.02
Property tax	170.86	166.65
Land use tax	168.23	67.72
Educational surcharge	31.40	83.76
Embankment protection fee	13.75	19.87
Stamp duty	231.85	218.64
Other taxes	700.48	1,014.03
Total	19,776.59	19,281.83

41. Other payables

(1) Presentation of items

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Interest payable		
Dividends payable	5.82	18.16

Other payables	44,143.96	18,391.57
Total	44,149.78	18,409.73

Other notes:

Applicable Not applicable

The closing balance of other payables in the reporting period increased by 139.82% from the closing balance of the previous year, which was primarily attributable to the accrual for share repurchase made by the Company during the current period.

(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

Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Dividends of ordinary shares	5.82	18.16
Total	5.82	18.16

(4) Other payables

Other accounts payable presented based on the fund nature

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Intercompany current accounts	6,007.04	10,972.83
Payment for equity transfer	3,194.32	3,114.12
Other current accounts	5,637.15	1,790.19
Margin and deposit	1,898.09	2,514.43
Obligation to repurchase shares	27,407.36	

Total	44,143.96	18,391.57
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Significant other accounts payable with an age of more than 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 loans due within one year	110,243.47	140,988.59
Lease liabilities due within one year	1,140.53	636.45
Accrued interest	381.37	320.80
Total	111,765.37	141,945.84

Other notes:

Note: Breakdown of long-term loans due within one year

Item	Closing balance	Opening balance
Unsecured loan	32,027.69	33,801.88
Guaranteed loan	46,755.86	76,807.59
Pledge loans		286.97
Mortgage loans	15,607.17	14,243.74
Mortgage loan + guaranteed loan	15,408.61	15,328.50
Mortgage loan + pledge loan	444.14	519.91
Total	110,243.47	140,988.59

44. Other current liabilities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Deferred output VAT	16,997.75	15,055.45

Notes endorsed but undue and not derecognized at the end of the reporting period	4,125.80	3,565.71
Total	21,123.55	18,621.16

Change in short-term bonds payable:

Applicable Not applicable

Other notes:

Applicable Not applicable

45. Long-term loans

(1) Classification of long-term loans

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Pledge loans		1,122.90
Mortgage loans	34,852.30	59,046.08
Guaranteed loan	209,292.96	164,178.97
Unsecured loan	62,192.86	100,939.22
Mortgage loan + guaranteed loan	57,961.58	69,625.85
Mortgage loan + pledge loan	2,277.34	3,085.05
Accrued interest		346.48
Total	366,577.04	398,344.55

Other notes

Applicable Not applicable

46. Bonds payable

(1) Bonds payable

Applicable Not applicable

(2) Specific details on bonds payable: (Excluding preference shares, perpetual bonds, and other financial instruments classified as financial liabilities)

Applicable Not applicable

(3) Notes to convertible corporate bonds

Applicable Not applicable

Accounting for transfers of equity and basis of judgment

Applicable Not applicable

(4) Notes to other financial instruments classified as financial liabilities

Basic information on preference shares, perpetual bonds, and other financial instruments outstanding at the end of the Reporting Period

Applicable Not applicable

Table of changes in financial instruments such as preference shares and perpetual bonds outstanding at the end of the Reporting Period

Applicable Not applicable

Notes to the bases for classifying 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	4,602.42	3,758.30
Total	4,602.42	3,758.30

48. Long-term payables

Presentation of items

Applicable Not applicable

Other notes:

Applicable Not applicable

Long-term payables

(1).Long-term payables presented based on the fund nature

Applicable Not applicable

Special accounts payable

(1).Special payables presented based on the fund nature

Applicable Not applicable

49. Long-term payroll payables

Applicable Not applicable

50. Estimated liabilities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance	Cause(s)
Product quality assurance	743.68	65.31	
Compensation related to pending lawsuits	3,902.57	3,902.57	
Compensation	150.00	150.00	
Total	4,796.25	4,117.88	/

51. Deferred revenue

Deferred revenue

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance	Cause(s)
Government grants	2,733.42	3,369.05	793.36	5,309.11	Special government subsidies
Total	2,733.42	3,369.05	793.36	5,309.11	/

Other notes:

Applicable Not applicable

The closing balance of deferred income in the reporting period increased by 94.23% from the closing balance of the previous year, mainly due to the government subsidies received by the subsidiary Fujian Keda in the reporting period.

52. Other non-current liabilities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Government grants	1,917.75	1,007.91
Total	1,917.75	1,007.91

Other notes:

The closing balance of other non-current liabilities in the reporting period increased by 90.27% from the closing balance of the previous year, which was mainly due to the increase of government subsidy projects confirmed by the Company that have not passed the acceptance in the reporting period.

53. Share capital

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

	Opening balance	Change this time (+, -)					Closing balance
		Offering new shares	Bonus issue	Shares converted from capital reserve	Others	Subtotal	
Total shares	191,785.64						191,785.64

54. Other equity instruments

(1) Basic information on preference shares, perpetual bonds, and other financial instruments outstanding at the end of the Reporting Period

Applicable Not applicable

(2) Table of Changes in Financial Instruments Such as Preference Shares and Perpetual Bonds Outstanding at the End of the Reporting Period

Applicable Not applicable

Notes to the changes in other equity instruments in the Reporting Period and reasons for the changes, and bases for related accounting processing:

Applicable Not applicable

Other notes:

Applicable Not applicable

55. Capital reserves

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance
Share capital premium (share premium)	245,190.57	32.56	39,318.64	205,904.49
Other capital reserves	19,524.62	11,840.81		31,365.43
Total	264,715.19	11,873.37	39,318.64	237,269.92

Other notes, including notes to the changes in the reporting period and reasons for the changes:

Note 1: Capital reserves - share capital premium increased by RMB325.6 thousand in the reporting period, mainly due to the adjustment of capital reserve resulting from the Company's purchase/disposal of minority shareholder equity in the reporting period;

Note 2: Capital reserves - share capital premium decreased by RMB393,186.4 thousand in the reporting period, mainly due to the impact of the Company's implementation of the employee stock ownership plan;

Note 3: Capital reserves - other capital reserves increased by RMB118,408.1 thousand in the reporting period, mainly due to the capital reserve formed by the Company's implementation of the employee stock ownership plan.

56. Treasury shares

√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance
Treasury shares	66,764.71	18,971.85	53,445.27	32,291.29
Total	66,764.71	18,971.85	53,445.27	32,291.29

Other notes, including notes to the changes in the reporting period and reasons for the changes:

On March 26 and April 16, 2025, the Company convened the 6th Meeting of the 9th Board of Directors and the 2024 Annual General Meeting of Shareholders, respectively, during which the *Draft of the 2025 Employee Stock Ownership Plan (ESOP) and Summary* and the *Proposal on Requesting the Company's General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Employee Stock Ownership Plan* were reviewed and approved. On May 30, 2025, the Company convened the 8th Meeting of the 9th Board of Directors, during which the *Proposal on Adjustments to Relevant Matters of the 2025 Employee Stock Ownership Plan* was reviewed and approved. It was agreed to accept 59,999,862 shares repurchased by the Company by means of non-transaction transfer and other methods permitted by laws and regulations, accounting for about 3.13% of the Company's total existing share capital.

According to the verification results of the actual subscription and final payment of the initial grant under the employee stock ownership plan, 387 employees (excluding those under the reserved portion) participated in the initial grant under the plan, and the subscription share was 189,718,500, each share was RMB1, and the subscription fund paid was RMB189,718.5 thousand, and the subscription share corresponded to 48.03 million shares of the Company. The stock source was the A-share common stock repurchased by the Company's repurchase securities account. On July 14, 2025, the Company repurchased 48.03 million shares of the Company held in the repurchase securities account and transferred them to the "Keda Industrial Group Co., Ltd.-2025 Employee Stock Ownership Plan" securities account at a price of RMB3.95 per share, accounting for 80.05% of the total repurchased shares, and resold 534,452.7 thousand treasury shares in the same proportion. Due to the repurchase

obligation contained in this equity incentive plan, a liability was recognized in respect of such repurchase obligation, and treasury stock was increased by RMB 189.7185 million.

57. Other comprehensive income

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Amount incurred in the reporting period						Closing balance
		Amount incurred before income tax in the reporting period	Less: Amount recognized as other comprehensive income in the previous period and transferred to profits and losses in the reporting period	Less: Amount recognized as other comprehensive income in the previous period and transferred to retained earnings in the reporting period	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after the tax	
I. Other comprehensive income that cannot to be reclassified as profits and losses	-55.89	-60.23		-42.84	7.56	-9.83		-65.72
Including: Change in re-measurement of defined benefit plan								
Other comprehensive income that may not be transferred to profit or loss under equity method								
Changes in the fair value of other equity instrument investments	-55.89	-60.23		-42.84	7.56	-9.83		-65.72
Changes in fair value of enterprise's own credit risk								
II. Other comprehensive income that will be reclassified to	23,658.13	24,396.79	0.03			10,467.73	13,929.09	13,190.40

profits and losses								
Including: Other comprehensive income that may be transferred to profits and losses under equity method	5.10	-57.93	0.03			-57.90		-52.80
Changes in the fair value of other debt investments								
Amount of financial assets reclassified to other comprehensive income								
Credit impairment provisions of other debt investments								
Cash flow hedging reserve								
Exchange difference on translation of financial statements in foreign currency	23,663.23	24,454.72				10,525.63	13,929.09	13,137.60
Total of other comprehensive income	23,714.02	24,336.56	0.03	-42.84	7.56	10,457.90	13,929.09	13,256.12

58. Special reserves

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance
Safety production fund	423.87	229.76	19.52	634.11
Total	423.87	229.76	19.52	634.11

59. Surplus reserves

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period	Decrease in the reporting period	Closing balance
Statutory surplus reserves	83,107.94	4,103.90		87,211.84
Discretionary surplus reserves	1,016.82			1,016.82
Total	84,124.76	4,103.90		88,228.66

60. Undistributed profits√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Reporting period	Previous period
Undistributed profits at the end of the previous period before the adjustment	697,322.89	703,612.40
Adjustment of the total amount of opening undistributed profits (increase: +; decrease: -)		
Opening undistributed profits after the adjustment	697,322.89	703,612.40
Plus: Net profit attributable to owners of the parent company in the reporting period	130,886.34	100,631.18
Other comprehensive income transferred to retained earnings	-42.84	-43,662.76
Less: Appropriation of statutory surplus reserves	4,103.90	958.67
Appropriation of discretionary surplus reserves		
Appropriation of general risk reserve		
Ordinary share dividends payable	37,157.13	62,299.26
Dividends on ordinary shares converted into share capital		
Others		
Closing undistributed profits	786,905.36	697,322.89

61. Operating revenue and operating expenses**(1) Operating revenue and operating expenses**√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the Reporting Period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Principal business	1,736,147.00	1,252,251.32	1,259,015.71	932,382.36
Other business	2,800.02	1,462.19	1,010.48	624.59
Total	1,738,947.02	1,253,713.51	1,260,026.19	933,006.95

(2) Information on the breakdown of operating revenue and expenses√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category of contracts	Division		Total	
	Operating revenue	Operating expenses	Operating revenue	Operating expenses
Product categories				
Building materials machinery	514,412.92	390,707.85	514,412.92	390,707.85
Oversea structural ceramics	818,541.54	529,900.36	818,541.54	529,900.36
New energy machinery	121,156.39	100,652.16	121,156.39	100,652.16
Lithium battery materials	238,427.86	206,668.46	238,427.86	206,668.46
Others	46,408.31	25,784.68	46,408.31	25,784.68
Total	1,738,947.02	1,253,713.51	1,738,947.02	1,253,713.51
Classified by operating region				
In China	569,288.16	468,498.54	569,288.16	468,498.54
Outside China	1,169,658.86	785,214.97	1,169,658.86	785,214.97
Total	1,738,947.02	1,253,713.51	1,738,947.02	1,253,713.51

Other notes

√ Applicable Not applicable

The sales amount of the top five customers totaled 3,144,720 thousand (excluding tax), accounting for 18.11% of the sales revenue.

(3) Notes to contract fulfillment 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
Construction project	For clean energy and environmental projects, it follows the contract fulfillment progress; for complete sets of equipment for the production lines with the acceptance process, it should be the time when acceptance is completed, and those without acceptance 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) Notes to allocation to the remaining contract fulfillment 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 Reporting Period was RMB6,682 million, including:

RMB5,158 million which is expected to be recognized as revenue in 2026.

(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 incurred in the reporting period	Amount incurred in the previous period
City maintenance & construction tax	2,257.72	1,146.53
Educational surcharge	1,229.58	680.74
Property tax	1,864.25	1,595.33
Land use tax	758.26	718.79
Vehicle and vessel use tax	7.81	8.72
Stamp duty	1,023.76	807.43
Embankment protection fee	151.95	137.85
Environmental protection tax	23.90	6.83
Other taxes	1,291.72	1,626.62
Total	8,608.95	6,728.84

63. Selling expenses

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Employee benefits	28,163.59	24,080.91
Travel expenses	6,432.55	5,852.07
Entertainment expense	2,369.33	2,165.23
Expenses for advertising and business promotion	3,422.81	3,831.77
After-sales service fee	723.02	3,088.25
Others	11,954.23	11,658.08
Total	53,065.53	50,676.31

64. Administrative expenses

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Employee benefits	60,351.93	59,705.89
Office expenses	4,581.31	5,815.25
Water and electricity expenses	2,170.72	2,041.02
Travel expenses	6,062.02	4,101.21
Audit and advisory fees	9,507.67	7,560.26
Depreciation and rental	12,665.09	9,796.71
Amortization of intangible assets	5,762.27	3,875.83
Equity incentive expense	12,820.15	1,093.04

License and certificate fees	2,362.56	2,183.22
Vehicle usage fees	1,692.70	1,511.15
Others	15,054.09	13,145.60
Total	133,030.51	110,829.18

65. R&D expenses

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Material expense	19,334.20	15,390.40
Labor expense	15,699.39	15,309.63
Depreciation and amortization	1,375.80	1,421.32
Other expenses	2,617.15	2,296.91
Total	39,026.54	34,418.26

66. Financial expenses

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Interest expense	27,029.59	22,830.18
Less: Interest income	-6,924.26	-7,201.71
Exchange losses	2,005.37	-3,899.21
Transaction fee	2,503.29	2,079.49
Total	24,613.99	13,808.75

Other notes:

Financial expenses in the reporting period increased by 78.25% compared to the same period of the previous year, mainly due to the increase in the Company's interest expenses and exchange losses in the reporting period.

67. Other income

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Classification based on nature	Amount incurred in the reporting period	Amount incurred in the previous period
Government grants	6,905.61	10,427.82
Additional VAT deductions	703.89	3,876.01
Others	265.05	343.89

Total	7,874.55	14,647.72
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Other notes:

Other income in the reporting period decreased by 46.24% compared to the same period of the previous year, which was primarily attributable to the relatively higher amount of government grants and additional VAT credit recognized by the Company during the previous period.

68. Investment income

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Long-term equity investment income calculated by the equity method	41,118.01	29,333.16
Investment income from disposal of long-term equity investment	53.07	-736.76
Investment income from held-for-trading financial assets during the holding period		
Dividend income from other equity instruments investments during the holding period		
Interest income from debt investments during the holding period		
Interest income from other debt investments during the holding period		
Investment income from the disposal of held-for-trading financial assets	3,792.79	781.74
Investment income from the disposal of other equity instruments		
Investment income from the disposal of debt investments		
Investment income from the disposal of other debt investments		
Profits from debt restructuring	-48.52	271.10
Others	-137.11	-96.11
Total	44,778.24	29,553.13

Other notes:

Note 1: Long-term equity investment income calculated by the equity method:

Unit: Ten Thousand Yuan Currency: RMB

Investee	Amount incurred in the reporting period	Amount incurred in the previous period
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	35,487.67	25,986.75
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	7,602.13	7,789.15

Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	-2,249.54	-4,580.13
Others	277.75	137.39
Total	41,118.01	29,333.16

Investment income in the reporting period increased by 51.52% compared to the same period of the previous year, mainly due to the increase in investment income confirmed by the Company to the joint venture Lanke Lithium Industry in the reporting period.

69. Net exposure hedging income

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 incurred in the reporting period	Amount incurred in the previous period
Financial assets held for trading	59.84	425.28
Including: Income from changes in fair value of derivative financial instruments	-472.81	831.10
Financial liabilities held for trading	-100.57	31.59
Investment properties measured at fair value		
Total	-40.73	456.87

Other notes:

The income from changes in fair value in the reporting period decreased by 108.92% compared to the previous period, mainly due to the impact of the fair value changes in contracts for future settlement of exchange in the reporting period.

71. Credit impairment loss

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Bad debt loss of notes receivable	3.08	-2.43
Bad debt loss of accounts receivable	-8,473.24	1,008.84
Bad debt loss of other receivables	-2,160.82	-1,778.96
Impairment loss of debt investments		
Impairment loss of other debt investments		
Bad debt loss of long-term receivables	-175.58	-371.37

Impairment losses related to financial guarantee		
Bad debt loss of non-current assets due within one year	746.77	-1,413.66
Bad debt loss of accounts receivable financing	-1.07	-40.86
Total	-10,060.86	-2,598.44

Other notes:

Credit impairment loss in the reporting period increased by 287.19% compared to the same period of the previous year, mainly due to the increase in the Company's provision for bad debts of accounts receivable in the reporting period.

72. Impairment losses on assets

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
I. Impairment loss of contract assets	-1,289.73	-274.86
II. Inventories impairment loss and impairment loss of contract fulfillment costs	-2,452.30	-5,402.95
III. Impairment loss of long-term equity investments		
IV. Impairment loss of investment properties		
V. Impairment loss on fixed assets	-495.55	-986.04
VI. Impairment loss of construction materials		
VII. Impairment losses on construction in progress		
VIII. Impairment loss on productive biological assets		
IX. Impairment loss of oil and gas assets		
X. Impairment loss of intangible assets		
XI. Goodwill impairment loss	-1,440.70	-6,804.77
XII. Others		
Total	-5,678.28	-13,468.62

Other notes:

Impairment losses on assets in the reporting period decreased by 57.84% compared to the same period of the previous year, mainly due to the increase in provision for impairment of goodwill accrued by the Company to Keda Suremaker in the previous period.

73. Income from disposal of assets

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Gains or losses arising from the disposal of fixed assets	1,008.71	-1,149.54
Gains or losses arising from the disposal of intangible assets	1,081.66	5,094.68
Gains or losses on the disposal of right-of-use assets	27.38	24.7
Total	2,117.75	3,969.84

Other notes:

The amount of income from disposal of assets incurred in the Reporting Period decreased by 46.65% compared to the same period of the previous year, mainly due to the income arising from the disposal of assets by the subsidiary, Jiangsu Kehang, in the reporting period.

74. Non-operating revenue

√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period	Amount recognized as non-recurring profits and losses of the reporting period
Total gains on disposal of non-current assets	94.71	6.14	94.71
Including: Gains on disposal of fixed assets	94.71	6.14	94.71
Gains on disposal of intangible assets			
Gains on non-monetary assets exchange			
Donations accepted			
Government grants			
Debt restructuring gains			
Penalty income	531.46	463.39	531.46
Income from customer defaults		593.74	
Others	5,870.74	4,137.71	5,870.74
Total	6,496.91	5,200.98	6,496.91

75. Non-operating expenses

√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period	Amount recognized as non-recurring profits and losses of the reporting period
------	-----------------------------------------	----------------------------------------	-------------------------------------------------------------------------------

Total losses on disposal of non-current assets	1,344.95	2,501.98	1,344.95
Including: Losses on disposal of fixed assets	1,344.95	2,501.98	1,344.95
Losses on disposal of intangible assets			
Loss on non-monetary assets exchange			
External donations	167.39	116.63	167.39
Losses on debt restructuring			
Compensation related to pending lawsuits		3,996.64	
Late fees and penalties	725.74	1,561.76	725.74
Others	948.54	928.32	948.54
Total	3,186.62	9,105.33	3,186.62

Other notes:

Non-operating expenses in the reporting period decreased by 65.00% compared to the same period of the previous year, mainly due to the litigation compensation related to Keda (Anhui) Clean Energy and Jiangsu Kehang in the previous year.

76. Income tax expense

(1) Income tax expenses statement

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Income tax expenses of the reporting period	34,546.20	20,466.36
Deferred income tax expenses	17,963.68	-10,097.83
Total	52,509.88	10,368.53

(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	269,188.95
Income tax expenses calculated at legal/applicable tax rates	40,378.34
Impact of different tax rates applied by subsidiaries	15,228.57

Impact of income tax in the periods before adjustment	2,611.87
Impact of non-taxable income	-9,192.45
Impacts of non-deductible costs, expenses, and losses	3,519.99
Impact of using deductible losses on the deferred tax assets not recognized previously	-1,252.24
Impact of deductible temporary differences or deductible losses of deferred tax assets not recognized in the reporting period	5,817.03
Additional deduction	-4,752.71
Others	151.48
Income tax expense	52,509.88

Other notes:

Applicable Not applicable

Income tax expense in the reporting period increased by 406.44% compared to the same period of the previous year, mainly due to the significant increase in the sales scale of building materials in the reporting period.

77. Other comprehensive income

Applicable Not applicable

See notes for details.

78. Items in the cash flow statement

(1) Cash related to operating activities

Other cash received related to operating activities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Government grants	8,528.24	9,013.13
Interest income	6,924.26	7,201.71
Others	19,807.30	19,240.17
Total	35,259.80	35,455.01

Other cash paid related to operating activities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
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Office expenses	9,070.04	8,603.89
Water and electricity expenses	16,358.56	15,704.38
Travel expenses	16,736.07	12,485.71
Entertainment expense	4,023.90	5,451.91
Lease expense	4,486.78	3,176.23
Repair fee	8,270.73	5,707.83
Advertising and business promotion fees	3,548.71	4,509.76
Audit and advisory fees	10,536.53	8,563.30
Others	30,186.08	39,827.85
Total	103,217.40	104,030.87

(2) Cash related to investing activities

Cash received related to significant investing activities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Receipt of dividend from Lanke Lithium Industry	53,432.62	41,140.71
Recovery of investment funds from disposal of Jiaxing Keda Jinhong Yanhu Fund	328.82	73,446.46
Total	53,761.44	114,587.17

Cash paid related to significant investing activities

Applicable Not applicable

Other cash received related to investing activities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Principal of wealth management products recovered	360,109.97	382,484.59
Others		2,902.02
Total	360,109.97	385,386.61

Other cash paid related to investing activities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Principal paid for purchase of wealth management products	343,498.87	456,925.91
Total	343,498.87	456,925.91

(3) Cash related to financing activities

Other cash received related to financing activities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Deposits for bank acceptance	35,058.57	49,416.78
Others	119.53	1,011.66
Subscription funds for the employee stock ownership plan	18,971.85	
Total	54,149.95	50,428.44

Other cash paid related to financing activities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Deposits for bank acceptance	42,491.17	49,940.05
Cash paid for equity repurchase		25,229.75
Others	1,200.03	1,819.70
Total	43,691.20	76,989.50

Changes in liabilities arising from financing activities

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening balance	Increase in the reporting period		Decrease in the reporting period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term loans	101,792.70	206,719.59	14,997.53	184,344.38	11.90	139,153.54
Long-term loans (including long-term loans due within one year)	539,653.94	215,455.12	19,326.29	299,241.45	-2,007.99	477,201.88
Lease liabilities (lease liabilities due within one year)	4,394.75		2,063.13	1,061.02	-346.09	5,742.95

Total	645,841.39	422,174.71	36,386.95	484,646.85	-2,342.18	622,098.38
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(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 data on the cash flow statement**(1) Supplementary data on the cash flow statement**

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Supplementary Data	Amount of the reporting period	Amount of the previous period
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	216,679.07	128,845.52
Plus: Provision for asset impairment	5,678.28	13,468.62
Credit impairment loss	10,060.86	2,598.44
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	77,074.11	52,392.51
Amortization of right-of-use assets	938.64	635.89
Amortization of intangible assets	5,766.28	3,875.83
Amortization of long-term prepaid expenses	14.11	53.79
Losses on the disposal of fixed assets, intangible assets, and other long-term assets ("-" indicates income)	-2,117.75	-3,969.84
Losses on the retirement of fixed assets ("-" indicates income)	1,250.24	2,495.84
Losses on the changes in fair value ("-" indicates income)	40.73	-456.87
Financial expenses ("-" indicates income)	27,237.96	23,061.11
Losses on investments ("-" indicates income)	-44,778.24	-29,553.13
Decrease in deferred income tax assets ("-" indicates increase)	-1,652.70	-17,152.60
Increase in deferred income tax liabilities ("-" indicates decrease)	21,953.79	7,162.29
Decrease in inventories ("-" indicates increase)	-72,548.43	-125,934.78
Decrease in operating receivables ("-" indicates increase)	-124,641.15	-118,778.28

Increase in operating payables (“-” indicates decrease)	46,663.39	118,389.84
Others	14,291.79	-1,413.72
Net cash flows from operating activities	181,910.98	55,720.46
2. Significant investment and financing activities not involving cash:		
Conversion of liabilities to capital		
Convertible corporate bonds due within one year		
Fixed asset acquired under finance leases		
3. Net changes in cash and cash equivalents:		
Closing balance of cash	238,741.39	216,676.64
Less: Opening balance of cash	216,676.64	337,047.68
Plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	22,064.75	-120,371.04

(2) Net cash paid for the acquisition of subsidiaries in the Reporting Period

Applicable Not applicable

(3) Net cash received for the disposal of subsidiaries in the Reporting Period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount
Cash or cash equivalents received in the reporting period from the disposal of subsidiaries in the reporting period	1,372.72
Foshan Kean New Energy Technology Co., Ltd.	471.88
Foshan Kesheng New Energy Technology Co., Ltd.	124.12
Foshan Keshiming New Energy Technology Co., Ltd.	189.53
Foshan Kehua Baisi New Energy Technology Co., Ltd.	587.19
Less: Cash and cash equivalents held by subsidiaries on the date of loss of control	361.63
Foshan Kean New Energy Technology Co., Ltd.	54.16
Foshan Kesheng New Energy Technology Co., Ltd.	58.57
Foshan Keshiming New Energy Technology Co., Ltd.	37.72
Foshan Kehua Baisi New Energy Technology Co., Ltd.	211.18
Add: Cash or cash equivalents received in the reporting period from the disposal of subsidiaries in previous periods	
Net cash amount received from the disposal of subsidiaries	1,011.09

(4) Composition of cash and cash equivalents√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
I. Cash	238,741.39	216,676.64
Including: Cash on hand	395.53	476.22
Bank deposits available for payment at any time	187,270.42	216,185.72
Other monetary funds available for payment at any time	51,075.44	14.70
Deposits with the central bank that can be used 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	238,741.39	216,676.64
Including: Cash and cash equivalents the use of which by the parent company or subsidiaries in the group is restricted		

(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

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance	Reason
Time deposits	44,760.71	46,917.87	Used for regular wealth management
Deposits for L/Gs	18,996.72	11,539.25	Used for performance guarantees
Frozen funds	4,359.16	3,125.77	Judicial freeze
Deposits for L/Gs	16,606.67	15,664.94	Used for performance guarantees
Others	2,022.88	1,278.76	Mainly for interest accrual
Total	86,746.14	78,526.59	

Other notes:

 Applicable Not applicable

80. Notes to items in the statement of changes in owners' equity

Description of the names of "other" items that adjusted the closing balance of the previous year and the adjusted amounts:

Applicable Not applicable

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

Applicable Not applicable

Unit: Ten Thousand Yuan

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Final conversion RMB balance
Monetary funds			
Including: USD	14,233.86	7.02880	100,046.96
EUR	3,505.24	8.23550	28,867.40
HKD	163.70	0.90322	147.86
GBP	0.06	9.43460	0.57
TRY	914.52	0.16314	149.19
INR	30,402.08	0.07830	2,380.48
KES	82,328.22	0.05453	4,489.36
TZS	1,768,299.05	0.00285	5,039.65
GHS	5,576.75	0.66940	3,733.08
SGD	0.01	5.45860	0.05
ZMW	1,362.08	0.31630	430.83
XAF	571,952.82	0.01260	7,206.61
PEN	385.32	2.08990	805.28
JPY	442,551.41	0.04480	19,826.30
RUB	36.58	0.08805	3.22
GNF	579,783.61	0.00080	463.83
ZAR	6,428.24	0.42240	2,715.29
UGX	172,753.61	0.00190	328.23
XOF	623,355.38	0.01250	7,791.94
IDR	1,730,007.72	0.00042	726.60
VND	17,032.86	0.00027	4.60
BRL	148.84	1.28315	190.98
Accounts receivable			
Including: USD	13,004.75	7.02880	91,407.79
EUR	3,950.30	8.23550	32,532.70
TRY	5,471.38	0.16314	892.60

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Final conversion RMB balance
INR	112,952.87	0.07830	8,844.21
KES	14,339.55	0.05453	781.94
TZS	173,904.16	0.00285	495.63
GHS	2,901.75	0.66940	1,942.43
XAF	83,469.83	0.01260	1,051.72
PEN	577.94	2.08990	1,207.84
ZAR	8,500.00	0.42240	3,590.40
UGX	311,545.77	0.00190	591.94
XOF	51,796.39	0.01250	647.45
IDR	958,851.29	0.00042	402.72
BRL	73.03	1.28315	93.71
Other receivables			
Including: USD	37.77	7.02880	265.48
EUR	135.97	8.23550	1,119.78
HKD	24.38	0.90322	22.02
TRY	99.09	0.16314	16.17
INR	91.96	0.07830	7.20
KES	5,370.23	0.05453	292.84
TZS	174,512.16	0.00285	497.36
GHS	262.94	0.66940	176.01
ZMW	32.53	0.31630	10.29
XAF	6,559.93	0.01260	82.66
PEN	30.34	2.08990	63.41
GNF	22,304.04	0.00080	17.84
ZAR	37.50	0.42240	15.84
UGX	1,147.02	0.00190	2.18
XOF	16,680.12	0.01250	208.50
IDR	649,359.86	0.00042	272.73
VND	810.00	0.00027	0.22
BRL	10.92	1.28315	14.01
Long-term receivables			
Including: USD	2,982.96	7.02880	20,966.63
EUR	374.38	8.23550	3,083.21
GBP	1.61	9.43460	15.19
Short-term loans			
Including: EUR	2,466.36	8.23550	20,311.71
Accounts payable			
Including: USD	1,142.53	7.02880	8,030.61

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Final conversion RMB balance
EUR	2,898.74	8.23550	23,872.57
HKD	11.52	0.90322	10.41
TRY	1,402.76	0.16314	228.85
INR	6,310.60	0.07830	494.12
KES	58,792.46	0.05453	3,205.95
TZS	2,379,859.06	0.00285	6,782.60
GHS	10,629.62	0.66940	7,115.47
ZMW	1,706.95	0.31630	539.91
XAF	457,126.74	0.01260	5,759.80
PEN	60.96	2.08990	127.40
GNF	129,367.76	0.00080	103.49
ZAR	633.65	0.42240	267.65
UGX	14,887.80	0.00190	28.29
XOF	176,662.53	0.01250	2,208.28
IDR	204,810.79	0.00042	86.02
Other payables			
Including: USD	414.35	7.02880	2,912.38
EUR	752.68	8.23550	6,198.70
TRY	58.84	0.16314	9.60
INR	33.77	0.07830	2.64
KES	2,356.25	0.05453	128.49
TZS	53,009.99	0.00285	151.08
GHS	327.38	0.66940	219.15
ZMW	143.44	0.31630	45.37
XAF	11,165.24	0.01260	140.68
PEN	17.50	2.08990	36.57
GNF	52,609.66	0.00080	42.09
ZAR	15.62	0.42240	6.60
UGX	20,472.12	0.00190	38.90
XOF	25,198.17	0.01250	314.98
IDR	701.97	0.00042	0.29
VND	600.00	0.00027	0.16
BRL	0.59	1.28315	0.76
Non-current liabilities due within one year			
Including: USD	525.68	7.02880	3,694.90
EUR	5,923.00	8.23550	48,778.87
Long-term loans			

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Final conversion RMB balance
Including: USD	1,577.05	7.02880	11,084.77
EUR	17,939.58	8.23550	147,741.41
Other current liabilities			
Including: EUR	2,850.00	8.23550	23,471.18
IDR	206,633.61	0.00042	86.79

(2) Notes to overseas business entities, including the disclosure of the main place of business overseas, standard currency for accounting, and selection basis of major overseas business entities, as well as the disclosure of reasons in case of changes in the standard currency for accounting

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan

Full name of the subsidiary	Place of registration	Registered capital	Currency	Scope of business	Business nature	Standard currency for accounting
Keda Industrial (Hong Kong) Limited	Hong Kong	9,026.14	USD	Sales	Import & export	HKD
Xincheng International (Hong Kong) Co., Ltd.	Hong Kong	2,000.00	USD	Sales	Import & export	USD
Kami Materials Co., Limited	Hong Kong	3,933.57	HKD	Sales	Import & export	USD
Keda (Kenya) Ceramics Company Limited	Kenya	1,000.00	USD	Ceramic tile production	Manufacturing	KES
Keda (Ghana) Ceramics Company Limited	Ghana	1,000.00	USD	Ceramic tile production	Manufacturing	GHS
Keda (Tanzania) Ceramics Company Limited	Tanzania	1,000.00	USD	Ceramic tile production	Manufacturing	TZS
Keda (Sn) Ceramics Company Limited	Senegal	100.00	USD	Ceramic tile production	Manufacturing	XOF
Kami Colourcera Private Limited	India	160.00	USD	Color glaze production	Manufacturing	INR
I.C.F. & Welko S.P.A.	Italy	850.00	EUR	Ceramic machinery production	Manufacturing	EUR
Keda Industrial (India) Limited	India	6,550.00	INR	Sales of accessories and consumables	Manufacturing	INR
Keda Turkey Makine Ticaret Limited Şirketi	Turkey	65,692.10	TRY	Sales of accessories and consumables	Import & export	TRY
Forwell International (HK) Co., Limited	Hong Kong	6,001.10	USD	Sales	Import & export	USD
Keda Zambia Ceramics Company Limited	Zambia	1,000.00	USD	Ceramic tile production	Manufacturing	ZMW
Keda Ceramics International Company Limited	Kenya	1,000.00	USD	Ceramic tile production	Manufacturing	KES

Full name of the subsidiary	Place of registration	Registered capital	Currency	Scope of business	Business nature	Standard currency for accounting
Keda Cameroon Ceramics Limited	Cameroon	613,200.00	XAF	Ceramic tile production	Manufacturing	XAF
Keda Cote D'ivoire Ceramics Company Limited	Cote d'Ivoire	510,010.00	XOF	Ceramic tile production	Manufacturing	XOF
Keda Tanzania Resource Company Limited	Tanzania	230.00	TZS	Development of lithium and graphite mineral resources	Manufacturing	TZS
Pt Keda Industrial Indonesia	Indonesia	300.00	USD	Sales	Import & export	IDR
Keda Peru Building Materials Company S.R.L.	PERU	3,517.43	PEN	Ceramic tile	Manufacturing	PEN
HLT International (Hong Kong) Limited	Hong Kong	100.00	HKD	Sales	Import & export	HKD
Twyford Peru Company S.R.L.	PERU	0.10	PEN	Sales	Import & export	PEN
Twyford Impex (U) Ltd	Uganda	195,000.00	UGX	Sales	Import & export	UGX
F.D.S. Ettmar S.r.l.	Italy	10.00	EUR	Mold production	Manufacturing	EUR
P.I.R.C. S.r.l.	Italy	1.00	EUR	Mold maintenance	Manufacturing	EUR
Keda (Kenya) Solar Co., Ltd.	Kenya	100.00	USD	Solar photovoltaic sales	Commercial service	KES
Pt Keda Construction Indonesia	Indonesia	1,001,000.00	IDR	Gas furnace engineering installation	Manufacturing	IDR
Sunbromate (Pty) Ltd	South Africa	0.01	ZAR	Sales	Import & export	ZAR
Keda Honduras Ceramic, S.r.l.	Honduras	500.00	HNL	Ceramic tile production	Manufacturing	HNL
Twyford Peru Comercial Company S.r.l.	PERU	0.10	PEN	Sales	Import & export	PEN
Keda Industrial Brazil Ltda	São Paulo State, Brazil	100.00	USD	Sales	Import & export	BRL
Kami Turkey Mürekkep Sanayi Ve Ticaret Anonim Şirketi	Turkey	2,741.99	TRY	Manufacturing	Ink and glaze production and sales Manufacturing	TRY
KEDA SOLAR GHANA LTD	Ghana	1,552.00	GHS	PV product trade and project construction	Commercial service	GHS
Keda Industrial Egypt Limited for Manufacturing and Trading	Egypt	10.00	USD	Sales	Import & export	EGP
VIETNAM KETE COMPANY LIMITED	Vietnam	1,268,500.00	VND	Sales	Import & export	VND
Twyford International Burkina Faso CO LTD	Burkina Faso	50.00	XOF	Sales	Import & export	XOF

Full name of the subsidiary	Place of registration	Registered capital	Currency	Scope of business	Business nature	Standard currency for accounting
Twyford International Benin Company Limited	Benin	100.00	XOF	Sales	Import & export	XOF
Twyford International Guinea-SARLU	Guinea	1,000.00	GNF	Sales	Import & export	GNF
Gritrock Mining Limited(Kenya)	Kenya	30.00	KES	Mining	Mining	KES

82. Lease

(1) As a lessee

Applicable Not applicable

Variable lease payments not included in the measurement of lease liabilities

Applicable Not applicable

Rental of simplified short-term leases and leases of low-value assets were RMB35,381.2 thousand.

Applicable Not applicable

Sale and leaseback transactions and basis of judgment

Applicable Not applicable

Total cash outflows related to leases was 4,486.78 (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	3,233.27	
House lease	549.49	
Total	3,782.76	

Financial leases as a lessor

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Profits and losses on sale	Financing proceeds	Income related to variable lease payments not included in net investment in leases
Machinery and equipment lease	7,556.06	3,366.36	
Total	7,556.06	3,366.36	

Reconciliation statement of undiscounted lease receipts and net investment in leases

Applicable Not applicable

Item	Net lease investment (Contract amount)	Receivables (Rent + down payment)	Total lease interest	Undiscounted lease receipts
Machinery and equipment lease	155,576.22	109,698.48	9,818.97	55,696.71
Total	155,576.22	109,698.48	9,818.97	55,696.71

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	41,874.89	60,235.76
Second year	12,394.77	17,038.78
Third year	1,427.05	4,414.93
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 loss on sales of finance leases
Machinery and equipment lease	25,976.90	18,420.84	7,556.06
Total	25,976.90	18,420.84	7,556.06

83. Data resource

Applicable Not applicable

84. Others

Applicable Not applicable

VIII. R&D Expenditures**1. Presented based on nature of expense**

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Material expense	19,334.20	15,390.40
Labor expense	15,699.39	15,309.63
Depreciation and amortization	1,375.80	1,421.32
Other expenses	2,617.15	2,296.91
Total	39,026.54	34,418.26
Including: Expensed R&D expenditure	39,026.54	34,418.26
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. Changes in the Scope of Consolidation**1. Combination of businesses not under common control**

Applicable Not applicable

(1) Combination of businesses not under common control during the reporting period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Acquiree	Time point of equity acquisition	Cost of equity acquisition	Proportion of equity acquisition (%)	Method of equity acquisition	Acquisition date	Determination basis of acquisition date	Income of the acquiree from the	Net profits of the acquiree from the	Cash flows of the acquiree
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							acquisition date to the end of the reporting period	acquisition date to the end of the reporting period	from the acquisition date to the end of the reporting period
Xiamen Xindihui New Energy Technology Co., Ltd.	2025/1/2		100	Cash	2025/1/2	Date of Transfer of Actual Control	46.15	34.79	47.58

(2)Combination cost and goodwill

Applicable Not applicable

(3) Identifiable assets and liabilities of the acquiree on the acquisition date

Applicable Not applicable

(4) Gains or losses resulting from the remeasurement of equity held before the acquisition date at fair value

Whether there is a transaction that realizes business combination step by step through multiple transactions and gains control during the reporting period

Applicable Not applicable

(5) Notes to reasonable consideration or fair value of identifiable assets and liabilities of the acquiree that cannot be determined on the acquisition date or at the end of the combination period

Applicable Not applicable

(6) Other notes

Applicable Not applicable

2. Combinations of businesses 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 reporting period in which control of subsidiaries was lost

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Subsidiary name	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 residual equity at the level of consolidated financial statements on the date of loss of control	Fair value of residual equity at the level of the consolidated financial statements on the date of loss of control	Gains or losses from re-measurement of residual equity at fair value	Recognition method and major assumptions of fair value of residual equity at the level of the consolidated financial statements on the date of loss of control	Amount of other comprehensive income related to the equity investments of former subsidiaries transferred into profits and losses from investment
Maanshan Kean Photovoltaic Power Co., Ltd.	January 07, 2025	100.00	100.00	Sale	Date when de facto control is transferred	-						
Foshan Kean New Energy Technology Co., Ltd.	October 14, 2025	589.85	100.00	Sale	Date when de facto control is transferred	362.84						
Foshan Kesheng New Energy Technology Co., Ltd.	October 14, 2025	155.15	100.00	Sale	Date when de facto control is transferred	37.44						
Foshan Kehua Baisi New Energy Technology Co.,	October 14, 2025	733.98	100.00	Sale	Date when de facto control is transferred	542.35						

Ltd.													
Foshan Keshiming New Energy Technology Co., Ltd.	October 20, 2025	236.91	100.00	Sale	Date when de facto control is transferred	101.85							
Dangtu Kean New Energy Technology Co., Ltd.	December 24, 2025	116.63	100.00	Sale	Date when de facto control is transferred	-15.94							
Guangde Kean Photovoltaic Power Co., Ltd.	December 24, 2025	116.14	100.00	Sale	Date when de facto control is transferred	-31.98							
Maanshan Keci New Energy Technology Co., Ltd.	December 25, 2025	116.41	100.00	Sale	Date when de facto control is transferred	-20.69							
Wuhu Kesen New Energy Co., Ltd.	December 24, 2025	101.36	100.00	Sale	Date when de facto control is transferred	-46.24							
Hefei Keda Keheng New Energy Technology Co., Ltd.	December 29, 2025	95.55	100.00	Sale	Date when de facto control is transferred	-20.88							
Maanshan KEDA Kezhong New Energy Co., Ltd.	December 30, 2025	102.44	100.00	Sale	Date when de facto control is transferred	-249.89							
Langxi Kean New Energy Technology Co., Ltd.	December 30, 2025	102.19	100.00	Sale	Date when de facto control is transferred	-317.27							

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 Reporting Period

Applicable Not applicable

Other notes:

Applicable Not applicable

5. Changes in the scope of consolidation due to other reasons

Description of changes in the scope of consolidation due to other reasons (such as establishing new subsidiaries and liquidating subsidiaries) and related details:

Applicable Not applicable

Name	Acquisition method
Foshan Keyunda Technology Co., Ltd.	Establishment
Foshan HLT Intelligent Equipment Co., Ltd.	Establishment
Foshan Kehua Baisi New Energy Technology Co., Ltd.	Establishment
Kami Turkey Mürekkep Sanayi Ve Ticaret Anonim Şirketi	Establishment
Keda Industrial Brazil Ltda	Establishment
Vietnam Kete Company Limited	Establishment
Keda Industrial Egypt Limited for Manufacturing and Trading	Establishment
Keda Solar Ghana Ltd	Establishment
Gritrock Mining Limited(Kenya)	Establishment
Twyford International Guinea-Sarlu	Establishment
Twyford International Benin Company Limited	Establishment
Twyford International Burkina Faso Co Ltd	Establishment
Foshan Keda Ecological Stone Engineering Technology Co., Ltd.	Cancelled

Wuhu Keda Smart New Energy Technology Co., Ltd.	Cancelled
Hefei Binhu Keda Smart Energy Co., Ltd.	Cancelled
Anhui Keda New Energy Equipment Co., Ltd.	Cancelled

6. Others

Applicable Not applicable

X. Interests in Other Entities

1. Interests in subsidiaries

(1) Composition of the business group

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Obtain 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	RMB443,631.6 thousand	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	Manufacturing	-	51.00	Combination not under common control

			City, Anhui Province				
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	RMB200.01 million	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services	-	80.00	Establishment
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	RMB5 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	RMB200.01 million	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	RMB320 million	Maanshan Economic and Technological Development Zone, Anhui Province	Manufacturing	97.37	-	Establishment
Guangdong Keda Hydraulic Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB48,514.3 thousand	Shunde District, Foshan City, Guangdong Province	Manufacturing	42.61	12.82	Establishment
HLT Industry Co., Ltd.	Sanshui Central Science Technology Park, Foshan City, Guangdong Province	RMB200 million	Sanshui Central Science Technology Park, Foshan City,	Manufacturing	100.00	-	Combination not under common control

			Guangdong Province				
DLT Technology Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	RMB100 million	Sanshui District, 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
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	-	100.00	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	-	95.00	Establishment
Guangdong Weilili New Materials Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB86,817.6 thousand	Shunde District, Foshan City, Guangdong Province	Manufacturing	53.62	-	Combination not under common control

Guangdong Keda Lithium Industry Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB1 billion	Shunde District, Foshan City, Guangdong Province	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 trade	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
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
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

			Guangdong Province				
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
Maanshan Zhengpugang New District Taixin New Energy Technology Co., Ltd.	Hexian, Maanshan City, Anhui Province	RMB1 million	Hexian, 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
Keda (Anhui) Hydraulic Technology Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB60 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
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	Commercial services	-	100.00	Establishment

			Development Zone, Anhui Province				
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
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 Technology Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	RMB20 million	Sanshui District, Foshan City, Guangdong Province	Import and export trade	-	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)	Gongqingcheng, Jiujiang City, Jiangxi Province	RMB13,680.1 thousand	Gongqingcheng, Jiujiang City, Jiangxi Province	Commercial services	-	58.08	Establishment
Guangdong Quanitech Material Ltd.	Shunde District, Foshan City, Guangdong Province	RMB20 million	Shunde District, Foshan City, Guangdong Province	Import and export trade	51.00	-	Establishment
Keda-SureMaker (Maanshan) Industrial Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	RMB5 million	Maanshan Economic and Technological Development	Import and export trade	-	100.00	Establishment

			Zone, Anhui Province				
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	RMB52,631.6 thousand	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 trade	-	48.45	Establishment
Gaoan Keda Machinery Parts Co., Ltd.	Gaoan City, Yichun City, Jiangxi Province	RMB5 million	Gaoan City, Yichun City, Jiangxi Province	Manufacturing	100.00	-	Establishment
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	Shunde District, Foshan City, Guangdong Province	RMB30.01 million	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
Guangdong HLT Construction Engineering Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	RMB10 million	Sanshui District, Foshan City, Guangdong Province	Manufacturing	-	100.00	Combination not under common control

HLT International (Hong Kong) Co., Ltd.	Hong Kong	HKD1 million	Hong Kong	Import and export trade	-	100.00	Establishment
Kami Materials Co., Ltd.	Hong Kong	HKD39,335.7 thousand	Hong Kong	Import and export trade	-	51.00	Establishment
Keda Industrial (Hong Kong) Limited	Hong Kong	USD90,261.4 thousand	Hong Kong	Import and export trade	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 trade	-	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	USD53,713.3 thousand	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	USD60,011 thousand	Hong Kong	Import and export trade	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 trade	-	100.00	Establishment
Keda Zambia Ceramics Company Limited	Zambia	USD10 million	Zambia	Manufacturing	-	48.45	Establishment
Keda International Company S.r.l.	Luxembourg	EUR12 thousand	Luxembourg	Commercial services	-	100.00	Establishment
Keda Europe S.r.l.	Italy	EUR1 million	Italy	Commercial services	-	100.00	Establishment
I.C.F. & Welko S.P.A.	Italy	EUR8.5 million	Italy	Manufacturing	-	100.00	Combination not under 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	INR65.5 million	India	Manufacturing	-	90.00	Establishment
Keda Turkey Makine Ticaret Limited Sirketi	Turkey	TRY656,921 thousand	Turkey	Import and export trade	-	100.00	Establishment
Keda Cameroon Ceramics Limited	Cameroon	XAF6,132 million	Cameroon	Manufacturing	-	48.45	Establishment

Keda Cote D'ivoire Ceramics Company Limited	Cote D'ivoire	XOF5,100.1 million	Cote D'ivoire	Manufacturing	-	48.45	Establishment
Keda Tanzania Resource Company Limited	Tanzania	TZS2.3 million	Tanzania	Manufacturing	-	100.00	Establishment
Keda Peru Building Materials Company S.R.L.	Peru	PEN35,174.3 thousand	Peru	Manufacturing	-	48.45	Establishment
Twyford Peru Company S.R.L.	Peru	PEN1 thousand	Peru	Import and export trade	-	48.45	Establishment
Twyford Impex (U) Ltd	Uganda	UGX1.9 billion	Uganda	Import and export trade	-	48.45	Establishment
Keda Honduras Ceramic, S.r.l.	Honduras	HNL5 million	Honduras	Import and export trade	-	48.45	Establishment
Sunbromate (Pty) Ltd	South Africa	ZAR100	South Africa	Import and export trade	-	48.45	Combination not under common control
Twyford Peru Comercial Company S.r.l.	Peru	PEN1 thousand	Peru	Import and export trade	-	48.45	Establishment
Pt Keda Construction Indonesia	Indonesia	IDR10.01 billion	Indonesia	Manufacturing	-	67.00	Combination not under common control
Keda (Kenya) Solar Co., Ltd.	Kenya	USD1 million	Kenya	Commercial services	-	100.00	Establishment
Keda Industrial Brazil Ltda	São Paulo, Brazil	USD1 million	São Paulo, Brazil	Import and export trade	-	100.00	Establishment
Kami Turkey Mürekkep Sanayi Ve Ticaret Anonim Şirketi	Turkey	TRY27,419.9 thousand	Turkey	Manufacturing	-	100.00	Establishment
Xiamen Xindihui New Energy Technology Co., Ltd.	Siming District, Xiamen City, Fujian Province	RMB500 thousand	Siming District, Xiamen City, Fujian Province	Commercial services	-	100.00	Combination not under common control
Foshan HLT Intelligent Equipment Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	RMB15 million	Sanshui District, Foshan City, Guangdong Province	Manufacturing	-	60.00	Establishment
Foshan Keyunda Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	RMB1 million	Shunde District, Foshan City,	Manufacturing	51.00	-	Establishment

			Guangdong Province				
KEDA SOLAR GHANA LTD	Ghana	GHS15.52 million	Ghana	Commercial services	-	100.00	Establishment
Keda Industrial Egypt Limited for Manufacturing and Trading	Egypt	USD100 thousand	Egypt	Import and export trade	-	100.00	Establishment
VIETNAM KETE COMPANY LIMITED	Vietnam	VND12,685 million	Vietnam	Import and export trade	-	100.00	Establishment
Twyford International Burkina Faso CO LTD	Burkina Faso	XOF500 thousand	Burkina Faso	Import and export trade	-	48.45	Establishment
Twyford International Benin Company Limited	Benin	XOF1 million	Benin	Import and export trade	-	48.45	Establishment
Twyford International Guinea-SARLU	Guinea	GNF10 million	Guinea	Import and export trade	-	48.45	Establishment
Gritrock Mining Limited(Kenya)	Kenya	KES 300 thousand	Kenya	Mining		40.00	Establishment

(2) Significant non-wholly-owned subsidiaries

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Subsidiary name	Percentage of shareholding of minority shareholders	Profits and losses attributable to minority shareholders in the reporting period	Dividends declared to be distributed to minority shareholders in the reporting period	Closing balance of non-controlling interests
Keda (Ghana) Ceramics Company Limited	51.55%	38,023.36	-	50,667.18
Keda (Tanzania) Ceramics Company Limited	51.55%	15,491.71	-	23,921.46

Note to the difference between the shareholdings of the minority shareholders of subsidiaries and the proportion of their voting rights:

□ Applicable √ Not applicable

Other notes:

Applicable Not applicable

(3) Key financial data on major non-wholly-owned subsidiaries

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Subsidiary name	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	72,920.08	73,156.55	146,076.63	41,429.05	6,360.13	47,789.18	92,216.58	57,014.06	149,230.64	82,750.27	22,722.88	105,473.15
Keda (Tanzania) Ceramics Company Limited	116,698.45	117,619.41	234,317.86	172,492.74	15,420.73	187,913.47	110,017.34	127,838.74	237,856.08	209,924.86	3,829.61	213,754.47

Subsidiary name	Amount incurred in the Reporting Period				Amount incurred in the previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flow of operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flow of operating activities
Keda (Ghana) Ceramics Company Limited	223,489.95	73,760.16	92,887.51	39,824.24	156,997.72	33,729.76	30,686.51	4,999.19

Keda (Tanzania) Ceramics Company Limited	168,644.35	30,051.81	29,220.34	-13,774.96	64,310.20	10,719.05	12,282.96	28,045.97
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(4) Major restrictions on the use of assets and settlement of debts of the business group:

Applicable Not applicable

(5) Financial 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 in which the share of owners' equity in a subsidiary changed but the subsidiary was still under control

Applicable Not applicable

(1) Notes to the changes in the share of owners' equity in the subsidiary

Applicable Not applicable

a) From January to April 2025, through its subsidiary Guanghai Investment, the Company indirectly acquired a 0.52% equity interest in Guangdong Keda Hydraulic held by minority shareholders. After the equity transfer, the Company's holding in Guangdong Keda Hydraulic increased became 55.43%.

b) Subsidiary Twyford International implemented an equity incentive plan to introduce an employee shareholding platform. After the completion of the equity capital contribution, the Company's shareholding ratio in Twyford International decreased became 48.45%.

(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		
--Cash	4,961.08	42.70
--Fair value of non-cash assets		
Total purchase cost/disposal consideration	4,961.08	42.70
Less: Shares of net assets of subsidiaries calculated in proportion to the acquired/disposed equity	2,306.76	2,201.04
Difference	2,654.32	-2,158.35
Including: Adjustment to capital reserves	-2,654.32	-2,158.35
Adjustment to surplus reserves		
Adjustment to the undistributed profits		

Other notes

Applicable Not applicable

3. Interests in joint ventures or associated enterprises

Applicable Not applicable

(1) Major joint ventures or associated enterprises

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of the joint venture or associated enterprise	Main place of business	Place of registration	Business nature	Shareholding (%)		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 equity interests in Guangdong Keda Lithium Industry, through which it holds 37.80% of equity interests in Lanke Lithium Industry. The Company holds 53.62% of equity interests in Jiangsu Weilili, through which it holds 10.78% of equity interests in Lanke Lithium Industry. Therefore, the Company owns 48.58% of voting rights in Lanke Lithium Industry and indirectly holds 43.58% of shares in Lanke Lithium Industry.

(2) Key financial data on major joint ventures

Applicable Not applicable

(3) Key financial data on major associated enterprises

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

	Closing balance/amount incurred in the Reporting Period		Opening balance/amount incurred 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	190,222.49		216,852.01	
Non-current assets	260,566.11		276,284.93	

	Closing balance/amount incurred in the Reporting Period		Opening balance/amount incurred 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.
Total assets	450,788.60		493,136.94	
Current liabilities	61,959.36		66,985.56	
Non-current liabilities	2,685.29		3,199.21	
Total liabilities	64,644.65		70,184.77	
Non-controlling interests				
Equities attributable to shareholders of the parent company				
Share of net assets calculated based on the shareholding	168,281.53		184,322.56	
Adjustments	71,338.49		73,173.51	
--Goodwill				
--Unrealized profits of internal transactions				
--Others	71,338.49		73,173.51	
Carrying value of equity investments in associated enterprises	239,620.02		257,496.07	
Fair value of equity investments in associated enterprises with public quotation				
Operating revenue		259,408.48		307,351.81
Net profit		73,049.96		53,492.70
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income		73,049.96		53,492.70
Dividends from associated		53,432.62		41,140.71

	Closing balance/amount incurred in the Reporting Period		Opening balance/amount incurred 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.
enterprises for the year				

Other notes

(4) Combined financial data on insignificant joint ventures and associated enterprises

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

	Closing balance/amount incurred in the Reporting Period	Opening balance/amount incurred in the previous period
Joint ventures:		
Total carrying value of investment		
The total of following items according to the shareholding proportions		
-- Net profit		
-- Other comprehensive income		
-- Total comprehensive income		
Associated enterprises:		
Total carrying value of investment	70,058.87	67,320.99
The total of following items according to the shareholding proportions		
-- Net profit	5,630.34	3,346.41
-- Other comprehensive income	-57.92	16.70
-- Total comprehensive income	5,572.42	3,363.11

(5) Note to major restrictions on the capability of joint ventures or associated enterprises of transferring capital to the Company

Applicable Not applicable

(6) Excessive losses incurred in joint ventures or associated enterprises

Applicable Not applicable

(7) Unrecognized commitments related to investments in joint ventures

Applicable Not applicable

(8) Contingent liabilities related to investments in joint ventures or associated enterprises

Applicable Not applicable

4. Material joint operation

Applicable Not applicable

5. Interests in structured entities not included in the scope of consolidated financial statements

Note to structured entities not included in the scope of consolidated financial statements:

Applicable Not applicable

6. Others

Applicable Not applicable

XI. Government grants**1. Government grants recognized at the end of the Reporting Period based on amounts receivable**

Applicable Not applicable

Closing balance of accounts receivable RMB3,948.46 (Unit: Ten Thousand Yuan Currency: RMB)

Reasons for not receiving the projected amount of government grants at the projected point in time

Applicable Not applicable

2. Liability items involving government grants

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Financial statement item	Opening balance	Amount of new subsidies in the reporting period	Amount recognized as non-operating revenue in the reporting period	Other income entered in the reporting period	Other changes in the reporting period	Closing balance	Related to assets/income
Deferred revenue	2,733.42	3,369.05		793.36		5,309.11	Related to assets
Other non-current liabilities	1,007.91	7,022.09		6,112.25		1,917.74	Related to assets/income

Total	3,741.33	10,391.14		6,905.61		7,226.85	/
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3. Government subsidies recognized as profits and losses of the Reporting Period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Type	Amount incurred in the reporting period	Amount incurred in the previous period
Related to income	6,112.25	9,271.49
Related to assets	793.36	2,594.44
Total	6,905.61	11,865.93

XII. Risks Related to 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.

The Company's financial assets and financial liabilities as of June 30, 2025 are presented in the form of undiscounted contractual cash flows by maturity date as follows:

Unit: Ten Thousand Yuan Currency: RMB

Item	December 31, 2025				
	Carrying value	Total value	Within one year	One to three years	Over three years
Monetary funds	325,487.54	325,487.54	325,487.54		
Financial assets held for trading	57,946.59	57,946.59	57,946.59		
Notes receivable	6,881.72	6,881.72	6,881.72		
Accounts receivable	320,178.10	320,178.10	282,467.12	34,958.93	2,752.05
Accounts receivables financing	21,523.95	21,523.95	21,523.95		
Other receivables	22,044.35	22,044.35	16,060.14	4,999.78	984.43
Non-current assets due within one year	62,922.50	62,922.50	62,922.50		
Long-term receivables	44,896.50	44,896.50		44,896.50	
Other non-current	2,194.00	2,194.00		2,194.00	

Item	December 31, 2025				
	Carrying value	Total value	Within one year	One to three years	Over three years
financial assets					
Subtotal	864,075.25	864,075.25	773,289.56	87,049.21	3,736.48
Bank loans	616,355.42	616,355.42	249,778.38	316,653.13	49,923.91
Notes payable	65,748.91	65,748.91	65,748.91		
Accounts payable	263,605.93	263,605.93	227,543.95	25,095.44	10,966.54
Other payables	44,149.78	44,149.78	36,677.07	6,593.81	878.90
Subtotal	989,860.04	989,860.04	579,748.31	348,342.38	61,769.35

Continued

Unit: Ten Thousand Yuan Currency: RMB

Item	December 31, 2024				
	Carrying value	Total value	Within one year	One to three years	Over 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	1,302.52	1,302.52		1,302.52	
Subtotal	762,257.86	762,257.86	680,936.24	77,491.98	3,829.64
Bank loans	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
Subtotal	998,781.92	998,781.92	560,822.84	427,190.07	10,769.01

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 settlement of exchange	Effectively avoid and prevent risks in the foreign exchange market, and prevent the adverse impact of large exchange rate fluctuations on the Company's production and operations	Foreign exchange market risk associated with foreign currency operations of fund receipts and payments	Forward foreign exchange contracts have been signed to reduce the foreign exchange market risk associated with foreign currency operations of fund receipts and payments	The exchange rates of some foreign currency fund receipts and payments are locked to avoid high losses caused by sharp exchange rate fluctuations	By carrying out hedging business, the hedging function of the derivatives market can be fully utilized to avoid the risk of price fluctuations as a 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	64,115.11	Not applicable	Relevance of hedged items to hedging instruments	Impact on on trading financial assets is RMB1.7932 million, on trading financial liabilities is RMB 2.1565 million, and the gain from

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
				changes in fair value is RMB-5.7338 million.

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	Banker's acceptance bills	138,423.27	Derecognition	Has transferred almost all of its risks and rewards
Endorsement	Banker's acceptance bills and commercial acceptance bills	5,358.01	Non-derecognition	
Total	/	143,781.28	/	/

(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
Receivables financing	Endorsement/Discounting	138,423.27	-138.16
Total	/	138,423.27	-138.16

(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. Financial assets held for trading		57,946.59	2,194.00	60,140.59
1. Financial assets at fair value through profit or loss				
(1) Debt instrument investment				
(2) Equity instrument investment				
(3) Derivative financial assets				
(4) Wealth management products				
Financial assets designated at fair value through profit or loss		57,946.59	2,194.00	60,140.59
(1) Debt instrument investment		57,767.27		57,767.27
(2) Equity instrument investment			2,194.00	2,194.00
(3) Derivative financial assets		179.32		179.32
ii. Other debt investments				
iii. Other equity instruments investments			360.28	360.28
iv. Investment properties				
1. Land use rights for lease				
2. Buildings for lease				
3. Land use rights held and ready to be transferred after appreciation				
v. Biological assets				
1. Consumable biological assets				

Item	Closing fair value			
	Level-1 fair value measurement	Level-2 fair value measurement	Level-3 fair value measurement	Total
2. Productive biological assets				
vi. Accounts receivables financing			21,523.95	21,523.95
Total assets continuously measured at fair value		57,946.59	24,078.23	82,024.82
vii. Financial liabilities held for trading		215.65	-	215.65
1. Financial liabilities at fair value through profit or loss		215.65	-	215.65
Including: Held-for-trading bonds offered				
Derivative financial liabilities		215.65		215.65
Others				
2. Financial liabilities designated at fair value through profit or loss				
Total liabilities continuously measured at fair value		215.65	-	215.65
II. Non-continuous fair value measurement				
i. Assets held for sale				
Total assets not continuously measured at fair value				
Total liabilities not continuously measured at fair value				

2. Basis for determining the market price of continuous and non-continuous level-1 fair value measurement projects

Applicable Not applicable

3. Qualitative and quantitative data on valuation techniques and important parameters adopted for continuous and non-continuous level-2 fair value measurement projects

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 data on valuation techniques and important parameters adopted for continuous and non-continuous level-3 fair value measurement projects

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. Data on reconciliation between the opening and closing carrying values and the sensitivity analysis of unobservable parameters of continuous level-3 fair value measurement projects

Applicable Not applicable

6. For continuous fair value measurement projects with a conversion in the fair value hierarchy in the Reporting Period, the reasons for the conversion and the policy for determining the time of the conversion

Applicable Not applicable

7. Changes in the valuation techniques in the Reporting Period and the reasons for such changes

Applicable Not applicable

8. Fair values of financial assets and financial liabilities not measured at fair value

Applicable Not applicable

9. Others

Applicable Not applicable

XIV. Related Party and Related Party Transactions

1. Parent company of the Company

Applicable Not applicable

2. Subsidiaries of the Company

For details of the subsidiaries of the Company, please see the notes.

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Full name of the subsidiary	Type of enterprise	Place of registration	Legal entity representative	Business nature	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	9134050067589409XX
Keda (Anhui) New Material Co., Ltd.	Limited liability company	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	Fu Jian	Manufacturing	40,000.00	100.00	100.00	91340521355187820D
Fujian Keda New Energy Technology Co., Ltd.	Limited liability company	Luofeng Industrial Park, Taihua Town, Datian County, Sanming City, Fujian Province	Wang Zhiqiang	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	Zeng Fei	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	Zhang Feng	Commercial services	20,001.00	80.00	80.00	91340500MA2MT7G34X

Full name of the subsidiary	Type of enterprise	Place of registration	Legal entity representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
		Zone, Anhui Province						
Jiangsu Keda Electric Power Co., Ltd.	Limited liability company	Tongshan District, Xuzhou 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
Keda-SureMaker (Wuhu) Industrial Co., Ltd.	Limited liability company	Wanzhi District, Wuhu City, Anhui Province	Zhou Peng	Manufacturing	500.00	100.00	100.00	9134022166624276X0
Shenyang Keda Clean Energy Gas Co., Ltd.	Limited liability company	Faku Economic Development Zone, Shenyang City, Liaoning Province	Ma Liang	Manufacturing	100,000.00	93.00	93.00	91210124550792268N
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	91440606MA53N01N91
Keda (Anhui) Clean Energy Co., Ltd.	Other joint stock company	Maanshan Economic and Technological Development Zone, Anhui Province	Li Ting	Manufacturing	32,000.00	97.37	97.37	91340500661503967A
Guangdong Keda Hydraulic Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Yang Jun	Manufacturing	4,851.43	55.43	55.43	91440606568290581X
HLT Industry Co., Ltd.	Limited liability company	Sanshui Central Science Technology Park, Foshan City, Guangdong Province	Yang Xuexian	Manufacturing	20,000.00	100.00	100.00	91440600712393666R
DLT Technology Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Wu Junliang	Manufacturing	10,000.00	100.00	100.00	91440607MA4UNRGA45

Full name of the subsidiary	Type of enterprise	Place of registration	Legal entity representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
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	913405006986740300
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	100.00	100.00	914101007067856557
Jiangsu Kehang Environmental Protection Co., Ltd.	Joint stock company	Yancheng Environmental Protection Industrial Park, Jiangsu Province	Long Yuzhou	Manufacturing	38,636.36	94.82	94.82	913209026086112210
Anhui Keqing Environmental Engineering Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Huang Longju	Manufacturing	2,500.00	95.00	95.00	91340500MA2TN7CAXR
Guangdong Weilili New Materials Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong 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 trade	2,000.00	100.00	100.00	91440606MA534JQK1E
Guangdong Artget Fluidtech Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Chen Xiaohui	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
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

Full name of the subsidiary	Type of enterprise	Place of registration	Legal entity representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
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	Gongqingcheng, Jiujiang City, Jiangxi Province	/	Commercial services	1,368.01	58.08	58.08	91360405MA3AEW5A96
HLT Technology Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Zhou Chengjuan	Manufacturing	10,000.00	100.00	100.00	91440607MA578CG434
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
Maanshan Zhengpugang New District Taixin New Energy Technology Co., Ltd.	Limited liability company	Hexian, 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
Keda (Anhui) Hydraulic Technology Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Yang Jun	Manufacturing	6,000.00	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
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
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

Full name of the subsidiary	Type of enterprise	Place of registration	Legal entity representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
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
Maanshan Kegou 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 Technology Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Chen Jun	Import and export trade	2,000.00	100.00	100.00	91440607MAC7BWW81C
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 trade	2,000.00	51.00	51.00	91440606MACR1G4836
Keda-SureMaker (Maanshan) Industrial Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Chen Xinjiang	Import and export trade	500.00	100.00	100.00	91340500MA8QQW346G
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 trade	3,000.00	48.45	48.45	91440106MAD81GDF2X
Gaoan Keda Machinery Parts Co., Ltd.	Limited liability company	Gaoan City, Yichun City, 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

Full name of the subsidiary	Type of enterprise	Place of registration	Legal entity representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
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
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
Xiamen Xindihui New Energy Technology Co., Ltd.	Limited liability company	Siming District, Xiamen City, Fujian Province	Zhang Feng	Commercial services	50.00	100.00	100.00	91350200MAD5B5ELXE
Foshan HLT Intelligent Equipment Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Liang Hao	Manufacturing	1,500.00	60.00	60.00	91440607MAG06MKN4E
Foshan Keyunda Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Peng Zhijun	Manufacturing	100.00	51.00	51.00	91440606MAERLK1H1D

Unit: Ten Thousand Currency: HKD

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Kami Materials Co., Ltd.	Limited liability company	Hong Kong	/	Import and export trade	3,933.57	51.00	51.00
HLT International (Hong Kong) Co., Ltd.	Limited liability company	Hong Kong	/	Import and export trade	100.00	100.00	100.00

Unit: Ten Thousand Currency: USD

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Forwell International (HK) Co., Limited	Limited liability company	Hong Kong	/	Import and export trade	6,001.10	100.00	100.00
Keda Industrial (Hong Kong) Limited	Limited liability company	Hong Kong	/	Import and export trade	9,026.14	100.00	100.00

Xincheng International (Hong Kong) Co., Ltd.	Limited liability company	Hong Kong	/	Import and export trade	2,000.00	100.00	100.00
Guangdong Xincheng Financial and Leasing Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	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
Kami Colourcera Private Limited	Limited liability company	India	/	Manufacturing	160.00	72.00	72.00
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
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
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 trade	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
Keda Industrial Brazil Ltda	Limited liability company	São Paulo, Brazil	Tan Xuhui	Import and export trade	100.00	100.00	100.00
Keda Industrial Egypt Limited for Manufacturing and Trading	Limited liability company	Egypt	/	Import and export trade	10.00	100.00	100.00

Unit: Ten Thousand Currency: EUR

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Keda International Company S.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	Gelmuzzi Matteo, Magnani Roberto	Manufacturing	10.00	80.00	80.00
P.I.R.C. S.r.l.	Limited liability company	Italy	Gelmuzzi Matteo, Liu Xiaodong	Manufacturing	1.00	100.00	100.00

Unit: Ten Thousand Currency: INR

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Keda Industrial (India) Limited	Limited liability company	India	Sameer Digginer, Sui Xudong	Manufacturing	6,550.00	90.00	90.00

Unit: Ten Thousand Currency: TRY

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
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Keda Turkey Makine Ticaret Limited Sirketi	Limited liability company	Turkey	Zeng Fei	Import and export trade	65,692.10	100.00	100.00
Kami Turkey Mürekkep Sanayi Ve Ticaret Anonim Şirketi	Limited liability company	Turkey	Cai Weiyong	Manufacturing	2,741.99	100.00	100.00

Unit: Ten Thousand Currency: XAF

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Keda Cameroon Ceramics Limited	Limited liability company	Cameroon	/	Manufacturing	613,200.00	48.45	48.45

Unit: Ten Thousand Currency: XOF

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	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
Twyford International Burkina Faso CO LTD	Limited liability company	Burkina Faso	/	Import and export trade	50.00	48.45	48.45
Twyford International Benin Company Limited	Limited liability company	Benin	/	Import and export trade	100.00	48.45	48.45

Unit: Ten Thousand Currency: TZS

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	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: PEN

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	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 trade	0.10	48.45	48.45
Twyford Peru Comercial Company S.r.l.	Limited liability company	Peru	/	Import and export trade	0.10	48.45	48.45

Unit: Ten Thousand Currency: UGX

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Twyford Impex (U) Ltd	Joint stock company	Uganda	/	Import and export trade	195,000.00	48.45	48.45

Unit: Ten Thousand Currency: HNL

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Keda Honduras Ceramic, S.r.l.	Joint stock company	Honduras	/	Import and export trade	500.00	48.45	48.45

Unit: Ten Thousand Currency: IDR

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	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: ZAR

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Sunbromate (Pty) Ltd	Limited liability company	South Africa	/	Import and export trade	0.01	48.45	48.45

Unit: Ten Thousand Currency: GNF

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
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Twyford International Guinea-SARLU	Limited liability company	Guinea	/	Import and export trade	1,000.00	48.45	48.45
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Unit: Ten Thousand Currency: VND

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
VIETNAM KETE COMPANY LIMITED	Limited liability company	Vietnam	Wang Kaipeng	Import and export trade	1,268,500.00	100.00	100.00

Unit: Ten Thousand Currency: GHS

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
KEDA SOLAR GHANA LTD	Limited liability company	Ghana	Zeng Fei	Commercial service	1,552.00	100.00	100.00

Unit: Ten Thousand Currency: KES

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Gritrock Mining Limited(Kenya)	Limited liability company	Kenya	/	Mining	30.00	40.00	100.00

3. Joint ventures and associated enterprises of the Company

For details of key joint ventures or associated enterprises of the Company, please see the notes.

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of the investee	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding of the Company (%)	Proportion of voting rights of the Company in the investee	Unified social credit code
Associated enterprises								
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	Guo Liushan	Manufacturing	8,000.00	49.00	49.00	91440606MA4UWAC43
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	33.65	33.65	91340500MA2RNGB63X
Gongqingcheng Xinmingfeng Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	2,814.13	18.93	18.93	91310120MA1JKJP9XJ
Gongqingcheng Xinmingzhao Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	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	37.08	37.08	91360405MA7EPCUM2X
Gongqingcheng Kexin Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	3,109.74	47.35	47.35	91360405MA7G7R8X71

Gongqingcheng Keyu Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	633.15	46.35	46.35	91360405MA7FA19X81
Gongqingcheng Kehan Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	530.64	51.52	51.52	91360405MA7F7W682K

Other joint ventures or associated enterprises that effected related party transactions with the Company in the Reporting Period or that effected related party transactions and generated balance with the Company in the previous period are as follows:

Applicable Not applicable

4. Other related parties

Applicable Not applicable

Names of other related parties	Relationship between other related party 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 architectural ceramics 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 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 Holding Co., Ltd. once held more than 5% of the Company's shares, Macrolink Group and its subsidiaries are 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*.

The above table 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. Related party transactions

(1) Related party transactions involving the purchase and sale of goods and the supply and acceptance of services

Table of Goods Purchase/Service Acceptance

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Related party	Related party transaction	Amount incurred in the reporting period	Transaction limit approved (if applicable)	Whether it exceeds the transaction limit (if applicable)	Amount incurred in the previous period
Sunda Group Co., Ltd.	Raw materials, equipment, finished products, cost procurement, etc.	5,342.43			46,374.05
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Lithium carbonate				4,445.31
Zhangzhou Grande Graphite Material Co., Ltd.	Raw materials, processing fee	827.07			215.08
Hunan Liling Hongguanyao China Industry Co., Ltd.	Ceramics	7.47			4.50
Sichuan Guangxing Lithium Battery Technology Co., Ltd.	Lithium carbonate				10.00
Guangdong Hongyu Group Co., Ltd.	Processing fees, tiles, etc.	19,584.00			93.74
FCRI Group Co., Ltd.	Ceramic fitting	7,188.13			7,676.79

Guangdong Lesso Technology Industrial Co., Ltd.	Photovoltaic modules	1,432.55			
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	Ink, colored glaze , etc.	22,925.54			14,308.60

Remarks: The aforementioned material related party transactions have been duly approved by the Company's Board of Directors. Further details are provided in Section V "XII. Significant related party transactions ". All such transactions conducted during the current fiscal year remain within the approved thresholds.

Table of goods sales/service supply

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Related party	Related party transaction	Amount incurred in the reporting period	Amount incurred in the previous period
Sunda Group Co., Ltd.	Tiles, glass, sanitary ware, equipment, photovoltaic projects, etc.	57,862.01	77,584.28
Guangdong Hongyu Group Co., Ltd.	Ceramic machinery equipment, and electricity costs for photovoltaic projects	2,219.05	1,779.84
Zhangzhou Grande Graphite Material Co., Ltd.	Processing fee, carburant	144.00	7.21
Hunan Hualian China Industry Co., Ltd.	Ceramic machinery equipment and services	1.94	9.53
Maanshan Qingshan Electricity Selling Co., Ltd.	Services	6.00	6.90
Guangdong Lesso Technology Industrial Co., Ltd.	Photovoltaic project, accessories	253.89	16.67
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	Ceramic machinery equipment , etc.	1,214.25	78.69

(2) Related management on commission/contracting and entrusted management/outsourcing

Table of management on commission/contracting by the Company

□ Applicable √ Not applicable

Notes to related management on commission/contracting

Applicable Not applicable

Table of entrusted management/outsourcing of the Company:

Applicable Not applicable

Notes to related entrusted management/outsourcing

Applicable Not applicable

(3) Related party leases

The Company as Lessor:

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Lessee	Type of leased assets	Rental income recognized in the reporting period	Rental Income Recognized in the previous period
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	Premises	419.98	270.75

The Company as Lessee:

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Lessor	Type of leased assets	Amount incurred in the reporting period					Amount incurred in the previous period				
		Rental of simplified short-term leases and leases of low-value assets (if applicable)	Variable lease payments not included in the measurement of lease liabilities (if applicable)	Rental paid	Interest expenses on lease liabilities borne	Increased right-of-use assets	Rental of simplified short-term leases and leases of low-value assets (if applicable)	Variable lease payments not included in the measurement of lease liabilities (if applicable)	Rental paid	Interest expenses on lease liabilities borne	Increased right-of-use assets
Foshan Keda Ceramic Technology Co., Ltd.	Premises	440.37		242.86			550.46		600.00		
Guangdong Hongyu Group Co., Ltd.	Premises	27.43		28.82			23.94		25.14		
Sunda Group Co., Ltd.	Premises	185.50		612.54	49.83	68.20	50.07		432.56	31.17	1,573.03
Zhangzhou Grande Graphite Material Co., Ltd.	Vehicles	0.31		0.35							

Notes to related party leases

Applicable Not applicable

(4) Related party guarantees

The Company as Guarantor

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Guaranteed party	Amount of guarantee	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Anhui Xincheng Financial and Leasing Co., Ltd.	490.00	2025/1/21	2026/1/20	No
Guangdong Xincheng Financial and Leasing Co., Ltd.	100.80	2025/12/18	2027/12/17	No
Guangdong Keda New Energy Equipment Co., Ltd.	1,470.31	2024/5/28	2027/7/12	No
Keda (Anhui) Hydraulic Technology Co., Ltd.	5,980.00	2024/6/28	2029/12/21	No
DLT Technology Co., Ltd.	4,469.56	2025/10/24	2026/6/26	No
Henan Kedaneu International Engineering Co., Ltd.	324.83	2025/7/31	2026/1/31	No
Henan Kedaneu International Engineering Co., Ltd.	1,814.88	2025/10/21	2026/5/21	No
Keda (Anhui) Clean Energy Co., Ltd.	2,000.00	2025/9/24	2026/4/30	No
Keda (Anhui) Clean Energy Co., Ltd.	6,000.00	2025/9/16	2026/6/16	No
Anhui Keda Smart Energy Technology Co., Ltd.	1,947.92	2024/2/6	2032/1/31	No
Anhui Keda Smart Energy Technology Co., Ltd.	1,000.00	2025/5/27	2026/5/27	No
Anhui Keda Smart Energy Technology Co., Ltd.	238.58	2023/9/28	2026/1/21	No
Anhui Kean Electric Power Engineering Co., Ltd.	213.97	2025/11/13	2026/4/30	No
Anhui Kean Electric Power Engineering Co., Ltd.	1,000.00	2025/8/29	2026/8/29	No
Fujian Keda New Energy Technology Co., Ltd.	3,200.00	2025/9/28	2026/3/27	No
Fujian Keda New Energy Technology Co., Ltd.	3,000.00	2025/12/18	2027/1/13	No
Fujian Keda New Energy Technology Co., Ltd.	16,586.77	2025/3/26	2026/6/18	No
Chongqing Keda New Energy Materials Co., Ltd.	18,178.33	2023/11/7	2033/10/30	No
Chongqing Keda New Energy Materials Co., Ltd.	3,000.00	2025/10/20	2026/11/19	No
Twyford (Guangzhou) Furniture Co., Ltd.	1,500.00	2025/7/29	2026/1/22	No
Twyford (Guangzhou) Furniture Co., Ltd.	2,000.00	2025/8/20	2026/2/13	No
Forwell International (HK) Co., Limited	263.04	2025/2/28	2026/11/13	No
Forwell International (HK) Co., Limited	2,034.00	2025/3/7	2027/1/30	No
Forwell International (HK) Co., Limited	1,546.95	2025/6/17	2029/8/21	No
Forwell International (HK) Co., Limited	9,241.61	2025/8/8	2028/11/16	No
Forwell International (HK) Co., Limited	EUR 3,350	2025/10/20	2028/10/28	No

Guaranteed party	Amount of guarantee	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Keda Zambia Ceramics Company Limited	EUR 959.58	2021/11/22	2027/12/15	No
Keda Ceramics International Company Limited	EUR 1,794.61	2022/9/30	2029/12/15	No
Keda (Sn) Ceramics Company Limited	EUR 524.76	2021/8/1	2027/12/15	No
Tilemaster Investment Limited & Keda Cameroon Ceramics Company Limited	EUR 2,462.37	2023/7/24	2030/6/15	No
Tilemaster Investment Limited & Brightstar Investment Limited	EUR 16,000.00	2024/1/31	2028/12/15	No
Tilemaster Investment Limited	EUR 2,000.00	2025/10/22	2028/10/22	No
Tilemaster Investment Limited	66,400.00	2025/3/18	2031/6/9	No
Tilemaster Investment Limited	12,700.46	2025/5/30	2028/8/7	No
Brightstar Investment Limited	1,000.00	2025/8/19	2028/8/19	No

The Company as guaranteed party

Applicable Not applicable

Notes to related party guarantees

Applicable Not applicable

(5) Loans from/to related parties

Applicable Not applicable

(6) Asset transfer and debt restructuring of related parties

Applicable Not applicable

(7) Remuneration of key management members

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Project	Amount incurred in the Reporting Period	Amount incurred in the previous period
Compensation of Key Management Personnel	2,095.29	1,513.13

(8) Other related party transactions

Applicable Not applicable

Taian Fujin Investment Service Partnership (Limited Partnership) and Taian Fuhao Investment Service Partnership (Limited Partnership) are minority shareholders of the Company's controlled subsidiary Guangdong Twyford International. The two companies intend to transfer 0.90% and 0.60% equity interests in Guangdong Twyford International indirectly held by their partner Li Yuejin to be directly held by Li Yuejin, at the price of RMB 34.2022 million and RMB 22.8015 million, respectively. After

the transfer is completed, Li Yuejin's shareholding in Guangdong Twyford International will change from indirectly holding a 1.50% equity interest through the partnership enterprises to directly holding a 1.50% equity interest. During the Reporting period, Li Yuejin has completed the payment of the transfer consideration, and Guangdong Twyford International has completed the industrial and commercial change procedures.

6. Unsettled items such as receivables from and payables to related parties

(1) Receivables

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	Sunda Group Co., Ltd.	6,751.47	335.89		
Accounts receivable	Guangdong Hongyu Group Co., Ltd.	929.03	41.35	40.57	3.28
Accounts receivable	Zhangzhou Grande Graphite Material Co., Ltd.			236.85	3.59
Accounts receivable	Guangdong Lesso Technology Industrial Co., Ltd.	171.35	3.99	0.04	
Accounts receivable	Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	153.04	9.16		
Other receivables	Guangdong Hongyu Group Co., Ltd.	9.09	0.01	7.09	
Other receivables	Sunda Group Co., Ltd.	40.21	2.01		
Prepaid accounts	FCRI Group Co., Ltd.	85.00			
Prepaid accounts	Guangdong Lesso Technology Industrial Co., Ltd.	3.95			
Notes receivable	Guangdong Hongyu Group Co., Ltd.	11.88			

(2) Payables

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Related party	Closing book balance	Opening book balance
Accounts payable	Sunda Group Co., Ltd.	1,188.45	3,545.37
Accounts payable	Zhangzhou Grande Graphite Material Co., Ltd.	70.62	89.97
Accounts payable	FCRI Group Co., Ltd.		460.94
Accounts payable	Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	5,478.54	3,076.08
Other payables	Zhangzhou Grande Graphite Material Co., Ltd.	754.91	735.00

Other payables	Foshan Keda Ceramic Technology Co., Ltd.	360.00	122.86
Other payables	FCRI Group Co., Ltd.		0.50
Notes payable	FCRI Group Co., Ltd.	741.62	709.09
Accounts payable	Guangdong Hongyu Group Co., Ltd.	7,786.39	2,790.86
Contract liabilities	Guangdong Hongyu Group Co., Ltd.	17.40	
Contract liabilities	Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.		605.31
Contract liabilities	Sunda Group Co., Ltd.	535.29	

(3) Other projects

Applicable Not applicable

7. Related party commitments

Applicable Not applicable

8. Others

Applicable Not applicable

XV. Share-based Payment

1. Various equity instruments

(1) Breakdown

Applicable Not applicable

(2) Share options or other equity instruments issued and outstanding at the end of the Reporting Period

Applicable Not applicable

Other notes

1. The Company held the 29th Meeting of the 8th Board of Directors and the 25th Meeting of the 8th Board of Supervisors on April 26, 2024, and reviewed and approved the *Proposal on the Holding Subsidiaries' Capital Increase and Related Party Transactions*, 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. The Company convened the 6th Meeting of the 9th Board of Directors on March 26, 2025, the 2024 Annual General Meeting of Shareholders on April 16, 2025, and the 8th Meeting of the 9th Board of Directors on May 30, 2025. It reviewed and approved related proposals such as the *Draft of the 2025 Employee Stock Ownership Plan (ESOP) and Summary*. On July 15, 2025, the company completed the non-trading transfer of 4,803 thousand shares at a price of 3.95 yuan per share to the dedicated securities account of "Keda Manufacturing Co., Ltd. - 2025 Employee Shareholding Plan".. Transferred shares accounted for 2.50% of the Company's total share capital. According to the relevant

provisions of the Company's 2025 Employee Stock Ownership Plan, the duration of this plan is 48 months. The first-granted stocks will be unlocked in three phases starting from the date the Company announces the transfer of the initially granted stocks to the plan. The lock-in periods are 12 months, 24 months, and 36 months, with corresponding unlocking ratios of 40%, 30%, and 30%. The Company will determine whether the unlocking conditions are met based on the assessment results of each assessment year.

The performance assessment of the Company at the corporate level for the first lock-up period of this shareholding plan yielded the following results: in 2025, the Company achieved operating revenue of RMB 17.389 billion, representing an increase of 38.01% compared with RMB 12.6 billion in 2024; after excluding the effects of non-recurring gains and losses, exchange gains and losses for the current year, investment income from Qinghai Lithium, and share-based payment expenses related to the incentive plan, the Company achieved net profit attributable to shareholders of listed companies of RMB 1.013 billion in 2025, representing an increase of 52.78% compared with RMB 663 million in 2024. Accordingly, the corporate-level performance target for the first lock-up period of the Company's 2025 Employee Shareholding Plan has been met.

2. Equity-settled share-based payment

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Recipients of equity-settled share-based payment	Directors (excluding independent directors), supervisors, senior management, middle management, and core business employees of the Company and its subsidiaries
Determination of the fair value of equity instruments on the date of grant	Market method / Public market price on the grant date
Important parameters of the fair value of equity instruments on the date of grant	Adopting the asset valuation value on the date of grant/ Public market price
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 current and previous estimates	
Cumulative amount of equity-settled share-based payments included in the capital reserve	15,384.95

3. Cash-settled share-based payment

Applicable Not applicable

4. Share-based payment expenses in the Reporting Period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Type of recipients	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Directors (excluding independent directors), supervisors, senior management, middle management, and core business employees of the Company and its subsidiaries	10,668.55	

Executives, middle management, and core key employees of Guangdong Twyford International	3,623.37	
Total	14,291.92	

5. Modification and termination of share-based payment

Applicable Not applicable

6. Others

Applicable Not applicable

XVI. Commitments and Contingencies

1. Significant commitments

Applicable Not applicable

2. Contingencies

(1) Significant contingencies on the balance sheet date

Applicable Not applicable

(2) If the Company does not have significant contingencies to be disclosed, it should also be stated:

Applicable Not applicable

3. Others

Applicable Not applicable

1、 Prosecution raised by 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”) 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 , (2024) S. 01 M. CH. No. 16and (2024) Su Zhimin Civil Case No. 3]

In December 2024, the Company and its subsidiary received four first-instance civil judgments from the Nanjing Intermediate People's Court of Jiangsu Province [(2023) Su 01 Min Chu No. 4209, (2023) Su 01 Min Chu No. 4210, (2023) Su 01 Min Chu No. 4211, and (2024) Su 01 Min Chu No. 16], which ordered to support some of the litigation demands of Jiangnan Environmental Protection, and that Jiangsu Kehang 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 with the Jiangsu Provincial Higher People’s Court against the first-instance principal claims,

and the first-instance principal claims and counterclaims, in four cases originally heard by the Nanjing Intermediate People's Court of Jiangsu Province.. The appeals have all been accepted by the Jiangsu Provincial Higher People's Court [(2025) S. M. ZH. Nos. 93, 94, 145 and 146]. The second instance is currently under trial proceedings, and no verdict has been rendered yet.

In April 2024, Jiangnan Environmental Protection filed a lawsuit with the Jiangsu Provincial Higher People's Court against Jiangsu Kehang for infringement of technical secrets [Case No. (2024) Su Zhi Min Chu No. 3], which is currently under first-instance trial.

As at December 31, 2025, the Company has recognized estimated liabilities of RMB18,327.5 thousand in accordance with the above civil judgments.

2、 In the dispute over a contract for work between Anhui Keda Clean Energy Co., Ltd. and Hebei Tianyuan Chemical Group Co., Ltd., both parties, dissatisfied with the civil judgment of the Quyang County People's Court of Hebei Province (Case No.: (2023) Ji 0634 Min Chu No. 3134), filed an appeal with the Baoding Intermediate People's Court of Hebei Province. Pursuant to the civil ruling of the latter court (Case No.: (2024) Ji 06 Min Zhong No. 6456), the original judgment of the Quyang County People's Court of Hebei Province (Case No.: (2023) Ji 0634 Min Chu No. 3134) was revoked, and the case was remanded to the Quyang County People's Court of Hebei Province for retrial. As a new judgment has not yet been rendered, the outcome of the case remains uncertain. As of December 31, 2025, the Company had recognized a provision of RMB 20.6983 million in accordance with the original judgment.

XVII. Subsequent Events after the Balance Sheet Date

1. Important non-adjusting matters

Applicable Not applicable

2. Profit distribution

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Profits or dividends to be distributed	57,176.60
Profits or dividends declared to be distributed after review and approval	

On March 27, 2026, as reviewed and approved at the 16th meeting of the Ninth Board of Directors, the Company's profit distribution proposal for 2025 is as follows: based on the total number of shares entitled to profit distribution of 1,905,886,529 shares (calculated as the total share capital of 1,917,856,391 shares less 11,969,862 shares held in the Company's special repurchase securities account), the Company intends to distribute a cash dividend of RMB 3.00 (pre-tax) for every 10 shares to all shareholders, with a total cash dividend distribution of RMB 571.766 million (pre-tax). This proposal is subject to review and approval at the shareholders' meeting before becoming effective.

3. Sales return

Applicable Not applicable

4. Notes to other subsequent events after the balance sheet date

Applicable Not applicable

On January 28, 2026, the 15th Meeting of the Company's 9th Board of Directors reviewed and approved the Proposal on the Plan of Keda Industrial Group Co., Ltd. for Issuing Shares and Paying Cash to Purchase Assets and Raising Supporting Funds and Related party Transactions and other proposals. The Company plans to acquire 51.55% of the equity of Guangdong Twyford International by means of issuing shares and paying cash, and to issue shares to no more than 35 specific investors to raise supporting funds (hereinafter referred to as "this transaction"). This transaction consists of issuing shares and paying cash to purchase assets and raising supporting funds. The raising of supporting funds is premised on the successful implementation of the issuing of shares and paying cash to purchase assets. The issuing of shares and paying cash to purchase assets is not premised on the successful implementation of the raising of supporting funds. Whether the raising of supporting funds is ultimately successful does not affect the implementation of this issuance of shares and payment of cash to purchase assets. Currently, the audit, assessment, and other work related to this transaction are being advanced in an orderly manner. The transaction plan still needs to be resubmitted to the Company's Board of Directors for further deliberation and to the Company's shareholders' meeting for review and approval, and may be implemented only after being approved by, passing the review of, or being agreed for registration by the competent regulatory authorities. For details, please refer to the relevant announcements of the company..

XVIII. Other Key Matters

1. Correction of previous accounting errors

For details, see the “Analysis and Explanation of the Reasons and Impact of Changes in Accounting Policies, Accounting Estimates, or Correction of Major Accounting Errors” under “Key Matters”.

2. Significant debt restructuring

Applicable Not applicable

3. Asset replacement

(1) Exchange of non-monetary assets

Applicable Not applicable

(2) Other asset replacement

Applicable Not applicable

4. Annuity plan

Applicable Not applicable

5. Discontinued operation

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Income	Fees	Total profits	Income tax expense	Net profit	Profits from discontinued operation attributable to owners of the parent company
Clean energy services		248.80	-248.80		-248.80	-248.80
Total		248.80	-248.80		-248.80	-248.80

6. Segment information

(1) Determination basis and accounting policies for reportable segments

√ Applicable Not applicable

A Company's operating segment refers to a component that meets all of the following conditions:

1. The component can generate revenue and incur expenses in its routine activities;
2. The management is able to regularly evaluate the operating results of the component to decide on resource allocation and assess its performance;
3. The financial condition, operating results, and cash flow of the component can be analyzed through relevant accounting information.

The Company divides its business operations based on internal organizational structure, management requirements, and internal reporting policies. Under the above principles, the Company determines its reportable segments based on business divisions, with a total of five operating segments, namely:

1. Building materials machinery: Manufacturing and sale of building materials machinery, and provision of ancillary services such as spares & consumables, equipment maintenance and transformation, and digitization upgrading;
2. Building materials: Manufacturing and sale of building ceramics, sanitary ware, glass, etc.;
3. New energy machinery: Manufacturing of new energy machinery, manufacturing and sale of related parts, and general engineering contracting services;
4. Lithium battery materials: Graphitization OEM, and R&D, manufacturing, and sale of artificial graphite anode products;
5. Others: Sale of hydraulic machinery, financial leasing, smart energy, and car leasing services.

(2) Financial data on reportable segments

√ Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Building materials machinery	Building materials	New energy equipment	Lithium battery materials	Others	Offsets between segments	Total
Operating revenue	536,015.27	818,541.54	129,379.47	238,431.29	49,416.46	-32,837.01	1,738,947.02
Operating expenses	410,487.07	529,900.36	107,179.01	206,671.89	30,630.75	-31,155.57	1,253,713.51

(3) Where the Company has no reportable segment or cannot disclose the total assets and liabilities of each reportable segment, it should specify the reasons.

Applicable Not applicable

(4) Other notes

Applicable Not applicable

7. Other key transactions and matters influencing the decision-making of investors

Applicable Not applicable

8. Others

Applicable Not applicable

XIX. Notes to the Main Items of the Financial Statements of the Parent Company

1. Accounts receivable

(1) Disclosure by aging

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Closing book balance	Opening book balance
Within one year (inclusive)	46,255.31	58,661.81
One to two years	8,748.40	10,953.22
Two to three years	6,977.93	3,774.17
Over three years	2,911.60	1,008.03
Total	64,893.24	74,397.23

(2) 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	Percent age (%)	Amount	Provision percentage (%)		Amount	Percent age (%)	Amount	Provision on percent age (%)	
Provision set aside for bad debts by the single item	3,094.77	4.77	2,619.47	84.64	475.30	3,548.64	4.77	1,323.51	37.30	2,225.13
Provision set aside for bad	61,798.47	95.23	3,350.66	5.42	58,447.81	70,848.59	95.23	3,666.77	5.18	67,181.82

debts by portfolio											
Including:											
Accounts receivable with provision for bad debts by ageing grouping	31,590.52	48.68	3,350.66	10.61	28,239.86	34,111.26	45.85	3,666.77	10.75	30,444.49	
Payment for goods from subsidiaries	30,207.95	46.55			30,207.95	36,737.33	49.38			36,737.33	
Total	64,893.24	/	5,970.13	/	58,923.11	74,397.23	/	4,990.28	/	69,406.95	

Provision set aside for bad debts by the single item:

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing Balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 42	2,376.50	1,901.20	80.00	Projected risk of recovery
Customer 43	474.57	474.57	100.00	Irrecoverable as projected
Others	243.70	243.70	100.00	
Total	3,094.77	2,619.47	84.64	/

Notes to the 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: Accounts receivable with the provision set aside for bad debts by the credit risk profile grouping

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Within one year	19,683.97	526.16	2.67
One to two years	5,833.03	489.59	8.39
Two to three years	3,418.93	687.33	20.10
Three to four years	1,954.63	1,017.37	52.05
Four to five years	336.97	267.22	79.30
Over five years	362.99	362.99	100.00

Total	31,590.52	3,350.66	10.61
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Notes to the provision set aside for bad debts 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 receivable arising from changes in the provision for losses in the Reporting Period:

Applicable Not applicable

(3) Provision for bad debts

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the reporting period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	4,990.28	1,003.32	-	23.30	-0.17	5,970.13
Total	4,990.28	1,003.32	-	23.30	-0.17	5,970.13

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(4) Accounts receivable written off in the Reporting Period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Written-off amount
Accounts receivable written off	23.30

Including: Write-off of significant accounts receivable

Applicable Not applicable

Notes to the write-off of accounts receivable:

Applicable Not applicable

(5) Top five accounts receivable and contract assets in the closing balance categorized by debtors

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Unit	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage in the total closing balance of the accounts receivable and contract assets (%)	Closing balance of the provision for bad debts
Forwell International (HK) Co., Limited	6,847.03		6,847.03	10.55	
Keda Industrial (India) Limited	5,874.40		5,874.40	9.05	
Anhui Xincheng Financial and Leasing Co., Ltd.	5,138.71		5,138.71	7.92	
Xincheng International (Hong Kong) Co., Ltd.	4,253.88		4,253.88	6.56	
Customer 44	3,437.23		3,437.23	5.30	92.15
Total	25,551.25		25,551.25	39.38	92.15

Other notes:

 Applicable Not applicable**2. Other receivables****Presentation of items** Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
Interest receivable		
Dividends receivable		
Other receivables	122,681.99	129,975.80
Total	122,681.99	129,975.80

Other notes:

 Applicable Not applicable**Interest receivable****(1) Classification of interest receivable** Applicable Not applicable

(2) Significant overdue interest

Applicable Not applicable

(3) Classified disclosure according to the methods for setting aside provision for bad debts

Applicable Not applicable

Provision set aside for bad debts by the single item:

Applicable Not applicable

Notes to the provision set aside for bad debts 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 reporting period:

Applicable Not applicable

(5) Provision for bad debts

Applicable Not applicable

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(6) Interest receivable written off in the Reporting 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

Dividends receivable**(1) Dividends receivable**

Applicable Not applicable

(2) Significant dividends receivable with an age of more than one year

Applicable Not applicable

(3) Classified disclosure according to the methods for setting aside provision for bad debts

Applicable Not applicable

Provision set aside for bad debts by the single item:

Applicable Not applicable

Notes to the provision set aside for bad debts 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 dividends receivable arising from changes in the provision for losses in the reporting period:

Applicable Not applicable

(5) Provision for bad debts

Applicable Not applicable

Including: Significant amount of provision for bad debts recovered or reclassified in the Reporting Period:

Applicable Not applicable

(6) Dividends receivable written off in the Reporting Period

Applicable Not applicable

Including: Write-off of significant dividends receivable

Applicable Not applicable

Notes on write-off:

Applicable Not applicable

Other notes:

Applicable Not applicable

Other receivables

(1) Disclosure by aging

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Aging	Closing book balance	Opening book balance
Within one year (inclusive)	79,687.94	47,652.67
One to two years	11,119.32	8,952.73
Two to three years	6,572.53	39,044.36
Over three years	47,189.50	58,349.24
Total	144,569.29	153,999.00

(2) Classification based on the fund nature

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Nature of fund	Closing book balance	Opening book balance
Intercompany current accounts	139,081.95	149,107.82
Other current accounts	1,345.11	1,941.54
Export tax rebate	4,142.23	2,949.64
Total	144,569.29	153,999.00

(3) Provision set aside for bad debts

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Provision for bad debts	Phase I	Phase II	Phase III	Total
	Expected credit loss for the next 12 months	Expected credit loss during the whole outstanding maturity (without credit impairment loss)	Expected credit loss during the whole outstanding maturity (with credit impairment loss)	
Balance as of January 1, 2025	38.54		23,984.66	24,023.20
Balance as of January 1, 2025 in the reporting period	38.54		23,984.66	24,023.20
-- Transferred to Phase II				
-- Transferred to				

Phase III				
-- Reclassified under Phase II				
-- Reclassified under Phase I				
Provision in the reporting period	-25.51	-	-2,097.39	-2,122.90
Reclassification in the reporting period				
Charge-off in the reporting period				
Write-off in the reporting period			13.00	13.00
Other changes				
Balance on December 31, 2025	13.03	-	21,874.27	21,887.30

Notes to the significant changes in the book balance of other receivables arising from changes in the provision for losses in the Reporting 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 Reporting Period:

Applicable Not applicable

(4) Provision for bad debts

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening balance	Change in the reporting period				Closing balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts for other receivables	24,023.20	-2,122.90	-	13.00	-	21,887.30
Total	24,023.20	-2,122.90	-	13.00	-	21,887.30

Including: Significant amount of provision for bad debts reclassified or recovered in the Reporting Period:

Applicable Not applicable

(5) Other receivables written off in the Reporting Period

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Written-off amount
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Other receivables written off	13.00
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Including: Write-off of significant other receivables:

Applicable Not applicable

Notes to the write-off of other receivables:

Applicable Not applicable

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

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Unit	Closing balance	Percentage in the total closing balance of other receivables (%)	Account nature	Aging	Provision for bad debts Closing balance
Fujian Keda New Energy Technology Co., Ltd.	49,300.00	34.10	Intercourse funds	Within two years	
Anhui Keda Investment Co., Ltd.	32,361.09	22.38	Intercourse funds	Within six years	
Shenyang Keda Clean Energy Gas Co., Ltd.	24,531.75	16.97	Intercourse funds	Within eight years	21,874.27
Forwell International (HK) Co., Limited	9,533.07	6.59	Intercourse funds	Within one year	
Xiamen Keda New Energy Technology Co., Ltd.	9,500.00	6.57	Intercourse funds	Within one year	
Total	125,225.91	86.61			21,874.27

(7) 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 balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Investment in subsidiaries	674,317.88		674,317.88	714,383.79	60,000.00	654,383.79

Investment in joint ventures and associated enterprises	58,869.96		58,869.96	56,020.42		56,020.42
Total	733,187.84		733,187.84	770,404.21	60,000	710,404.21

(1) Investment in subsidiaries

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Investee	Opening balance (carrying value)	Opening balance of the provision for impairment	Change in the reporting period				Closing balance (carrying value)	Closing balance of the provision for impairment
			Increase in the investment	Decrease in the investment	Provision set aside for impairment	Others		
Guangdong Keda Lithium Industry Co., Ltd.	140,386.80						140,386.80	
HLT Industry Co., Ltd.	85,735.44					1,190.58	86,926.02	
Keda (Anhui) Clean Energy Co., Ltd.	62,432.34					1,097.29	63,529.63	
Keda Industrial (Hong Kong) Limited	59,523.32		3,130.31				62,653.63	
Keda (Anhui) New Material Co., Ltd.	313.02						313.02	
Foshan Keda Equipment Manufacturing Co., Ltd.	45,000.00					73.30	45,073.30	
Keda Holding (Mauritius) Limited	36,453.18		5,332.65				41,785.83	
Anhui Keda Investment Co., Ltd.	26,595.48					66.63	26,662.11	
Keda Foshan Industrial Co., Ltd.	20,458.75		6,875.25			288.76	27,622.76	
Guangdong Weilili New Materials Co., Ltd.	20,014.37						20,014.37	
Anhui Keda Industrial Co., Ltd.	15,582.75					546.42	16,129.17	
Forwell International (HK) Co., Limited	41,457.64		0.71				41,458.35	

Guangdong Keda Hydraulic Technology Co., Ltd.	2,829.36						2,829.36	
Foshan Keda Ceramic Technology Co., Ltd.	2,000.00						2,000.00	
Fujian Keda New Energy Technology Co., Ltd.	73,619.45					912.92	74,532.37	
Anhui Keda Smart Energy Technology Co., Ltd.	66.60					133.27	199.87	
Shenyang Keda Clean Energy Gas Co., Ltd.	0.00	60,000.00					0.00	
Shaoguan Keda Equipment Manufacturing Co., Ltd.	8,000.00					22.21	8,022.21	
Anhui Keda New Energy Equipment Co., Ltd.	7,000.00			7,000.00			0.00	
Guangdong Quanitech Material Ltd.	1,020.00					131.05	1,151.05	
Guangdong Twyford International Holding Ltd.	2,550.00						2,550.00	
Gaoan Keda Machinery Parts Co., Ltd.	200.00						200.00	
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	3,145.29						3,145.29	
Guangdong Keda New Energy Equipment Co., Ltd.			6,000.00			244.33	6,244.33	
HLT Technology Co., Ltd.						208.80	208.80	
DLT Technology Co., Ltd.						330.96	330.96	

HLT Ceramic Technology Co., Ltd.						77.74	77.74	
Guangdong HLT Construction Engineering Co., Ltd.						11.11	11.11	
Foshan Keyunda Technology Co., Ltd.			51.00				51.00	
Keda (Anhui) Hydraulic Technology Co., Ltd.						119.95	119.95	
Guangdong Xincheng Financial and Leasing Co., Ltd.						88.85	88.85	
Total	654,383.79	60,000.00	21,389.92	7,000.00		5,544.17	674,317.88	

(2) Investment in associated enterprises and joint ventures

√ Applicable □ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Investment Unit	Opening balance (Carrying value)	Change in the reporting period								Closing balance (Carrying value)	Closing balance of the provision for impairment	
		Increase in the investment	Decrease in the investment	Profits or losses of investment recognized by the equity method	Changes in other comprehensive income	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others			
I. Associated enterprises												
Foshan Keda Ceramic Technology Co., Ltd.	12,997.47			-40.90							12,956.57	
Sichuan Guangxing Lithium Battery Technology Co., Ltd.	0.00										0.00	
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	10,368.63			-2,249.54							8,119.09	
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	32,654.32			7,595.45	-55.47		2,400.00				37,794.30	
Subtotal	56,020.42			5,305.01	-55.47		2,400.00				58,869.96	
Total	56,020.42			5,305.01	-55.47		2,400.00				58,869.96	

(3) Impairment test of long-term equity investments

□ Applicable √ Not applicable

4. Operating revenue and operating expenses

(1) Operating revenue and operating expenses

Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Principal business	207,639.94	163,039.31	219,112.58	169,504.39
Other business	2,215.69	817.83	2,105.29	1,417.59
Total	209,855.63	163,857.14	221,217.87	170,921.98

(2) Information on the breakdown of operating revenue and expenses

Applicable Not applicable

Other notes

Applicable Not applicable

(3) Notes to contract fulfillment obligations

Applicable Not applicable

(4) Notes to allocation to the remaining contract fulfillment 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 incurred in the reporting period	Amount incurred in the previous period
Long-term equity investment income by cost method	28,607.81	39,749.38
Long-term equity investment income calculated by the equity method	5,305.01	3,186.39
Investment income from disposal of long-term equity investment	438.35	-53,949.77
Investment income from held-for-trading financial assets during the holding period		
Dividend income from other equity instruments investments during the holding period		

Interest income from debt investments during the holding period		
Interest income from other debt investments during the holding period		
Investment income from the disposal of held-for-trading financial assets	1,933.83	318.30
Investment income from the disposal of other equity instruments		
Investment income from the disposal of debt investments		
Investment income from the disposal of other debt investments		
Profits from debt restructuring		
Total	36,285.00	-10,695.70

Other notes:

(1) Long-term equity investment income calculated by the cost method:

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Foshan Keda Ceramic Technology Co., Ltd.	500.00	
Keda Foshan Industrial Co., Ltd.	14,969.45	
Anhui Keda New Energy Equipment Co., Ltd.	2,800.00	
Guangdong Weilili New Materials Co., Ltd.	5,790.96	35,216.80
Keda Industrial (Hong Kong) Limited	1,000.00	2,132.58
Keda (Anhui) Clean Energy Co., Ltd.	1,947.40	
Anhui Keda Industrial Co., Ltd.	1,600.00	2,400.00
Total	28,607.81	39,749.38

(2) Long-term equity investment income calculated by the equity method:

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	7,595.45	7,775.36
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	-2,249.54	-4,580.13
Others	-40.90	-8.84
Total	5,305.01	3,186.39

(3) Investment income arising from the disposal of long-term equity investments:

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the reporting period	Amount incurred in the previous period
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Shenyang Keda Clean Energy Gas Co., Ltd.	100.00	
Ningbo Huduo Energy Technology Co., Ltd.	35.47	
Sichuan Guangxing Lithium Battery Technology Co., Ltd.		10.23
Jiangsu Kehang Environmental Protection Co., Ltd.		-53,960.00
Anhui Keda New Energy Equipment Co., Ltd.	302.88	
Total	438.35	-53,949.77

(4) Investment income from the disposal of held-for-trading financial assets:

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount incurred in the Reporting Period	Amount incurred in the previous period
Wealth management products	1,933.83	318.30
Total	1,933.83	318.30

6. Others

Applicable Not applicable

XX Supplementary Data

1. Breakdown of non-recurring profits and losses in the Reporting Period

Applicable Not applicable

Unit: Ten Thousand Currency: RMB

Item	Amount	Notes
Profit or losses on disposal of non-current assets, including the portion offset for provisions for asset impairment	867.51	
Government grants included in profits and losses 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	4,770.88	
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	3,752.06	
Investment income from disposal of long-term equity investment	53.07	
Reclassification of impairment loss allowances of receivables separately tested for impairment	734.22	
Profit or loss on debt restructuring	-48.52	
Other non-operating income and expenses apart from the aforementioned items	4,829.21	
Less: Income tax effect	2,471.02	
Effect equities of non-controlling interest (after tax)	1,475.70	

Total	11,011.71	
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For non-recurring profits and losses 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 Profits and Losses* 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 Profits and Losses* 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

Profit in the reporting period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profits attributable to common shareholders of the Company	10.90	0.696	0.696
Net profits attributable to common shareholders of the Company after deducting non-recurring profits and losses	9.98	0.637	0.637

3. Differences in accounting data under domestic and overseas accounting standards

Applicable Not applicable

4. Others

Applicable Not applicable

Chairman: Bian Cheng

Date of approval by the Chairman for Submission: March 27, 2026

Revision information

Applicable Not applicable