

Stock Code: 600499

Company Name: Keda Group

**Keda Industrial Group Co., Ltd.**

**Interim Report for 2024**

## **Important Notice**

**I. The Board of Directors, the Board of Supervisors, directors, supervisors and senior management of the Company individually and collectively accept the legal responsibilities and confirm that the contents contained in this Interim 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. This Interim Report has not been audited.**

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

Profit distribution or conversion of capital reserve will not proceed during this period.

### **VI. Disclaimer related to forward-looking statements**

☒ Applicable ☐ Not applicable

The forward-looking statements such as future plans involved in the Interim 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 Interim Report disclosed by the Company**

No

### **X. Significant risk warning**

In this Interim 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 "Other Disclosure Matters" in Section III "Management Discussion and Analysis" of this Interim 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 manuscripts of all documents and announcements publicly disclosed on China Securities Journal, Securities Times, Shanghai Securities News, the website of the Shanghai Stock Exchange and the SIX Swiss Exchange during the reporting period.

## Section I Definitions

**In the Report, unless otherwise designated literally, the following terms shall have the following meanings:**

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

Guangzhou Sunda	Guangzhou Sunda International Trading Co., Ltd.
Sunda Group	Sunda Group Co., Ltd.
Keda Kenya	Keda (Kenya) Ceramics Company Limited
Keda Ghana	Keda (Ghana) Ceramics Company Limited
Keda Tanzania	Keda (Tanzania) Ceramics Company Limited
Keda Senegal	Keda (SN) Ceramics Company Limited
Keda Zambia	Keda Zambia Ceramics Company Limited
Keda Cameroon	Keda Cameroon Ceramics Limited
Keda Kisumu	Keda Ceramics International Company Limited
Welko	I. C. F. & Welko S. P. A.
Keda Luxembourg	Keda International Company S.a'r.l.
F.D.S. ETTMAR	F.D.S. Ettmar S.r.l.
GDR	Global Depository Receipts
SRC, CSRC	China Securities Regulatory Commission
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	<a href="http://www.Kedachina.com.cn">http://www.Kedachina.com.cn</a>
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	<a href="http://www.sse.com.cn">www.sse.com.cn</a>
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**

☐Applicable ☒Not Applicable

**VII. Main Accounting Data and Financial Indicators****(I) Key accounting data**

Unit: Ten Thousand Yuan Currency: RMB

Key accounting data	Current reporting period (January - June)	Corresponding period last year	Increase or decrease for the current reporting period over corresponding period last year (%)
Operating revenue	549,404.78	474,690.67	15.74
Net profit attributable to shareholders of the listed company	45,445.97	126,806.40	-64.16
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	39,980.53	120,981.10	-66.95
Net cash flows from operating activities	25,775.95	-4,801.50	636.83
	At the end of the reporting period	At the end of last year	Increase or decrease for the end of the reporting period over the end of last year (%)
Net assets attributable to shareholders of the listed company	1,127,621.70	1,139,844.18	-1.07
Total assets	2,491,461.72	2,360,417.18	5.55

**(II) Key financial indicators**

Key financial indicators	Current reporting period (January - June)	Corresponding period last year	Increase or decrease for the current reporting period over corresponding period last year (%)
Basic earnings per share (RMB per Share)	0.241	0.661	-63.54
Diluted earnings per share (RMB per Share)	0.241	0.661	-63.54



Basic earnings per share after deducting non-recurring profit or loss (RMB per Share)	0.212	0.631	-66.40
Weighted average return on net assets (%)	3.97	10.88	A decrease of 6.91 percentage points
Weighted average return on net assets after deducting non-recurring profit or loss (%)	3.50	10.38	A decrease of 6.88 percentage points

Description of key accounting data and financial indicators of the Company

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

## IX. Non-recurring profit or loss items and amounts

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Non-recurring profit or loss items	Amounts	Notes (if applicable)
Profit or loss from disposal of non-current assets	3,908.31	
Government grants charged to current profit or loss, other than those closely related to the Company's normal business operations that were granted on an ongoing basis at a fixed standard amount or quantity in accordance with certain national policies and regulations	3,225.11	
Profit or loss on changes in fair value from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, and investment income from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, other debt investment, except for effective hedging transactions that are closely related to the Company's normal operation	-897.52	
Reversal of provision for impairment of receivables and contract assets which are tested individually for impairment losses	592.16	
Profit or loss on debt restructuring	-1.42	
Other non-operating income and expenses apart from the aforementioned items	349.92	
Less: Income tax effect	1,247.85	
Effect of minority interests (after tax)	463.27	
Total	5,465.44	

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

## **X. Others**

☐Applicable ☒Not applicable

## **Section III Management Discussion and Analysis**

### **I. Explanation of Industry and Principal Business of the Company during the Reporting Period**

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

#### **i. Overview of the principal business**

##### **1. Ceramic machinery**

**Business and Product introduction:** The Company's building materials machinery business mainly focuses on ceramic machinery. The core products include press, kilns, polishing & squaring machine, etc., mainly providing downstream ceramic manufacturers with manufacturing equipment to produce tiles. The Company also provided ancillary services such as spares & consumables, equipment maintenance and transformation, and digitization upgrading for downstream ceramic manufacturers, by combining "equipment + spares & consumables + services", the Company aims to become a "comprehensive products and service providers". Based on developing the traditional advantage of ceramic machinery, the Company continues to explore cross-industry/field application of mechanical equipment, and continues to enrich the product matrix. At present, the application of the Company's press equipment has been extended to the fields of cookware pressing production, isostatic pressing/roll forming for tableware, metal forging, aluminum-profile extrusion machine and other industries. The kiln equipment has been applied to the sanitary ware, tableware, refractory materials, and lithium-ion battery industry chain.



➤ **Product market position and competitive advantage:**

(1) Brand advantage: Keda Group is the world-leading supplier of ceramic machinery. Starting from the ceramic machinery, it has achieved the historical goals of “localizing the ceramic machinery” and “becoming a world leader in the building materials machinery industry”, and has grown into a leader in the ceramics machinery industry in China and the world. It has three well-known brands, namely “Keda”, “HLT | DLT” and “ICF & Welko”, enjoying high recognition and reputation in the industry.

(2) Advantage in supplying ancillary services: At present, the Company is the only company in Asia that has the capacity to produce and supply in complete plant engineering & production of ceramic machinery. With the deepening of the “globalization” and “servitization” strategies, the Company has established overseas subsidiaries and offices, improved spares & consumables warehouses and service network, and extended its industrial chain through the acquisition of Italian mould company F.D.S. ETTMAR, equity participation in domestic ceramic pigment & glaze leader SinoCera Create-Tide, and the joint venture establishment of overseas ink brand Guangdong Quanitech. This further strengthens the integration of global marketing networks and supply chains. Currently, the Company has subsidiaries in India, Turkey, Italy, and Indonesia, with ceramic machinery business covering more than 60 countries and regions, providing comprehensive products and services to global customers.

(3) Advantage in product structure: By leveraging on the technology and craftsmanship of subsidiaries in China and Italy, the Company has gradually improved its product structure, and covered a multi-product chain in order to meet the diversified needs of customers and to have better product supporting and service capabilities.

➤ **Business model:** The Company’s ceramic machinery business has 13 production and manufacturing bases (including the production bases for key components of equipment) in Foshan, China, Italy, India, and other regions, and the products are sold domestically and to overseas regions. Through domestic direct sales and the sales models such as “direct sales + agency” and “setting up plant under joint venture + whole line of sales” in foreign regions, the Company adopts the production and operation model of “sales-oriented production”, while our own financial leasing companies can provide ancillary financial services. At the same time, through its subsidiaries and overseas offices in Turkey, India and Indonesia, the Company provides spares, consumables, maintenance, and transformation services domestically and to surrounding countries, in order to respond to the needs of overseas customers in a timely manner.

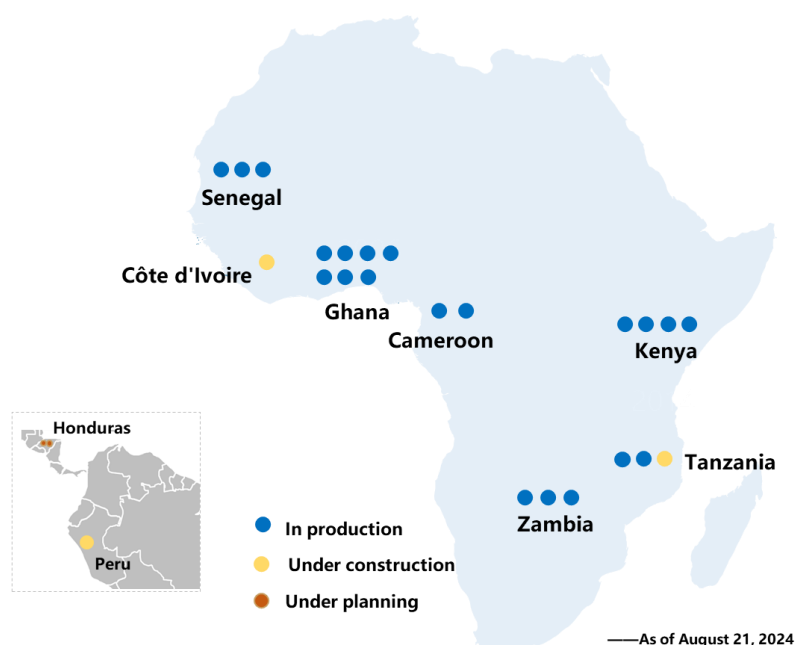
For developing countries with relatively mature development in the building materials industry, the Company has set up subsidiaries or operation bases to carry out localized operations, brought forward spares, consumables, and maintenance services to establish a strong localized sales and service team, and comprehensively upgraded the service system to increase customer loyalty. For overseas high-end markets such as Europe and the U.S., through means such as acquisition, the Company integrates Italian manufacturing to improve the product line and product strength, and promotes its core products to the high-end market by leveraging the channels of localized brands. Through setting up sample plants, whole line machinery with high-cost effectiveness, and subsequent accessories maintenance services solution, the influence of the Company's ceramic machinery in Europe and U.S. markets is enhanced, and thus explored the sales growth market.

➤ **Key performance drivers:** In the domestic market, the downstream ceramic industry faces fierce competition, coupled with the impact of the “Carbon Peak and Carbon Neutrality” energy consumption policy, gradually clearing outdated and low-end capacity. The energy-intensive ceramic industry faces the need for low-carbon production transformation and digitization upgrades. The Company meets the upgrade and transformation needs of downstream ceramic manufacturers with green and intelligent equipment or complete plant machinery and solutions, while actively paying attention to cross-field applications of ceramic machinery, stabilizing domestic business scale. In the overseas market, the Company focuses on urbanization development in emerging overseas markets and production line renewal opportunities due to old production lines and high operating costs in regions such as Europe. It actively expands high-end overseas markets and deeply develops emerging markets to enhance overseas business scale. Additionally, the Company coordinates domestic and international sales channels for equipment business, mainly supporting the development of spares & consumables services. During the Reporting Period, the Company's ceramic machinery business achieved good growth in both domestic and international revenue and orders.

## 2. Building materials

➤ **Business and product introduction:** Since 2016, the Company took the initiative to extend its business to the production of downstream building ceramics by grasping the market opportunity of accelerated development of industrialization and urbanization in Africa, in response to the appeal for “international production capacity cooperation”. Based on the consumer demands for infrastructure, industrial and household products in Africa and other emerging markets, the Company has been expanding its business centered on the strategy of “large building materials” in recent years, gradually introducing new categories such as sanitary ware and glass, planning to form a business structure of “ceramics + sanitary ware + glass”, and strategically expanding its business to other developing countries with potential. By the end of June 2024, the Company and its strategic partners have built and operated seven production bases in six countries in Africa, namely Kenya, Ghana, Tanzania, Senegal, Zambia and Cameroon. Currently, 19 production lines have been completed for building ceramics and two production lines for sanitary ware. In the first half of 2024, the Company's output of building ceramics was about 84 million square meters, and exported to many countries in East Africa, such as Uganda, Rwanda, Malawi and West Africa, such as Togo, Benin, Burkina Faso, Côte d'Ivoire, etc., and the production of sanitary wares exceeded 1 million pieces.

## The Overall Production Capacity Layout of Overseas Building Materials



➤ **Market position of product and its competitive advantage:** As a companion of African urbanization, the Company has become a leading supplier of building ceramics in Africa.

(1) **Manufacturing advantage:** Some of the equipments for the African joint venture's building ceramic production lines and sanitary ware production lines are provided by the Company. Keda Group has over 30 years of experience and technology in producing and manufacturing ceramic machinery, enabling it to provide suitable equipment, spares & consumables services, and manufacturing processes locally, thus ensuring product stability and optimizing product quality.

(2) **Broad channel advantage:** Leveraging the resources and experience accumulated by the Company's strategic partner in the building materials business, Sunda Group, through years of international trade, the joint venture's building materials projects can obtain lower raw material and spare parts costs through a complete industrial chain. Meanwhile, sales channels can be quickly expanded during the early stages of project operation, and the industrial chain can be gradually consolidated during operation.

(3) **Capital cost advantage:** as building materials industry is a capital-intensive industry, both the Company and Sunda Group possess better financial resources and can provide funds and creditability support for new projects. At the same time, in recognition of the Company's building materials business, IFC, a financial institution under the World Bank, signed a long-term loan agreement with the Company in 2020 to provide a 7-year low-interest loan for projects in Africa. In 2023, the Company renewed its partnership with IFC, which in turn provided a 5-year loan to the Company. Compared with high-interest rate bank loans in Africa, it has a better advantage in capital and financial costs.

➤ **Operating model:** The Company's building materials business is a joint venture with its strategic partner, Sunda Group. Guangdong Twyford serves as the parent company of this business segment, with Keda Group holding 51% and Sunda Group holding 32.51%. Guangdong Twyford is responsible for daily management, including operations, marketing,

production technology, supply chain, and infrastructure, which has wholly-owned subsidiaries in overseas countries responsible for the production and manufacturing of building materials plant. The Company's building materials business procures production materials through a "bidding + tender combination, supplemented by inquiry and comparison pricing" model, schedules production using an "order + forecast" model, and primarily adopts a "distribution" model for sales.

In recent years, with the extensive deployment of the joint venture's marketing network, the joint venture's building materials have gradually replaced the market share of imported tiles in some African countries. In the future, the Company plans to widely cover the building materials market in Sub-Saharan Africa and gradually replicate the successful experience in Africa to other developing countries with potential.

➤ **Key performance drivers:** Population growth and urbanization in Africa are dual engines driving the growth of the local building materials industry. According to United Nations forecasts, by 2050, the permanent urban population in Africa will increase by 900 million, accounting for two-thirds of the African population. The trend of urbanization is a key factor driving the continuous expansion of infrastructure, public buildings, and residential renovation needs. According to data from the MECS/Acimac Research Center, "In 2022, Africa's local building ceramic production capacity was 1,037 million square meters". Compared to China's current annual tile production of over 6 billion square meters with a similar population size of over 1 billion, Africa remains an incremental market with significant growth potential in tile production and consumption demand. The Company will build core competitiveness through mature manufacturing experience, extensive sales channels, and economies of scale, enhancing its market share and influence in the building materials market.

### 3. Strategic investment and cultivation

➤ **Lithium-ion battery materials and machinery:** The Company has initially formed a business structure of "anode materials + lithium-ion battery machinery + lithium salt investment". The anode materials are mainly operated by the subsidiaries Fujian Keda New Energy and Anhui New Materials. During the Reporting Period, the Company focused on promoting the trial production of the second phase project of 50,000 tons of graphitization processing at Fujian Keda New Energy, currently having an annual graphitization capacity of 90,000 tons, significantly enhancing graphitization processing capabilities. Additionally, in 2022, the Company fully launched the applicability of core mechanical equipment in the lithium battery industry through its subsidiary, primarily based on the sintering stage of lithium-ion battery materials, providing sintering equipment to produce cathode materials, anode materials, and Lepidolite mica extraction. As one of the few enterprises in the industry with "material + equipment" synergistic development, the Company has a comprehensive competitive advantage in the lithium battery business field, empowering the production of anode materials to reduce costs and increase efficiency through independently developed core production equipment. Moreover, in 2017, based on the existing anode materials-related business, the Company acquired a 48.58% stake in the Salt Lake lithium extraction company Lanke Lithium Industry, which currently has an annual production capacity of 40,000 tons of lithium carbonate, making it a significant player in China's Salt Lake lithium extraction industry.

➤ **Hydraulic pump:** Keda Hydraulic focuses on the development and technological innovation of high-end plunger pump, motors, and hydraulic systems, providing system

solutions for customers. The core technology of “high-pressure plunger pump” mastered by the Company has achieved mass production domestically and applications in various sectors. Tens of thousands of independently developed large-displacement high-pressure plunger pump and axial piston motors have been applied to leading companies in industries such as industrial machinery, construction machinery, offshore engineering, and major national projects, becoming the leading unit of multiple key national projects and a key enterprise in China’s high-end high-pressure plunger pump sector, recognized as a national “little giant” specialized enterprise. Currently, Keda Hydraulic is actively building a production base in Anhui, expanding capacity to create a strong supply chain system, striving to enhance its market share in construction machinery, and gradually establishing an overseas distribution and service network based on domestic product application experience and cost advantages, promoting localized sales and services abroad, and enhancing brand internationalization and overseas sales proportion.

➤ **Smart energy:** Keda Smart Energy specializes in the research and development of BIPV (Building Integrated Photovoltaics), the design and construction of new energy PV power storage systems, power and carbon asset trading, distribution network operation, power station operation and maintenance, and other comprehensive energy services. It has already deployed comprehensive energy services in Anhui, Guangdong, Jiangsu, Fujian, Zhejiang, Shandong, and Africa (Kenya and Tanzania), with self-owned new energy PV power storage and EPC exceeding 200MW, annual power trading exceeding 15 billion kWh, holding three operating distribution network projects, and investing in the construction of 32 charging stations. During the Reporting Period, the Company’s first overseas photovoltaic power station project was connected to the grid at the Keda Kisumu Sanitary Ware Factory. Keda Smart Energy will continue to monitor the Company’s overseas electricity usage, empowering the Company’s building materials business and reducing electricity costs.

## ii. Industry development

### 1. Ceramic machinery industry

The global ceramic production areas are widespread, with China consistently ranking first in global ceramic production for many years due to its large consumer market and production scale. Regions such as India and Brazil rank among the top global ceramic production areas, relying on their geographical location, raw material advantages, or industrial foundations. In the domestic market, the real estate market has continued to adjust this year, and the downstream ceramic industry is also facing challenges of overcapacity and supply-demand imbalance, increasing operating pressure. At the same time, in recent years, the government has frequently introduced policies for low-carbon and digitization transformation. During the Reporting Period, the State Council issued the *2024-2025 Energy Conservation and Carbon Reduction Action Plan*, requiring the completion of technical transformation or elimination of capacities below the energy efficiency benchmark level in the building materials industry by the end of 2025. The Ministry of Industry and Informationization Technology and other departments jointly issued the *Digitization Transformation Work Plan for the Raw Materials Industry (2024-2026)* and the *Implementation Plan for Equipment Renewal in the Industrial Sector*, which also put forward higher requirements for the digitization, intelligence, and greening of the building materials industry, including ceramics. The market competition and policy tightening both force the ceramic industry to accelerate transformation and upgrading, promoting the renovation of outdated production lines, optimizing industry competition patterns, and improving profitability.



Looking at the overseas market, the international situation and global liquidity tightening have brought challenges to the entire industrial chain. However, some overseas tile markets have seen a demand recovery. According to the *2023 India Tile Export* released by the MECS/Acimac Research Center, India's tile development in 2023 was rapid, with exports reaching 589.5 million square meters, a YoY increase of 39.6%, and revenue rising to 2.25 billion euros, a YoY increase of 28.2%. According to the Brazilian Tile Manufacturers Association, Brazil's tile production and sales volume declined in 2023, but tile demand is expected to see slight growth in 2024, with total tile sales in Brazil increasing by 4% YoY in the first quarter of 2024 and exports rising by 5% YoY. Meanwhile, for the ceramic machinery and equipment industry, according to the MECS Research Center of the Association of Italian Manufactures of Machinery and Equipment for Ceramic, the sales revenue of the Italian ceramic machinery and equipment industry rose to 2,373 million euros in 2023, maintaining a modest growth of 0.9%, with export sales increasing by 1.8%, and the EU and South America being its main markets; domestic sales slightly decreased by 1.2%. Currently, some overseas ceramic companies face continuous demand for production equipment upgrades due to old production lines, high energy prices, and intensified competition. Facing challenges and opportunities, the Company is actively implementing a "globalization" development strategy, promoting the construction of a global marketing network and localized service system. With green and digitization products and solutions supporting the ceramic industry's transformation and upgrading, the Company aims to achieve vertical integration through the "equipment + spares & consumables + services" business combination, establishing itself as a global building ceramic production service provider.

## 2. Building materials industry

With the rapid population growth, accelerated urbanization, and steady economic development in Africa, the overall demand for building materials products has steadily increased. According to World Bank data, the urbanization growth rate in Africa was among the highest in the world in 2023, and the urbanization process in Africa is expected to continue. According to the Africa's Urbanization Dynamics 2022 report, the proportion of Africa's population living in cities is expected to increase to about 50% by 2030, with a rejuvenation population structure bringing new growth momentum and opportunities to the consumer market.

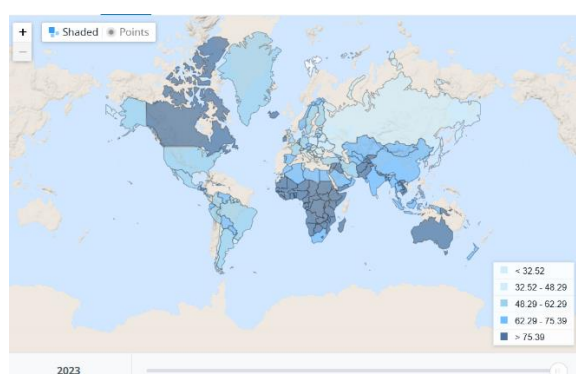


Figure: Africa's Urbanization Growth Rate in 2023  
Ranks Among the World's Highest

Source: World Bank

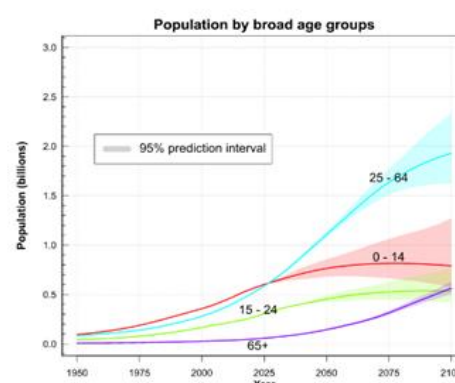


Figure: Africa's Population Shows a Trend  
of Rejuvenation

Source: United Nations



According to the MECS-Acimac *Tile Market Forecast Analysis - Trends 2022-2026*, Africa is predicted to be the fastest-growing region in the global tile consumption market from 2022 to 2026, with a compound annual growth rate of 6.6%. As demand in the African building materials market rapidly grows, it has attracted some traders and other companies to enter Africa and engage in the building materials business, gradually increasing market participants. Against this background, the Company, with its mature manufacturing experience, extensive sales channels, and economies of scale, already possesses a first-mover advantage. Furthermore, the Company is promoting the diversification of its building materials business from building ceramics to sanitary ware, household glass, and other categories, aiming to achieve sustainable development of the building materials business and build a leading African building materials industrial group.

## II. Analysis of Core Competitiveness during the Reporting Period

√Applicable   □Not Applicable

Faced with the opportunities and challenges brought by complex domestic and international policies and economic situations, the Company is focusing on the global market to strengthen its strategic layout. It is centered around and implementing a strategy that integrates globalization, servitization, digitalization, and rejuvenation, seizing the development opportunities of line of business, using technological innovation as the driving force, and solidifying the foundation for high-quality development. During the Reporting Period, the Company has persistently enhanced its core competitiveness in the following areas.

### i. Powerful advantages of localized services at home and abroad

Keda Group adheres to the development strategy of globalization, deeply cultivates overseas local markets, and optimizes resource allocation. In the ceramic machinery sector, the Company is based in China with a global outlook, and has globally positioned itself in areas such as technological research and development, production bases, sales networks, and after-sales services, aiming to realize resource sharing, complementary advantages, and synergistic development. On one hand, the Company establishes overseas subsidiaries, offices, and other entities in a timely manner to form local sales teams abroad. It also sets up overseas spares warehouses and improves its after-sales service system to comprehensively expand and strengthen its global marketing and service network, achieving round-the-clock rapid response. On the other hand, in recent years, the Company has established or transformed domestic and overseas bases, digitized upgrades, and integrated the industry chain through the acquisition of other ceramic machinery and mould companies. It has formed a layout of global production bases collaborating in nearly one million square meters, achieving a significant improvement in product quality and production efficiency. This has enabled the integration of European standard high-quality, intelligent products and production technique, continuously iterating the Company's ceramic machinery products, and strengthening the Company's competitiveness in the global ceramic machinery market.

In the building materials' sector, the Company's partner, Sunda Group, is one of the first international trade enterprises in China to enter overseas markets such as Africa and South America, and has established a wide range of channels and brand resources locally. After years of cooperation and cultivation in the African market, the building materials business has currently achieved extensive coverage of the ceramic tile market in many regions in Sub-Saharan Africa through a combination of "domestic sales and exports". It has also established certain barriers in the market, channels, and supply chain through localization. Currently, the

Company is gradually enriching the categories of building materials based on end-of-market demand, expanding horizontally to the local capacity construction of building materials products such as sanitary ware and glass, bringing the “China Solution” to the urbanization development in Africa and other regions.

## **ii. The advantages of iterative partnership mechanisms and talents with international management experience**

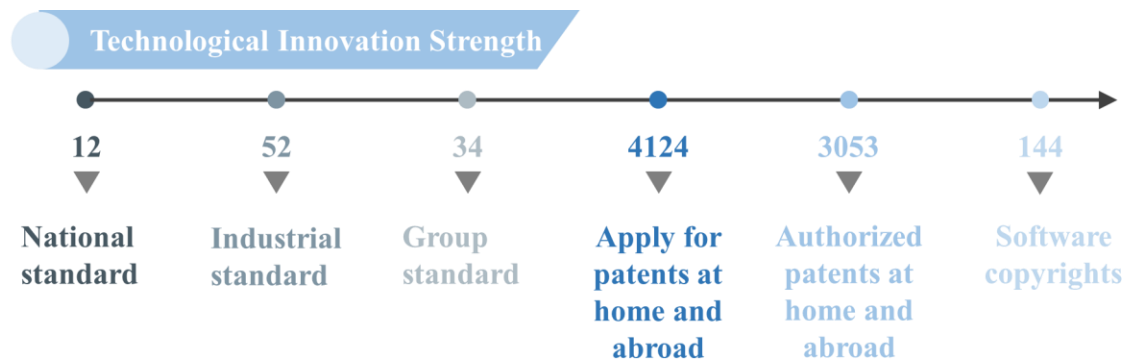
The Company has always adhered to the cultural concept of “people gather when wealth is scattered, and people scatter when wealth is gathered”, continuously exploring and practicing diverse incentive mechanisms, and creating a “partnership culture” guided by value creation. Through share incentive at the level of the listed company, employee stock ownership plans, and the establishment of an employee shareholding platform at the subsidiary level, the Company has gradually built a “partnership mechanism” of sharing benefits and risks, attracting a group of like-minded “partners”. During the Reporting Period, given the significant growth of the Company’s building materials business in recent years, the Company and its partners have gradually integrated personnel, channels, and other relevant building materials businesses by establishing a Level 2 headquarters for the building materials sector, enhancing the independence and systematic management of the business sector. At the same time, considering the overseas team’s labor costs and stability, the challenging environment of international projects, and the comprehensive consideration of long-term incentive for business growth, the Company is currently planning to establish a holding platform at the joint venture level, closely linking the core management team and key employees to business development, implementing the Company’s “partnership culture” mechanism, and supporting the Company’s long-term sustainable development. In addition, considering the adjustment of core personnel management functions within the Company and the future demand for talent incentives, the Company has optimized the employee shareholding platforms of its subsidiaries Anhui Keda Industrial, and Fujian Keda New Energy in this period, ensuring the sustainability and effectiveness of the incentive plans.

Through years of overseas operational practices, the Company has gradually formed a management team with a globalization perspective and multinational operational capabilities, accumulating rich experience in global operational management. In the future, the Company will continue to deepen its globalization presence and work closely with partners to actively address the opportunities and challenges in the global market.

## **iii. Advantages of leading the industry’s development through research and development innovation**

The Company adheres to an innovative development path of “from science to excellence”, guided by the core business philosophy of “innovation knows no bounds”, with high-level innovative research and development platforms such as the “National Recognized Enterprise Technology Center” and “Post-doctoral Research Station”, as well as industry-university-research cooperation platforms. Relying on a complete R&D system and continuous R&D commitments, the Company has accumulated numerous innovative research and development achievements at the business level, launched more high value-added products that meet new market demands, and continuously solidified the Company’s competitive

advantage position.



During the Reporting Period, Keda Group passed the re-evaluation for “National Technology Innovation Demonstration Enterprise”. The “Research, Development and Industrialization of Key Technologies to the Intelligence of Building Ceramic Polishing Line” and “Research and Industrialization of Intelligent Storage and Transportation System for Ceramic Tiles” respectively won the first and second prizes of the 2023 Guangdong Building Materials Industry Association Scientific and Technological Award. Subsidiary HLT was awarded the National Single Champion in Manufacturing Industry by the Ministry of Industry and Information Technology. Subsidiary Keda (Anhui) Clean Energy successfully established a national-level post-doctoral Research Station, demonstrating the high recognition and support of the relevant institutions for the Company in terms of technological innovation and talent development.



Figure: The Company and its subsidiaries have won multiple awards at the 20th Ceramics & Sanitary Ware Pioneers List organized by Ceramic Town Weekly.

**iv. The competitive advantage of lean manufacturing driven by both efficiency and quality**

Against the backdrop of the digitization-oriented transformation in the manufacturing industry, as a discrete heavy equipment manufacturing enterprise, the Company is firmly committed to implementing a “digitization” strategy, establishing a smart manufacturing system, and integrating lean principles into design, production, and management processes, comprehensively advancing digitization lean work. Internally, at the production end, the Company is constructing flexible production lines, establishing a unified information management platform, implementing end-to-end quantitative quality management, and optimizing the enterprise’s manufacturing capabilities. On the management end, the Company is actively establishing an informationization headquarters, planning to carry out digitization top-level design and system development from a holistic perspective, in order to enhance the Company’s operational management capabilities. During the Reporting Period, the subsidiary Foshan Keda Equipment officially completed the construction and production of the 5G smart factory. By utilizing 5G + industrial Internet technology, customizing advanced CNC machining equipment, real-time data collection, and implementing partial algorithm decisions, the Company has overcome the challenge of “non-standardization” and established an advanced large-scale equipment production factory. The subsidiary, DLT, was recognized for its “High-end Kiln Spares Digital Intelligent Production Department” as the industry’s first “digital intelligent manufacturing workshop” domestically and internationally, providing a benchmark demonstration sample for the entire industry to reference.

**Data unified source, integrated unified interface, developed unified system, hardware unified standard.**

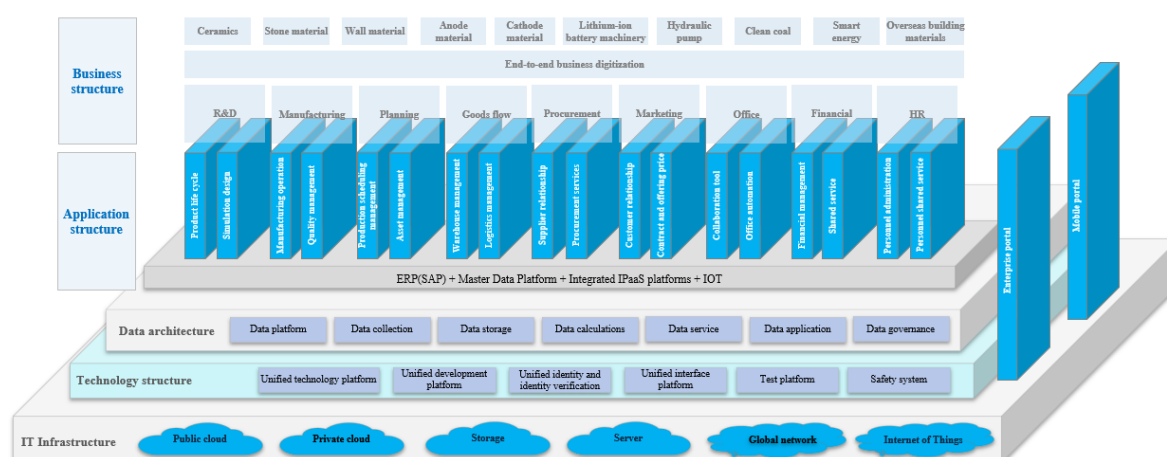


Figure: Digitization Structure of the Company

Externally, the Company leverages digital technology to empower the transformation of the industrial chain collaboration, focusing on enabling the online interconnection of the Company’s main ceramic machinery and quantifying the standardization of ceramic production experience data. It provides on-site data collection, real-time production monitoring, energy and output analysis, production control optimization, equipment failure early warning, and other information services for ceramic production enterprises. During the Reporting Period, Keda Group launched the Digitization Factory Project Zhentao MOM3.0, which, by incorporating intelligent production technique modules and collaborating with industry-leading large-scale models, customizes the best process optimization route for ceramic enterprises, thereby promoting energy conservation, consumption reduction, and improving quality and efficiency for enterprises.

The Company is actively building a lean value chain, conducting in-depth standardization of manufacturing systems, complete set improvement, quality improvement, and other work, increasing the introduction and iterative application of breakthrough product development tools focused on improving research and development products. Additionally, the Company further promotes the implementation and deepening of autonomous improvement by all employees, expanding from breadth to management process construction and optimization areas. During the Reporting Period, Keda Ceramics Machinery, as a pioneer and leader in the Group's lean work, received over 2,300 effective improvement proposals through autonomous improvement activities involving all staff. It conducted a total of 95 improvement week activities and further promoted the continuous improvement of production efficiency and production technique quality at Keda Ceramics Machinery through forms such as "BPD Workshops", enhancing supply chain platform consensus, delivery, and continuous quality improvement. In terms of building materials business, the joint venture is fully committed to promoting lean management, covering key areas such as cost control, production capacity management, formulation process optimization, energy consumption improvement, on-site 5S. Through comprehensive review and project analysis, 70 core cost control initiatives have been identified and implemented, along with 18 raw material improvement projects, resulting in a significant reduction in production fuel energy consumption. Under the promotion of lean work, other bases have successively launched lean industry reform projects, achieving certain phased results. In the future, the Company will continue to focus on operations, aiming to refine scientific improvement methods, cultivate professional talents, and strive towards the long-term goal of building a lean, intelligent factory with the best quality, optimal cost, and flexible delivery.

### III. Discussion and Analysis of Operation Status

In the first half of 2024, the international situation was severe and complicated, and the global economy faced the double challenges of stimulating growth and controlling inflation. In the face of many operational challenges, the Company firmly implemented its globalization strategy, continued to increase the localized service construction of ceramic machinery and the market layout of spares & consumables in overseas markets, and actively promoted the project construction and market operation of building materials business. During the Reporting Period, the Company recorded operating revenue of RMB 5.494 billion, up by 15.74% year-on-year; overseas business income accounted for more than 60.00%, of which. Net profit attributable to shareholders of the listed company amounted to RMB 0.454 billion. The performance of Lanke Lithium Industry, in which the Company holds a stake, decreased significantly by more than 80% compared with the same period of the previous year, resulting in a year-on-year decrease of 64.16% in the Company's net profit attributable to shareholders of the listed company.

During the Reporting Period, the Company carried out the following key tasks:

#### **i. The Company is simultaneously promoting internationalization of ceramic machinery and service enhancement, and promoting growth through generalization**

In the first half of 2024, the Company increased its efforts to develop the global market, strengthened the depth and strength of services, and consolidated the Company's competitive edges through a full range of services and solutions. During the Reporting Period, the Company's building materials machinery business income was RMB 2.705 billion, realizing an increase of about 28.97%, of which the amount of domestic and overseas orders and revenue of ceramic machinery business achieved significant growth year-on-year. In terms

of overseas markets, benefiting from the Company's continued plowing on emerging markets and the continued development of high-end markets, our overseas orders for ceramic machinery accounted for more than 60%, achieving good sales results in Southeast Asia, the Middle East, Europe, South Asia and other regions. At the same time, the production and shipment of the Company's ceramic machinery products are proceeding methodically and on schedule. The Company is also strongly supporting the establishment of a base in Turkey, and has set up a local laboratory and team in Turkey, laying a solid foundation for localized production and service.

In terms of products and services, the Company continues to improve the "equipment + spares & consumables + services" mix, promote the construction of overseas spares sales & service outlets, expand cooperation with agents and traders in key ceramic production areas, and focus on supporting the landing of spares warehouse in Indonesia, Mexico and other places. During the Reporting Period, the Company's spares & consumables business achieved significant growth year-on-year. Meanwhile, in order to support the downstream industry's transition to intelligent manufacturing and green & low-carbon business, and effectively enhance the comprehensive competitiveness of ceramic enterprises, the Company accelerated the R&D and promotion of energy-saving & environmentally friendly technologies and digitization solutions. The Company launched, among others, a digitization energy-saving slurry preparation system, a new series of upgraded presses, an intelligent tile storage system, a KING series of high-efficiency intelligent polishing line, a post-kiln intelligent complete line composed of integrated robotic fast packaging line. During the Reporting Period, the Company's post-kiln equipment, presses and raw material equipment have achieved better growth. In addition, in recent years, the Company has utilized its experience in manufacturing machinery to continuously explore the core technology as well as the boundaries of its capabilities, aiming to realize presence in new fields and realize the cross-industry/field application of machinery and equipment. At present, the generalization of the Company's presses and kilns has achieved better development. During the Reporting Period, the orders for aluminum-profile extrusion machine of subsidiary HLT totaled more than RMB 170 million, realizing the growth of overseas orders. It also landed the first complete production line project in China for automobile OEMs to equip automobile door sill beams and other small parts.

## **ii. Production capacity presence leads the expansion of building materials map, and exchange rate fluctuations caused the business to be under periodic pressure**

In the first half of 2024, the African economy demonstrated resilience despite unfavorable factors such as inflation, rising interest rates and exchange rates. Taking into account the development potential of Africa's growing population, accelerated urbanization and rejuvenation demographics, the Company is actively practicing its "Large Building Materials" strategy, and continuing to push forward the construction of production capacity and market layout. Currently the Company's Kisumu sanitary ware factory in Kenya, Cameroon ceramics project K1 and K2 line has been put into production; the ceramics production project of Cote d'Ivoire in Africa and Honduras in Central America, and the glass production project of Tanzania in Africa and Peru in South America have been in a steady progress. Currently the Company operates seven factories in six Africa countries, and owns 19 production lines for ceramics, two production lines for sanitaryware. In the first half of 2024, the output of ceramic products exceeded 84 million square meters, up about 20% year-on-year; the Company's building materials business achieved revenue of RMB 1.984 billion, up 4.02% year-on-year; the gross profit margin was 30.95%, down 12.69 percentage points year-on-year.

The performance pressure of building materials business is strongly related to the price adjustment of ceramic tile products and the exchange rate fluctuation in Africa. On the one hand, due to structural competition in the market, strategic price adjustment of projects and other factors, the sales price of ceramic tiles was under pressure in the short term, resulting in a decline in the gross profit margin of the building materials business; on the other hand, under the pressure of persistently high interest rates worldwide and the severe geopolitical situation, the depreciation of some African currencies led to a significant increase in the Company's exchange loss for the current period (including the unrealized exchange loss brought about by the external loans), and the overall profitability of the building materials business was compressed. Currently, the Company has increased the selling price of its tile products in Kenya, Tanzania, Ghana and other countries in Africa, which is expected to have a positive impact in the second half of 2024. Meanwhile, the Company will gradually increase product prices and adjust the amount of foreign debt according to the market and project progress to reduce the impact of exchange fluctuations on performance. The Company will also continue to support the cultivation of high-end brands and the upgrading of stores, actively implement the construction of channels such as centralized storage or transit warehouses, and promote cost reduction and efficiency improvement in factories, so as to ensure the stable development of the Company's overseas business.

**iii. The Company responded to the industry downturn by reducing costs and increasing efficiency, and the double increase in production and sales of Lithium-ion battery materials highlighted business resilience**

In 2024, affected by the slowdown in downstream demand growth and structural overcapacity in the industry, the price of upstream materials in the lithium battery industry continued to decline, and the investment heat in the relevant industry continued to cool down. The industry faced the challenge of periodic market imbalance and industry chain adjustment. From January to June 2024, the Company's production and sales volume of anode materials improved year-on-year. However, the Company's lithium-ion battery materials and equipment business performance was under pressure due to the industry's supply and demand relationship, downward price movement, and tightening of investment projects. During the Reporting Period, the lithium-ion battery materials business realized operating revenue of about RMB 300 million, down about 26.63% year-on-year. In view of the current downturn in the lithium battery market, the Company has conducted in-depth exploration into the business of "graphitization + energy storage anode materials", and will continue to actively promote the upgrading of manufacturing processes, deepen the path of cost reduction and efficiency improvement, and enhance product competitiveness.

As for the lithium salt investment business, during the Reporting Period, Lanke Lithium Industry's lithium carbonate production was approximately 18.9 thousand tons, sales were approximately 20.3 thousand tons and inventory was 1.3 thousand tons, with production and sales achieving year-on-year growth of more than. Meanwhile, the market selling price of lithium carbonate decreased from an average price of over RMB 200,000 per tonne in the same period of 2023 to about RMB 100,000 per tonne during the Reporting Period, resulting in a significant decline in the performance of Lanke Lithium Industry. In addition, the relevant tax rate adjustment and retrospective adjustment to recognize the purchase amount of lithium-enriched brine in the previous period (for details, please see "significant changes in the Company's operations during the Reporting Period, as well as the matters that have a significant impact and are expected to have a significant impact on the Company's operations during the Reporting Period" below) would result in an approximately increase of RMB 0.4 billion in the operating cost of Lanke Lithium Industry in the Reporting Period. Under the

influence of the above factors, during the Reporting Period, Lanke Lithium Industry realized operating revenue of RMB 1.685 billion and net profit of RMB 0.317 billion, contributing RMB 0.138 billion to the Company's net profit attributable to the parent company. Its performance was significantly reduced by more than 80% compared to the same period of the previous year, resulting in its impact on the Company's net profit attributable to shareholders of the listed company decreasing by more than RMB 0.7 billion compared to the same period of the previous year.

**Significant changes in the Company's operations during the Reporting Period, as well as the matters that have a significant impact and are expected to have a significant impact on the Company's operations during the Reporting Period**

☒Applicable ☐Not Applicable

QingHai Salt Lake Industry Co Ltd. (hereinafter referred to as "Salt Lake Stock"), the controlling shareholder of Lanke Lithium Industry, is required to pay additional resource tax for the development of natural brine resources. As a result, the VAT rate on the maintenance fees of the salt field and brine mining system paid by Lanke Lithium Industry to the Company from 2021 to 2023 was adjusted from 6% to 13%. At the same time, the Company proposed to retrospectively adjust the sales price of lithium brine to Lanke Lithium Industry from 2021 to 2022 in the same manner as the pricing of lithium brine in 2023, and record the difference in the adjusted RMB 581 million (including tax) for the cost of purchasing brine to the first half of 2024. Based on the relevant financial data provided by Lanke Lithium Industry, the combined effect of the increase in VAT deductible input tax and the increase in brine costs led to an increase of approximately RMB400 million in the operating cost of Lanke Lithium Industry during the Reporting Period.

At present, the above two adjustments have been considered by the board of directors and general meeting of Lanke Lithium Industry, and the Company has clearly expressed its objection to the second retrospective adjustment of the amount of lithium brine purchased by Lanke Lithium Industry. It is possible that that Salt Lake Stock will transfer the amount upon accounting treatment related to the relevant expenses of Lanke Lithium Industry. The Company is highly concerned about the aforesaid matters and has cooperated with its lawyers to sort out the relevant legal and regulatory basis involved in the implementation of the proposal in the first instance. The Company believes that Lanke Lithium Industry is not the subject of resource tax and the previous contract has been fulfilled, therefore, there is a lack of legal basis for the retroactive payment of brine charges for the period from 2021 to 2022, which is not in line with the relevant provisions of the *Articles of Association* of Lanke Lithium Industry. At present, Lanke Lithium Industry has recognized the above adjustments to the value-added tax rate of the maintenance fee of the salt field and brine mining system, as well as the retrospective adjustments to the amount of purchase of lithium brine in the Reporting Period for the relevant accounting treatment. Adhering to a principle of caution, the Company is only able to recognize the relevant investment income based on the statements provided by Lanke Lithium Industry. The Company is contacting Salt Lake Stock for consultation on this matter and seeking a legal and compliant way of handling the matter, but the parties have not yet reached an agreement. The Company will actively monitor the progress of the aforesaid matter and will take all necessary legal means and measures to actively safeguard the legitimate rights and interests of the Company and investors. The operation of Lanke Lithium Industry is currently normal, if the Company actively urges Lanke Lithium Industry to suspend the above adjustments and complete the recovery of the accounting, it is expected to have a positive impact on the future profits of Lanke Lithium



Industry and the Company. The specific accounting treatment and related financial data shall be subject to the results of the audit confirmation by the auditor in the Company's annual report.

#### IV. Main Operations During the Reporting Period

##### i. Main business analysis

##### 1. Analysis of changes in the subjects related to the financial statements

Unit: Ten Thousand Yuan Currency: RMB

Subject	Balance in the current period	Amount of same period last year	Proportion of change (%)
Operating revenue	549,404.78	474,690.67	15.74
Operating expenses	408,587.36	323,939.87	26.13
Selling expenses	30,161.09	27,944.10	7.93
Administration expenses	41,782.68	33,886.26	23.30
Financial expenses	14,589.63	-6,375.34	328.84
R&D expenses	16,777.85	13,907.77	20.64
Net cash flows from operating activities	25,775.95	-4,801.50	636.83
Net cash flows from investing activities	-96,930.32	-188,935.85	48.70
Net cash flows from financing activities	-9,233.84	155,586.48	-105.93

Explanation of reasons for changes in financial expenses: The amount of financial expenses in the current period increased by 328.84% compared with the same period last year, mainly due to the increase in the Company's exchange losses and interest expenses in the current period.

Explanation of reasons for the change in net cash flows from operating activities: The net cash flows from operating activities in the current period increased by 636.83% as compared with the corresponding period of the previous year, mainly due to the increase in the Company's sales volume and export tax rebate received in the current period.

Explanation of reasons for the change in net cash flows from investing activities: The net cash flows from investing activities in the current period decreased by 48.70% as compared with the corresponding period of the previous year, mainly due to the increase in the Company's cash payments made for investment in Jiaying Keda Jinhong Fund in the corresponding period of the previous year and its cash dividends from its associate Lanke Lithium Industry in the current period.

Explanation of reasons for the change in net cash flows from financing activities: The net cash flows from financing activities in the current period decreased by 105.93% as compared with the corresponding period of the previous year, mainly due to the increase in the Company's borrowings from banks in the corresponding period of the previous year.

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

☐Applicable ☒Not Applicable

**ii. Major changes in profits caused by non-principal business**

☐Applicable ☒Not Applicable

**iii. Analysis of assets and liabilities**

☒Applicable ☐Not Applicable

**1. Assets and liabilities**

Unit: Ten Thousand Yuan

Item	Amount as at the end of the Reporting Period	Amount as at the end of the Reporting Period	Amount as at the end of the Reporting Period	Amount as at the end of the Reporting Period	Amount as at the end of the Reporting Period	Amount as at the end of the Reporting Period
Monetary funds	321,440.69	12.90	360,218.54	15.26	-10.77	
Financial assets held for trading	43,468.48	1.74	29,089.94	1.23	49.43	
Notes receivable	9,314.88	0.37	5,474.33	0.23	70.16	
Accounts receivable	186,544.78	7.49	176,691.26	7.49	5.58	
Accounts receivables financing	9,268.38	0.37	23,576.65	1.00	-60.69	
Advanced payments	47,186.53	1.89	41,455.95	1.76	13.82	
Other receivables	21,660.87	0.87	55,297.80	2.34	-60.83	
Inventories	414,796.84	16.65	366,773.97	15.54	13.09	
Contract assets	20,198.14	0.81	24,180.56	1.02	-16.47	
Non-current assets due within one year	55,177.53	2.21	43,894.60	1.86	25.70	
Other current assets	52,526.46	2.11	49,919.24	2.11	5.22	
Long-term receivables	22,235.75	0.89	21,198.62	0.90	4.89	
Long-term equity investments	320,731.23	12.87	300,048.39	12.71	6.89	
Other equity instruments investments	88,851.70	3.57	81,395.85	3.45	9.16	
Other non-current financial assets	1,450.91	0.06	500.00	0.02	190.18	
Fixed assets	430,620.10	17.28	403,096.25	17.08	6.83	
Construction in progress	210,074.15	8.43	143,181.73	6.07	46.72	

Right-of-use asset	1,843.19	0.07	1,704.47	0.07	8.14	
Intangible assets	83,653.29	3.36	87,443.00	3.70	-4.33	
Goodwill	92,763.62	3.72	91,322.92	3.87	1.58	
Long-term deferred expenses	56.30	0.00	34.26	0.00	64.34	
Deferred tax assets	35,400.82	1.42	33,185.06	1.41	6.68	
Other non-current assets	22,197.08	0.89	20,733.79	0.88	7.06	
Total assets	2,491,461.72	100.00	2,360,417.18	100.00	5.55	
Short-term loans	51,332.06	4.56	57,234.79	5.77	-10.31	
Financial liabilities held for trading	59.22	0.01	526.28	0.05	-88.75	
Notes payable	70,751.14	6.29	57,889.54	5.84	22.22	
Accounts payable	202,163.33	17.98	183,950.36	18.55	9.90	
Contract liabilities	212,583.61	18.90	188,871.57	19.05	12.55	
Employee benefits payable	12,066.41	1.07	20,284.62	2.05	-40.51	
Taxes payable	11,550.95	1.03	8,736.01	0.88	32.22	
Other payables	85,679.38	7.62	19,808.27	2.00	332.54	
Non-current liabilities due within one year	108,197.62	9.62	87,969.55	8.87	22.99	
Other current liabilities	21,836.83	1.94	17,436.83	1.76	25.23	
Long-term loans	338,407.18	30.09	339,855.16	34.27	-0.43	
Lease liabilities	1,753.67	0.16	1,601.34	0.16	9.51	
Estimated liabilities	2,255.26	0.20	205.18	0.02	999.14	
Deferred revenue	3,216.95	0.29	3,336.86	0.34	-3.59	
Deferred income tax liabilities	1,361.97	0.12	1,648.94	0.17	-17.40	
Other non-current liabilities	1,359.28	0.12	2,345.81	0.24	-42.06	
Total liabilities	1,124,574.86	100.00	991,701.11	100.00	13.40	

Other notes:

(1) The closing balance of financial assets held for trading in the current period increased by 49.43% from the previous year, mainly due to the Company's purchase of wealth management products in the current period.

(2) The closing balance of notes receivable in the current period increased by 70.16% from the previous year, mainly due to the increase in the Company's banker's acceptances and commercial acceptance bills of lower credit ratings.

(3) The closing balance of receivables in the current period decreased by 60.69% from the previous year, mainly due to the decrease in undue banker's acceptances held by the Company in the current period.

(4) The closing balance of other receivables in the current period decreased by 60.83% from the previous year, mainly due to the Company's recovery of dividends to Lanke Lithium Industry in the current period.

(5) The closing balance of other non-current financial assets in the current period increased by 190.18% from the previous year, mainly due to the Company's investment in Huade Chengzhi Zhongke Equity Investment (Beijing) Partnership (Limited Partnership) in the current period.

(6) The closing balance of construction in progress in the current period increased by 46.72% from the previous year, mainly due to the investments in construction in progress by subsidiaries Keda Tanzania, Fujian Keda New Energy, Keda Cameroon and Foshan Keda Equipment.

(7) The closing balance of financial liabilities held for trading in the current period decreased by 88.75% from the previous year, mainly due to the change in fair value of the Company's contracts for forward foreign exchange in the current period.

(8) The closing balance of employee benefits payable in the current period decreased by 40.51% from the previous year, mainly due to the Company's payment of the annual bonus accrued in the previous year in the current period.

(9) The closing balance of taxes payable in the current period increased by 32.22% from the previous year, mainly due to the increase in the Company's corporate income tax in the current period.

(10) The closing balance of other payables in the current period increased by 332.54% from the previous year, mainly due to the listed company's announcement on distribution of cash dividends to shareholders in the current period.

(11) The closing balance of employee benefits payable in the current period decreased by 999.14% from the previous year, mainly due to the projected liabilities accrued by the subsidiary, Keda (Anhui) Clean Energy, according to the Civil Judgment issued by the People's Court of Quyang County, Hebei Province ((2023) Ji 0634 Minchu No. 3134).

(12) The closing balance of other non-current liabilities in the current period decreased by 42.06% from the previous year, mainly due to the carryover of the Company's accepted projects with government grants to other income.

## 2. Overseas assets

☐Applicable ☒Not Applicable

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

√Applicable □Not Applicable

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

**4. Other notes:**

□Applicable √Not Applicable

**iv. Analysis of investment****1. Overall analysis of external equity investment**

√Applicable □Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Investment amount within the reporting period	16,336.49
Number of increase or decrease variation in investment	-165,452.36
Investment amount in the corresponding period of last year	181,788.85
Range of increase or decrease in investment (%)	-91.01

Notes:

1. In January 2024, the subsidiary Keda Luxembourg invested RMB 24,303.2 thousand to acquire the 70.00% equity of F.D.S. Ettmar S.r.l.
2. In February 2024, the Company invested RMB 31,452.8 thousand to acquire the 100.00% equity of Foshan Shunrui Xinyu Investment Service Partnership (Limited Partnership).
3. In April 2024, Fujian Keda New Energy invested RMB 50 million to establish Xiamen Keda New Energy, the 100.00% equity of which was held by Fujian Keda New Energy.

**(1). Significant equity investment**

☐Applicable ☒Not Applicable

**(2). Significant non-equity investment**

☒Applicable ☐Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Project	Project amount	Project progress (%)	Amount invested during the Reporting Period	Accumulated actual investment amount	Source of fund
Fujian Keda Phase II Project	54,945.89	82.83	19,804.24	45,513.46	Self-financing
Glass Factory Project in Tanzania	51,486.54	96.48	23,175.50	49,672.04	Self-financing
Ceramics Factory Phase I Project in Cameroon	45,388.43	96.55	16,511.77	43,820.45	Self-financing
Keda Equipment Manufacturing Infrastructure Project	40,000.00	81.57	9,290.30	32,628.89	Fund-raising + self-financing
Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing	33,500.00	86.40	4,494.93	28,945.14	Fund-raising + self-financing
Sanitary Ware Project of Kisumu Ceramics Factory	16,682.92	100.00	322.25	16,176.42	Fund-raising + self-financing
Total	242,003.78		73,598.99	216,756.40	

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

☐Applicable ☒Not Applicable

Securities investment

☐Applicable ☒Not Applicable

Description of securities investment

☐Applicable ☒Not Applicable

## Investment in private funds

√Applicable □Not Applicable

Name of private funds	Private equity fund held by the Company (%)	Amount invested by the Company as at the end of the Reporting Period (RMB10,000)	Targets of investment in the private funds during the Reporting Period	Amount of private funds invested externally during the Reporting Period (RMB10,000)
Guangzhou Jindajyngfei Venture Capital Fund Partnership (Limited Partnership)	7.00	500.00	Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	1,500.00
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	59.76	15,000.00	GAC AION New Energy Automobile Co., Ltd., Yibin Libode New Materials Co., Ltd., Shanghai Yeloworld Technology Co., LTD.	25,000.00
Jiaxing Keda Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership)	99.99	130,000.00	QingHai Salt Lake Industry Co Ltd.	128,621.79
Huade Chengzhi Zhongke Equity Investment (Beijing) Partnership (Limited Partnership)	4.95	1,000.00	Yougan Technology (Beijing) Co., LTD., Beijing Qingyan Zhishu Technology Co., LTD., Beijing Zhishu Technology Co., LTD, Beijing Yiren Yiche Technology Co., Ltd., Zhejiang Lianxin Digital Co., Ltd., China Science Photon Chip (Haining) Technology Co., Ltd.	13,230.00

## Investments in derivatives

√Applicable □Not Applicable

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

√Applicable □Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Types of derivative investment	Initial investment amount	Opening carrying value	Profits and losses on changes in fair value in the	Accumulated changes in fair value	Amount acquired during the	Amount sold during the	Closing carrying value	Closing carrying value as a percentage of the Company's net assets at
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			current period	recognized in equity	Reporting Period	Reporting Period		the end of the Reporting Period (%)
Forward financial contract	29,039.07	29,039.07	161.78		14,323.66	24,943.80	18,599.74	1.65
Description of accounting policies and specific principles of accounting for hedging operations during the Reporting Period, as well as whether there were any significant changes compared with the previous Reporting Period	No change							
Description of actual profit and losses during the Reporting Period	During the Reporting Period, the actual profit and loss of forward financial contracts was RMB -5.2168 million							
Description of hedging effects	The Company conducts hedging business to hedge the risks of exchange rate fluctuations of expected receipts and payments of import/export contracts and funds held in foreign currencies, and the risks of interest rate fluctuations of existing loans. The extent to which changes in the fair value or cash flow of the hedging instrument are able to offset changes in the fair value or cash flow of the hedged item arising from the hedged risk is used to realize the purpose of the hedging.							
Sources of funds for derivative investments	Self-owned fund							
Risk analysis and description of control measures for derivative positions during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	For details of the risk analysis of derivative positions during the Reporting Period and the description of control measures, please see the <i>Announcement on Hedging Business</i> (Announcement No. 2024-020) disclosed by the Company on March 26, 2024 on the website of Shanghai Stock Exchange (www.sse.com.cn).							
Changes in the market price or product fair value of invested derivatives during the Reporting Period (The specific methodology used and the setting of relevant assumptions and parameters for the analysis of the fair value of derivatives should be disclosed)	The fair value change is determined at the end of each month based on the transaction valuation report provided by the transaction financial institution.							
Involvement in litigation (if applicable)	Not applicable							
Date of disclosure of the Board of Directors' announcement on approving the derivative investment (if any)	March 25, 2024							
Date of the announcement disclosing the approval of derivative investments at shareholders' meeting (if any)	Not applicable							

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

□Applicable    ☒Not Applicable

Other notes:



N/A

**v. Disposal of significant assets and equity**☐Applicable ☒Not Applicable**vi. Analysis on major holding and participating companies**☒Applicable ☐Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

Company name	Principal activities	Registered capital	Proportion of shareholding of the Company (%)	Total assets	Net assets	Net profit
Guangdong Keda Lithium Industry Co., Ltd.	Investment platform	100,000.00	100.00	205,153.94	205,148.94	11,979.57
DLT Technology Co., Ltd.	Production and sales of building machinery	10,000.00	100.00	65,623.42	30,520.34	6,629.19
Keda Foshan Industrial Co., Ltd.	Production and sales of building machinery	27,334.00	100.00	96,822.50	53,336.48	5,494.05
Keda Ceramics International Company Limited	Production and sales of building ceramics	USD 1,000.00	51.00	75,575.05	25,419.82	9,085.27

**vii. Information on structured entities controlled by the Company**☐Applicable ☒Not Applicable

## **V. Other Disclosure Matters**

### **i. Possible risks**

☒Applicable   ☐Not Applicable

#### **1. Macroeconomic risk**

Currently, the global economy faces numerous challenges, including heightened geopolitical tensions, rising global inflation, and increasing debt risks in emerging markets, all of which contribute to sluggish global economic rebound. In recent years, as the Company pursues its globalization strategy, over half of its revenue now comes from overseas operations. However, geopolitical conflicts have led to a rise in protectionism and unilateralism, complicating the international trade environment. The relevant trade protection measures could potentially have adverse effects on the Company's overseas business. Additionally, global economic instability is exerting pressure on domestic economic development. The Company's ceramic machinery business is closely related to the national development strategy and industrial control policies. Adjustment of the national credit and real estate industry control policies, as well as energy saving and emission reduction and other related industrial policy changes, will bring a certain impact on the ceramic industry, which in turn affects the Company's product sales.

The Company will continue to strengthen its research on the trends of macroeconomic and related industrial policy changes, stay well-informed about policy information and directions, promptly adapt to new industry trends, and follow its development realities, so as to strive to make accurate predictions and implement precise strategies to proactively mitigate the impact of macroeconomic risks on its business development. The Company will strengthen trade compliance and risk prevention and control, enhance compliance review of sensitive regions and customer suppliers, and conduct risk research and monitoring and early warning of key markets to overcome the challenges posed by geopolitics to the Company's operations. At the same time, the Company will uphold the concept of globalization development and continue to enhance the internal development momentum to ensure the sound operation of the Company.

#### **2. Overseas operation risk**

The Company proactively pursues globalization, steadily promotes the global business layout, and establishes a number of overseas sales networks and subsidiaries, with business spreading over many countries and regions around the world. Influenced by international political and economic factors, the international situation is complex and volatile, and there is political unrest, armed conflict, debt defaults, etc. in some regions, and there are differences in customs, cultures, politics, laws, etc. in different countries and regions, so the Company's investment in overseas may face certain operational and management risks. In addition, with the deepening of the Company's globalization layout, the proportion of overseas investment, overseas financing, international trade and other business is increasing. Changes in the exchange rate will affect the value of assets and liabilities denominated in foreign currencies and the value of overseas investment entities, and will indirectly cause changes in the Company's income or cash flow for a certain period of time, which will bring about a lot of uncertainty to the Company's operating results.

The Company will insist on the high-quality development of overseas business, leveraging global resources to strategically plan and expand its internationalization business. As for the operation of overseas bases, in addition to arranging management teams familiar with the conditions of each country and with rich experience, the Company will gradually deepen the degree of localization of overseas operations and start lean improvement work, so as to enhance its ability to withstand risks and improve the ability to generate efficiency overseas. At the same time, the Company closely monitors fluctuations in the foreign exchange market, reasonably manages exchange rate risk, and prudently adopt foreign exchange hedging and other compliant financial instruments or product price adjustment to hedge against the adverse impact of exchange rate fluctuations, thereby enhancing the ability to manage exchange fluctuation risks.

### **3. External investment risk**

In recent years, the Company has transitioned from being a traditional supplier of building materials machinery to a comprehensive service provider, expanding vertically into the spares & consumables sector. Meanwhile, the Company has entered the lithium-ion battery materials, aluminum-profile extrusion machine, building materials, lithium-ion battery materials machinery and other business areas through the establishment of new or merger and acquisition of subsidiaries. The Company has also participated in industrial fund investment, hoping to cultivate high-quality targets and strengthen the adhesion with the upstream and downstream of the industry chain. However, as the global economy is facing more uncertainties, there may be the risk of investment returns less than expected or investment failure. At the same time, with the continuous expansion of the Company's scale of operation and business areas, the business integration and control of the Company's headquarters over its subsidiaries is facing greater challenges.

A comprehensive investment management system has been established. The Company will continue to focus on external investment in its core business, advance the preliminary research, assessment, review and approval, decision-making and other important aspects of investment projects, strengthen the risk management and control of the entire lifecycle of investment projects, and make reasonable assessment on the exit mode exit mechanism of the projects, so as to maximize the preservation and appreciation of assets. At the same time, the Company continuously improves the enterprise management system, strengthens the standardized operation of the Company and the construction of enterprise internal control, reasonably divides the authorization, and ensures the compliance and efficient operation of production, procurement, sales, finance, management and other steps. The Company will improve the long-term incentive mechanism and attach importance to talent training, and continue to optimize the construction of the Company's management personnel team, so as to provide strong talent support for the Company's sustainable development.

### **4. The risk of goodwill impairment**

In recent years, the Company has acquired a number of companies through asset reorganization, capital increase, equity transfer and other means according to the needs of business development. If the development of the acquired subsidiaries is lower than expected in the future, and there is a significant decline in performance, there will be the risk of goodwill impairment.

The Company will continue to strengthen the post-investment management work, through the operation of the acquired company integration and standardized governance, the Company needs to implement its main responsibility for the operation, to stimulate its growth

momentum, give full play to the synergies, improve the operating efficiency of the acquired company, and strengthen financial risk management and internal audit supervision, so as to reduce the risk of goodwill impairment.

## ii. Other disclosure matters

☒Applicable ☐Not Applicable

For details, please see “significant changes in the Company’s operations during the Reporting Period, as well as the matters that have a significant impact and are expected to have a significant impact on the Company’s operations during the Reporting Period”.

## Section IV Corporate Governance

### I. Brief Introduction of General Meetings

Session	Date	Enquiry Index of the Designated Website for Publishing Resolutions	Date of Disclosure of Resolutions	Resolutions of the Meeting
2023 Annual General Meeting	May 8, 2024	The website of the Shanghai Stock Exchange (www.sse.com.cn)	May 9, 2024	The meeting deliberated and approved 19 proposals, including the <i>2023 Work Report of the Board of Directors</i> , the <i>2023 Work Report of the Board of Supervisors</i> , and the <i>2023 Report on the Work of Independent Directors</i> . For details, please refer to the Announcement No. 2024-034 issued by the Company on May 9, 2024.

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

☐Applicable ☒Not Applicable

Explanation on the general meetings

☒Applicable ☐Not applicable

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

Changes in Directors, Supervisors, and Senior Management of the Company

☐Applicable ☒Not Applicable

Explanation on changes in Directors, Supervisors, and Senior Management of the Company

☐Applicable ☒Not Applicable

## II. Profit Distribution Plan or Plan for the Conversion of Surplus Reserves into Share Capital

**The profit distribution plan and the plan for the conversion of surplus reserves into share capital proposed every half-year**

Whether to distribute or convert	No
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## III. Information about the Company's Share Incentive Plan, Employee Stock Ownership Plan or Other Employee Incentive Measures and their Impacts

### i. Relevant incentive events disclosed in the temporary announcements and with no progress or change in subsequent implementation

☒Applicable ☐Not Applicable

Overview	Index to the Disclosed Information
<p>On November 13, 2020 and November 30, 2020, the Company held the 32nd Meeting of the 7th Board of Directors and the 3rd Extraordinary General Meeting in 2020, respectively, and reviewed and approved the <i>2020 Employee Stock Ownership Plan</i>. According to the results of share subscription, the actual establishment scale of the Employee Stock Ownership Plan in this period was RMB86,226,880. 43,113,440 shares of the Company held by the Company's special securities account for repurchase were already transferred to the Company's special securities account for the 2020 Employee Stock Ownership Plan through non-trading transfer on February 9, 2021. The duration of the current Employee Stock Ownership Plan is 36 months, and it will be released in two phases after 12 months from February, 11 2021. The interval of each phase is 12 months, and the proportion of unlocking is 50% and 50%. Based on the confidence in the future development of the Company and recognition of the Company's value, the Company held the Second Holders' Meeting of the 2020 Employee Stock Ownership Plan and the 27th Meeting of the 8th Session of the Board of Directors in January 2024, respectively, and reviewed and approved the <i>Proposal on the Extension of the Duration of the 2020 Employee Stock Ownership Plan</i>, agreeing to the Company's extension of the validity period of the current Employee Stock Ownership Plan for a period of 12 months, that is, the validity period was extended until February 11, 2025.</p> <p>As at the end of the Reporting Period, the shares of both phases of the Employee Stock Ownership Plan have been unlocked, of which shares in the second phase have not yet been cleared and distributed.</p>	<p>For details, please refer to the <i>2020 Employee Stock Ownership Plan of Keda Industrial Group Co., Ltd. (Draft)</i>, the <i>Announcement on Completing the Non-Trading Transfer of Shares under the 2020 Employee Stock Ownership Plan of Keda Industrial Group Co. Ltd.</i>, and the <i>Announcement on the Extension of the Duration of the 2020 Employee Stock Ownership Plan</i> disclosed by the Company on the website of the Shanghai Stock Exchange (<a href="http://www.sse.com.cn">www.sse.com.cn</a>) on November 14, 2020, February 11, 2021, and January 20, 2024.</p>

### ii. Incentives which were not disclosed in the temporary announcements or with subsequent progress

Information on share incentive

☐Applicable ☒Not Applicable

Other notes:

☐Applicable ☒Not Applicable

Employee stock ownership plan

☐Applicable ☒Not Applicable

Other incentive measures

☒Applicable ☐Not Applicable

For details, please refer to “(II) Related party transactions from acquisition and disposal of assets or equity interests” and “(VI) Other material related-party transactions” in “Material Related Party Transactions” in Section VI “Significant Events”.

## Section V Environmental and Social Responsibility

### I. Environmental Information

#### i. Description of the environmental protection of the Company and its main subsidiaries that are key pollutant discharging units as declared by the environmental protection authorities

☒Applicable ☐Not Applicable

##### 1. Discharge information

☒Applicable ☐Not Applicable

During the Reporting Period, Keda Group’s subsidiaries, Fujian Keda New Energy and Foshan Keda Industrial, were included in the List of Key Units of Environmental Supervision in 2024. The relevant pollution discharge information is set out below:

##### (1) Fujian Keda New Energy

According to the Article 7 of the *Measures for the Administration of the List of Key Units of Environmental Supervision* (Order No. 27 of the Ministry of Ecology and Environment), the Company’s emissions of sulfur dioxide, nitrogen oxides, and particulate matter have reached the screening emission limit standards set by the local ecological and environmental authority at the district or municipal level. Therefore, it has been included as a key air pollution unit in Sanming City. Additionally, according to Article 11 of the Measures, enterprises producing more than 100 tons of hazardous waste annually shall be classified as key units of environmental control. The Company produces approximately 400 tons of hazardous waste annually. According to the *Classification and Management Catalogue for Discharging Licenses of Fixed Pollution Sources (2019 Version)*, item 70 “Manufacturing of graphite and other non-metallic mineral products 309” is listed in the classification management list of fixed pollution source emission permits. The main business scope of Fujian Keda New Energy, includes the “manufacturing of graphite and carbon products 3091”. Therefore, it was listed as the key management units for emission permits. Fujian Keda New Energy has obtained the relevant pollutant discharge permits. As a result, Fujian Keda New Energy was listed as a key air pollution unit and key unit of environmental risk control in the 2024 Sanming City.

During the Reporting Period, the pollutant discharging information of Fujian Keda New Energy was as follows:

1) Main pollutants: waste gas, solid waste

2) Name of characteristic pollutants: particulate matter, SO<sub>2</sub>, NO<sub>x</sub>, waste tar

3) Information on key pollutants discharging during the Reporting Period:

Distribution Position of Pollutant Discharging Outlets	Number of Outlets	Name of Pollutants	Manner of Outlets	Discharge Concentration (mg/m <sup>3</sup> )	Standard Limit (mg/m <sup>3</sup> )	Total Emission in the First Half of 2024 (t)	Total Allowable Emission (t/a)	Implementation Standard	Excess Discharge
Calcination exhaust gas discharge tube	1	Particulate matter	Organized emissions	14	30	0.786	5.784	GB16297-1996	N/A
		SO <sub>2</sub>		71	200	3.987	17.559		N/A
		NO <sub>x</sub>		111	300	6.234	14.861		N/A
Dust and exhaust gas and other general exhaust gas emission vent	15	Particulate matter	Organized emissions	≤65.9	≤120	11.600	/	GB16297-1996	N/A
		SO <sub>2</sub>		≤171	200	7.270	/		N/A
		NO <sub>x</sub>		≤97	300	4.130	/		N/A
/	/	Waste tar	Temporary storage before disposal by qualified units	/	/	250.700	/	GB 18597-2023	N/A

## (2) Foshan Keda Industrial

According to the Article 11 of *Measures for the Administration of the List of Key Units of Environmental Supervision* (Order No. 27 of the Ministry of Ecology and Environment), “those who meet one of the following conditions may be listed as key environmental risk management units... ii. enterprises with facilities for self-utilization and disposal of hazardous waste; iii. enterprises holding hazardous waste operation licenses;” and Article 12 “enterprises and institutions implementing the key management of pollutant discharge permits as stipulated in the Classification and Management Catalogue for Discharging Licenses shall be listed as key pollutant discharging units. “Foshan Keda Industrial has obtained a pollution discharge permit and a business license for hazardous wastes on October 10, 2022, and December 2, 2022, respectively. Therefore, Foshan Keda Industrial was listed as a key unit of environmental supervision in 2024.

During the Reporting Period, the pollutant discharge of Foshan Keda Industrial was as follows:

1) Main pollutants: waste gas, solid waste

2) Name of characteristic pollutants: particulate matter, SO<sub>2</sub>, NO<sub>x</sub>, VOCs, waste activated carbon, waste paint buckets, waste paint residue, waste filter cotton

3) Information on key pollutants discharging during the Reporting Period:

Distribution Position of Pollutant Discharging Outlets	Number of Outlets	Name of Pollutants	Manner of Outlets	Discharge Concentration (mg/m <sup>3</sup> )	Standard Limit (mg/m <sup>3</sup> )	Total Emission in the First Half of 2024 (t)	Total Allowable Emission (t/a)	Implementation Standard	Excess Discharge
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Incineration exhaust vent	1	Particulate matter	Organized emissions	/	30	/	1.998	GB18484-2020	N/A
		SO <sub>2</sub>		/	100	/	3.501		N/A
		NO <sub>x</sub>		/	300	/	14.718	GB16297-1996	N/A
Paint spraying and combustion exhaust and other general exhaust gas emission outlets	8 ↑	Particulate matter	Organized emissions	10	120	0.334	/	DB44/26-2001 DB44/816-2010	N/A
		SO <sub>2</sub>		3	425	0.002	0.009		N/A
		NO <sub>x</sub>		6	/	0.002	0.422		N/A
		VOCs		10.7	90	0.571	1.520		N/A
/	/	Waste activated carbon	Temporary storage before disposal by qualified units	/	/	7.940	/	GB 18597-2023	N/A
/	/	Waste paint bucket		/	/	7.335	/		N/A
/	/	Waste paint residue		/	/	2.445	/		N/A
/	/	Waste filter cotton		/	/	0.940	/		N/A

Note: As at the end of the Reporting Period, the hazardous waste incineration workshop has not been operational. “N/A” represents “no excess discharge”.

## 2. Construction and operation of pollution control facilities

√Applicable □Not Applicable

The pollution control facilities of the above key pollutant discharging units have been constructed and operated in accordance with the requirements of environmental impact assessments. The production wastewater generated is treated and reused as recycled cooling water, while domestic wastewater is discharged into the industrial park sewage network. Production emissions are released after meeting standards through emission control facilities. Solid waste is collected and stored in compliance with relevant regulations. Domestic waste is managed by the local municipal sanitation department, general industrial solid waste is recycled and disposed of by capable recyclers, and hazardous waste is entrusted to qualified hazardous waste disposal units. The on-site noise levels comply with relevant emission standards.

## 3. Environmental impact assessment and other administrative licenses in relation to environmental protection of construction projects

√Applicable □Not Applicable

During the Reporting Period, the aforesaid key pollutant discharging units in strict accordance with the requirements of laws and regulations, implemented the “three-simultaneity” system of environmental protection, carried out environmental impact assessment before project construction, and conducted the environmental completion acceptance on schedule upon completion of the projects. All the above key pollutant discharging units have obtained emission permits in accordance with the relevant provisions of the national emission permits.



#### 4. Emergency Response Plans for Environmental Emergencies

☒Applicable ☐Not Applicable

In order to prevent, early warning and emergency disposal of environmental emergencies, the above key pollutant discharging units have fully assessed and investigated environmental emergency response resources based on their production processes and environmental risk characteristics, compiled the *Emergency Response Plans for Environmental Emergencies* and submitted them to the local environmental protection departments to complete the filing. Additionally, in order to improve their ability to respond to environmental pollution emergencies involving public crises, the above key pollutant discharging units regularly organize emergency plan drills for environmental pollution accidents to improve the ability of their staff to respond to environmental emergencies.

#### 5. Environmental self-monitoring program

☒Applicable ☐Not Applicable

During the Reporting Period, all the aforementioned key pollution discharging units have designated personnel to follow up the pollutant discharging and testing matters, strictly monitored the operation of environmental protection equipment and facilities for treating wastewater and emissions to ensure that all environmental equipment and facilities operate properly. Moreover, these key pollution discharging units have entered into the Testing Technical Service Contract with professional testing institutes, developed environmental monitoring plans, set up sampling points at each discharge outlet of waste gas and waste water for monitoring, and set noise monitoring points at the factory boundary. They conducted monitoring activities and regularly calibrated online monitoring systems to ensure data accuracy. Based on the self-monitoring, entrusted monitoring, and enforcement monitoring data for pollutant emissions as mentioned above, all emissions comply with the relevant standards.

#### 6. Administrative penalties caused by environmental protection issues during the Reporting Period

☐Applicable ☒Not Applicable

#### 7. Other environmental information to be disclosed

☐Applicable ☒Not Applicable

##### ii. Description of the environmental protection of companies other than key pollutant discharge units

☒Applicable ☐Not Applicable

##### 1. Administrative penalties imposed for environmental issues

☐Applicable ☒Not Applicable

## 2. Other environmental information disclosed with reference to key pollutant discharge units

☒Applicable ☐Not Applicable

Apart from the disclosed subsidiaries that have been identified as key pollution discharging units, as at the end of the Reporting Period, none of the Company and any other subsidiaries have been included in the list of key pollutant discharging units issued by the national environmental protection authorities.

The Company and its subsidiaries have consistently and strictly observed and complied with the national laws and regulations on environmental protection. On the management side, the Company has formulated and implemented a number of environmental protection management systems internally. By implementing environmental policies and objectives, auditing results, data statistical analysis, management reviews, and corrective and preventive actions, the Company scientifically and effectively standardizes the management of major pollutants such as wastewater, exhaust gas, industrial solid waste, noise, etc. On the production and manufacturing end, the Company has equipped its plant areas with emission treatment equipment, solid waste storage facilities, and controlled pollution emissions throughout the production process. It reduces pollutant emissions at the source to achieve clean production.

In terms of waste gas treatment, the Company has established emission treatment facilities such as paint spraying, drying, and shot blasting based on the production characteristics of each unit. Through methods like exhaust pipe filtration, it reduces the impact of emissions on the external environment during production processes. In terms of wastewater and solid waste treatment, the Company sets up sewage treatment stations, waste warehouses, and other environmental protection facilities according to operational needs, which are operated and managed in a standardized manner by employees or third-party qualified institutions. Hazardous waste is transferred to qualified entities for disposal and recorded in the government system, and closely monitored. In terms of noise treatment, the Company adopts sound insulation, muffling, vibration damping and other treatment measures according to the different nature and characteristics of the noise and sound sources, so as to ensure that the plant boundary meets the emission standards. Furthermore, the Company has entered into commissioned testing contracts with third-party qualified testing companies to regularly test the treated wastewater and emissions, overseeing the testing and supervision of the Company's pollutant treatment.

During the Reporting Period, the pollution control facilities by each company meets environmental requirements, with pollutant emissions meeting standards. All companies strictly conduct environmental impact assessments for construction projects in accordance with national laws and regulations, developed sound emergency response plans for environmental emergencies to effectively ensure compliance with environmental responsibilities. Therefore, no major environmental incidents and pollution accidents occurred.

## 3. Reasons for not disclosing other environmental information

☐Applicable ☒Not Applicable

### iii. Description of the progress or changes in the disclosed environmental information in the Reporting Period

☐Applicable ☒Not Applicable

### iv. Information beneficial to ecological protection, pollution prevention, and fulfilling environmental responsibility

☒Applicable ☐Not Applicable

The Company consciously fulfills and undertakes the social responsibility of environmental protection, integrates “green manufacturing” into its corporate operations, product research and development, production processes, etc. Through measures such as source reduction, process emission reduction, and end-of-pipe control, the Company promotes low-carbon circular sustainable development within the Company and the industry.

The Company enhances its green manufacturing capabilities through technological upgrades and facility renovations. During the Reporting Period, some workshops at the Foshan plant were optimized from the original facilities to cyclone spraying + three-stage dry filtration + activated carbon adsorption and desorption catalytic combustion, further reducing pollutant emissions. Additionally, the Company strictly follows the requirements outlined in the *Notice on Strengthening Standardized Design, Construction, and Operation Management of Activated Carbon Adsorption Process* issued by the Foshan Ecological Environment Bureau in 2024, conducting activities such as regular replacement of activated carbon and spray wastewater. The Company also signs annual contracts with qualified units for the safe disposal of spray wastewater, further reducing VOC emissions. HLT Technology has completed all landscaping according to planning requirements and equipped high-grade motor production equipment in accordance with new energy-saving standards. Furthermore, Anhui Keda New Energy Equipment Co., Ltd has successfully passed the ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System recertification during the Reporting Period. By now, several subsidiaries including HLT, DLT Technology, and Anhui New Materials have obtained ISO 14001:2015 certification for their environmental management systems.

The Company seizes clean technology opportunities to promote green products and solutions. In terms of solid waste treatment, the Company conducts research on the recycling of industrial solid waste and has applied for multiple environmental patents. For instance, the Company can provide downstream customers with a cellular ceramic production line. This product uses general industrial solid waste (such as polishing slag, coal slag, stone waste, tailings, and urban sludge) as raw materials and can produce finished cellular ceramic plates through processes like ball milling and spray drying, promoting the resource utilization of solid waste in the ceramic industry. In terms of waste gas and greenhouse gas emissions, the Company continues to advance digitalization, green applications, and new technology research and development to effectively reduce emissions of waste gases and greenhouse gases during the production process by improving quality and efficiency, reducing energy and using clean energy. Products such as the hydrogen-powered high-efficiency energy-saving wide-body roller kiln and the multi-section intelligent polishing machine for ceramics, integrate efficient intelligence with green and low-carbon concepts, proposing the “Keda Solution” for industrial energy saving and emission reduction and digitization construction.

Moreover, the Company actively advocates for green offices and low-carbon lifestyles through various measures such as using white high-transmittance glass in office areas to increase natural lighting, promoting green vegetation coverage in office and factory areas, replacing original lighting with LED lights, implementing paperless offices, advocating for the reutilization of waste paper, establishing rainwater collection systems for irrigation, installing more charging stations to encourage employees to use electric vehicles, and setting up facilities for recycling waste batteries. These initiatives aim to reduce resource consumption and environmental pollution, embodying the concept of environmental protection.

## **v. Actions taken during the Reporting Period to reduce carbon emissions and the results**

☒Applicable ☐Not Applicable

The Company focuses on building an environment-friendly and resource-saving enterprise, practicing a low-carbon environmental protection concept, accelerating the construction of a green manufacturing system, promoting the research and development and dissemination of energy-saving and emission-reduction products and solutions, and supporting global energy transformation and the realization of low-carbon goals.

In production operations, the Company continues to increase the use of clean energy by implementing solar projects, increasing the proportion of green energy such as hydroelectric power, optimizing the Company's energy use structure, and implementing energy conservation, emission reduction, and green development. During the Reporting Period, the 4MWp solar power station project at the Kenya Kisumu Sanitary Ware Factory, and the solar carport project at the Company's headquarters parking lot have been successfully connected to the grid and put into operation. In the first half of 2024, the total photovoltaic power generation at the Company's domestic production bases amounted to 8,306.56 megawatt-hours, resulting in a reduction of 4737.23 tons of carbon dioxide emissions. At the same time, the Company is actively promoting the construction of new photovoltaic projects or expansions at domestic and overseas production bases. Projects such as the carport photovoltaic reconstruction of Anhui New Materials, the construction of photovoltaic installations at both old and new plants of HLT|DLT, the Kenya Kajiado Factory, and the Senegal Factory are progressing according to plan.

The Company is also following the trend of green and low-carbon development in the manufacturing industry, innovating and integrating low-carbon energy-saving and green environmental protection concepts into technology and product development, with a focus on areas like hydrogen-ammonia low-carbon combustion technology. During the Reporting Period, DLT Technology and other parties have been advancing the construction of the advanced ammonia-hydrogen zero-carbon combustion technology demonstration project for ceramic board/tile production lines, promoting the application of this technology in ceramic board/tile production lines and facilitating the realization of carbon reduction and even zero-carbon goals in industrial kiln fields, contributing to the country's "Carbon Peak and Carbon Neutrality" targets.

## **II. Details on consolidating and expanding the achievements of shaking off poverty and rural revitalization**

☒Applicable ☐Not Applicable

Adhering to the corporate mission of “Green Solution, Greener Life”, the Company actively contributes to poverty alleviation, rural revitalization, fulfilling social responsibilities, and demonstrating corporate accountability. During the Reporting Period, with cultural heritage as the bond to drive rural revitalization, the Company and its subsidiaries supported various cultural activities in the region through donation and sponsorship. Examples include sponsoring traditional events like dragon boat races in Zhuangtou Village and Xianyong Village in Shunde, dragon blessing ceremonies in Luofeng Village, Fujian, and lantern festivals in Tangquan Village. In terms of economic assistance and children’s education, subsidiaries facilitated local economic development and educational growth by providing support to adopted villages through donations of supplies, condolence money, and other means. Looking abroad, Keda Kisumu opened waterways, repaired roads, enhanced local community infrastructure, and supported local economic and social development. Keda Kisumu and Keda Zambia established scholarships and made efforts to assist in school construction to promote local education. Keda Senegal and Keda Zambia improved local medical conditions through donations of funds and medicines, thereby raising the overall health and social welfare of the local communities.

## Section VI Significant Events

### I. Fulfillment of Commitments

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

√Applicable    □Not Applicable

Commitment background	Type of undertaking	Promisor	Details of undertaking	Time of commitment making and term	Whether there is a deadline for performance	Term of commitment	Whether it is timely and strictly performed	If it is not timely performed, the specific reasons shall be stated	If it is not timely performed, the plan for the next step shall be stated
Commitments made in acquisition documents or shareholding alteration documents	Non-competition undertakings	Liang Tongcan, Guangdong Hongyu Group Co., Ltd.	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 making.	June 19, 2024	Yes	Within five years from the date of commitment making	Yes	/	/
	Related party transactions	Guangdong Hongyu Group Co., Ltd.	Hongyu Group and its controlled enterprises are committed to minimizing related transactions with Keda Group, and will conduct unavoidable related business exchanges or transactions on the basis of equal and free will, and under the principles of fairness, equity and compensation for equal value, in which the transaction price will be determined as informed by the reasonable price recognized by the market.	June 19, 2024	No	Long-term performance	Yes	/	/

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

☐Applicable ☒Not Applicable

**III. Guarantees in Violation of Regulations**

☐Applicable ☒Not Applicable

**IV. Audit of Semi-annual Reports**

☐Applicable ☒Not Applicable

**V. Changes in Matters Covered by the Non-standard Audit Opinion in the Previous Year's Annual Report and Their Disposition**

☐Applicable ☒Not Applicable

**VI. Events Regarding Bankruptcy and Restructuring**

☐Applicable ☒Not Applicable

**VII. Material Litigation and Arbitration**

☒The Company had material litigation and arbitration during the year

☐The Company did not have any material litigation and arbitration during the year

### i. Litigation and arbitration matters have been disclosed in the announcement with no subsequent progress

☐Applicable ☒Not Applicable

### ii. Litigation and arbitration not disclosed in the announcement or with subsequent developments

☒Applicable ☐Not Applicable

Unit: Ten Thousand Yuan Currency: RMB

During the Reporting Period:									
Prosecuting party (applicant)	Responding party (respondent)	Joint-and-several liable party	Type of litigation and arbitration	Basic information on litigation (arbitration)	Amount involved in litigation (arbitration)	Whether the litigation (arbitration) resulted in provisions and amount	Litigation (arbitration) progress	Trial results and influences of lawsuit (arbitration)	Execution of judgment of lawsuit (arbitration)
Jiangsu Kehang	Jiangsu New Century Jiangnan Environmental Protection Co., Ltd. (hereinafter referred to as "Jiangnan Environmental Protection")	/	Dispute over infringement of technological secrets	On October 18, 2019, the Company's partially-owned subsidiary Jiangsu Kehang received a <i>Writ of Summons</i> and other legal documents served by the Intermediate People's Court of Nanjing City, Jiangsu Province, in which Jiangnan Environmental Protection filed a lawsuit to the court against the Company and its subsidiary Jiangsu Kehang, as well as other related parties on infringement of technological secrets. After the first trial by Nanjing Intermediate Court, appeal by the Company and other related parties and the trial of the second instance by the Supreme People's Court, Jiangsu Kehang was finally ordered to immediately stop the infringement of Jiangnan Environmental Protection's technological secrets, and compensate Jiangnan Environmental Protection for the economic loss of RMB 22.2852 million and the reasonable expenses of RMB 1 million incurred for the purpose of stopping the infringement. Being dissatisfied with the verdict of the second instance, Jiangsu Kehang and Jiangnan Environmental Protection applied for a retrial to the Supreme People's Court.	RMB 96 million	/	In June 2024, Jiangsu Kehang received a <i>Notice of Case Acceptance</i> issued by the Supreme People's Court, which has conducted investigations for case filing.	The impact of this matter cannot be judged at this time in the retrial review.	Jiangsu Kehang has paid RMB 23.2852 million to Jiangnan Environmental Protection in 2023 in accordance with the judgement of the second instance.
Jiangnan Environmental Protection	Jiangsu Kehang, Keda (Anhui) Clean Energy, Keda Group and Liu Huaiping	/					In August 2024, the Company and its subsidiaries received a <i>Notice of Appearance</i> from the Supreme People's Court, which has filed a case for review.		
Jiangnan Environmental Protection	Jiangsu Kehang, Keda (Anhui) Clean Energy, Keda Group and Liu Huaiping	Same as respondent	Dispute over infringement of technological secrets	From March 25 to March 26, 2021, the Company and its partially-owned subsidiaries received four Notices of Response to Litigation and other legal documents served by the Intermediate People's Court of Nanjing City, in which Jiangnan Environmental Protection filed four lawsuits to the court against the Company and its subsidiary Jiangsu Kehang, as well as other related parties on infringement of technological secrets. In February and December 2023, the Company and its subsidiaries received the Civil Ruling and other legal documents served by the Intermediate People's Court of Nanjing City, and Jiangnan Environmental Protection has applied for withdrawal of the four lawsuits twice to the Intermediate People's Court of Nanjing City regarding the four matters.	11,883.76	/	In January 2024, the Company and its subsidiaries received the Notice of Response to Litigation, the Complaint and other legal documents and the request for change in claims made by Jiangnan Environmental Protection, and Jiangnan Environmental Protection re-filed lawsuits to the Intermediate People's Court of Nanjing City regarding the four matters, and changed its claims. The economic losses claimed for the four files were changed into RMB 117.6376 million. The cases are currently being heard at the Intermediate Court of Nanjing City one after another, none of which has resulted in a first-instance judgement. In July 2024, the Company and Keda (Anhui) Clean Energy respectively filed eight counterclaims in aggregate to the Intermediate Court of Nanjing City against the above four cases, requesting Jiangnan Environmental Protection to bear the reasonable expenses paid by the plaintiff for the counterclaim against the lawsuit filed by it in bad faith and the litigation costs of the counterclaim cases.	The first instance and the eight counterclaims are under trial, and the impact of this matter cannot be judged at this time.	/

### iii. Other notes:

☐Applicable ☒Not Applicable



## **VIII. Punishments and Rectifications involved by the Listed Company, Its Directors, Supervisors, Senior Management, Controlling Shareholder and Actual Controller for Violation of Laws and Regulations**

☐Applicable ☒Not Applicable

## **IX. Explanation on Credibility of the Company and Its Controlling Shareholder and Actual Controller during the Reporting Period**

☐Applicable ☒Not Applicable

## **X. Material Related Party Transactions**

### **i. Related party transactions relevant to the day-to-day management**

#### **1. Events disclosed in the temporary announcements and with no progress or change in subsequent implementation**

☐Applicable ☒Not Applicable

#### **2. Events disclosed in the temporary announcements but with progress or change in subsequent implementation**

☒Applicable ☐Not Applicable

The Company held the 27th meeting of the eighth Board of Directors and the 2023 Annual General Meeting on January 19, 2024 and May 8, 2024, respectively, at which to consider and approve the *Proposal on Affiliate Transactions of the Company and its Subsidiaries*, and held the second meeting of the ninth Board of Directors on August 20, 2024, during which to consider and approve the *Proposal on the Addition of Affiliate Transactions of the Company Subsidiary*. In the year 2024, it was agreed that the Company and its subsidiaries would enter into affiliate transactions with Guangzhou Sunda, Sunda Group and their subsidiaries, with an estimated annual purchase of raw materials and commodities of RMB 347.5617 million, sales of building materials and raw materials of RMB 830.0084 million and acceptance of labour services from related parties of RMB 192.8720 million; agreed that the Company and its subsidiaries would sell machinery and equipment and provide energy management service totaling RMB 74.55 million to subsidiaries of Hongyu Group; agreed that the Company's subsidiaries shall purchase lithium carbonate totaling RMB 200 million from the joint venture company Lanke Lithium Industry, purchase ink and pigment and color glaze totaling RMB 200 million from SinoCera Create-Tide, and purchase accessories such as ceramic rollers totaling RMB 80 million from FCRI Group Co., Ltd. (hereinafter referred to as "FCRI Group"). The above predicted amount is the total amount of tax-inclusive contracts expected to be signed with the relevant related parties, and some sales of equipment and accessories are subject to actual delivery.

As at the end of the Reporting Period, according to the contracts actually signed by the Company and its subsidiaries with various related parties, i.e., taking the amount of contracts signed during the Reporting Period as the statistical caliber, the Company and its subsidiaries entered into contracts concerning the purchase of raw materials and commodities totaling RMB 240.7256 million with Guangzhou Sunda, Sunda Group and its subsidiaries, sales of building materials products and raw materials totaling RMB 439.9429 million, and

acceptance of labor services provided by related parties totaling RMB 162.696 million; the Company and its subsidiaries entered into a contract concerning sales of machinery and equipment and provision of contract energy management services totaling RMB 22.339 million with the subsidiaries of Hongyu Group; the subsidiaries and Lanke Lithium Industry signed the procurement contract of lithium carbonate totaling RMB 46 million, signed with the SinoCera Create-Tide to procure ink and color glaze totaling RMB 65.6991 million, and signed with FCRI Group for the procurement of ceramic rollers and other accessories RMB 30.8486 million. The actual amount of transactions recognized during the Reporting Period is shown in “Related Party Transactions” under “Related Parties and Related Party Transactions” in Section X “Financial Report”.

## **2. Events not disclosed in temporary announcements**

☐Applicable ☒Not Applicable

### **ii. Related party transactions from acquisition and disposal of assets or equity interests**

#### **1. Events disclosed in the temporary announcements and with no progress or change in subsequent implementation**

☐Applicable ☒Not Applicable

#### **2. Events disclosed in the temporary announcements but with progress or change in subsequent implementation**

☒Applicable ☐Not Applicable

Based on the considerations of the Company’s strategic development planning, optimization of the equity structure of business segments and long-term employee incentives, the Company introduced the employee shareholding platform to its subsidiaries, Anhui Keda Industrial and Fujian Keda New Energy, in 2021 and 2022 respectively, the details of which are set out in the *Announcement on Capital Increase and Share Expansion of wholly-owned Subsidiaries and Affiliate Transactions* and the *Announcement on Equity Transfer and Affiliate Transactions of Subsidiaries* disclosed by the Company on June 9, 2021, January 20, 2022 and April 30, 2022 respectively. In the first half of 2024, taking into account the adjustment of the Company’s business segment management, changes in the positions of related parties, and the demand for talent incentives in the future, the Company agreed that Anhui Keda Investment will utilize its own funds to acquire 2.23% and 3.10% of the equity interests held in Anhui Keda Industrial and Fujian Keda New Energy by Yang Xuexian, Zhang Zhonghua, and Li Yuejin through the employee shareholding platform with the transaction amounts of RMB 6.0262 million and RMB 18.6827 million, respectively. For details, please refer to the *Announcement Regarding the Transfer of Partnership Property Shares by Subsidiaries and Affiliate Transactions* disclosed by the Company on March 26, 2024 and April 27, 2024, respectively.

As at the end of the Reporting Period, Anhui Keda Investment had paid RMB 24.7089 million in aggregate to Yang Xuexian, Zhang Zhonghua and Li Yuejin for the transferred equity interests in Anhui Keda Industrial and Fujian Keda New Energy.

**3. Events not disclosed in temporary announcements**

☐Applicable ☒Not Applicable

**4. Where an agreement on performance is involved, the performance achievements during the Reporting Period shall be disclosed**

☐Applicable ☒Not Applicable

**iii. Material related party transactions on the joint external investment**

**1. Events disclosed in the temporary announcements and with no progress or change in subsequent implementation**

☐Applicable ☒Not Applicable

**2. Events disclosed in the temporary announcements but with progress or change in subsequent implementation**

☐Applicable ☒Not Applicable

**3. Events not disclosed in temporary announcements**

☐Applicable ☒Not Applicable

**iv. Claims and liabilities between related parties**

**1. Events disclosed in the temporary announcements and with no progress or change in subsequent implementation**

☐Applicable ☒Not Applicable

**2. Events disclosed in the temporary announcements but with progress or change in subsequent implementation**

☐Applicable ☒Not Applicable

**3. Events not disclosed in temporary announcements**

☐Applicable ☒Not Applicable

**v. Financial transactions between the Company and the related finance companies and between finance companies controlled by the Company and related parties**

☐Applicable ☒Not Applicable

**vi. Other material related-party transactions**

☒Applicable ☐Not Applicable

In order to support the RMB10 billion revenue planning of building materials business, enhance the enthusiasm and stability of the business management team, and establish a long-term incentive and restraint mechanism, the Company agreed that the key management

personnel and backbone employees of the relevant subsidiaries of the building materials business segment would jointly contribute to the establishment of an employee shareholding platform, and subscribe to the newly increased registered capital of Guangdong Twyford totaling RMB 2.6316 million (corresponding to 5% of the shareholding ratio in Guangdong Twyford after the capital increase) through the employee shareholding platform with a total investment of RMB 54.2895 million, of which Li Yuejin contributed RMB 10.8579 million and other partners contributed RMB 43.4316 million in total. For details, please refer to the *Announcement on the Capital Increase and Affiliate Transactions of Holding Subsidiaries* on April 27, 2024, respectively.

As at the end of the Reporting Period, the establishment of the relevant employee shareholding platform and the capital increase of Guangdong Twyford had not yet been completed.

**vii. Others**

☐Applicable ☒Not Applicable

**XI. Major Contracts and Their Performance**

**1 Trusteeship, contracting and leasing matters**

☐Applicable ☒Not Applicable

## 2. Significant guarantees honored and outstanding during the Reporting Period

√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	Main debts	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	Relationship
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)															
Guarantee for subsidiaries granted by the Company															
Total guarantee for the subsidiaries incurred during the Reporting Period								79,796.85							
Total balance of guarantee for the subsidiaries as at the end of the Reporting Period (B)								250,826.26							
Total amount of the Company’s guarantee (including guarantee for its subsidiaries)															
Total guarantees amount (A+B)								250,826.26							
Proportion of total guarantee amount to the net assets of the Company (%)								22.24							
Including:															
Guarantee amount provided for shareholders, de facto controllers and their related parties (C)															
Amount of guarantees on debts directly or indirectly provided for guaranteed parties with gearing ratio over 70% (D)								124,621.41							
Portion of the total amount of guarantees in excess of 50% of net assets (E)															
Total guarantee amount of the three items mentioned-above (C+D+E)								124,621.41							
Description of possible several and joint liability for undue guarantee															
Description of guarantees															

**3. Other material contracts**

☐Applicable ☒Not Applicable

**XII. Explanation on Process in Use of Proceeds**

☒Applicable ☐Not Applicable

**i. Overall use of raised funds**

☒Applicable ☐Not Applicable

Unit: Ten Thousand Yuan

Source of proceeds	Time of availability of proceeds	Total amount of issue proceeds	Net proceeds after deducting issuance costs (1)	Gross Investment in Raised Funds in the Prospectus	Total Amount of the Excessively Raised Funds (3) = (1)-(2)	Cumulative Amount of Raised Funds Invested as at the End of Reporting Period (4)	Among Which: Cumulative Amount of Excessively Raised Funds Invested as at the End of Reporting Period (5)	Total accumulated committed investment of issue proceeds as at the end of the Reporting Period (%) (6) = (4)/(1)	Cumulative Investment Progress of Excessively Raised Funds as at the End of Reporting Period (%) (7) = (5)/(3)	Amount invested in the current year (8)	Percentage of amount invested in the current year (%) (9)=(8)/(1)	Total amount of fund-raising for change of use
Others	29 July 2022	116,773.91	114,021.03	114,021.03	0	114,043.26	0	100.02	0	6,541.50	5.74	0
Total	/	116,773.91	114,021.03	114,021.03	/	114,043.26	/	/	/	6,541.50	/	0

Note: 1. “Others” under the “source of proceeds” specifically refers to the issuance of global depository receipts (GDRs) on the SIX Swiss Exchange.

2. As at the end of the Reporting Period, the difference between the cumulative total amount of issue proceeds and the gross investment in raised funds was formed by the interest income and exchange income on the raised funds.

**ii. Details of raised investment projects**

√Applicable □Not Applicable

**1. Use of raised funds**

√Applicable □Not Applicable

Unit: RMB'0,000

Source of proceeds	Project name	Project nature	Whether are investment projects committed in the prospectus or not	Involvement in change of investment direction	Total planned investment amount with raised funds (1)	Investment amount for the current year	Cumulative amount of raised funds invested as at the end of Reporting Period (2)	Cumulative investment progress as at the end of Reporting Period (%) (3) = (2)/(1)	Planned date for project to reach designated usable state	Whether project has been completed	Whether investment progress meets planned progress	Specific reasons for investment progress not meeting plan	Profit achieved this year (Note 1)	Profit or research results achieved by this project	Significant changes in project feasibility, if any, please explain specifically	Remaining amount
Others	Build new machinery and equipment production lines, improve the technical levels of existing production lines, expand the production capacity of the Company's core products, and meet domestic and foreign market demand (35%)	Production and construction	Yes	No	39,907.36	3,393.25	39,500.16	98.98	N/A	No	Yes	N/A	N/A	N/A	N/A	/
Others	Invest in technological R&D and quality control to enhance the Company's core competitiveness and support the Group's expected revenue growth (10%)	R&D	Yes	No	11,402.10	2,332.64	11,614.64	101.86	N/A	No	Yes	N/A	N/A	N/A	N/A	/
Others	Build and improve the production capacity of overseas bases, improve the services provided for overseas customers, and explore opportunities for strategic acquisitions of high-quality peer targets (30%)	Production and construction	Yes	No	34,206.31	487.81	34,206.31	100.00	N/A	No	Yes	N/A	N/A	N/A	N/A	/
Others	Supplement working capital and serve other general corporate purposes (25%)	Loan repayment and supplement of working capital	Yes	No	28,505.26	327.80	28,722.16	100.76	N/A	No	Yes	N/A	N/A	N/A	N/A	/
Total	/	/	/	/	114,021.03	6,541.50	114,043.26	100.02	/	/	/	/		/	/	/

Note 1: During the year, the fund-raising projects “build new machinery and equipment production lines, improve the technical levels of existing production lines, expand the production capacity of the Company’s core products, and meet domestic and foreign market demand” and “Build and improve the production capacity of overseas bases, improve the services provided for overseas customers, and explore opportunities for strategic acquisitions of high-quality peer targets”, utilized the raised funds in conjunction with its own resources for comprehensive investment, therefore, the economic benefits generated by the raised funds will not be separately calculated. The fund-raising project, “invest in technological R&D and quality control to enhance the Company’s core competitiveness and support the Group’s expected revenue growth”, does not directly generate economic benefits and has a potentially significant impact on the improvement of the Company’s overall economic benefits. As the fund-raising project, “supplement working capital and serve other general corporate purposes” is related to the Company’s operating activities, it is not possible to separately account for the benefits realized.

Note 2: As at the end of the Reporting Period, the difference between the cumulative amount of raised funds invested and the total planned investment amount with raised funds was formed by the interest income and exchange income on the raised funds.

Note 3: N/A represents “not applicable”.

2. Use of excessively raised funds

☐Applicable ☒Not Applicable

**iii. Changes in or termination of fund-raising investments during the Reporting Period**

☐Applicable ☒Not Applicable

**iv. Other use of the raised funds during the Reporting Period**

1. Early investment and replacement regarding the investment projects with the raised funds

☐Applicable ☒Not Applicable

2. Temporary replenishment of liquid capital with the idle raised funds

☐Applicable ☒Not Applicable



3. Use of idle raised funds for cash management and investment in relevant products

☐Applicable ☒Not Applicable

4. Others

☐Applicable ☒Not Applicable

**XIII. Notes on Other Significant Matters**

☒Applicable ☐Not Applicable

In order to actively practice the “large building materials” strategy of the Company’s building materials segment, make full use of the Company’s channel coordination advantages in Africa, deepen the production capacity layout, promote the extension of building materials business from Africa to other developing regions with potential, further expand the building materials market and realize the sustainable development of business, the Company convened the 28th Meeting of the Eighth Board of Directors on March 25, 2024 to consider and approve the *Proposal on Foreign Investment*, agreeing to invest approximately US\$74.8527 for the construction of two production lines of the building ceramics production project in Honduras. For details, please refer to the *Announcement on Foreign Investment* disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on March 26, 2024.

## Section VII Change in Shares and Details of Shareholders

### I. Changes in Share Capital

#### i. Table of changes in shares

##### 1. Table of changes in shares

Unit: Shares

	Before the Change		Increase/Decrease (+/-)					After the Change	
	Quantity	Percentage (%)	New shares issued	Bonus shares	Conversion from reserve	Others	Subtotal	Quantity	Percentage (%)
I. Shares subject to restrictions on sale	0	0						0	0
1. State-held shares									
2. Shares owned by state-owned legal person									
3. Other domestically owned shares									
Of which: shares owned by domestic non-state-owned legal person									
shares owned by domestic natural person									
4. Shares owned by foreign investors									
Of which: shares owned by foreign legal person									
shares owned by foreign natural person									
II. Unrestricted tradable shares	1,948,419,929	100.00				-30,563,538	-30,563,538	1,917,856,391	100.00
1. RMB ordinary shares	1,948,419,929	100.00				-30,563,538	-30,563,538	1,917,856,391	100.00
2. Domestic listed foreign shares									
3. Foreign listed foreign shares									
4. Others									
III. Total shares	1,948,419,929	100.00				-30,563,538	-30,563,538	1,917,856,391	100.00

##### 2. Description of changes in shares

☒Applicable ☐Not Applicable

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 the 2023 Annual General Meeting on May 8, 2024. The *Proposal in Relation to Change of Use and Cancellation of Part of Repurchased Shares* was deliberated and approved, agreeing to change the purpose of the 30,563,538 repurchased shares from the implementation of the Employee Stock Ownership Plan and/or equity incentives to the cancellation and corresponding reduction of registered

capital. On May 14, 2024, the Company canceled the aforesaid 30,563,538 repurchased shares at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. Upon completion of the cancellation, the total share capital of the Company decreased from 1,948,419,929 shares to 1,917,856,391 shares. For details, please refer to the *Announcement in Relation to Change of Use and Cancellation of Part of Repurchased Shares* (Announcement No.2024-030), the *Announcement of Poll Results of 2023 Annual General Meeting* (Announcement No. 2024-034), and the *Announcement in relation to the Cancellation of Partial Repurchased Shares and Share Change* (Announcement No.2024-037) disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.comcn) on April 27,2024, May 9, 2024, and May 14,2024.

**3. The impact of changes in shares on financial indicators such as earnings per share and net asset per share between the Reporting Period and the semi-annual disclosure date (if any)**

☐Applicable ☒Not Applicable

**4. Other information deemed necessary by the Company or required to be disclosed by the securities regulatory authorities**

☐Applicable ☒Not Applicable

**ii. Changes in restricted shares**

☐Applicable ☒Not Applicable

**II. Details of Shareholders**

**i. Total number of shareholders:**

Total number of ordinary shareholders as of the end of the Reporting Period (households)	84,283
Total number of preferred shareholders with voting rights restored as at the end of the Reporting Period (households)	0

**ii. Table for shareholding of top ten shareholders and circulating shareholders (or shareholders with unrestrictive sales conditions) as of the end of the Reporting Period**

Unit: Shares

Top Ten Shareholders (Excluding Shares through Securities Lending and Borrowing)							
Name of Shareholder (Full name)	Increase/Decrease in the Reporting Period	Shareholding at the end of the Period	Percentage (%)	Number of shares held with restrictive sales conditions	Pledged, marked or frozen		Nature of shareholders
					Status of shares	Quantity	
Liang Tongcan	0	374,456,779	19.52	0	Pledged	224,261,000	Domestic natural person
Guangdong Liansu Technology Industrial Co., Ltd.	17,000,000	153,600,077	8.01	0	N/A	0	Domestic non- state-owned legal person
Lu Qin	0	125,983,334	6.57	0	N/A	0	Domestic natural person
Bian Cheng	0	98,699,598	5.15	0	N/A	0	Domestic natural person

Guangdong Hongyu Group Co., Ltd.	64,341,152	64,341,152	3.35	0	N/A	0	Domestic non-state-owned legal person
Foshan Newpearl Group Co., Ltd.	-2,104,500	49,889,611	2.60	0	Pledged	27,000,000	Domestic non-state-owned legal person
Xie Yuezeng	-109,289	42,286,000	2.20	0	N/A	0	Domestic natural person
Shi Liyun	0	40,171,100	2.09	0	N/A	0	Domestic natural person
Shi Tingbo	-2,344,898	31,438,302	1.64	0	N/A	0	Domestic natural person
Hong Kong Central Clearing Company Limited	-3,316,301	27,342,035	1.43	0	N/A	0	Overseas legal person
Top Ten Unlimited Shareholders (Excluding Shares through Securities Lending and Borrowing)							
Name of shareholder	Number of circulating shareholdings with unrestrictive sales conditions	Type and number of shares					
		Type	Number				
Liang Tongcan	374,456,779	RMB ordinary shares	374,456,779				
Guangdong Liansu Technology Industrial Co., Ltd.	153,600,077	RMB ordinary shares	153,600,077				
Lu Qin	125,983,334	RMB ordinary shares	125,983,334				
Bian Cheng	98,699,598	RMB ordinary shares	98,699,598				
Guangdong Hongyu Group Co., Ltd.	64,341,152	RMB ordinary shares	64,341,152				
Foshan Newpearl Group Co., Ltd.	49,889,611	RMB ordinary shares	49,889,611				
Xie Yuezeng	42,286,000	RMB ordinary shares	42,286,000				
Shi Liyun	40,171,100	RMB ordinary shares	40,171,100				
Shi Tingbo	31,438,302	RMB ordinary shares	31,438,302				
Hong Kong Central Clearing Company Limited	27,342,035	RMB ordinary shares	27,342,035				
Explanation of repurchase special account among the top ten shareholders	During the Reporting Period, the Company canceled 30,563,538 repurchased shares. As at the end of the Reporting period, the Company's repurchase special security account held a total of 29,999,904 shares, accounting for 1.56% of the Company's total share capital.						
Explanation of the above shareholders' proxy voting rights, entrusted voting rights and waiver of voting rights	N/A						
Description of the above shareholders' affiliation or concerted action	Among the shareholders mentioned above, Liang Tongcan is the actual controller of Guangdong Hongyu Group Co., Ltd., and both parties are persons acting in concert. Guangdong Liansu Technology Industrial Co., Ltd., Lu Qin, Bian Cheng, Foshan Newpearl Group Co., Ltd., and Xie Yuezeng have no associated relationship nor are they persons acting in concert. It is unknown whether other shareholders have associated relationship or are persons acting in concert.						
Explanation of preferred shareholders with voting rights restored and their shareholdings	N/A						

Note: As at the close of the SIX Swiss Exchange on June 28, 2024 (Swiss time), the number of the Company's GDRs (Global Depositary Receipts) outstanding was 3,049,103, which represents 25.41% of the actual number of GDRs issued.

Participation of the shareholders holding more than 5% of the shares, the top ten shareholders, and the top ten shareholders without trading limited condition in Securities Lending and Borrowing

☒Applicable ☐Not Applicable

Unit: Shares

Participation of the shareholders holding more than 5% of the shares, the top ten shareholders, and the top ten shareholders without trading limited condition in Securities Lending and Borrowing								
Shareholder	Shares held in general account and credit account at the beginning of the Reporting period		Shares lent at the beginning of the Reporting period and not yet returned		Shares held in general account and credit account at the end of the Reporting period		Shares lent and not yet returned at the end of the Reporting period	
	Total number of shares	Proportion (%)	Total number of shares	Proportion (%)	Total number of shares	Proportion (%)	Total number of shares	Proportion (%)
Foshan Newpearl Group Co., Ltd.	51,994,111	2.67	1,000,000	0.05	49,889,611	2.60	3,104,500	0.16

Note: The initial ratio is based on a total share capital of 1,948,419,929 shares as at December 29, 2023, and the final ratio is based on a total share capital of 1,917,856,391 shares as at June 28, 2024.

Changes in the top ten shareholders and the top ten shareholders without trading limited condition from the previous period due to the reasons of Securities Lending and Borrowing.

☐Applicable ☒Not Applicable

The shareholdings of the top ten shareholders with trading limited condition and conditions of such restricted sale

☐Applicable ☒Not Applicable

### iii. Strategic investors or general legal persons become top ten shareholders as a result of placing of new shares

☐Applicable ☒Not Applicable

## III. Directors, Supervisors and Senior Management

### i. Changes in the shareholdings of current and departing Directors, Supervisors and Senior management during the Reporting Period

☒Applicable ☐Not Applicable

Unit: Shares

Name	Position	Number of Shares Held at the Beginning of the Reporting Period	Number of Shares Held at the End of the Reporting Period	Changes in Shareholding during the Reporting Period	Reason for Changes
Shen Yanchang	The Company Director and Chairman of the building materials business segment	0	7,646,400	7,646,400	Based on confidence in the future development of the Company and recognition of its long-term investment value

Other explanations

☐Applicable ☒Not Applicable

**ii. Equity incentives granted to Directors and Senior Management during the Reporting Period**

☐Applicable ☒Not Applicable

**iii. Other notes:**

☐Applicable ☒Not Applicable

**IV. Changes of Controlling Shareholders or Actual Controllers**

☐Applicable ☒Not Applicable

**Section VIII. Relevant Information About Preferred Shares**

☐Applicable ☒Not applicable

**Section IX. Relevant Information About Bonds**

**I. Corporate bonds, corporate debentures and non-financial corporate debt financing instruments**

☐Applicable ☒Not applicable

**II. Convertible corporate bonds**

☐Applicable ☒Not applicable

**Section X Financial Report**

**I. Auditor's Report**

☐Applicable ☒Not applicable

**II. Financial Statements**

**Consolidated Balance Sheet**

30 June 2024

Prepared by: Keda Industrial Group Co., Ltd.

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	30 June 2024	December 31, 2023
<b>Current assets:</b>			
Monetary funds	VII.1	321,440.69	360,218.54
Settlement funds			

Lending funds			
Financial assets held for trading	VII.2	43,468.48	29,089.94
Derivative financial assets			
Notes receivable	VII.4	9,314.88	5,474.33
Accounts receivable	VII.5	186,544.78	176,691.26
Receivables financing	VII.7	9,268.38	23,576.65
Prepayments	VII.8	47,186.53	41,455.95
Premium receivable			
Reinsurance accounts receivable			
Provision for reinsurance contract receivable			
Other receivables	VII.9	21,660.87	55,297.80
Including: Interest receivable			
Dividends receivable			41,140.71
Purchases of resold financial assets			
Inventories	VII.10	414,796.84	366,773.97
Of which: data resources			
Contract assets	VII.6	20,198.14	24,180.56
Assets held for sale			
Non-current assets due within one year	VII.12	55,177.53	43,894.60
Other current assets	VII.13	52,526.46	49,919.24
Total current assets		1,181,583.58	1,176,572.84
<b>Non-current assets:</b>			
Loans and advances granted			
Debt investments			
Other debt investments			
Long-term receivables	VII.16	22,235.75	21,198.62
Long-term equity investments	VII.17	320,731.23	300,048.39
Other equity instrument investments	VII.18	88,851.70	81,395.85
Other non-current financial assets	VII.19	1,450.91	500.00

Investment properties			
Fixed assets	VII.21	430,620.10	403,096.25
Construction in progress	VII.22	210,074.15	143,181.73
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VII.25	1,843.19	1,704.47
Intangible assets	VII.26	83,653.29	87,443.00
Of which: data resources			
Development expenses			
Of which: data resources			
Goodwill	VII.27	92,763.62	91,322.92
Long-term amortised expenses	VII.28	56.30	34.26
Deferred income tax assets	VII.29	35,400.82	33,185.06
Other non-current assets	VII.30	22,197.08	20,733.79
Total non-current assets		1,309,878.14	1,183,844.34
Total assets		2,491,461.72	2,360,417.18
<b>Current liabilities:</b>			
Short-term loans	VII.32	51,332.06	57,234.79
Borrowings from the Central Bank			
Borrowing funds			
Financial liabilities held for trading	VII.33	59.22	526.28
Derivative financial liabilities			
Notes payable	VII.35	70,751.14	57,889.54
Accounts payable	VII.36	202,163.33	183,950.36
Receipts in advance			
Contract liabilities	VII.38	212,583.61	188,871.57
Funds from disposal of repurchased financial assets			
Deposit-taking and inter-bank deposits			
Payments received for securities brokerage			



Payments received for securities underwriting			
Payroll payable	VII.39	12,066.41	20,284.62
Taxes payable	VII.40	11,550.95	8,736.01
Other payables	VII.41	85,679.38	19,808.27
Including: Interest payable			
Dividends payable		62,299.26	
Handling charges and commission			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	VII.43	108,197.62	87,969.55
Other current liabilities	VII.44	21,836.83	17,436.83
Total current liabilities		776,220.55	642,707.82
<b>Non-current liabilities:</b>			
Insurance contracts provision			
Long-term loans	VII.45	338,407.18	339,855.16
Bonds payable			
Including: Preferred stock			
Perpetual bonds			
Lease liabilities	VII.47	1,753.67	1,601.34
Long-term payables			
Long-term payroll payables			
Estimated liabilities	VII.50	2,255.26	205.18
Deferred income	VII.51	3,216.95	3,336.86
Deferred income tax liabilities	VII.29	1,361.97	1,648.94
Other non-current liabilities	VII.52	1,359.28	2,345.81
Total non-current liabilities		348,354.31	348,993.29
Total liabilities		1,124,574.86	991,701.11
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)	VII.53	191,785.64	194,841.99

Other equity instruments			
Including: Preferred stock			
Perpetual bonds			
Capital reserves	VII.55	265,410.54	305,842.63
Less: Treasury stock	VII.56	41,534.96	83,850.27
Other comprehensive income	VII.57	-58,400.14	-64,207.68
Special reserves	VII.58	435.35	439.01
Surplus reserves	VII.59	83,166.09	83,166.09
General risk provision			
Undistributed profits	VII.60	686,759.18	703,612.41
Total owners' equity (or shareholders' equity) attributable to parent company		1,127,621.70	1,139,844.18
Non-controlling interests		239,265.16	228,871.89
Total owners' equity (or shareholders' equity)		1,366,886.86	1,368,716.07
Total liabilities and owners' equity (or shareholders' equity)		2,491,461.72	2,360,417.18

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

### Balance Sheet of Parent Company

30 June 2024

Prepared by: Keda Industrial Group Co., Ltd.

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	30 June 2024	December 31, 2023
<b>Current assets:</b>			
Monetary funds		120,386.44	185,983.87
Financial assets held for trading		43,425.26	29,065.65
Derivative financial assets			
Notes receivable		1,766.58	113.31
Accounts receivable	XVII. 1	79,127.42	68,174.80
Receivables financing		1,327.54	3,613.54

Prepayments		4,682.46	2,099.29
Other receivables	XVII. 2	146,084.24	135,322.92
Including: Interest receivable			
Dividends receivable		10,000.00	13,742.36
Inventories		33,491.93	34,372.20
Of which: data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		150.21	166.17
Total current assets		430,442.08	458,911.75
<b>Non-current assets:</b>			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	XVII.3	766,441.13	737,086.62
Other equity instrument investments		68,469.01	62,632.70
Other non-current financial assets		1,450.91	500.00
Investment properties			
Fixed assets		25,974.39	27,754.55
Construction in progress		2,798.70	2,121.99
Productive biological assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets		3,747.69	3,934.25
Of which: data resources			
Development expenses			
Of which: data resources			
Goodwill			

Long-term prepaid expenses			
Deferred income tax assets		20,977.90	22,015.00
Other non-current assets		390.40	
Total non-current assets		890,250.13	856,045.11
Total assets		1,320,692.21	1,314,956.86
<b>Current liabilities:</b>			
Short-term loans		1,300.00	23,000.00
Financial liabilities held for trading			81.48
Derivative financial liabilities			
Notes payable		30,282.85	13,924.00
Accounts payable		54,573.16	63,683.34
Receipts in advance			
Contract liabilities		26,634.41	19,833.30
Payroll payable		4,884.44	7,568.00
Taxes payable		304.99	134.13
Other payables		206,995.94	108,247.73
Including: Interest payable			
Dividends payable		62,299.26	
Liabilities held for sale			
Non-current liabilities due within one year		43,745.42	44,105.88
Other current liabilities		3,524.39	2,067.17
Total current liabilities		372,245.60	282,645.03
<b>Non-current liabilities:</b>			
Long-term loans		79,900.82	116,223.62
Bonds payable			
Including: Preferred stock			
Perpetual bonds			
Lease liabilities			
Long-term payables			

Long-term payroll payables			
Estimated liabilities			
Deferred income			
Deferred income tax liabilities			
Other non-current liabilities		228.80	1,031.80
Total non-current liabilities		80,129.62	117,255.42
Total liabilities		452,375.22	399,900.45
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)		191,785.64	194,841.99
Other equity instruments			
Including: Preferred stock			
Perpetual bonds			
Capital reserves		318,757.18	358,016.14
Less: Treasury stock		41,534.96	83,850.27
Other comprehensive income		-27,965.78	-32,933.59
Special reserves			
Surplus reserves		82,465.38	82,465.38
Undistributed profits		344,809.53	396,516.76
Total owners' equity (or shareholders' equity)		868,316.99	915,056.41
Total liabilities and owners' equity (or shareholders' equity)		1,320,692.21	1,314,956.86

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

### Consolidated Income Statement

January- June 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Interim period of 2024	Interim period of 2023
I. Total operating revenue		549,404.78	474,690.67
Including: Operating revenue	VII.61	549,404.78	474,690.67

Interest income			
Premium earned			
Handling charges and commission income			
II. Total operating expenses		514,449.52	396,731.70
Including: Operating expenses	VII.61	408,587.36	323,939.87
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	2,550.91	3,429.04
Selling expenses	VII.63	30,161.09	27,944.10
Management expenses	VII.64	41,782.68	33,886.26
R&D expenses	VII.65	16,777.85	13,907.77
Financial expenses	VII.66	14,589.63	-6,375.34
Including: Interest expenses		10,566.85	8,521.29
Interest income		3,500.31	4,788.41
Add: Other income	VII.67	5,528.03	6,340.83
Investment income (losses marked with “-”)	VII.68	18,872.94	95,248.86
Including: Investment income in associates and joint ventures		19,763.93	95,170.96
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	-729.75	-660.04
Credit impairment loss (losses marked with “-”)	VII.71	-156.49	-962.83
Impairment losses on assets (losses marked with “-”)	VII.72	-22.09	736.49

Income from disposal of assets (losses marked with “-”)	VII.73	3,993.91	-69.98
III. Operating profits (losses marked with “-”)		62,441.81	178,592.30
Add: Non-operating revenue	VII.74	2,792.97	531.26
Less: Non-operating expenses	VII.75	2,528.65	555.19
IV. Total profit (total losses marked with “-”)		62,706.13	178,568.37
Less: Income tax expenses	VII.76	7,262.54	8,129.15
V. Net profit (net losses marked with “-”)		55,443.59	170,439.22
(I) Classified by business continuity			
1. Net profit from continuing operations (net losses marked with “-”)		55,750.55	170,754.06
2. Net profit from discontinued operations (net losses marked with “-”)		-306.96	-314.84
(II) Classified by ownership			
1. Net profit attributable to shareholders of parent company (net losses marked with “-”)		45,445.97	126,806.40
2. Profit or loss attributable to minority interests (net losses marked with “-”)		9,997.62	43,632.82
VI. Other comprehensive income, net of tax		7,015.82	-30,101.71
(I) Other comprehensive income attributable to owners of parent company, net of tax		5,807.60	-27,109.03
1. Other comprehensive income that may not be reclassified to profit or loss		5,803.47	-29,498.69
(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		5,807.02	-29,498.69
(4) Changes in fair value of enterprise’s own credit risk			
2. Other comprehensive income that will be reclassified to profit or loss		4.13	2,389.66
(1) Other comprehensive income that may be transferred to profit or loss under equity method		6.94	
(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		-2.81	2,389.66
(7) Others			

(II) Other comprehensive income attributable to minority interests, net of tax		1,208.22	-2,992.68
VII. Total comprehensive income		62,459.41	140,337.51
(I) Total comprehensive income attributable to owners of parent company		51,253.57	99,697.37
(II) Total comprehensive income attributable to minority interests		11,205.84	40,640.14
VIII. Earnings per share:			
(I) Basic earnings per share (RMB per share)		0.241	0.661
(II) Diluted earnings per share (RMB per share)		0.241	0.661

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

### Income Statement of Parent Company

January- June 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Interim period of 2024	Interim period of 2023
I. Operating revenue	XVII. 4	108,759.34	84,224.12
Less: Operating expenses	XVII. 4	84,401.02	66,072.71
Taxes and surcharges		455.86	936.49
Selling expenses		7,865.94	6,570.64
Management expenses		10,150.18	10,725.34
R&D expenses		5,205.35	4,259.06
Financial expenses		-76.05	-1,105.85
Including: Interest expenses		1,959.81	2,170.82
Interest income		1,926.30	3,005.72
Add: Other income		1,991.08	2,681.74
Investment income (losses marked with “-”)	XVII. 5	6,477.95	245,919.38
Including: Investment income in associates and joint ventures		4,403.01	-19.21
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 “-”)		-883.88	1,106.84
Credit impairment loss (losses marked with “-”)		308.34	15.74
Impairment losses on assets (losses marked with “-”)			
Income from disposal of assets (losses marked with “-”)			6.55
II. Operating profits (losses marked with “-”)		8,650.53	246,495.98
Add: Non-operating revenue		2,192.63	2.95
Less: Non-operating expenses		89.48	70.98
III. Total profit (total losses marked with “-”)		10,753.68	246,427.95
Less: Income tax expenses		161.65	826.68
IV. Net profit (net losses marked with “-”)		10,592.03	245,601.27
(I) Net profit from continuing operations (net losses marked with “-”)		10,592.03	245,601.27
(II) Net profit from discontinued operations (net losses marked with “-”)			
V. Other comprehensive income, net of tax		4,967.81	-25,756.82
(I) Other comprehensive income that may not be reclassified to profit or loss		4,960.87	-25,756.82
1. Change in re-measurement of defined benefit plan			
2. Other comprehensive income that may not be transferred to profit or loss under equity method			
3. Changes in fair value of other equity instrument investments		4,960.87	-25,756.82
4. Changes in fair value of enterprise’s own credit risk			
(II) Other comprehensive income that will be reclassified to profit or loss		6.94	
1. Other comprehensive income that may be transferred to profit or loss under equity method		6.94	
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		15,559.84	219,844.45
VII. Earnings per share:			
(I) Basic earnings per share (RMB per share)			
(II) Diluted earnings per share (RMB per share)			

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

**Consolidated Cash Flow Statement**

January- June 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Interim period of 2024	Interim period of 2023
<b>I. Cash flows from operating activities:</b>			
Cash received from sales of goods or rendering of services		567,508.96	421,735.34
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		15,217.74	9,041.67
Other cash received relating to operating activities	VII. 78	12,122.93	9,456.05
Subtotal of cash inflow from operating activities		594,849.62	440,233.06
Cash paid for purchase of goods and receipt of services		418,820.02	320,453.29
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		75,240.05	58,067.59
Various types of taxes paid		30,312.10	28,053.41

Other cash paid relating to operating activities	VII. 78	44,701.50	38,460.27
Subtotal of cash outflow from operating activities		569,073.67	445,034.56
Net cash flows from operating activities		25,775.95	-4,801.50
<b>II. Cash flows from investment activities:</b>			
Cash received from disposal of investments		1,219.85	28.00
Cash received from investment income		41,198.31	777.26
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		9,010.59	664.08
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investment activities	VII. 78	147,680.36	141,222.47
Subtotal of cash inflow from investing activities		199,109.11	142,691.81
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		106,901.60	82,661.95
Cash paid for investment		3,741.20	130,000.00
Net increase in pledged loans			
Net cash paid for the acquisition of subsidiaries and other business units		4,896.41	
Other cash paid relating to investment activities	VII. 78	180,500.22	118,965.71
Subtotal of cash outflow from investing activities		296,039.43	331,627.66
Net cash flows from investing activities		-96,930.32	-188,935.85
<b>III. Cash flows from financing activities:</b>			
Cash received from capital contributions			28,479.98
Including: Cash received from minority shareholders investment by subsidiaries			28,479.98
Cash received from borrowings		146,491.71	413,039.16
Other cash received relating to financing activities	VII.78	21,749.10	21,807.13
Subtotal of cash inflow from financing activities		168,240.81	463,326.27
Cash paid for debt repayment		133,520.67	121,923.83
Cash paid for distributing dividend, profit or repaying interest		10,805.16	173,573.45
Including: Dividend and profit paid to minority shareholders by subsidiaries			37,894.20

Other cash paid relating to financing activities	VII. 78	33,148.82	12,242.51
Subtotal of cash outflow from financing activities		177,474.65	307,739.79
Net cash flows from financing activities		-9,233.84	155,586.48
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>		-1,131.73	7,219.22
<b>V. Net increase in cash and cash equivalents</b>		-81,519.94	-30,931.65
Add: Opening balance of cash and cash equivalents		337,047.68	373,708.48
<b>VI. Closing balance of cash and cash equivalents</b>		255,527.74	342,776.83

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

**Cash Flow Statement of Parent Company**

January- June 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Note	Interim period of 2024	Interim period of 2023
<b>I. Cash flows from operating activities:</b>			
Cash received from sales of goods or rendering of services		100,584.10	84,031.44
Tax refunds received		7,803.95	3,844.50
Other cash received relating to operating activities		239,382.32	165,485.48
Subtotal of cash inflow from operating activities		347,770.37	253,361.42
Cash paid for purchase of goods and receipt of services		88,513.39	63,487.06
Cash paid to and for staff		17,252.23	19,247.61
Various types of taxes paid		639.14	5,798.20
Other cash paid relating to operating activities		209,628.39	425,361.34
Subtotal of cash outflow from operating activities		316,033.15	513,894.21
Net cash flows from operating activities		31,737.22	-260,532.79
<b>II. Cash flows from investment activities:</b>			
Cash received from disposal of investments			2,728.79
Cash received from investment income		5,874.94	257,024.34
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		0.10	9.00
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investment activities		118,240.32	107,585.39
Subtotal of cash inflow from investing activities		124,115.36	367,347.52
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets		1,365.60	2,152.10
Cash paid for investment		25,959.85	142,157.74
Net cash paid for the acquisition of subsidiaries and other business units			
Other cash paid relating to investment activities		142,695.84	22,511.09

Subtotal of cash outflow from investing activities		170,021.29	166,820.93
Net cash flows from investing activities		-45,905.93	200,526.59
<b>III. Cash flows from financing activities:</b>			
Cash received from capital contributions			
Cash received from borrowings		28,900.27	143,437.52
Other cash received relating to financing activities		1,395.10	2,824.74
Subtotal of cash inflow from financing activities		30,295.37	146,262.26
Cash paid for debt repayment		87,283.53	35,953.05
Cash paid for distributing dividend, profit or repaying interest		1,982.60	130,650.30
Other cash paid relating to financing activities		3,030.73	2,359.44
Subtotal of cash outflow from financing activities		92,296.86	168,962.79
Net cash flows from financing activities		-62,001.49	-22,700.53
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>		-31.39	418.88
<b>V. Net increase in cash and cash equivalents</b>		-76,201.59	-82,287.85
Add: Opening balance of cash and cash equivalents		182,305.29	193,022.99
<b>VI. Closing balance of cash and cash equivalents</b>		106,103.70	110,735.14

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

Consolidated Statement of Changes in Owners’ Equity

January- June 2024

Unit: Ten Thousand Yuan Currency: RMB

Item	Interim period of 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		703,612.41		1,139,844.18	228,871.89	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		703,612.41		1,139,844.18	228,871.89	1,368,716.07
III. Increase or decrease in amount for current period (decrease marked with “-.”)	-3,056.35				-40,432.09	-42,315.31	5,807.54	-3.66			-16,853.23		-12,222.48	10,393.27	-1,829.21
(I) Total comprehensive income							5,807.60				45,445.97		51,253.57	11,205.84	62,459.41
(II) Capital contribution or reduction by owners	-3,056.35				-40,678.39	-42,315.31							-1,419.43	-812.57	-2,232.00
1. Ordinary shares contributed by owners	-3,056.35				-39,258.96	-42,315.31									
2. Capital contribution by other equity instrument holders															
3. Share-based payments recognized in owners’ equity															
4. Others					-1,419.43								-1,419.43	-812.57	-2,232.00
(III) Profit distribution											-62,299.26		-62,299.26		-62,299.26
1. Withdrawal of surplus reserves															
2. Withdrawal of general risk provision															
3. Distribution to owners (or shareholders)											-62,299.26		-62,299.26		-62,299.26
4. Others															
(IV) Internal transfer of owners’ equity							-0.06				0.06				
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							-0.06				0.06				
6. Others															
(V) Special reserves								-3.66					-3.66		-3.66
1. Amount withdrawn during current period															



2. Amount utilized during current period								-3.66					-3.66		-3.66
(VI) Others					246.30								246.30		246.30
IV. Balance at the end of current period	191,785.64				265,410.54	41,534.96	-58,400.14	435.35	83,166.09		686,759.18		1,127,621.70	239,265.16	1,366,886.86
Item	Interim period of 2023														
	Owners' equity attributable to parent company													Minority interests	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk provision	Undistributed profit	Others	Subtotal		
		Preferred stock	Perpetual bonds	Others											
I. Balance at the end of last year	194,841.99				305,946.43	50,000.02	-20,427.56	439.01	39,616.50		668,431.59		1,138,847.94	194,328.60	1,333,176.54
Add: Change in accounting policy															
Correction of accounting errors in prior periods															
Others															
II. Balance at the beginning of the year	194,841.99				305,946.43	50,000.02	-20,427.56	439.01	39,616.50		668,431.59		1,138,847.94	194,328.60	1,333,176.54
III. Increase or decrease in amount for current period (decrease marked with “-.”)					-2,158.09		-27,109.03				-3,607.83		-32,874.95	33,315.63	440.68
(I) Total comprehensive income							-27,109.03				126,806.40		99,697.37	40,640.14	140,337.51
(II) Capital contribution or reduction by owners					-2,672.88								-2,672.88	27,262.56	24,589.68
1. Ordinary shares contributed by owners														28,479.98	28,479.98
2. Capital contribution by other equity instrument holders															
3. Share-based payments recognized in owners' equity															
4. Others					-2,672.88								-2,672.88	-1,217.42	-3,890.30
(III) Profit distribution											-130,414.23		-130,414.23	-34,587.07	-165,001.30
1. Withdrawal of surplus reserves															
2. Withdrawal of general risk provision															
3. Distribution to owners (or shareholders)											-130,414.23		-130,414.23	-34,587.07	-165,001.30
4. Others															
(IV) Internal transfer of owners' equity															
1. Transfer of capital reserves to capital (or share capital)															
2. Transfer of surplus reserves to capital (or share capital)															
3. Surplus reserves to cover losses															
4. Carry-forward of changes in the defined benefit plan for retains profit															
5. Carry-forward of other comprehensive income for retained profit															
6. Others															
(V) Special reserves															
1. Amount withdrawn during current period															
2. Amount utilized during current period															

(VI) Others					514.79								514.79		514.79
IV. Balance at the end of current period	194,841.99				303,788.34	50,000.02	-47,536.59	439.01	39,616.50		664,823.76		1,105,972.99	227,644.23	1,333,617.22

Person in charge of the Company: Bian Cheng

Accounting Director: Zeng Fei

Person in charge of accounting department: Luo Lin

Statement of Changes in Owners’ Equity for Parent Company

January- June 2024

Unit: Ten Thousand Yuan    Currency: RMB

Item	Interim period of 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				-39,258.96	-42,315.31	4,967.81			-51,707.23	-46,739.42
(I) Total comprehensive income							4,967.81			10,592.03	15,559.84
(II) Capital contribution or reduction by owners	-3,056.35				-39,258.96	-42,315.31					
1. Ordinary shares contributed by the owners											
2. Capital contribution by other equity instrument holders											
3. Share-based payment recognized in owners’ equity											
4. Others	-3,056.35				-39,258.96	-42,315.31					
(III) Profit distribution										-62,299.26	-62,299.26
1. Withdrawal of surplus reserves											
2. Distributions to owners (shareholders)										-62,299.26	-62,299.26
3. Others											
(IV) Internal transfer of owners’ equity											
1. Transfer of capital reserves to capital (or share capital)											
2. Transfer of surplus reserves to capital (or share capital)											
3. Surplus reserves to cover losses											
4. Carry-forward of changes in the defined benefit plan for retained profit											
5. Carry-forward of other comprehensive income for retained profit											
6. Others											
(V) Special reserves											
1. Amount withdrawn during current period											

2. Amount utilized during current period											
(VI) Others											
IV. Balance at the end of current period	191,785.64				318,757.18	41,534.96	-27,965.78		82,465.38	344,809.53	868,316.99

Item	Interim period of 2023										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preferred stock	Perpetual bonds	Others							
I. Balance at the end of last year	194,841.99				355,770.47	50,000.02	-176.40		38,915.80	134,984.71	674,336.55
Add: Change in accounting policy											
Correction of accounting errors in prior periods											
Others											
II. Balance at the beginning of the year	194,841.99				355,770.47	50,000.02	-176.40		38,915.80	134,984.71	674,336.55
III. Increase or decrease in amount for current period (decrease marked with “-”)							-25,756.82			115,187.04	89,430.22
(I) Total comprehensive income							-25,756.82			245,601.27	219,844.45
(II) Capital contribution or reduction by owners											
1. Ordinary shares contributed by the owners											
2. Capital contribution by other equity instrument holders											
3. Share-based payment recognized in owners' equity											
4. Others											
(III) Profit distribution										-130,414.23	-130,414.23
1. Withdraw surplus reserves											
2. Distributions to owners (shareholders)										-130,414.23	-130,414.23
3. Others											
(IV) Internal transfer of owners' equity											
1. Transfer of capital reserves to capital (or share capital)											
2. Transfer of surplus reserves to capital (or share capital)											
3. Surplus reserves to cover losses											
4. Carry-forward of changes in the defined benefit plan for retained profit											
5. Carry-forward of other comprehensive income for retained profit											
6. Others											
(V) Special reserves											
1. Amount withdrawn during current period											
2. Amount utilized during current period											
(VI) Others											
IV. Balance at the end of current period	194,841.99				355,770.47	50,000.02	-25,933.22		38,915.80	250,171.75	763,766.77

Person in charge of the Company: Bian Cheng

Accounting Director: Zeng Fei

Person in charge of accounting department: Luo Lin

### III. General information of the Company

#### 1. Company profile

√Applicable ☐Not applicable

The Company was founded on 11 December 1996 with its registered address and headquarters both at No. 1, Huanzhen Road West, Guanglong Industrial Park, Chencun Town, Shunde District, Foshan, Guangdong and its legal representative is Bian Cheng. The Company initially issued 20,000 thousand 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 1,917,856.4 thousand.

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

Industry in which the Company operates: manufacturing of special equipment

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

### IV. Basis of preparation of financial statements

#### 1. Basis of preparation

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

**2. Going concern**

√Applicable ☐Not applicable

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

**V. Significant accounting policies and accounting estimates**

Reminders for specific accounting policies and accounting estimates:

☐Applicable √Not applicable

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

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

**2. Accounting period**

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

**3. Operating cycle**

√Applicable ☐Not applicable

The Company's operating cycle is 12 months.

**4. Reporting currency**

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

**5. Methodology for determining significance criteria and basis for selection**

√Applicable ☐Not applicable

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

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

√Applicable ☐Not applicable

### (1) Business combinations under common control

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

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

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

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

### (2) Business combinations not under common control

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

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

The deductible temporary difference of the acquiree obtained by the acquirer in the business combinations shall not be recognized if it does not meet the conditions for the recognition of deferred tax assets on the acquisition date. Within 12 months after the acquisition date, if new or further information obtained indicates that the relevant circumstances on the acquisition

date exist, and it is expected that the economic benefits brought by the deductible temporary difference of the acquiree can be realized on the acquisition date, the relevant deferred tax assets shall be recognized while the goodwill shall be reduced. If the goodwill is insufficient to be written off, the difference shall be recognized in current profit or loss. In addition to the above circumstances, the deferred tax assets related to business combinations shall be recognized and recorded in current profit or loss.

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

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

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

## **7. Preparation method of consolidated financial statements**

√Applicable   □ Not applicable

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

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

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

## (2) Preparation method of consolidated financial statements

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

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

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

The unrealized gains and losses of internal transactions arising from the disposal of assets to subsidiaries are fully offset against the "net profit attributable to parent company's owners". The unrealized gains and losses of internal transactions arising from the sale of assets by subsidiaries to the parent company shall be allocated and offset between "net profit



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

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

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

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

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

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

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

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

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

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

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

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

☒ Applicable ☐ Not applicable

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

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

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

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

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

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

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

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

## **9. Standards for determining cash and cash equivalents**

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

## **10. Foreign currency transactions and translation of foreign currency statements**

☒ Applicable ☐ Not applicable

### **(1) The translation of foreign currency transactions**

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

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

### **(2) The translation of foreign currency statements**

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

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

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

## 11. Financial instruments

√ Applicable ☐ Not applicable

### (1) Classification, recognition and measurement of financial assets

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

#### ① Financial assets measured at amortized cost

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

#### ② Financial assets at fair value through other comprehensive income

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

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

#### ③ Financial assets at fair value through profit or loss

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

## (2) Classification, recognition and measurement of financial liabilities

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

### ① Financial liabilities at fair value through profit or loss

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

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

### ② Other financial liabilities

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

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

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

If the enterprise has neither transferred nor retained almost all the risks and rewards in the ownership of the financial asset, but it does not waive the control over the financial asset, the relevant financial assets shall be recognized in accordance with the extent of continuous involvement in the transferred financial assets, and relevant liabilities shall be recognized

accordingly. The extent of continuous involvement in the transferred financial assets is the risk level at which enterprise is exposed to changes in the value of such financial assets.

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

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

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

#### (4) Derecognition of financial liabilities

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

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

#### (5) Offsetting of financial assets and financial liabilities

When the Company has a legal right to offset the recognized financial assets and financial liabilities, and such legal right is currently enforceable, and at the same time, the Company intends either to settle on a net basis, or to realize such financial assets and pay off such financial liabilities, the net balance after the offsetting of financial assets and the financial liabilities shall be presented in the balance sheet. Otherwise, the financial assets and the

financial liabilities shall be presented separately in the balance sheet without mutual offset.

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

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

#### (7) Impairment of financial assets

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

#### (8) Equity instruments

Equity instruments refer to the contracts proving possession of remaining equity in the assets of the Company after deduction of all liabilities. The Company's issuance (including refinancing), repurchase, sale or cancellation of equity instruments are treated as changes in equity, and transaction costs related to equity transactions are deducted from equity. The Company does not recognize the changes in the fair value of equity instruments. The Company's distribution of dividends (including "interest" generated by the instruments classified as equity instruments) on equity instruments during the lifetime shall be treated as profit distribution.

**12. Notes receivable**√Applicable ☐Not applicable**Determination of expected credit loss and accounting treatment of notes receivable**√Applicable ☐Not applicable

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

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

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

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

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

**Types of portfolios of provision for bad debts based on credit risk characteristics and the determination basis**√Applicable ☐Not applicable

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

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

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



☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

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

### **13. Accounts receivable**

☒Applicable ☐Not applicable

#### **Determination of expected credit loss and accounting treatment of accounts receivable**

☒Applicable ☐Not applicable

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

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

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

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

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

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

☒Applicable ☐Not applicable

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

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

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

☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

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

## **14. Receivables financing**

☒Applicable ☐Not applicable

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

☒Applicable ☐Not applicable

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

If the Company transfers the receivables held by it in the form of discount or endorsement, which is frequent and involves a large amount, and its business model for management is substantially to collect contract cash flows and to sell, it is classified into financial assets at fair value through other comprehensive income in accordance with the accounting standards of financial instruments.

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

√Applicable ☐Not applicable

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

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

☐Applicable √Not applicable

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

√Applicable ☐Not applicable

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

## **15. Other receivables**

√Applicable ☐Not applicable

### **Determination of expected credit loss and accounting treatment of other receivables**

√Applicable ☐Not applicable

The Company measures the expected credit losses on other receivables in the following circumstances: ①the Company measures the allowance for losses at the amount of expected credit losses for the next 12 months if there has been no significant increase in credit risk since the initial recognition; ② the Company measures the allowance for losses at an amount equal to the expected credit losses over the entire duration of the financial instrument if there has been a significant increase in credit risk since the initial recognition; ③ the Company measures the allowance for losses at an amount equal to the expected credit losses over the entire duration of the financial instrument if the credit risk of the financial instrument has been impaired since the initial recognition. Amounts increased or reversed in the resulting provision for losses are recognised as impairment losses in profit or loss.

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

√Applicable ☐Not applicable

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

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

☐Applicable ☒Not applicable

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

☒Applicable ☐Not applicable

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

## **16. Inventories**

☒Applicable ☐Not applicable

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

☒Applicable ☐Not applicable

#### **(1) Classification of inventories**

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

#### **(2) Valuation method of inventories**

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

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

#### **(3) Inventory system**

Perpetual inventory system is adopted.

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

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

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

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

☒Applicable ☐Not applicable

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

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

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

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

**17. Contract assets**

☒Applicable ☐Not applicable

**Recognition method and standard of contract assets**√Applicable ☐Not applicable

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

**Determination and accounting treatment of expected credit loss on contract assets**√Applicable ☐Not applicable

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

**Types of portfolios of provision for bad debts based on credit risk characteristics and the determination basis**☐Applicable √Not applicable**Aging calculation method for recognising a portfolio of credit risk characteristics based on aging**☐Applicable √Not applicable**Criteria for judging single-item provision by determining provision for bad debts by single item**√Applicable ☐Not applicable

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

**18.Non-current assets held for sale or disposal groups**√Applicable ☐Not applicable**Recognition criteria and accounting treatment for non-current assets or disposal groups held for sale**√Applicable ☐Not applicable

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

**Criteria for determining and reporting for discontinued operations**

√Applicable ☐Not applicable

### (1) Discontinued operations

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

### (2) Presentation

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

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

## 19. Long-term equity investments

√Applicable ☐ Not applicable

The long-term equity investments herein refer to the long-term equity investment in which the Company has control over, joint control over or significant influence on the investee.

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

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

## ① Long-term equity investments formed by business combinations

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

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

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

## ② Long-term equity investments obtained by other means

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

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

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

For the long-term equity investments in an associate or a joint venture obtained through debt



restructuring, the initial investment cost is determined based on the fair value of the abandoned debt and other costs such as taxes that can be directly attributable to the asset.

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

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

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

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

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

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

If the accounting policy and accounting period adopted by the investee are inconsistent with those of the Company, the financial statements of the investee shall be adjusted in accordance with the Company's accounting policy and accounting period, and investment income and other comprehensive income shall be recognized accordingly.

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

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

When the Company calculates and recognizes the net profit and loss of the investee that it

shall enjoy or share, the unrealized internal trading gains or losses between associates and joint ventures attributable to the Company shall be calculated in the proportion it is entitled to and be offset, after which the investment income can be recognized.

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

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

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

If the Company loses its control over the investee due to the disposal of partial equity investments, when preparing the individual financial statements, if the remaining equity after the disposal can implement joint control over or significant influence on the investee, it shall be accounted for using equity method instead and be adjusted as if the remaining equity has been accounted for using equity method upon acquisition; if the remaining equity after the disposal cannot implement joint control over or significant influence on the investee, it is changed to be subject to accounting treatment in accordance with the relevant provisions of “Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments”.

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

## **20. Investment properties**

Not applicable

## 21. Fixed assets

### (1). Conditions for recognition

√Applicable ☐ Not applicable

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

### (2). Depreciation method

√Applicable ☐ Not applicable

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

No depreciation shall be provided for the ownership of land operated overseas, and the photovoltaic power generation equipment newly added by the Company for the electricity sales industry shall be classified as machinery and equipment. The depreciation of fixed assets other than the land is provided by using the straight-line method, and the depreciation rate is determined according to the category of fixed assets, expected useful life and expected net residual value rate. If each component of fixed assets has different useful life or provides economic benefits to the Company in different ways, different depreciation rates or depreciation methods shall be selected for the provision of depreciation respectively.

## 22. Construction in progress

√Applicable ☐ Not applicable

Construction in progress is accounted for by project classification.

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

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

### 23. Borrowing costs

√Applicable ☐Not applicable

#### (1) Recognition principle for capitalization of borrowing costs

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

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

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

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

- ① The asset expenditure has been incurred, including the expenditure in the form of cash payment, non-monetary assets transfer or payment of the debts with interest for acquisition, construction or production of assets that meet the capitalization conditions;
- ② The borrowing costs have been incurred;
- ③ The acquisition, construction or production activities necessary for making the assets achieve its intended usable or saleable state have been commenced.

#### (2) The capitalization period of borrowing costs

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

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

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

Even though each part of the acquired, constructed or produced assets is completed respectively, it only can be put into operation or sold after the whole asset is completed, the

borrowing costs cease to be capitalized when the whole asset is completed.

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

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

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

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

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

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

## 24. Biological assets

☐Applicable ☒Not applicable

## 25. Oil and gas assets

☐Applicable ☒Not applicable

## 26. Intangible assets

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

☒Applicable ☐ Not applicable

#### ① Initial measurement at cost when intangible assets are obtained

The cost of outsourcing intangible assets shall include the purchase price, relevant taxes and other necessary expenditures directly attributable to intangible assets for the intended purpose. If there is deferred payment of the purchase price of the intangible assets beyond

normal credit conditions which is substantially of a financing nature, the cost of the intangible assets is determined based on the present value of the purchase price.

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

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

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

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

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

Category	Amortization period (year)
Land use right	50
Trademark right	10
Patent right	10
Non-patented technology	5
Application software	5

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

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

☒Applicable ☐Not applicable

R&D expenditures are expenditures directly related to the Company's R&D activities, including the salaries of R&D personnel, direct input expenses, depreciation and long-term

deferred expenses, design expenses, amortisation expense of intangible assets, commissioned external R&D expenses and other expenses, of which the salaries of R&D personnel are amortised according to the number of hours worked on the project and are included in R&D-related expenditures. The Company includes the expenses incurred during the research phase of internal R&D projects in the profit or losses in the current period when they incur; and capitalises expenditures in the development phase only when the following conditions are met: ① technical feasibility to complete the intangible assets so that it can be used or sold; ② the intention to complete the intangible assets and use or sell it; 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 wall material production line equipment with installation and acceptance obligations, revenue is recognized upon completion of commissioning and acceptance and obtaining relevant acceptance documents. For complete sets of wall material production line equipment without installation and acceptance obligations: for domestic sales, revenue will be recognized when completion of the delivery according to the contract, which is recognized as the transfer point at which the customer obtains the control right of the relevant commodities, and for overseas sales, after the Company completes the shipment and handles the export customs clearance procedures according to the requirements of the contract, and obtains the export customs declaration and the export shipment note, which is recognized as the point at which the Company transfers control right of the commodities to the customer, the revenue will be recognized.

(3) Revenue measurement

The Company shall measure revenue according to the transaction price allocated to each individual performance obligation. In determining the transaction price, the Company shall consider the influence of variable considerations, significant financing components in the contract, non-cash considerations, considerations payable to customers as well as other factors:

① Variable considerations

The Company shall determine the best estimate of variable considerations according to the expected value or the most likely amount, but the transaction price including the variable considerations shall not exceed the amount of accumulated recognized revenue that is unlikely to be significantly reversed when relevant uncertainty is eliminated. When evaluating whether the accumulative recognized revenue is unlikely to be significantly reversed, the Company shall further consider the possibility and proportion of revenue reversal.

## ② Significant financing components

In case of significant financing components in the contract, the Company shall determine the transaction price according to the amount payable in cash assuming that customers obtain the control right of commodities. Difference between the transaction price and the contract consideration shall be amortized by adopting the effective interest method during the contract period.

## ③ Non-cash considerations

In case customers pay for non-cash considerations, the Company shall determine the transaction price according to the fair value of the non-cash considerations. In case the fair value of non-cash considerations cannot be reasonably estimated, the Company shall indirectly determine the transaction price by reference to the separate selling price of commodities it undertakes to transfer to customers.

## ④ Consideration payable to customers

Considerations payable to customers shall be written down against the transaction price, and the current income shall be offset at the time when relevant income is recognized or the customer's consideration is paid (or promised to be paid, whichever is later, except that the considerations payable to customers is for the purpose of obtaining other clearly distinct commodities from customers.

In case the consideration payable by the Company to customers is for the purpose of obtaining other clearly distinct commodities from customers, the purchased commodities shall be recognized in a way consistent with other purchases of the Company. In case the consideration payable by the Company to customers exceeds the fair value of the clearly distinct commodities obtained from the customers, the excess amount shall be used to offset the transaction price. In case the fair value of clearly distinct commodities obtained from customers cannot be reasonably estimated, the Company shall offset the transaction price with the considerations payable to customers in full.

**(2). Difference in accounting policies for revenue recognition due to different operating models adopted for the same type of business**

☐Applicable ☒ Not applicable

**35. Contract costs**

☒Applicable ☐Not Applicable

Contract costs include incremental costs incurred to obtain the contract and contract performance costs.

Incremental cost incurred to obtain a contract refers to the cost that the Company will not incur without acquiring a contract (such as sales commissions). If the cost is expected to be recovered, the Company recognizes it as an asset at the cost of obtaining the contract. Other expenses incurred by the Company for obtaining the contract, except for the incremental costs expected to be recovered, are included in current profit and loss when incurred.

If the costs incurred for the performance of the contract that do not fall within the scope of other Accounting Standards for Business Enterprises such as inventory and meet the following conditions, the Company shall recognize it as an asset at contract performance cost:

- ① The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), clearly borne by the customer, and other costs incurred only due to the contract;
- ② The cost increases the resources that the Company will use to fulfill its obligations in the future;
- 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:

- ① When the lease term expires, the ownership of the leased asset is transferred to the lessee.
- ② The lessee has the option to purchase the leased assets. If the agreed purchase price is far lower than the fair value of the leased assets expected at the time exercising the option, it can be reasonably determined that the lessee will exercise such option on the lease commencement date.
- ③ Although the ownership of the asset is not transferred, the lease term covers the major part of the service life of the leased assets.
- ④ The present value of lease receipts on the lease commencement date is nearly equal to the fair value of the leased assets.
- ⑤ The leased assets are of special nature, and only the lessee could use such assets if no significant retrofitting is made.

#### **① Accounting treatment for finance leases by the lessor**

On the beginning date of the lease term, the lessor shall recognize the amount receivable for the finance leases and terminate the recognition of the finance lease assets.

When the lessor initially measures the finance lease receivables, the net investment in the lease shall be used as the entry value of the finance lease receivables.

The net lease investment is the sum of the unguaranteed residual value and the present value of the lease receipts that have not been received on the beginning date of the lease term discounted at the interest rate implicit in the lease.

In the case of a sublease, if the interest rate implicit in the sublease cannot be determined, the sublease lessor may use the discount rate of the original lease (adjusted for the initial direct costs associated with the sublease) to measure the net investment in the sublease.

The lessor shall calculate and recognize the interest income in each period of the lease term according to the fixed periodic interest rate. The periodic interest rate is the discount rate adopted in accordance with the provisions of Article 38 of these Standards, or the revised discount rate adopted in accordance with the provisions of Article 44 of these Standards.

The lessor shall account for the derecognition and impairment of finance lease receivables in accordance with the provisions of the “Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments” and the “Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets”.

The amount of variable lease payments obtained by the lessor not included in the measurement of net lease investment shall be included into current profit or loss when actually incurred.

## ② Accounting treatment for operating leases by the lessor

The lessor shall adopt the straight-line method or other systematic and reasonable methods to recognize the lease receipts of operating leases as rental income during each period of the lease term. The initial direct expenses incurred by the lessor related to operating leases shall be capitalized, amortized on the same basis as the recognition of rental income during the lease term, and included in current profit or loss by stages.

For the fixed assets in the operating lease assets, the lessor shall adopt the depreciation policy of similar assets for depreciation; other operating lease assets shall be amortized by systematic and reasonable methods in accordance with the Accounting Standards for Business Enterprises applicable to the assets.

The lessor determines whether the operating lease assets are impaired in accordance with the “Accounting Standards for Business Enterprises No. 8 - Asset Impairment”, and carries out corresponding accounting treatment.

The amount of variable lease payments obtained by the lessor that is related to the operating leases and not included in the lease receipts shall be included in current profit or loss when actually incurred.

## 39. Other significant accounting policies and accounting estimates

√Applicable ☐Not Applicable

### (1) Discontinued operations

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

For the accounting treatment method of discontinued operations, please refer to the relevant description in Note V. 18 “Non-current assets held for sale or disposal groups”.

**(2) Debt restructuring**

For debt restructuring in which the debt restructuring obligation is recorded as a creditor to settle the debt in cash, the difference between the carrying balance of the restructured debt and the cash received is recognized in current profit or loss; if the debt is settled with non-cash assets, the difference between the fair value of the relinquished debt and the book value is recognized in current profit or loss. If an impairment provision has been made for restructured debt, the above difference is first written off against the impairment provision that has been made, and any shortfall is recognized in current profit or loss.

**(3) Exchange of non-monetary assets**

If the exchange of non-monetary assets has commercial substance and the fair value of the asset being exchanged in or out can be measured reliably, the fair value of the asset being exchanged out (unless there is conclusive evidence that the fair value of the asset being exchanged in is more reliable) and the related taxes payable are used as the cost of the asset being exchanged in, and the difference between the fair value and the book value of the asset being exchanged out is included in current profit or loss. If the exchange of non-monetary assets does not meet the above conditions, the book value of the asset being exchanged out and the relevant taxes and fees payable are regarded as the cost of the asset being exchanged in, and no profit or loss is recognized.

**40. Changes in significant accounting policies and accounting estimates****(1). Changes in significant accounting policies**

☐Applicable ☒Not Applicable

**(2). Changes in significant accounting estimates**

☐Applicable ☒Not Applicable

**(3). The first implementation of new accounting standards or interpretations of standards since 2024 involves adjustments to the financial statements at the beginning of the year of the first implementation**

☐Applicable ☒Not Applicable

**41. Others**

☐Applicable ☒Not Applicable

**VI. Taxation****1. Major tax types and rates**

Major tax types and rates

☒ Applicable ☐ Not applicable

Tax Type	Taxable Basis	Tax Rate
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Value-added tax	Taxable income	3%, 5%, 6%, 9%, 11%, 13%, 15%, 16%, 17%, 18%, 19.25%, 20%, 21%, 22%
City maintenance & construction tax	Amount of turnover tax payable	5%, 7%
Corporate income tax	Taxable income	12.5%, 15%, 16.5%, 20%, 22%, 22.8%, 23%, 25%, 27.9%, 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
Anhui Keda Industrial Co., Ltd.	15.00
Keda (Anhui) New Material Co., Ltd.	15.00
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	15.00
Keda (Anhui) Clean Energy Co., Ltd.	15.00
Fujian Keda New Energy Technology Co., Ltd.	15.00
Guangdong Keda Hydraulic Technology Co., Ltd.	15.00
HLT Industry Co., Ltd.	15.00
DLT Technology Co., Ltd.	15.00
Henan KDNEU International Engineering Co., Ltd.	15.00
Foshan Keda Industrial Co., Ltd.	15.00
Keda Industrial Group Co., Ltd.	15.00
Anhui Keda Smart Energy Technology Co., Ltd.	15.00
Xincheng International (Hong Kong) Co., Ltd.	16.50
Forwell International (HK) Co., Ltd.	16.50
KAMI MATERIALS Co., Ltd.	16.50
Jiangsu Keda Electric Power Co., Ltd.	20.00
Suzhou Keda Smart Energy Technology Co., Ltd.	20.00
Hefei Binhu Keda Smart Energy Co., Ltd.	20.00

Name of Taxable Entity	Income Tax Rate (%)
Wuhu Ke'an Energy Technology Co., Ltd.	20.00
Dangtu Ke'an New Energy Technology Co., Ltd.	20.00
Kunshan Boyue New Energy Technology Co., Ltd.	20.00
Dangtu Keda New Energy Technology Co., Ltd.	20.00
Hefei Kemao New Energy Co., Ltd.	20.00
Maanshan Keci New Energy Technology Co., Ltd.	20.00
Guangde Ke'an Photovoltaic Power Co., Ltd.	20.00
Hefei Lunuo New Energy Co., Ltd.	20.00
Guangdong Artget Fluidtech Co., Ltd.	20.00
Keda (Anhui) New Energy Vehicle Sales Co., Ltd.	20.00
Huadong (Maanshan) Tourist Transportation Co., Ltd.	20.00
Hengwang (Anhui) Smart Energy Technology Co., Ltd.	20.00
Keda (Anhui) Hydraulic Technology Co., Ltd.	20.00
Sixian Keda New Energy Technology Co., Ltd.	20.00
Maanshan Kehan New Energy Technology Co., Ltd.	20.00
Wuhu Keda Smart New Energy Technology Co., Ltd.	20.00
Maanshan Ke'an New Energy Technology Co., Ltd.	20.00
Toyo Hydraulic Technology (Dalian) Co., Ltd.	20.00
Maanshan Zhengpugang New District Taixin New Energy Technology Co., Ltd.	20.00
Maanshan Kegu New Energy Co., Ltd.	20.00
Maanshan Keda Cigao New Energy Co., Ltd.	20.00
Langxi Ke'an New Energy Technology Co., Ltd.	20.00
Guangdong Keda Innovation Private Equity Investment Co., Ltd.	20.00
Wuhu Kesen New Energy Co., Ltd.	20.00
Maanshan Keda Kezhong New Energy Co., Ltd.	20.00
Foshan Kexin New Energy Technology Co., Ltd.	20.00
Foshan Keshiming New Energy Technology Co., Ltd.	20.00

Name of Taxable Entity	Income Tax Rate (%)
Foshan Kesheng New Energy Technology Co., Ltd.	20.00
Foshan Kerongsheng New Energy Technology Co., Ltd.	20.00
Keda (Anhui) Huadong New Energy Automobile Travel Service Co., Ltd.	20.00
Foshan Ke'an New Energy Technology Co., Ltd.	20.00
Foshan Keda Ecological Stone Engineering Technology Co., Ltd.	20.00
Anhui Kechucheng New Energy Technology Co., Ltd.	20.00
Sixian Ketu New Energy Co., Ltd.	20.00
Hefei Keda Keheng New Energy Technology Co., Ltd.	20.00
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	20.00
PT Keda INDUSTRIAL INDONESIA	22.00
Keda International Company S.a.r.l.	22.80
Wibe S.L.	23.00
Guangdong Keda Smart Energy Technology Co., Ltd.	25.00
Guangdong Create-Tide New Materials Co., Ltd.	25.00
Jiangsu Kehang Environmental Protection Co., Ltd.	25.00
Foshan Keda Ceramic Technology Co., Ltd.	25.00
Shaoguan Keda Equipment Manufacturing Co., Ltd.	25.00
Anhui Keqing Environmental Engineering Co., Ltd.	25.00
Guangdong Keda New Energy Equipment Co., Ltd.	25.00
HLT Ceramic Technology Co., Ltd.	25.00
Sichuan Keda Jieneng New Materials Co., Ltd.	25.00
Anhui Ke'an Electric Power Engineering Co., Ltd.	25.00
Keda-SUREMAKER (WUHU) INDUSTRIAL CO., LTD	25.00
Shenyang Keda Clean Energy Gas Co., Ltd.	25.00
Anhui Keda Investment Co., Ltd.	25.00
Jiangsu Weilili New Material Co., Ltd.	25.00
Guangdong Keda Lithium Industry Co., Ltd.	25.00



Name of Taxable Entity	Income Tax Rate (%)
Keda Industrial (Hong Kong) Limited	25.00
Guangdong Xincheng Financial and Leasing Co., Ltd.	25.00
Anhui Xincheng Financial and Leasing Co., Ltd.	25.00
Foshan Keda Equipment Manufacturing Co., Ltd.	25.00
HLT Technology Co., Ltd.	25.00
Keda (Anhui) New Energy Equipment Co., Ltd.	25.00
Chongqing Keda New Energy Materials Co., Ltd.	25.00
Maanshan Keda-SUREMAKER INDUSTRIAL CO., LTD	25.00
Guangdong Tefu International Holdings Limited	25.00
Tefu (Guangzhou) Furniture Co., Ltd.	25.00
Xiamen Keda New Energy Technology Co., Ltd.	25.00
Gao'an Keda Mechanical Parts Co., Ltd.	25.00
Keda Turkey Makine Ticaret Limited Şirketi	25.00
Keda Cote D'ivoire Ceramics Company Limited	25.00
Keda Europe S.r.l.	27.90
I.C.F. & Welko S.P.A.	27.90
P.I.R.C. S.r.l.	27.90
F.D.S. Ettmar S.r.l.	27.90
Keda Peru Building Materials Company S.R.L.	29.50
Twyford Peru Company S.R.L.	29.50
Kami Coloucera Private Limited	30.00
Keda Industrial (India) Limited	30.00
Keda (Kenya) Ceramics Company Limited	30.00
Keda (Tanzania) Ceramics Company Limited	30.00
Keda (SN) Ceramics Company Limited	30.00
Keda Ceramics International Company Limited	30.00
Keda Tanzania Resource Company Limited	30.00
Keda Zambia Ceramics Company Limited	30.00

Name of Taxable Entity	Income Tax Rate (%)
Twyford Impex (U) Ltd	30.00
Keda Cameroon Ceramics Limited	33.00

## 2. Tax preference

✓ Applicable    ☐ Not applicable

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

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

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

Keda (Anhui) Clean Energy Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2022 (Certificate No. GR202234002098), with an income tax rate of 15%.

Guangdong Keda Hydraulic Technology Co., Ltd. was recognised as a High-tech Enterprise of Guangdong Province for 2022 (Certificate No. GR202244006263), with an income tax rate of 15%.

Anhui Keda New Material Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2022 (Certificate No. GR202234003318), with an income tax rate of 15%.

Anhui Keda Industrial Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2021 (Certificate No. GR202134002910), with an income tax rate of 15%.

Henan KedaNEU International Engineering Co., Ltd. was recognised as a High-tech Enterprise of Henan Province for 2021 (Certificate No. GR2021141000302), with an income tax rate of 15%.

DLT Technology Co., Ltd. was recognised as a High-tech Enterprise of Guangdong Province for 2021 (Certificate No. GR202144005272), with an income tax rate of 15%.

Foshan Keda Industrial Co., Ltd. was recognised as a High-tech Enterprise of Guangdong Province for 2022 (Certificate No. GR202244002608), with an income tax rate of 15%.

Anhui Keda Smart Energy Technology Co., Ltd. was recognised as a High-tech Enterprise of Anhui Province for 2022 (Certificate No. GR202234000267), with an income tax rate of 15%.

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

**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	347.90	392.74
Bank deposits	255,178.89	336,654.08
Other monetary funds	65,913.90	23,171.72
Deposits with financial institutions		
Total	321,440.69	360,218.54
Including: Total amount deposited overseas	76,179.28	46,592.60

**Other notes**

The closing balance of other monetary funds includes RMB328,515.8 thousand for time deposit, RMB232,279.8 thousand of deposits for banker's acceptances, RMB35,652.8 thousand of judicially frozen funds, RMB62,609.5 thousand of deposits for letters of guarantee (L/Gs), and RMB81.1 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	43,468.48	29,089.94	/
Including:			
Wealth management products	43,425.26	29,089.94	/
Forward contract	43.22		/
Total	43,468.48	29,089.94	/

**Other notes:**

☒ Applicable    ☐ Not applicable

The closing balance of financial assets held for trading increased by 49.43% from the beginning of the Period, mainly due to the wealth management products purchased by the Company during the Reporting Period.

### 3. Derivative financial assets

☐ Applicable ☒ Not applicable

### 4. Notes receivable

#### (1). Classified presentation of notes receivable

☒ Applicable ☐ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Banker's acceptance	7,411.53	5,073.74
Commercial acceptance bill	1,903.35	400.59
Total	9,314.88	5,474.33

#### (2). Notes receivable pledged by the Company at the end of the Reporting Period

☐ Applicable ☒ Not applicable

#### (3). Notes receivable endorsed or discounted by the Company at the end of the Reporting Period and not yet maturing as of the balance sheet date

☒ Applicable ☐ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount Derecognised at the End of the Reporting Period	Amount not Derecognised at the End of the Reporting Period
Banker's acceptance		5,978.09
Commercial acceptance bill		1,292.40
Total		7,270.49

#### (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	9,325.66	100.00	10.78	0.12	9,314.88	5,482.99	100.00	8.66	0.16	5,474.33
Including:										
Grouping of commercial acceptance bill	1,914.13	20.53	10.78	0.56	1,903.35	409.25	7.46	8.66	2.12	400.59
Grouping of banker's acceptance	7,411.53	79.47			7,411.53	5,073.74	92.54			5,073.74
Total	9,325.66	/	10.78	/	9,314.88	5,482.99	/	8.66	/	5,474.33

Provision set aside for bad debts by the single item:

☐ Applicable    ☒ Not applicable

Provision set aside for bad debts by portfolio:

☒ Applicable    ☐ Not applicable

Grouping-based provision item: Grouping of commercial acceptance bill

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing Balance		
	Notes receivable	Provision for bad debts	Provision percentage (%)
Grouping of commercial acceptance bill	1,914.13	10.78	0.56
Total	1,914.13	10.78	0.56

Recognition criteria and notes for setting aside provision for bad debts by portfolio

☐ Applicable    ☒ Not applicable

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:

**(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	8.66	2.12				10.78
Total	8.66	2.12				10.78

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

**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		
Including: Sub-items within one year		
Subtotal within one year	165,949.14	153,829.34
One to two years	22,275.79	23,615.76
Two to three years	12,450.67	15,089.48

Over three years	10,953.58	9,513.39
Total	211,629.18	202,047.97

**(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	12,412.89	5.87	7,642.31	61.57	4,770.58	11,181.98	5.53	8,097.97	72.42	3,084.01
Provision set aside for bad debts by portfolio	199,216.29	94.13	17,442.09	8.76	181,774.20	190,865.99	94.47	17,258.74	9.04	173,607.25
Total	211,629.18	/	25,084.40	/	186,544.78	202,047.97	/	25,356.71	/	176,691.26

Provision set aside for bad debts by the single item:

√ Applicable ☐ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing Balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 1	2,120.69	636.21	30.00	Projected risk of recovery
Customer 2	1,960.22	784.09	40.00	Projected risk of recovery
Customer 3	1,958.31	1,824.20	93.15	Projected risk of recovery
Customer 4	945.00	270.00	28.57	Projected risk of recovery
Customer 5	553.20	477.00	86.23	Projected risk of recovery
Customer 6	510.37	510.37	100.00	Irrecoverable as projected
Customer 7	373.20	373.20	100.00	Irrecoverable as projected
Others	3,991.90	2,767.24	69.32	Projected risk of recovery
Total	12,412.89	7,642.31	61.57	/

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 grouping

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing Balance		
	Accounts receivable	Provision for bad debts	Provision percentage (%)
Within one year	160,578.68	3,536.30	2.20
One to two years	22,206.20	2,549.91	11.48
Two to three years	7,110.23	2,991.64	42.08
Three to five years	6,515.09	5,558.15	85.31
Over 5 years	2,806.09	2,806.09	100.00
Total	199,216.29	17,442.09	8.76

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	25,356.71	-182.47	62.09	126.37	-25.56	25,084.40
Total	25,356.71	-182.47	62.09	126.37	-25.56	25,084.40



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	Amount Written off
Accounts receivable written off	126.37

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 categorised 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 8	11,990.81		11,990.81	5.11	236.55
Customer 9	3,945.00	4,482.05	8,427.05	3.59	826.43
Customer 10	7,399.70		7,399.70	3.15	66.60
Customer 11	6,208.22		6,208.22	2.64	170.68
Customer 12	6,056.41		6,056.41	2.58	273.30
Total	35,600.14	4,482.05	40,082.19	17.07	1,573.56

Other notes:

☐ Applicable ☒ Not applicable

**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	23,221.77	3,023.63	20,198.14	27,228.35	3,047.79	24,180.56
Total	23,221.77	3,023.63	20,198.14	27,228.35	3,047.79	24,180.56

**(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 percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Provision set aside for bad debts by the single item	4,777.31	20.57	2,592.62	54.27	2,184.69	6,628.91	24.35	2,592.62	39.11	4,036.29
Provision set aside for bad debts by portfolio	18,444.46	79.43	431.01	2.34	18,013.45	20,599.44	75.65	455.17	2.21	20,144.27
Total	23,221.77	100.00	3,023.63	13.02	20,198.14	27,228.35	100.00	3,047.79	11.19	24,180.56

Provision set aside for bad debts by the single item:

√ Applicable ☐ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 13	2,024.58	1,862.62	92.00	Projected risk of recovery

Customer 9	1,461.60	430.00	29.42	Projected risk of recovery
Customer 14	1,291.13	300.00	23.24	Projected risk of recovery
Total	4,777.31	2,592.62		/

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		
	Contract assets	Provision for bad debts	Provision percentage (%)
Provision set aside for bad debts by portfolio	18,444.46	431.01	2.34
Total	18,444.46	431.01	2.34

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	Provision in the Reporting Period	Recovery or Transfer in the Current Period	Charge-off/Write-off in the Reporting Period	Reasons
Provision for impairment	-24.16			
Total	-24.16			/

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

Including: Write-off of significant contract assets

☐ Applicable ☒ Not applicable

Notes to write-off of contract assets:

☐ Applicable ☒ Not applicable

Other notes:

☐ Applicable ☒ Not applicable

**7. 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	9,268.38	23,576.65
Total	9,268.38	23,576.65

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

☒ Applicable ☐ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount Pledged at the End of the Reporting Period
Banker's acceptance	1,051.61
Total	1,051.61

**(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	Amount Derecognised at the End of the Reporting Period	Amount not Derecognised at the End of the Reporting Period
Banker's acceptance	42,027.31	
Total	42,027.31	

**(4). 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

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

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:**

(9). ☒Applicable ☐Not applicable

Other descriptions:

The closing balance of receivables financing decreased by 60.69% from the opening balance, mainly due to the decrease in bank acceptances that are not due held by the Company during the Reporting Period.

**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	39,638.47	84.00	34,439.26	83.07
One to two years	2,299.69	4.87	2,687.57	6.48
Two to three years	3,415.73	7.24	3,483.69	8.40
Over three years	1,832.64	3.88	845.43	2.04
Total	47,186.53	100.00	41,455.95	100.00

**(2). Top five prepayments in the closing balance categorised by payees**

☒ Applicable ☐ Not applicable

Unit	Closing Balance	Percentage in the Total Closing Balance of the Prepayments (%)
Supplier 1	2,919.48	6.19
Supplier 2	2,918.29	6.18
Supplier 3	1,464.88	3.10
Supplier 4	783.02	1.66
Supplier 5	775.23	1.64

Total	8,860.90	18.78
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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		41,140.71
Other receivables	21,660.87	14,157.09
Total	21,660.87	55,297.80

Other notes:

☒ Applicable ☐ Not applicable

The closing balance of other receivables decreased by 60.83% from the opening balance, mainly due to the dividends receivable of the previous year from Lanke Lithium Industry, during the Reporting Period.

### 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

**(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

**(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		
Including: Sub-items within one year		

Subtotal within one year	19,128.63	12,354.52
One to two years	2,473.02	1,011.44
Two to three years	752.13	422.01
Over three years	459.05	926.46
Total	22,812.83	14,714.43

**(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	14,013.33	5,219.34
Other current accounts	2,762.85	2,097.54
Export tax rebate	196.32	2,573.53
Margin	2,282.06	1,318.01
Government grants	3,558.27	3,506.00
Total	22,812.83	14,714.43

**(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)	Expected credit loss during the whole outstanding maturity (with credit impairment)	
Balance as of 1 January 2024	227.85		329.49	557.34
Balance as of 1 January 2024 in the Reporting Period	227.85		329.49	557.34
-- Transferred to Phase II				
-- Transferred to Phase III				
-- Reclassified under Phase II				
-- Reclassified under Phase I				

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)	Expected credit loss during the whole outstanding maturity (with credit impairment)	
Provision in the Reporting Period	603.39		-1.17	602.22
Reclassification in the Reporting Period	5.58			5.58
Charge-off in the Reporting Period				
Write-off in the Reporting Period	10.56		2.00	12.56
Other changes	-0.62			-0.62
Balance on 30 June 2024	825.64		326.32	1,151.96

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	557.34	602.22	5.58	12.56	-0.62	1,151.96
Total	557.34	602.22	5.58	12.56	-0.62	1,151.96

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	Amount written off
Other accounts receivable written off	12.56

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 categorised 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
Trading unit 1	8,488.10	37.21	Sale of property, land and equipment	Within one year	577.62
Trading unit 2	2,825.92	12.39	Government grants	Within one year	
Trading unit 3	437.12	1.92	Intercourse funds	Within one year	2.36
Trading unit 4	370.04	1.62	Government grants	Within one year	
Trading unit 5	285.07	1.25	Intercourse funds	Within one year	1.54
Total	12,406.25	54.38	/	/	581.52

**(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
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	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	117,489.87	64.03	117,425.84	115,308.84	156.43	115,152.41
Work-in-process	194,821.54	152.83	194,668.71	178,485.00	602.80	177,882.20
Commodities in stock	74,216.20	185.48	74,030.72	66,266.35	410.68	65,855.67
Shipped commodities	28,671.57		28,671.57	7,883.69		7,883.69
Total	415,199.18	402.34	414,796.84	367,943.88	1,169.91	366,773.97

**(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	156.43	15.22		107.62		64.03
Work-in-process	602.80	31.04		481.01		152.83
Commodities in stock	410.68			211.11	14.09	185.48
Total	1,169.91	46.26		799.74	14.09	402.34

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). Capitalised 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 amortised 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 investments due within one year		
Other debt investments due within one year		
Finance lease	55,177.53	43,894.60
Including: Unrealised finance lease income	3,083.25	2,547.82
Total	55,177.53	43,894.60

Other notes

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	9,281.50	14.53	7,230.39	77.90	2,051.11	9,535.17	18.03	7,502.64	78.68	2,032.53
Provision set aside for bad debts by portfolio	54,597.05	85.47	1,470.63	2.69	53,126.42	43,359.89	81.97	1,497.82	3.45	41,862.07
Total	63,878.55		8,701.02		55,177.53	52,895.06		9,000.46		43,894.60

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

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing Balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 15	1,882.93	1,882.93	100.00	No repayment ability
Customer 16	1,216.33	1,216.33	100.00	No repayment ability
Customer 17	1,141.33	1,141.33	100.00	No repayment ability
Customer 18	1,095.45	219.09	20.00	Projected risk of recovery
Customer 19	906.01	90.60	10.00	Projected risk of recovery
Customer 20	785.88	785.88	100.00	No repayment ability
Customer 21	508.03	508.03	100.00	No repayment ability
Customer 22	452.64	362.11	80.00	No repayment ability and proposes to recover assets to cover the debt
Customer 23	308.74	308.74	100.00	No repayment ability
Other	984.16	715.35	72.69	
Total	9,281.50	7,230.39		/

### Note 2: Provision in the Reporting Period

Unit: Ten Thousand Yuan Currency: RMB

Category	Opening Balance	Change in the Current Period				Closing Balance
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts	9,000.46	-156.57		147.61	4.74	8,701.02
Total	9,000.46	-156.57		147.61	4.74	8,701.02

### Debt investments due within one year

☐ Applicable ☒ Not applicable

### Other debt investments due within one year

☐ Applicable ☒ Not applicable

### 13. Other current assets

☒ Applicable ☐ Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Contract acquisition costs	1,129.96	874.72

Value-added tax input tax to be deducted	48,541.25	33,247.99
Prepaid taxes	2,855.25	3,005.10
Wealth management products		12,791.43
Total	52,526.46	49,919.24

#### 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



**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

**(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	22,752.17	516.42	22,235.75	21,823.37	624.75	21,198.62	
Including: Unrealised financing income	646.87		646.87	578.41		578.41	
Total	22,752.17	516.42	22,235.75	21,823.37	624.75	21,198.62	/

**(2). 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

Portfolio-based provision item: Provision set aside for bad debts by portfolio

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing Balance		
	Long-term receivables	Provision for bad debts	Provision percentage (%)
Provision set aside for bad debts by portfolio	22,752.17	516.42	2.27
Total	22,752.17	516.42	/

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

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)	Expected credit loss during the whole outstanding maturity (with credit impairment)	
Balance as of 1 January 2024	624.75			624.75
Balance as of 1 January 2024 in the Reporting Period	624.75			624.75
-- Transferred to Phase II				
-- Transferred to Phase III				

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)	Expected credit loss during the whole outstanding maturity (with credit impairment)	
-- Reclassified under Phase II				
-- Reclassified under Phase I				
Provision in the Reporting Period	-108.81			-108.81
Reclassification in the Reporting Period				
Charge-off in the Reporting Period				
Write-off in the Reporting Period				
Other changes	0.48			0.48
Balance on 30 June 2024	516.42			516.42

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

### (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	624.75	-108.81			0.48	516.42
Total	624.75	-108.81			0.48	516.42

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

☐Applicable ☒Not applicable

**(4). 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:

☐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	Change in the Reporting Period								Closing Balance	Closing Balance of the Provision for impairment
		Increase in the investment	Decrease in the investment	Profit or loss of investment recognised 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. Joint venture											
Subtotal											
II. Associated enterprises											
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	231,219.14			15,394.12		288.15				246,901.41	
Foshan Keda Ceramic Technology Co., Ltd.	18,666.21			-12.24						18,653.97	
Zhangzhou Grande Graphite Material Co., Ltd.	2,813.45			-35.93						2,777.52	
Sichuan Guangxing Lithium Battery	1,985.85		1,200.00	62.88		-20.76			-827.97		

## Interim Report for 2024

Investee	Opening Balance	Change in the Reporting Period								Closing Balance	Closing Balance of the Provision for impairment
		Increase in the investment	Decrease in the investment	Profit or loss of investment recognised 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		
Technology Co., Ltd.											
Maanshan Qingshan Electricity Selling Co., Ltd.	556.54			-60.93						495.61	
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	14,948.76			0.19						14,948.95	
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	28,802.70			4,388.42	6.94				9.38	33,207.44	
Maanshan Kema New Energy Technology Co., Ltd.	1,055.74	28.20	25.66	27.42	-3.61	8.58	56.69		-0.64	1,033.34	
Shanghai Mingfeng Management Consulting Partnership		602.61								602.61	

## Interim Report for 2024

Investee	Opening Balance	Change in the Reporting Period								Closing Balance	Closing Balance of the Provision for impairment
		Increase in the investment	Decrease in the investment	Profit or loss of investment recognised 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		
(Limited Partnership)											
Shanghai Mingzhao Management Consulting Partnership (Limited Partnership)		68.22								68.22	
Gongqingcheng Kehong Investment Partnership (Limited Partnership)		173.89								173.89	
Gongqingcheng Kexin Investment Partnership (Limited Partnership)		1,868.27								1,868.27	
Sub-total	300,048.39	2,741.19	1,225.66	19,763.93	3.33	275.97	56.69		-819.23	320,731.23	
Total	300,048.39	2,741.19	1,225.66	19,763.93	3.33	275.97	56.69		-819.23	320,731.23	

**(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 Recognised 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	Accumulated losses included in other comprehensive income in the Reporting Period	Others					
Fujian Keda Electric Power Co., Ltd.	424.94			7.11			432.05		49.99		
Changde Avenue New Materials Technology Co., Ltd.	476.30				52.00		424.30		124.30		
Jiaxing Keda	80,494.61			7,500.74			87,995.35			42,004.65	



Item	Opening Balance	Change in the Reporting Period					Closing Balance	Dividend Income Recognised 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	Accumulated losses included in other comprehensive income in the Reporting Period	Others					
Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership)											
Total	81,395.85			7,507.85	52.00		88,851.70		174.29	42,004.65	/

**(2). Amount derecognised 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	1,450.91	500.00
Total	1,450.91	500.00

Other notes:

The closing balance of other non-current financial assets increased by 190.18% from the opening balance, mainly due to the investment in Huade Chengzhizhongke Equity Investment Partnership (Limited Partnership) by the Company during the Reporting Period.

**20. Investment properties**

Measurement model for investment properties

Not applicable

**(1). Impairment test of investment real estate measured at cost**

□Applicable √Not applicable

Other descriptions

□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	430,620.10	403,096.25
Liquidation of fixed assets		
Total	430,620.10	403,096.25

**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	8,190.69	286,308.87	289,704.83	18,940.89	12,177.71	615,322.99
2. Increase in the Reporting Period	8,667.14	30,327.57	29,312.43	1,347.66	1,531.77	71,186.57
(1) Purchase	8,456.17		18,966.55	1,347.66	1,229.24	29,999.62
(2) Transfer-in of construction in progress		27,534.30	9,572.41			37,106.71
(3) Increase in business combinations		2,793.27	773.47		196.68	3,763.42
(4) Exchange rate changes	210.97				105.85	316.82
3. Decrease in the Reporting Period		16,231.45	15,100.22	2,400.69	1,067.25	34,799.61
(1) Disposal or write-off		14,907.80	11,015.10	2,324.66	1,067.25	29,314.81
(2) Transfer-in of construction in progress						
(3) Disposal of subsidiaries						
(4) Exchange rate changes		1,323.65	4,085.12	76.03		5,484.80
4. Closing balance	16,857.83	300,404.99	303,917.04	17,887.86	12,642.23	651,709.95
II. II. Accumulated depreciation						
1. Opening balance		82,828.56	103,852.43	9,316.89	8,165.08	204,162.96
2. Increase in the Reporting Period		9,102.71	15,463.67	1,378.03	760.74	26,705.15
(1) Provision		8,081.06	14,773.35	1,378.03	571.38	24,803.82
(2) Increase in business combinations		1,006.99	690.32		118.42	1,815.73
(3) Exchange rate changes		14.66			70.94	85.60
3. Decrease in the Reporting Period		8,031.24	5,171.48	1,603.09	773.77	15,579.58
(1) Disposal or write-off		8,031.24	4,901.60	1,597.33	773.77	15,303.94
(2) Transfer-in of construction in progress						
(3) Exchange rate changes			269.88	5.76		275.64
4. Closing balance		83,900.03	114,144.62	9,091.83	8,152.05	215,288.53
III. Provision for impairment						

Item	Land (Overseas)	Properties and Buildings	Machinery and Equipment	Transportation Tools	Electronic Devices and Others	Total
1. Opening balance		2,679.12	5,384.66			8,063.78
2. Increase in the Reporting Period						
(1) Provision						
3. Decrease in the Reporting Period			2,262.46			2,262.46
(1) Disposal or write-off			2,262.46			2,262.46
4. Closing balance		2,679.12	3,122.20			5,801.32
IV. Carrying value						
1. Closing carrying value	16,857.83	213,825.84	186,650.22	8,796.03	4,490.18	430,620.10
2. Opening carrying value	8,190.69	200,801.19	180,467.74	9,624.00	4,012.63	403,096.25

**(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	6,182.12	2,264.79	2,679.12	1,238.21	
Machinery and equipment	5,003.45	1,448.95	3,117.13	437.37	
Electronic devices and others	24.13	22.92		1.21	
Total	11,209.70	3,736.66	5,796.25	1,676.79	

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

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Carrying Value
Properties and buildings	2,221.66
Machinery and equipment	12.62
Total	2,234.28

**(4). Fixed assets without proper certificates of title**☐Applicable ☒Not applicable

**(5). Impairment test of fixed assets**

☐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	210,074.15	143,181.73
Construction materials		
Total	210,074.15	143,181.73

Other notes: The closing balance of construction in progress increased by 46.72% compared with the balance at the beginning, mainly due to the investments in the construction in progress of subsidiaries Keda Tanzania, Fujian Keda New Energy, Keda Cameroon, and Foshan Keda Equipment.

**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
Glass Factory Project in Tanzania	48,794.69		48,794.69	26,496.54		26,496.54
Fujian Keda Phase II Project	45,375.94		45,375.94	25,709.22		25,709.22
Ceramics Factory Phase I Project in Cameroon	43,021.61		43,021.61	26,509.84		26,509.84
Keda Equipment Manufacturing Infrastructure Project	32,345.45		32,345.45	23,338.59		23,338.59

Item	Closing Balance			Opening Balance		
	Book balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing	7,281.46		7,281.46	6,065.81		6,065.81
Expansion and Technology Improvement Project of Ghana Ceramics Factory	5,674.25		5,674.25	1,784.45		1,784.45
Technology Improvement Project of Kenya Ceramics Factory	5,472.45		5,472.45	37.79		37.79
Phase I Project of Cote D'ivoire Ceramics Factory	2,747.50		2,747.50	484.81		484.81
Technology Improvement Project of Keda Industrial	2,500.26		2,500.26	1,890.55		1,890.55
Sanitary Ware Project of Kisumu Ceramics Factory				15,854.17		15,854.17
Chongqing Keda New energy Infrastructure Project	1,356.16		1,356.16	7,715.69		7,715.69
Other projects	15,504.38		15,504.38	7,294.27		7,294.27
Total	210,074.15		210,074.15	143,181.73		143,181.73

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

√Applicable    □Not applicable

Unit: Ten Thousand Yuan    Currency: RMB

Project	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 Capitalisation	Including: Amount of Interest Capitalisation in the Reporting Period	Capitalisation rate of Interest in the Reporting Period (%)	Source of fund
Glass Factory Project in Tanzania	51,486.54	26,496.54	23,175.50	877.35		48,794.69	96.48	96.48%				Self-financing
Fujian Keda Phase II Project	54,945.89	25,709.22	19,804.24	137.52		45,375.94	82.83	82.83%	674.67	353.83	2.20	Self-financing
Ceramics Factory Phase I Project in Cameroon	45,388.43	26,509.84	16,511.77			43,021.61	96.55	96.55%	1,539.58	864.57	5.41	Self-financing
Keda Equipment Manufacturing Infrastructure Project	40,000.00	23,338.59	9,290.30	283.44		32,345.45	81.57	81.57%				Fund-raising + self-financing
Sanitary Ware Project of Kisumu Ceramics Factory	16,682.92	15,854.17	322.25	16,176.42			96.96	100.00%	1,055.66			Fund-raising + self-financing

Digital Factory Project of Large-scale High-end Smart Equipment Manufacturing	33,500.00	6,065.81	4,494.93	3,279.28		7,281.46	86.40	86.40%				Fund- raising + self- financing
Total	242,003.78	123,974.17	73,598.99	20,754.01		176,819.15			3,269.91	1,218.40	/	/

**(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
<b>I. Original carrying value</b>			
1. Opening balance	859.76	1,285.80	2,145.56
2. Increase in the Reporting Period	46.76	252.16	298.92
3. Decrease in the Reporting Period		6.86	6.86
4. Closing balance	906.52	1,531.10	2,437.62
<b>II. Accumulated depreciation</b>			
1. Opening balance	5.65	435.44	441.09
2. Increase in the Reporting Period	12.24	142.09	154.33
3. Decrease in the Reporting Period		0.99	0.99
4. Closing balance	17.89	576.54	594.43
<b>III. Provision for impairment</b>			
1. Opening balance			
2. Increase in the Reporting Period			
(1) Provision			
3. Decrease in the Reporting Period			
(1) Disposal			
4. Closing balance			
<b>IV. Carrying value</b>			
1. Closing carrying value	888.63	954.56	1,843.19
2. Opening carrying value	854.11	850.36	1,704.47

**(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	Others	Total
<b>I. Original carrying value</b>					
1. Opening balance	98,736.38	5,656.90	6,677.87		111,071.15



Item	Land Use Right	Application Software	Patent Right	Others	Total
2. Increase in the Reporting Period		944.28		836.26	1,780.54
(1) Purchase		883.98		781.47	1,665.45
(2) Internal R&D					
(3) Increase in business combinations		60.30		54.79	115.09
(4) Exchange rate fluctuations					
3. Decrease in the Reporting Period	4,698.79	1,253.20	1,860.28	0.38	7,812.65
(1) Disposal	4,698.79	1,245.23	1,860.28		7,804.30
(2) Disposal of subsidiaries					
(3) Exchange difference on translating foreign operations		7.97		0.38	8.35
4. Closing balance	94,037.59	5,347.98	4,817.59	835.88	105,039.04
II. Accumulated amortisation					
1. Opening balance	14,496.45	2,531.99	6,599.71		23,628.15
2. Increase in the Reporting Period	1,187.17	459.00	18.42	36.54	1,701.13
(1) Provision	1,187.17	400.96	18.42	33.81	1,640.36
(2) Business combination increase		58.04		2.73	60.77
(3) Exchange difference on translating foreign operations					
3. Decrease in the Reporting Period	835.84	1,247.39	1,860.28	0.02	3,943.53
(1) Disposal	835.84	1,245.23	1,860.28		3,941.35
(2) Disposal of subsidiaries					
(3) Exchange difference on translating foreign operations		2.16		0.02	2.18
4. Closing balance	14,847.78	1,743.60	4,757.85	36.52	21,385.75
III. Provision for impairment					
1. Opening balance					
2. Increase in the Reporting Period					
(1) Provision					

Item	Land Use Right	Application Software	Patent Right	Others	Total
(2) Exchange difference on translating foreign operations					
3. Decrease in the Reporting Period					
(1) Disposal					
4. Closing balance					
IV. Carrying value					
1. Closing carrying value	79,189.81	3,604.38	59.74	799.36	83,653.29
2. Opening carrying value	84,239.93	3,124.91	78.16		87,443.00

**(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 Investee or Matters 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.	26,131.57			26,131.57
Henan KDNEU International Engineering Co., Ltd.	23,266.45			23,266.45
HLT Industry Co., Ltd.	18,791.55			18,791.55
Keda-SUREMAKER (WUHU) INDUSTRIAL CO., LTD	18,909.56			18,909.56

Name of Investee or Matters Forming Goodwill	Opening Balance	Increase in the Reporting Period	Decrease in the Reporting Period	Closing Balance
		Formed through business combinations	Disposal	
Jiangsu Weilili New Material Co., Ltd.	14,408.22			14,408.22
Brightstar Investment Limited	11,352.23			11,352.23
Jiangsu Kehang Environmental Protection Co., Ltd.	7,559.68			7,559.68
I.C.F & Welko S.P.A	5,292.61			5,292.61
Keda (Ghana) Ceramics Company Limited	1,441.67			1,441.67
F.D.S. Ettmar S.r.l.		1,440.70		1,440.70
Keda (Tanzania) Ceramics Company Limited	1,025.91			1,025.91
Anhui Keda Prime Platform Energy Technology Co., Ltd.	469.40		469.40	
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	416.01			416.01
Anhui Ke'an Electric Power Engineering Co., Ltd.	94.38			94.38
Total	129,159.24	1,440.70	469.40	130,130.54

**(2). Provision for goodwill impairment**√Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of Investee or Matters 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 KDNEU International Engineering Co., Ltd.	23,266.45			23,266.45
Keda-SUREMAKER (WUHU) INDUSTRIAL CO., LTD	6,540.79			6,540.79
Anhui Keda Prime Platform Energy Technology Co., Ltd.	469.40		469.40	
Total	37,836.32		469.40	37,366.92

**(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

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 amortised expenses

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening Balance	Increase in the Reporting Period	Amortised Amount in the Reporting Period	Other Decreases	Closing Balance
Sporadic projects	34.26	64.34	42.30		56.30
Total	34.26	64.34	42.30		56.30

## 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	23,027.91	4,323.08	23,988.25	4,529.23
Deductible losses	111,724.49	17,725.74	110,636.75	17,309.17
Change in the fair value of financial assets	32,683.73	4,902.56	38,520.04	5,778.01
Government grants	3,720.96	558.14	4,999.39	749.91
Lease liabilities	1,225.78	334.63	1,189.08	356.72
Others	28,707.35	7,556.67	17,219.87	4,462.02
Total	201,090.22	35,400.82	196,553.38	33,185.06

### (2). Deferred tax liabilities that have not been offset

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance	Opening Balance
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	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Asset appraisal and appreciation of HLT	1,365.06	204.76	1,408.54	211.28
Asset appraisal and appreciation of Keda SureMaker	500.08	75.01	533.15	79.97
Asset appraisal and appreciation of Jiangsu Kehang			1,916.87	287.53
Asset appraisal and appreciation of Welko	2,615.23	729.65	2,615.23	729.65
Right-of-use assets	1,138.08	352.55	1,135.03	340.51
Total	5,618.45	1,361.97	7,608.82	1,648.94

**(3). Deferred tax assets or liabilities presented in the net amount after offsetting**

☐Applicable ☒Not applicable

**(4). Breakdown of unrecognised deferred tax assets**

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Deductible temporary differences		
Deductible losses	85,039.42	85,039.42
Provision for fixed assets impairment	5,801.32	8,063.79
Provision for impairment of other assets	15,588.97	15,777.36
Total	106,429.71	108,880.57

**(5). Deductible losses of unrecognised 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
2024	3,504.54	3,504.54	
2025	28,031.10	28,031.10	
2026	12,534.64	12,534.64	
2027	13,833.69	13,833.69	
2028	27,135.45	27,135.45	

Total	85,039.42	85,039.42	/
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Other notes:

☐Applicable ☒Not applicable

### 30. Other non-current assets

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance			Opening Balance		
	Book balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Prepaid long-term asset purchase	20,915.67		20,915.67	19,027.68		19,027.68
Prepaid front-end fees to borrowings	1,281.41		1,281.41	1,706.11		1,706.11
Total	22,197.08		22,197.08	20,733.79		20,733.79

**31. Assets with restricted ownership or right of use**

√Applicable □Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance				Opening			
	Book balance	Carrying value	Type of restriction	Restriction details	Book balance	Carrying value	Type of restriction	Restriction details
Monetary funds	65,912.95	65,912.95	Others	Time deposit, margin, and judicially frozen funds	23,170.87	23,170.87	Others	Time deposit, margin, and judicially frozen fund deposit
Accounts receivables financing	1,051.61	1,051.61	Pledge	For pledge	8,353.13	8,353.13	Pledge	For pledge
Accounts receivable	6,249.96	6,248.18	Pledge	Pledge loans used for projects	4,501.56	4,499.46	Pledge	Pledge loans used for projects
Fixed assets	167,322.89	132,208.55	Mortgage	Mortgage loans used for projects	164,902.47	111,611.67	Mortgage	Mortgage loans used for projects
Construction in progress	97,593.10	97,593.10	Mortgage	Mortgage loans used for projects	31,229.62	31,229.63	Mortgage	Mortgage loans used for projects
Intangible assets	45,892.64	41,788.31	Mortgage	Mortgage loans used for projects	20,667.75	18,993.10	Mortgage	Mortgage loans used for projects
Total	384,023.15	344,802.70	/	/	252,825.40	197,857.86	/	/



**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 loan	21,090.30	4,514.90
Mortgage loan	9,600.00	10,300.00
Guaranteed loan	5,873.50	1,731.23
Unsecured loan	12,102.61	32,773.83
Pledge loan + mortgage loan	2,000.00	2,000.00
Guaranteed loan + mortgage loan	498.28	3,000.00
Pledge loan + guaranteed loan	167.37	2,914.83
Total	51,332.06	57,234.79

**(2). Short-term loans overdue and subject to repayment**☐Applicable √Not applicable

Other notes

☐Applicable √Not applicable**33. Financial liabilities held for trading**√Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening Balance	Closing Balance	Reasons and Basis for Designation
Financial liabilities held for trading	526.28	59.22	/
Including:			
Forward exchange rate hedging	526.28	59.22	/
Total	526.28	59.22	/

Other notes:

√Applicable ☐Not applicable

The closing balance of financial liabilities held for trading decreased by 88.75% from the opening balance, mainly due to the change in the fair value of the Company's forward foreign exchange contracts during the Reporting Period.

### 34. Derivative financial liabilities

☐Applicable ☒Not applicable

### 35. Notes payable

#### (1). Presentation of notes payable

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Category	Closing balance	Opening balance
Commercial acceptance draft		
Banker's acceptance	70,751.14	57,889.54
Total	70,751.14	57,889.54

### 36. Accounts payable

#### (1). Presentation of accounts payable

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Purchase payment payable	202,163.33	183,950.36
Total	202,163.33	183,950.36

#### (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	1,004.19	Within the credit period
Supplier 7	480.56	Within the credit period
Supplier 8	349.67	Within the credit period
Supplier 9	332.84	Within the credit period
Supplier 10	306.00	Within the credit period

Total	2,473.26	/
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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	212,583.61	188,871.57
Total	212,583.61	188,871.57

#### (2). Significant contract liabilities with an age of more than one year

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Reason for non-repayment or carry-over
Customer 23	3,300.41	Contract performance is not yet completed
Customer 24	2,678.83	Contract performance is not yet completed
Customer 25	2,567.48	Contract performance is not yet completed
Customer 26	2,341.15	Contract performance is not yet completed

Customer 27	1,887.62	Contract performance is not yet completed
Total	12,775.49	/

**(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 payable**

**(1). Presentation of payroll payable**

☒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	20,284.62	63,029.99	71,248.20	12,066.41
II. Post-employment benefits - Defined contribution plan		3,709.94	3,709.94	
III. Termination benefits		525.80	525.80	
IV. Other benefits due within one year				
Total	20,284.62	67,265.73	75,483.94	12,066.41

**(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	20,284.62	55,122.30	63,340.51	12,066.41
II. Employee welfare expenses		4,863.82	4,863.82	
III. Social insurance expenses		1,409.82	1,409.82	
Including: Medical insurance premiums		1,301.59	1,301.59	
Work injury insurance premiums		108.23	108.23	
Maternity insurance premiums				

IV. Housing fund		1,474.44	1,474.44	
V. Labor union funds and employee education funds		159.61	159.61	
VI. Short-term compensated absences				
VII. Short-term profit-sharing plan				
Total	20,284.62	63,029.99	71,248.20	12,066.41

**(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	ClosingBalance
1. Basic endowment insurance		3,590.43	3,590.43	
2. Unemployment insurance		119.51	119.51	
3. Enterprise annuity payment				
Total		3,709.94	3,709.94	

Other notes:

√Applicable ☐Not applicable

The closing balance of payroll payable decreased by 40.51% from the opening balance, mainly due to the payment of year-end bonuses accrued by the Company in the previous year during the Reporting Period.

**40. Taxes payable**√Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Value-added tax	1,608.89	2,558.25
Corporate income tax	8,803.21	5,041.33
Personal income tax	377.72	433.72
City maintenance & construction tax	97.71	117.85
Property tax	346.28	86.25
Land use tax	117.26	80.94
Educational surcharge	70.00	90.66

Embankment protection fee	15.71	14.99
Stamp duty	107.88	116.90
Other taxes	6.29	195.12
Total	11,550.95	8,736.01

Other notes:

The closing balance of taxes payable increased by 32.22% from the opening balance, mainly due to an increase in the corporate income tax payable by the Company for the Reporting Period.

#### 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	62,299.26	
Other payables	23,380.12	19,808.27
Total	85,679.38	19,808.27

##### (2). Interest payable

☐Applicable ☒Not applicable

##### (3). Dividends payable

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Dividends of ordinary shares	62,299.26	
Total	62,299.26	

Other notes, including the reasons for non-payment of significant dividends payable that have not been paid for more than one year:

None

**(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	13,305.69	12,896.03
Other current accounts	2,183.63	1,693.04
Equity investment payment	5,222.69	4,740.00
Deposit	2,668.11	479.20
Total	23,380.12	19,808.27

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	108,011.35	87,788.54
Bonds payable due within one year		
Long-term payables due within one year		
Lease liabilities due within one year	186.27	181.01
Total	108,197.62	87,969.55

Other notes:

Lease liabilities due within one year

Company	Closing Balance	Opening Balance
Keda (Tanzania) Ceramics Company Limited	108.89	112.10
Keda (Kenya) Ceramics Company Limited	35.49	29.18
Keda Zambia Ceramics Company Limited	41.89	39.73
Total	186.27	181.01

Note 1: Breakdown of long-term loans due within one year

Item	Closing Balance	Opening Balance
Unsecured loan	50,826.65	48,264.35
Guaranteed loan	32,361.24	16,603.03
Pledge loan	279.94	273.33
Mortgage loan	6,733.10	8,741.75
Mortgage loan + guaranteed loan	17,243.41	13,341.51
Mortgage loan + pledge loan	567.01	564.57
Total	108,011.35	87,788.54

#### 44. Other current liabilities

☒Applicable   ☐Not applicable

Unit: Ten Thousand Yuan   Currency: RMB

Item	Closing Balance	Opening Balance
Tax to be written off	14,566.34	13,611.20
Notes endorsed but undue and not derecognised at the end of the Reporting Period	7,270.49	3,825.63
Total	21,836.83	17,436.83

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
Unsecured loan	98,540.87	125,375.21
Guaranteed loan	105,526.40	85,955.16
Pledge loan	1,268.39	1,410.52
Mortgage loan	58,760.87	50,783.10
Mortgage loan + guaranteed loan	70,619.67	72,355.57
Mortgage loan + pledge loan	3,690.98	3,975.60
Total	338,407.18	339,855.16

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	1,753.67	1,601.34
Total	1,753.67	1,601.34

#### 48. Long-term payables

##### Presentation of items

☐Applicable ☒Not applicable

##### Long-term payables

☐Applicable ☒Not applicable

##### Special accounts payable

☐Applicable ☒Not applicable

#### 49. Long-term payroll payables

☐Applicable ☒Not applicable

#### 50. Estimated liabilities

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Opening Balance	Closing Balance	Cause(s)
External guarantee			
Pending litigation			
Product quality assurance	55.18	35.44	
Restructuring obligations			
Onerous contract to be implemented			
Return amount payable			

Others			
Compensation related to pending lawsuits		2,069.83	
Compensation	150.00	150.00	
Total	205.18	2,255.26	/

Other notes, including notes to relevant key assumptions and estimations for important estimated liabilities:

The closing balance of estimated liabilities increased by 999.14% from the opening balance, mainly attributable to the projected liabilities provided by Keda (Anhui) Clean Energy, a subsidiary of the Company, in accordance with the *Civil Judgment* ((2023) J.0634 M.CH. No. 3134) issued by People's Court of Quyang County, Hebei Province during the Reporting Period.

## 51. Deferred income

☒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	3,336.86	450.00	569.91	3,216.95	Special government subsidies
Total	3,336.86	450.00	569.91	3,216.95	/

Other notes:

☐Applicable ☒Not applicable

## 52. Other non-current liabilities

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Government Grants	1,359.28	2,345.81
Total	1,359.28	2,345.81

Other notes:

The closing balance of other non-current liabilities decreased by 42.06% compared to the opening balance, mainly due to the carryover of the Company's accepted projects with government grants to other income.

**53. Share capital**

√Applicable □Not applicable

Unit: Ten Thousand Yuan Currency: RMB

	Opening balance	Change this time (+, -)					Closing balance
		Offering new shares	Bonus issue	Conversion of capital reserve into share capital	Others	Sub-total	
Total shares	194,841.99				-3,056.35	-3,056.35	191,785.64

The Company held the 29th meeting of the Eighth Board of Directors and the 25th meeting of the Eighth Board of Supervisors on April 26, 2024, and the 2023 Annual General Meeting of Shareholders on May 8, 2024, and considered and passed the *Proposal on Changing the Use and Cancellation of Part of the Repurchased Shares*, agreeing to change the use of the 30,563.5 thousand shares that had been repurchased in the previous period from "for the implementation of the Employee Stock Ownership Plan and/or equity incentives" to "for cancellation and corresponding reduction of registered capital". After the completion of the cancellation, the total share capital has been reduced from 1,948,419.9 thousand shares to 1,917,856.4 thousand shares and the registered capital reduced from RMB1,948,419.9 thousand to RMB1,917,856.4 thousand.

**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
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Share capital premium (share premium)	287,088.90		40,678.39	246,410.51
Other capital reserves	18,753.73	267.07	20.77	19,000.03
Total	305,842.63	267.07	40,699.16	265,410.54

Other notes, including notes to the changes in the Reporting Period and reasons for the changes:

Note 1: Capital reserves - share premium increased by RMB406,783.9 thousand during the Reporting Period, which was mainly due to the cancellation of the treasury stock repurchased by the Company during the Reporting Period;

Note 2: Capital reserves - other capital reserves increased by RMB2,670.7 thousand during the Reporting Period, which was due to the changes other equity of Lanke Lithium, an associated enterprise confirmed by the Company's subsidiaries, Guangdong Keda Lithium and Jiangsu Weilili, in accordance with the equity method, during the Reporting Period.

Note 3: Capital reserves - other capital reserves decreased by RMB207.7 thousand during the Reporting Period, which was mainly due to the disposal of an associate enterprise, Sichuan Guangxing Lithium Technology Co., Ltd., by a subsidiary, Anhui Keda Investment, during the Reporting Period.

## 56. Treasury stock

☒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 stock	83,850.27		42,315.31	41,534.96
Total	83,850.27		42,315.31	41,534.96

Other notes, including notes to the changes in the Reporting Period and reasons for the changes:

The Company held the 29th meeting of the Eighth Board of Directors and the 25th meeting of the Eighth Board of Supervisors on April 26, 2024, and the 2023 Annual General Meeting of Shareholders on May 8, 2024, and considered and passed the *Proposal on Changing the Use and Cancellation of Part of the Repurchased Shares*, agreeing to change the use of the 30,563.5 thousand shares that had been repurchased in the previous period from "for the implementation of the Employee Stock Ownership Plan and/or equity incentives" to "for cancellation and corresponding reduction of registered capital". After the completion of the cancellation, the Company reduced treasury stock at the average repurchased price by RMB 423,153.1 thousand.

## 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 recognised as other comprehensive income in the previous period and transferred to profit or loss in the Reporting Period	Less: Amount recognised 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 tax	
I. Other comprehensive income that cannot be reclassified as profits or losses	-38,596.75	7,452.30		0.06	875.45	5,803.41	773.38	-32,793.34
Including: Change in re-measurement of defined benefit plan								
Other comprehensive income that may not be transferred to profit or loss under equity method	6.38	-3.55		0.06		-3.61		2.77
Changes in the fair value of other equity instruments investments	-38,603.13	7,455.85			875.45	5,807.02	773.38	-32,796.11
Changes in fair value of enterprise's own credit risk								
II. Other comprehensive income that will be reclassified to profit or loss	-25,610.93	438.96				4.13	434.83	-25,606.80
Including: Other comprehensive income that may be transferred to profit or loss under equity method	-15.15	6.94				6.94		-8.21
Changes in the fair value of other debt investments								
Amount of financial assets reclassified to other comprehensive income								
Credit impairment provision of								

Item	Opening Balance	Amount Incurred in the Reporting Period						Closing Balance
		Amount incurred before income tax in the Reporting Period	Less: Amount recognised as other comprehensive income in the previous period and transferred to profit or loss in the Reporting Period	Less: Amount recognised 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 tax	
other debt investments								
Cash flow hedging reserve								
Exchange difference on translation of financial statements in foreign currency	-25,595.78	432.02				-2.81	434.83	-25,598.59
Total of other comprehensive income	-64,207.68	7,891.26		0.06	875.45	5,807.54	1,208.21	-58,400.14

**58. Special reserve**√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	439.01		3.66	435.35
Total	439.01		3.66	435.35

**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	82,149.27			82,149.27
Discretionary surplus reserves	1,016.82			1,016.82
Reserve funds				
Enterprise development funds				
Others				
Total	83,166.09			83,166.09

**60. Undistributed profit**

√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	703,612.41	668,431.59
Adjustment of the total amount of opening undistributed profits (increase: +; decrease: -)		
Opening undistributed profits after the adjustment	703,612.41	668,431.59
Plus: Net profit attributable to owners of the parent company in the Reporting Period	45,445.97	209,199.64
Other comprehensive income transferred to retained earnings	0.06	
Less: Appropriation of statutory surplus reserves		43,549.59
Appropriation of discretionary surplus reserves		
Appropriation of general risk reserve		
Ordinary share dividends payable	62,299.26	130,414.23
Dividends on ordinary shares converted into share capital		
Others		55.01
Closing undistributed profits	686,759.18	703,612.41

**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	548,942.65	408,267.76	474,292.98	323,683.47
Other business	462.13	319.60	397.69	256.40
Total	549,404.78	408,587.36	474,690.67	323,939.87

**(2). Information on the breakdown of operating revenue and cost of sales**

√Applicable □Not applicable



Unit: Ten Thousand Yuan Currency: RMB

Category of contracts	Amount incurred in the Reporting Period		Amount incurred in the previous period	
	Operating revenue	Operating expenses	Operating revenue	Operating expenses
Product categories				
Building material machinery	270,534.19	203,054.80	209,759.49	152,118.82
Oversea structural ceramics	198,406.10	137,007.40	190,736.00	107,512.40
Lithium battery materials	30,017.93	29,883.39	40,911.62	39,387.78
Others	49,984.43	38,322.17	32,885.87	24,664.47
Total	548,942.65	408,267.76	474,292.98	323,683.47
Classified by operating region				
In China	205,289.27	165,406.75	180,795.75	146,695.61
Outside China	343,653.38	242,861.01	293,497.23	176,987.86
Total	548,942.65	408,267.76	474,292.98	323,683.47

Other notes

√Applicable □Not applicable

The sales amount of the top five customers totaled 1,035,541.4 thousand yuan (excluding tax), accounting for 18.86% 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

Item	Time for contract fulfillment obligations	Important payment terms	The nature of the Company's commitment to the transfer of the goods	Whether or not the person is primarily responsible	Company's share of expected refunds to customers	Types of quality assurance offered by the Company and related obligations
Construction project	For clean energy and environmental projects, it follows the contract fulfillment progress; for complete sets of equipment for wall production lines with installation obligations, it should be the time when acceptance is completed, and those without installation obligations should be treated as individual products	Payment on delivery, partial advance receipts and partial payment days	Construction project or complete sets of equipment	Yes	0.00	Guaranteed quality assurance
Total	/	/	/	/	0.00	/

**(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 RMB5,709 million, including: RMB2,864 million which is expected to be recognised as revenue in 2024.

**(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	481.78	1,039.23

Item	Amount incurred in the Reporting Period	Amount incurred in the previous period
Educational surcharge	358.51	749.87
Property tax	571.43	645.92
Land use tax	452.60	412.91
Vehicle and vessel use tax	3.66	4.83
Stamp duty	295.12	261.48
Embankment protection fee	56.23	41.39
Environmental protection tax	1.56	2.18
Other taxes	330.02	271.23
Total	2,550.91	3,429.04

**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	14,122.95	11,377.03
Travel expenses	2,834.94	2,524.64
Transport expense	2,803.44	7,176.88
Entertainment expense	1,621.00	1,302.90
Expenses for advertising and business promotion	1,911.91	1,108.96
After-sales service fee	1,836.69	1,243.41
Others	5,030.16	3,210.28
Total	30,161.09	27,944.10

**64. Management 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	19,738.33	16,151.90
Office expenses	2,890.75	1,915.23

Water and electricity expenses	749.34	664.34
Travel expenses	1,440.00	1,622.52
Audit and advisory fees	3,037.15	2,663.81
Depreciation and rental	4,618.18	4,168.07
Amortisation of intangible assets	1,640.36	1,514.27
Others	7,668.57	5,186.12
Total	41,782.68	33,886.26

**65. R&D 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	7,527.63	5,321.03
Labor expense	7,670.53	7,133.75
Depreciation and amortisation	689.59	589.62
Other expenses	890.10	863.37
Total	16,777.85	13,907.77

**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	10,566.85	8,521.29
Less: Interest income	-3,500.31	-4,788.41
Exchange loss	6,325.75	-11,412.34
Transaction fee	1,197.34	1,304.12
Total	14,589.63	-6,375.34

Other notes:

Financial expenses increased by 328.84% in the current period as compared with the corresponding period of the previous year, which is mainly due to the increase in the Company's exchange loss and interest expense during 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	3,866.37	5,958.26
VAT additional deduction	1,282.89	341.01
Others	378.77	41.56
Total	5,528.03	6,340.83

**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	19,763.93	95,170.96
Investment income arising from the disposal of long-term equity investments	-834.49	
Investment income arising from the disposal of the financial assets held for trading	-55.08	87.90
Debt restructuring gains	-1.42	-10.00
Total	18,872.94	95,248.86

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.	15,394.12	95,233.56
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	4,388.42	
Others	-18.61	-62.60
Total	19,763.93	95,170.96

The amount of investment income incurred in the Reporting Period decreased by 80.19% year on year, mainly due to the high decrease in investment income recognised by the Company on its associate, Lanke Lithium Industry.

**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	-891.53	2,921.21
Including: Income from changes in fair value of derivative financial instruments		
Financial liabilities held for trading	161.78	-3,581.25
Investment properties measured at fair value		
Derivative financial assets		
Total	-729.75	-660.04

**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	-2.12	-4.81
Bad debt loss of accounts receivable	182.47	-43.27
Bad debt loss of other receivables	-602.22	-9.11
Impairment loss of debt investments		
Impairment loss of other debt investments		
Bad debt loss of long-term receivables	108.81	-592.56
Impairment loss related to financial guarantee		
Bad debt loss of non-current assets due within one year	156.57	-313.08
Total	-156.49	-962.83

**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	24.16	793.79
II. Inventories impairment loss and impairment loss of contract fulfillment costs	-46.25	-57.30
III. Impairment loss of long-term equity investments		
IV. Impairment loss of Investment properties		
V. Impairment loss on fixed assets		
VI. Impairment loss of construction materials		
VII. Impairment loss of 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		
XII. Others		
Total	-22.09	736.49

**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	-1,100.77	-69.98
Gains or losses arising from the disposal of intangible assets	5,094.68	
Total	3,993.91	-69.98

Other notes:

The amount of income from disposal of assets incurred in the Reporting Period increased by 5,807.38% year on year, mainly due to the income arising from the disposal of assets by the subsidiary, Jiangsu Kehang, during the Reporting Period.

**74. Non-operating revenue**

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 recognised as Non-Recurring Profit and loss of the Reporting Period
Total gains on disposal of non-current assets	6.44	45.26	6.44
Including: Gains on disposal of fixed assets	6.44	45.26	6.44
Gains on disposal of intangible assets			
Debt restructuring gains			
Gains on non-monetary assets exchange			
Donations accepted			
Government grants			
Penalty income	58.51	33.47	58.51
Income from customer defaults	10.44	12.17	10.44
Others	2,717.58	440.36	2,717.58
Total	2,792.97	531.26	2,792.97

**Government subsidies recognised as profit and loss of the Reporting Period**☐ Applicable ☒ Not applicable

Other notes:

☒ Applicable ☐ Not applicable

The amount of non-operating revenue incurred in the Reporting Period increased by 425.73% year on year, mainly due to the compensation from Nade New Material received in the Reporting Period.

**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 recognised as non-recurring profit and loss of the Reporting Period
Total losses on disposal of non-current assets	92.04	213.13	92.04
Including: Losses on disposal of fixed assets	92.04	213.13	92.04
Losses on disposal of intangible assets			



Debt restructuring losses			
Losses on non-monetary assets exchange			
External donations	31.44	54.59	31.44
Compensation related to pending lawsuits	2,056.95		2,056.95
Late fees and penalties	89.28	223.05	89.28
Others	258.94	64.42	258.94
Total	2,528.65	555.19	2,528.65

Other notes:

The amount of non-operating expenses incurred in the Reporting Period increased by 355.46% year on year, mainly attributable to the estimated liabilities provided by Keda (Anhui) Clean Energy, in accordance with the *Civil Judgment* ((2023) J.0634 M.CH. No. 3134) issued by People's Court of Quyang County, Hebei Province during the Reporting Period.

## 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	9,765.27	7,190.00
Deferred income tax expenses	-2,502.73	939.15
Total	7,262.54	8,129.15

### (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	62,706.13
Income tax expenses calculated at legal/applicable tax rate	9,405.92
Impact of different tax rates applied by subsidiaries	788.91
Impact of income tax in the periods before adjustment	882.99
Impact of non-taxable income	-4,511.40

Impacts of non-deductible costs, expenses, and losses	165.87
Impact of using deductible losses on the deferred tax assets not recognised previously	-1,409.12
Impact of deductible temporary differences or deductible losses of deferred tax assets not recognised in the Reporting Period	5,427.14
Additional deduction	-3,487.77
Income tax expense	7,262.54

**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	2,777.32	3,126.24
Interest income	3,500.31	4,788.41
Others	5,845.30	1,541.40
Total	12,122.93	9,456.05

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
Office expenses	2,928.75	2,220.10
Water and electricity expenses	5,916.08	4,903.30
Travel expenses	5,474.94	4,567.26
Transport expense	3,556.95	7,884.43
Entertainment expense	2,552.51	2,098.60

Lease expense	2,385.06	2,054.88
Repair fee	2,329.62	1,891.33
Advertising and business promotion fees	2,682.01	1,747.00
Audit and advisory fees	3,507.63	2,663.81
Others	13,367.96	8,429.56
Total	44,701.51	38,460.27

**(2). Cash related to investing activities**

Significant 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
Receipt of dividend from Lanke Lithium Industry.	41,140.71	
Total	41,140.71	

Significant cash paid related to 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	147,680.36	140,898.48
Future margin received		323.99
Total	147,680.36	141,222.47

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 purchasing financial products	180,500.22	118,758.53

Payment of futures margin		207.18
Total	180,500.22	118,965.71

**(3). Cash related to financing activities**

Other proceeds 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	20,713.44	21,566.57
L/G margin	874.64	172.75
Other deposits		67.81
Cash received from sale of minority interest	161.02	
Total	21,749.10	21,807.13

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	28,815.89	6,597.28
L/G margin	4,320.41	1,416.72
Other deposits	12.52	69.66
Cash paid for purchase of minority interest		4,158.85
Total	33,148.82	12,242.51

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	57,234.79	39,421.31	2,470.05	47,665.56	128.53	51,332.06
Long-term loans	427,643.70	107,070.40	1,967.96	85,855.11	4,408.42	446,418.53

(including long-term loans due within one year)						
Total	484,878.49	146,491.71	4,438.01	133,520.67	4,536.95	497,750.59

**(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
<b>1. Reconciliation of net profit to cash flows from operating activities</b>		
Net profit	55,443.59	170,439.22
Plus: Provision for asset impairment	22.09	-736.49
Credit impairment loss	156.49	962.83
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	24,803.82	19,997.57
Amortisation of right-of-use assets	154.33	66.26
Amortisation of intangible assets	1,640.36	1,514.27
Amortisation of long-term deferred expense	42.30	283.79
Losses on the disposal of fixed assets, intangible assets, and other long-term assets ("- " indicates income)	-3,993.91	69.98
Losses on the retirement of fixed assets ("- " indicates income)	85.60	167.87
Losses on the changes in fair value ("- " indicates income)	729.75	660.04
Financial expenses ("- " indicates income)	10,673.02	8,699.50
Losses on investments ("- " indicates income)	-18,872.94	-95,248.86

Supplementary data	Amount of the Reporting Period	Amount of the previous period
Decrease in deferred tax assets ("-" indicates increase)	-2,215.75	963.53
Increase in deferred tax liabilities ("-" indicates decrease)	-286.97	-24.38
Decrease in inventories ("-" indicates increase)	-49,048.09	5,275.20
Decrease in operating receivables ("-" indicates increase)	-31,760.64	-41,686.03
Increase in operating payables ("-" indicates decrease)	40,056.13	-76,593.57
Others	-1,853.23	387.77
Net cash flows from operating activities	25,775.95	-4,801.50
<b>2. Significant investment and financing activities not involving cash:</b>		
Conversion of liabilities into capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under finance leases		
<b>3. Net changes in cash and cash equivalents:</b>		
Closing balance of cash	255,527.74	342,776.83
Less: Opening balance of cash	337,047.68	373,708.48
Plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-81,519.94	-30,931.65

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

√Applicable □Not applicable

Unit: Ten Thousand Yuan Currency: RMB

	Amount
Cash or cash equivalents paid in the current period for business combinations that occurred in the current period	5,114.80
F.D.S. Ettmar S.r.l.	1,971.09
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	3,143.71
Less: Cash and cash equivalents held by subsidiaries on the purchase date	218.39
F.D.S. Ettmar S.r.l.	217.97
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	0.42

Plus: Cash or cash equivalents paid in the current period for business combinations that occurred in previous periods	
Net cash paid by subsidiaries	4,896.41

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

☐Applicable ☒Not applicable

**(4). Composition of cash and cash equivalents**

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Closing balance	Opening balance
I. Cash	255,527.74	337,047.68
Including: Cash on hand	347.90	392.74
Bank deposits available for payment at any time	255,178.89	336,654.09
Other monetary funds available for payment at any time	0.95	0.85
Deposits with the central bank that can be used for payment		
Deposits with banks and non-banking financial institutions		
Interbank placement		
II. Cash equivalents		
Including: Bond investments due within three months		
III. Closing balance of cash and cash equivalents	255,527.74	337,047.68
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

**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	Balance converted into RMB at the end of the Reporting Period Balance
Monetary funds			
Including: USD	6,103.68	7.12680	43,499.71
EUR	2,404.90	7.66170	18,425.62
HKD	279.91	0.91268	255.47
GBP	0.06	9.04300	0.54
TRY	609.32	0.21752	132.54
INR	42,326.45	0.08538	3,613.83
KES	108,366.51	0.05503	5,963.41
TZS	667,511.90	0.00271	1,808.96
GHS	4,056.24	0.48814	1,980.01
CFA franc	514,939.65	0.01157	5,957.85
ZMW	1,041.11	0.28832	300.17
XAF	20,782.58	0.01159	240.87
IDR	422,125.12	0.00044	185.74
PEN	188.45	1.85739	350.03
RUB	37.81	0.08411	3.18
UGX	1,421,861.78	0.00192	2,729.97
JPY	49,280.00	0.04474	2,204.79
Accounts receivable			
Including: USD	5,759.62	7.12680	41,047.66
EUR	2,728.86	7.66170	20,907.71
TRY	3,091.94	0.21752	672.56
INR	4,474.00	0.08538	381.99



Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Balance converted into RMB at the end of the Reporting Period Balance
KES	10,871.33	0.05503	598.25
TZS	91,319.43	0.00271	247.48
GHS	277.84	0.48814	135.62
CFA franc	8,531.94	0.01157	98.71
ZMW	735.15	0.28832	211.96
IDR	92,026.39	0.00044	40.49
UGX	78,538.30	0.00192	150.79
Other receivables			
Including: USD	135.47	7.12680	965.47
EUR	32.54	7.66170	249.31
HKD	6.87	0.91268	6.27
TRY	73.22	0.21752	15.93
INR	71.07	0.08538	6.07
KES	10,554.53	0.05503	580.82
TZS	75,637.06	0.00271	204.98
GHS	671.44	0.48814	327.76
CFA franc	20,631.84	0.01157	238.71
ZMW	42.75	0.28832	12.33
XAF	19,566.82	0.01159	226.78
IDR	10,700.00	0.00044	4.71
RUB	14.62	0.08411	1.23
PEN	6.17	1.85739	11.46
UGX	1,700.00	0.00192	3.26
Non-current assets due within one year			
Including: USD	2,723.09	7.12680	19,406.92
GBP	1.53	9.04300	13.84
Long-term receivables			

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Balance converted into RMB at the end of the Reporting Period Balance
Including: USD	596.50	7.12680	4,251.14
Short-term loans			
Including: EUR	535.57	7.66170	4,103.38
Accounts payable			
Including: USD	1,273.37	7.12680	9,075.05
EUR	728.66	7.66170	5,582.77
KES	20,066.37	0.05503	1,104.25
TZS	283,704.61	0.00271	768.84
GHS	8,165.33	0.48814	3,985.82
CFA franc	149,224.26	0.01157	1,726.52
ZMW	3,500.13	0.28832	1,009.16
XAF	119,425.50	0.01159	1,384.14
PEN	0.55	1.85739	1.02
Other payables			
Including: USD	215.14	7.12680	1,533.26
EUR	62.53	7.66170	479.09
TRY	653.76	0.21752	142.21
KES	4,602.11	0.05503	253.25
TZS	14,409.71	0.00271	39.05
GHS	489.92	0.48814	239.15
CFA franc	10,849.88	0.01157	125.53
ZMW	26.06	0.28832	7.51
IDR	2,910.45	0.00044	1.28
UGX	7,433.34	0.00192	14.27
Non-current liabilities due within one year			
Including: USD	423.23	7.12680	3,016.28
EUR	5,671.64	7.66170	43,454.40

Item	Foreign currency balance at the end of the Reporting Period	Exchange rate	Balance converted into RMB at the end of the Reporting Period Balance
Long-term loans			
Including: USD	1,040.01	7.12680	7,411.94
EUR	20,660.32	7.66170	158,293.17

**(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	7,802.13	USD	Import and export	Sales	HKD
Xincheng International (Hong Kong) Co., Ltd.	Hong Kong	2,000.00	USD	Import and export	Sales	USD
Kami Materials Co., Ltd.	Hong Kong	3,311.38	HKD	Import and export	Sales	USD
Keda (Kenya) Ceramics Company Limited	Kenya	1,000.00	USD	Manufacturing	Tile production	KES
Keda (Ghana) Ceramics Company Limited	Ghana	1,000.00	USD	Manufacturing	Tile production	GHS
Keda (Tanzania) Ceramics Company Limited	Tanzania	1,000.00	USD	Manufacturing	Tile production	TZS
Keda (SN) Ceramics Company Limited	Senegal	100.00	USD	Manufacturing	Tile production	XOF
Kami Colourcera Private Limited	India	160.00	USD	Manufacturing	Colour glaze production	INR
I.C.F.&Welko S.P.A.	Italy	400.00	EUR	Manufacturing	Ceramic machinery production	EUR
Keda Industrial (India) Limited	India	6,500.00	Rupee	Manufacturing	Sales of accessories and consumables	INR
Keda Turkey Makine Ticaret Limited Şirketi	Turkey	43,554.22	Lira	Import and export	Sales of accessories and	TRY

Full name of the subsidiary	Place of registration	Registered capital	Currency	Scope of business	Business nature	Standard currency for accounting
					consumables	
Forwell International (HK) Co., Ltd.	Hong Kong	6,001.00	USD	Import and export	Sales	USD
Keda Zambia Ceramics Company Limited	Zambia	1,000.00	USD	Manufacturing	Tile production	ZMW
Keda Ceramics International Company Limited	Kenya	1,000.00	USD	Manufacturing	Tile production	KES
Keda Cameroon Ceramics Limited	Cameroon	100.00	XAF	Manufacturing	Tile production	XAF
Keda Cote D'Ivoire Ceramics Company Limited	Cote d'Ivoire	510,010.00	XOF	Manufacturing	Tile production	XOF
Keda Tanzania Resource Company Limited	Tanzania	230.00	TZS	Manufacturing	Development of lithium ore and graphite deposit resources	TZS
PT Keda INDUSTRIAL INDONESIA	Indonesia	300.00	USD	Import and export	Sales	IDR
Keda Peru Building Materials Company S.R.L.	PERU	1.00	PEN	Manufacturing	Ceramic tile	PEN
Twyford Peru Company S.R.L.	PERU	0.10	PEN	Import and export	Sales	PEN
Twyford Impex(U) Ltd	Uganda	195,000.00	UGX	Import and export	Sales	UGX
F.D.S. Ettmar S.r.l.	Italy	10.00	EUR	Manufacturing	Mould production	EUR
P.I.R.C. S.r.l.	Italy	1.00	EUR	Manufacturing	Mould maintenance	EUR

## 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 RMB13,147.0 thousand.

☐Applicable ☒Not applicable

Sale and leaseback transactions and basis of judgment

☐Applicable ☒Not applicable

Total cash outflows related to leases was 1,341.30 (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	2,165.74	
House lease	333.90	
Total	2,499.64	

Financial leases as a lessor

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Gain/loss on sale	Financing proceeds	Income related to variable lease payments not included in net investment in leases
Machinery and equipment lease	6,429.92	2,224.70	
Total	6,429.92	2,224.70	

Reconciliation statement of undiscounted lease receipts and net investment in leases

☒Applicable ☐Not applicable

Item	Net investment in leases (contract amount)	Amount received (rent + down payment)	Total lease interest	Undiscounted lease receipts
Machinery and equipment lease	178,395.10	102,412.63	10,419.23	86,401.71
Total	178,395.10	102,412.63	10,419.23	86,401.71

Undiscounted lease receipts for the next five years

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Annual undiscounted lease receipts
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	Closing balance	Opening balance
First year	60,541.68	45,258.25
Second year	23,668.21	17,145.34
Third year	1,584.19	1,054.70
Fourth year	348.57	
Fifth year	259.05	
Total undiscounted lease receipts after five years		

**(3) Profit or losses on sales recognised under finance leases as a producer or distributor**

√Applicable □Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Sales income	Cost of sales amount	Profit or losses on sales of finance leases
Machinery and equipment lease	31,469.29	25,039.37	6,429.92
Total	31,469.29	25,039.37	6,429.92

**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	7,527.63	5,321.03
Labor expense	7,670.53	7,133.75
Depreciation and amortisation	689.59	589.62
Other expenses	890.10	863.37
Total	16,777.85	13,907.77
Including: Expensed R&D expenditure	16,777.85	13,907.77

Capitalised R&D expenditure		
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**(2). Development expenses on R&D projects eligible for capitalisation**

☐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. Combinations of businesses not under common control**

☒Applicable ☐Not applicable

(1).Business combination involving enterprises not under common control occurred during the Reporting Period

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name of the acquiree	Time point of equity acquisition	Cost of equity acquisition	Ratio of equity acquired (%)	Equity acquisition method	Date of purchase	Recognition basis on the acquisition date	The income of the acquiree from the date of acquisition to the end of the current period	The net profit of the acquiree from the date of acquisition to the end of the current period	The cash flow of the acquiree from the date of acquisition to the end of the current period
F.D.S. Ettmar S.r.l.	February 1st., 2024	2,430.32	70.00	Cash	February 1st., 2024	Date when de facto control is transferred	3,426.09	-116.13	-298.92

**(2).Combination cost and goodwill**

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Combination cost	F.D.S. Ettmar S.r.l.
--Cash	2,430.32
--Fair value of non-cash assets	

--Fair value of debt issued or assumed	
--Fair value of equity securities issued	
--Fair value of contingent consideration	
--Fair value of equity held prior to the purchase date on the purchase date	
--Others	
Total combination cost	2,430.32
Less: the fair value of net identifiable assets obtained	989.62
Amount by which goodwill/combination cost is less than the fair value of net identifiable assets obtained	1,440.70

Recognition method of the fair value of combination cost:

☐Applicable ☒Not applicable

Fulfillment of performance commitments:

☐Applicable ☒Not applicable

The main reason for the formation of large goodwill:

☐Applicable ☒Not applicable

### (3).Identifiable assets and liabilities of the acquiree at the date of purchase

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

	F.D.S. Ettmar S.r.l.	
	Fair value on the acquisition date	Carrying value on the acquisition date
Assets:	7,550.01	7,550.01
Cash and cash equivalents	217.97	217.97
Held-for-trading financial assets	43.52	43.52
Receivables	3,798.59	3,798.59
Prepaid accounts	77.63	77.63
Other receivables	127.39	127.39
Inventories	1,025.23	1,025.23
Other current assets	257.67	257.67
Fixed assets	1,947.69	1,947.69



	F.D.S. Ettmar S.r.l.	
	Fair value on the acquisition date	Carrying value on the acquisition date
Intangible assets	54.32	54.32
Liabilities:	6,136.27	6,136.27
Borrowings	2,952.79	2,952.79
Payables	2,000.71	2,000.71
Contract liabilities	420.87	420.87
Employee benefits payable	756.56	756.56
Taxes payable	5.34	5.34
Net assets	1,413.74	1,413.74
Less: Minority interests	424.12	424.12
Net assets obtained	989.62	989.62

**(4).Gains or losses from re-measurement of equity held prior to the purchase date according to the fair value**

Whether there are transactions in which a business combination is realized in steps through multiple transactions and control is obtained during the Reporting Period.

☐Applicable ☒Not applicable

**(5).Notes related to the fair value where the combination consideration cannot be reasonably recognized or the fair value of the identifiable assets and liabilities by the acquired party on the purchase date or at the end of the Reporting Period**

☐Applicable ☒Not applicable

**(6).Other descriptions**

☐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

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 Shunruixinyu Investment Partnership (Limited Partnership)	Combination not under common control
F.D.S. Ettmar S.r.l.	Combination not under common control
P.I.R.C. S.r.l.	Combination not under common control
Xiamen Keda New Energy Technology Co., Ltd.	Newly established
Hefei Keda Keheng New Energy Technology Co., Ltd.	Newly established
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	Newly established
Gao'an Keda Mechanical Parts Co., Ltd.	Newly established
Twyford Impex (U) Ltd	Newly established
Twyford Peru Company S.R.L.	Newly established
Anhui Keda Kenegy Sales Co., Ltd.	Canceled
Anhui Keda Prime Platform Energy Technology Co., Ltd.	Canceled

## 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 (%)		Acquisition method Method
					Direct	Indirect	
Anhui Keda Industrial Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	10,000.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone, Anhui Province	Manufacturing	80.00		Establishment
Anhui Keda New Material Co., Ltd.	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	40,000.00 Ten Thousand Yuan	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	44,363.16 Ten Thousand Yuan	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	800.00 Ten Thousand Yuan	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	Manufacturing		51.00	Combination not under common control
Sichuan Keda Clean Energy New Material Co., Ltd.	China (Sichuan) Pilot Free Trade Zone Chengdu High-tech Zone	5,000.00 Ten Thousand Yuan	China (Sichuan) Pilot Free Trade Zone Chengdu High-tech Zone	Manufacturing		100.00	Establishment
Anhui Keda New Energy Automobile Sales Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	1,000.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		100.00	Establishment
Anhui Keda Huadong New	Maanshan Economic and	1,000.00 Ten	Maanshan Economic and	Commercial services		51.00	Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
Energy Vehicle Travel Service Co., Ltd.	Technological Development Zone, Anhui Province	Thousand Yuan	Technological Development Zone, Anhui Province				
Anhui Keda Smart Energy Technology Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	20,001.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		80.00	Establishment
Jiangsu Keda Electric Power Co., Ltd.	Jiangning District, Nanjing City, Jiangsu Province	20,100.00 Ten Thousand Yuan	Jiangning District, Nanjing City, Jiangsu Province	Commercial services		100.00	Establishment
Anhui Ke'an Electric Power Engineering Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	10,000.00 Ten Thousand Yuan	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	1,000.00 Ten Thousand Yuan	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	2,000.00 Ten Thousand Yuan	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	5,000.00 Ten Thousand Yuan	Wanzhi District, Wuhu City	Manufacturing		100.00	Combination not under common control
Shenyang Keda Clean Gas Co., Ltd.	Liaoning Faku Economic Development Zone	100,000.00 Ten Thousand Yuan	Liaoning Faku Economic Development Zone	Manufacturing	93.00		Establishment
Guangdong Keda Smart Energy Technology Co., Ltd.	Shunde District, Foshan City	20,001.00 Ten Thousand Yuan	Shunde District, Foshan City	Commercial services		95.00	Establishment
Keda (Anhui) Clean Energy Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	4,460.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone, Anhui Province	Manufacturing	97.37		Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
Guangdong Keda Hydraulic Technology Co., Ltd.	Shunde District, Foshan City	4,851.43 Ten Thousand Yuan	Shunde District, Foshan City	Manufacturing	42.61	1.47	Establishment
HLT Industry Co., Ltd.	Sanshui Central Science Technology Park, Foshan City	20,000.00 Ten Thousand Yuan	Sanshui Central Science Technology Park, Foshan City	Manufacturing	100.00		Combination not under common control
DLT Technology Co., Ltd.	Sanshui Central Science Technology Park, Foshan City	10,000.00 Ten Thousand Yuan	Sanshui Central Science Technology Park, Foshan City	Manufacturing		100.00	Establishment
Anhui Keda Investment Co., Ltd.	Maanshan Economic and Technological Development Zone	25,000.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone	Commercial services	100.00		Establishment
Henan KDNEU International Engineering Co., Ltd.	Shangwu Waihuan Road, Zhengzhou Area (Zhengdong) of China (Henan) Pilot Free Trade Zone	5,000.00 Ten Thousand Yuan	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	38,636.36 Ten Thousand Yuan	Yancheng Environmental Protection Industrial Park, Jiangsu Province	Manufacturing	100.00		Combination not under common control
Anhui Keqing Environmental Engineering Co., Ltd.	Maanshan Economic and Technological Development Zone	5,000.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone	Manufacturing		100.00	Establishment
Jiangsu Weilili New Material Co., Ltd.	Huai'an District, Huai'an City, Jiangsu Province	8,681.76 Ten Thousand Yuan	Huai'an District, Huai'an City, Jiangsu Province	Manufacturing	53.62		Combination not under common control
Guangdong Keda Lithium Industry Co., Ltd.	Shunde District, Foshan City	100,000.00 Ten Thousand Yuan	Xining Economic and Technological Development Zone	Manufacturing	100.00		Combination not under common control
Foshan Keda Industrial Co., Ltd.	Shunde District, Foshan City	27,334.00 Ten	Shunde District, Foshan City	Manufacturing	100.00		Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
		Thousand Yuan					
Foshan Keda Ceramic Technology Co., Ltd.	Shunde District, Foshan City	2,000.00 Ten Thousand Yuan	Shunde District, Foshan City	Import and export	100.00		Establishment
Guangdong Artget Fluidtech Co., Ltd.	Shunde District, Foshan City	1,000.00 Ten Thousand Yuan	Shunde District, Foshan City	Manufacturing		73.20	Combination not under common control
Maanshan Huadong Travel Passenger Transportation Co., Ltd.	Maanshan Economic and Technological Development Zone	1,000.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone	Commercial services		100.00	Combination not under common control
Suzhou Keda Smart Energy Technology Co., Ltd.	Suzhou City, Anhui Province	500.00 Ten Thousand Yuan	Suzhou City, Anhui Province	Commercial services		51.00	Establishment
Wuhu Keda Smart New Energy Technology Co., Ltd.	Wuhu City, Anhui Province	1,200.00 Ten Thousand Yuan	Wuhu City, Anhui Province	Commercial services		100.00	Establishment
Hefei Binhu Keda Smart Energy Co., Ltd.	Baohe Economic Development Zone, Hefei City	1,000.00 Ten Thousand Yuan	Baohe Economic Development Zone, Hefei City	Commercial services		100.00	Establishment
Anhui Hengwang Smart Energy Technology Co., Ltd.	Bowang District, Maanshan City, Anhui Province	1,000.00 Ten Thousand Yuan	Bowang District, Maanshan City, Anhui Province	Commercial services		51.00	Establishment
Maanshan Ke'an New Energy Technology Co., Ltd.	Hanshan County, Maanshan City, Anhui Province	2,000.00 Ten Thousand Yuan	Hanshan County, Maanshan City, Anhui Province	Commercial services		60.00	Establishment
Wuhu Ke'an Energy Technology Co., Ltd.	Jiujiang District, Wuhu City, Anhui Province	100.00 Ten Thousand Yuan	Jiujiang District, Wuhu City, Anhui Province	Commercial services		100.00	Establishment
Foshan Keda Equipment Manufacturing Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	73,500.00 Ten Thousand Yuan	Sanshui District, Foshan City, Guangdong Province	Manufacturing	100.00		Combination not under common control
Dongyang Hydraulic Technology (Dalian) Co., Ltd.	Jinzhou District, Dalian City, Liaoning Province	588.00 Ten Thousand Yuan	Jinzhou District, Dalian City, Liaoning Province	Manufacturing		62.24	Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
HLT Technology Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	10,000.00 Ten Thousand Yuan	Sanshui District, Foshan City, Guangdong Province	Manufacturing		100.00	Establishment
Foshan Ke'an New Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	100.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Dangtu Ke'an New Energy Technology Co., Ltd.	Dangtu County, Maanshan City, Anhui Province	100.00 Ten Thousand Yuan	Dangtu County, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Guangde Ke'an Photovoltaic Electricity Co., Ltd.	Guangde, Xuancheng City, Anhui Province	100.00 Ten Thousand Yuan	Guangde, Xuancheng City, Anhui Province	Commercial services		100.00	Establishment
Kunshan Boyue New Energy Technology Co., Ltd.	Kunshan, Suzhou City, Jiangsu Province	100.00 Ten Thousand Yuan	Kunshan, Suzhou City, Jiangsu Province	Commercial services		100.00	Establishment
Shaoguan Keda Machinery Manufacturing Co., Ltd.	Zhenjiang District, Shaoguan City, Guangdong Province	10,000.00 Ten Thousand Yuan	Zhenjiang District, Shaoguan City, Guangdong Province	Manufacturing	80.00		Establishment
Anhui Keda New Energy Equipment Co., Ltd.	Yushan District, Maanshan City, Anhui Province	7,000.00 Ten Thousand Yuan	Yushan District, Maanshan City, Anhui Province	Manufacturing	100.00		Establishment
Maanshan City Zhengpu Port New District Taixin New Energy Technology Co., Ltd.	Yushan District, Maanshan City, Anhui Province	100.00 Ten Thousand Yuan	Yushan District, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Dangtu Keda New Energy Technology Co., Ltd.	Dangtu County, Maanshan City, Anhui Province	100.00 Ten Thousand Yuan	Dangtu County, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Guangdong Keda New Energy Equipment Co., Ltd.	Shunde District, Foshan City, Guangdong Province	5,000.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Manufacturing		100.00	Establishment
Anhui Keda Hydraulic	Maanshan Economic and Technological	3,000.00 Ten	Maanshan Economic and Technological	Manufacturing		100.00	Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
Technology Co., Ltd.	Development Zone, Anhui Province	Thousand Yuan	Development Zone, Anhui Province				
Hefei Lunuo New Energy Co., Ltd.	Changfeng County, Hefei City, Anhui Province	100.00 Ten Thousand Yuan	Changfeng County, Hefei City, Anhui Province	Commercial services		100.00	Establishment
Maanshan Keci New Energy Technology Co., Ltd.	Yushan District, Maanshan City, Anhui Province	100.00 Ten Thousand Yuan	Yushan District, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Hefei Kemao New Energy Co., Ltd.	Baohe District, Hefei City, Anhui Province	100.00 Ten Thousand Yuan	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	100.00 Ten Thousand Yuan	Maanshan Cihu High-tech Industrial Development Zone, Anhui Province	Commercial services		100.00	Establishment
Langxi Ke'an New Energy Technology Co., Ltd.	Langxi County, Xuancheng City, Anhui Province	100.00 Ten Thousand Yuan	Langxi County, Xuancheng City, Anhui Province	Commercial services		100.00	Establishment
Foshan Kesheng New Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	100.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Foshan Kexin New Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	100.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Foshan Keshiming New Energy Technology Co., Ltd.	Gaoming District, Foshan City, Guangdong Province	100.00 Ten Thousand Yuan	Gaoming District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Maanshan Kegu New Energy Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	100.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		100.00	Establishment
Foshan HLT Ceramic Technology Co., Ltd.	Sanshui District, Foshan City, Guangdong Province	2,000.00 Ten Thousand Yuan	Sanshui District, Foshan City, Guangdong Province	Import and export		100.00	Establishment



Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
Wuhu Kesen New Energy Co., Ltd.	Fanchang County, Wuhu City, Anhui Province	100.00 Ten Thousand Yuan	Fanchang County, Wuhu City, Anhui Province	Commercial services		100.00	Establishment
Maanshan Keda Kezhong New Energy Co., Ltd.	Yushan District, Maanshan City, Anhui Province	100.00 Ten Thousand Yuan	Yushan District, Maanshan City, Anhui Province	Commercial services		100.00	Establishment
Foshan Kerongsheng New Energy Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	100.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Commercial services		55.00	Establishment
Chongqing Keda New Energy Materials Co., Ltd.	Tongliang District, Chongqing	18,000.00 Ten Thousand Yuan	Tongliang District, Chongqing	Manufacturing		100.00	Establishment
Guangdong Keda Innovation Private Equity Investment Co., Ltd.	Shunde District, Foshan City, Guangdong Province	1,000.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Finance		100.00	Establishment
Gongqingcheng Guanghai Investment Partnership (Limited Partnership)	Jiujiang City, Jiangxi Province	1,368.01 Ten Thousand Yuan	Jiujiang City, Jiangxi Province	Commercial services		9.67	Establishment
Quanitech Material Ltd.	Shunde District, Foshan City, Guangdong Province	2,000.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Import and export	51.00		Establishment
Maanshan Keda-SUREMAKER Industrial Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	500.00 Ten Thousand Yuan	Maanshan Economic and Technological Development Zone, Anhui Province	Import and export		100.00	Establishment
Foshan Keda Ecological Stone Engineering Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	100.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Commercial services		51.00	Establishment
Anhui Kechucheng New Energy Technology Co., Ltd.	Baohe District, Hefei City, Anhui Province	1,000.00 Ten Thousand Yuan	Baohe District, Hefei City, Anhui Province	Commercial services		60.00	Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
Sixian Ketu New Energy Co., Ltd.	Sixian County, Suzhou City, Anhui Province	100.00 Ten Thousand Yuan	Sixian County, Suzhou City, Anhui Province	Commercial services		100.00	Establishment
Guangdong Tefu International Holdings Limited	Shunde District, Foshan City, Guangdong Province	5,000.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Management of corporate headquarters	51.00		Establishment
Tefu (Guangzhou) Furniture Co., Ltd.	Tianhe District, Guangzhou City, Guangdong Province	3,000.00 Ten Thousand Yuan	Tianhe District, Guangzhou City, Guangdong Province	Import and export		100.00	Establishment
Gao'an Keda Mechanical Parts Co., Ltd.	Gao'an City, Yichun, Jiangxi Province	500.00 Ten Thousand Yuan	Gao'an City, Yichun, Jiangxi Province	Manufacturing	100.00		Establishment
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	Shunde District, Foshan City	3,001.00 Ten Thousand Yuan	Shunde District, Foshan City	Commercial services	99.97	0.03	Combination not under common control
Xiamen Keda New Energy Technology Co., Ltd.	Siming District, Xiamen City	10,000.00 Ten Thousand Yuan	Siming District, Xiamen City	Manufacturing		100.00	Establishment
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	Shunde District, Foshan City, Guangdong Province	1,000.00 Ten Thousand Yuan	Shunde District, Foshan City, Guangdong Province	Commercial services		100.00	Establishment
Hefei Keda Keheng New Energy Technology Co., Ltd.	Changfeng County, Hefei City, Anhui Province	100.00 Ten Thousand Yuan	Changfeng County, Hefei City, Anhui Province	Commercial services		100.00	Establishment
Kami Materials Co., Ltd.	Hong Kong	3,311.38 Ten Thousand HKD	Hong Kong	Import and export		51.00	Establishment
Keda Industrial (Hong Kong) Limited	Hong Kong	7,802.13 Ten Thousand USD	Hong Kong	Import and export	100.00		Establishment
Kami Colourcera Private Limited	India	160.00 Ten Thousand USD	India	Manufacturing		72.00	Establishment
Xincheng International	Hong Kong	2,000.00 Ten	Hong Kong	Import and export		100.00	Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
(Hong Kong) Co., Ltd.		Thousand USD					
Guangdong Xincheng Finance Leases Co., Ltd.	Shunde District, Foshan City	2,700.00 Ten Thousand USD	Shunde District, Foshan City	Commercial services		100.00	Establishment
Anhui Xincheng Finance Leases Co., Ltd.	Maanshan Economic and Technological Development Zone, Anhui Province	3,500.00 Ten Thousand USD	Maanshan Economic and Technological Development Zone, Anhui Province	Commercial services		100.00	Establishment
Keda Holding (Mauritius) Limited	Mauritius	5,371.33 Ten Thousand USD	Mauritius	Commercial services	100.00		Establishment
Brightstar Investment Limited	Mauritius	5,369.20 Ten Thousand USD	Mauritius	Commercial services		51.00	Combination not under common control
Keda (Kenya) Ceramics Company Limited	Kenya	1,000.00 Ten Thousand USD	Kenya	Manufacturing		51.00	Combination not under common control
Keda (Ghana) Ceramics Company Limited	Ghana	1,000.00 Ten Thousand USD	Ghana	Manufacturing		51.00	Combination not under common control
Keda (Tanzania) Ceramics Company Limited	Tanzania	1,000.00 Ten Thousand USD	Tanzania	Manufacturing		51.00	Combination not under common control
Keda (SN) Ceramics Company Limited	Senegal	100.00 Ten Thousand USD	Senegal	Manufacturing		51.00	Establishment
Forwell International (HK) Co., Ltd.	Hong Kong	6,001.00 Ten Thousand USD	Hong Kong	Import and export	100.00		Establishment
Tilemaster Investment Limited	Mauritius	9,763.20 Ten Thousand USD	Mauritius	Commercial services		51.00	Establishment
Keda Ceramics International Company Limited	Kenya	1,000.00 Ten Thousand USD	Kenya	Manufacturing		51.00	Establishment
PT Keda INDUSTRIAL INDONESIA	Indonesia	300.00 Ten Thousand USD	Indonesia	Import and export		100.00	Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
Keda Zambia Ceramics Company Limited	Zambia	1,000.00 Ten Thousand USD	Zambia	Manufacturing		51.00	Establishment
Keda International Company S.a.r.l.	Luxembourg	1.20 Ten Thousand EUR	Luxembourg	Commercial services		100.00	Establishment
Keda Europe S.r.l.	Italy	100.00 Ten Thousand EUR	Italy	Commercial services		100.00	Establishment
I.C.F.& Welko S.P.A.	Italy	400.00 Ten Thousand EUR	Italy	Manufacturing		100.00	Combination not under common control
Wibe S.L.	Spain	120.20 Ten Thousand EUR	Spain	Manufacturing		100.00	Combination not under common control
F.D.S. Ettmar S.r.l.	Italy	10.00 Ten Thousand EUR	Italy	Manufacturing		70.00	Combination not under common control
P.I.R.C. S.r.l.	Italy	1.00 Ten Thousand EUR	Italy	Manufacturing		100.00	Combination not under common control
Keda Industrial (India) Limited	India	6,500.00 Ten Thousand INR	India	Manufacturing		90.00	Establishment
Keda Turkey Makine Ticaret Limited Şirketi	Turkey	43,554.22 Ten Thousand TRY	Turkey	Import and export		100.00	Establishment
Keda Cameroon Ceramics Limited	Cameroon	100.00 Ten Thousand XAF	Cameroon	Manufacturing		51.00	Establishment
Keda Cote D'Ivoire Ceramics Company Limited	Cote d'Ivoire	510,010.00 Ten Thousand XOF	Cote d'Ivoire	Manufacturing		51.00	Establishment
Keda Tanzania Resource Company Limited	Tanzania	230.00 Ten Thousand TZS	Tanzania	Manufacturing		100.00	Establishment
Keda Peru Building Materials Company S.R.L.	PERU	1.00 Ten Thousand PEN	PERU	Manufacturing		51.00	Establishment

Subsidiary Name	Main place of business	Registered capital	Place of registration	Business nature	Shareholding (%)		Acquisition method Method
					Direct	Indirect	
Twyford Peru Company S.R.L.	PERU	0.10 Ten Thousand PEN	PERU	Import and export		51.00	Establishment
Twyford Impex (U) Ltd	Uganda	195,000.00 Ten Thousand UGX	Uganda	Import and export		51.00	Establishment

## (2). Significant non-wholly-owned subsidiaries

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Subsidiary	Shareholding of minority shareholders Proportion (%)	Profit or loss 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 interest
Keda Ceramics International Company Limited	49.00	4,451.78		12,455.71

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	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 Ceramics International Company Limited	27,610.53	47,964.52	75,575.05	26,847.35	23,307.89	50,155.24	18,098.79	39,198.19	57,296.98	21,034.89	23,633.03	44,667.92

Subsidiary	Amount incurred in the Reporting Period				Amount incurred in the previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Keda Ceramics International Company Limited	18,569.96	9,085.27	12,790.75	1,424.09	15,887.16	2,917.62	2,052.42	2,936.52

**(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

① In January 2024, the Company disposed of its 1.00% equity in Guangdong Keda Hydraulic, and the Company's shareholding in Guangdong Keda Hydraulic changed from 45.08% to 44.08% after the completion of the equity transfer.

② In February 2024, the Company increased its shareholding in Fujian Keda New Energy indirectly through the acquisition of 100.00% equity in Foshan Shunruixinyu Investment Partnership (Limited Partnership), and the Company's shareholding in Fujian Keda New Energy changed from 57.23% to 58.62% after the completion of the acquisition.

**(2). Effects of transactions on the equities of non-controlling interest and total owners' equity**

√Applicable    □Not applicable

Unit: Ten Thousand Yuan    Currency: RMB

	Increase in total owners' equity	Decrease in the owner's equity attributable to the parent company
Purchase cost/disposal consideration		
--Cash	3,144.90	160.81
--Fair value of non-cash assets		
Total purchase cost/disposal consideration	3,144.90	160.81
Less: Shares of net assets of subsidiaries calculated in proportion to the acquired/disposed equity	1,729.27	164.61
Difference	1,415.63	-3.80
Including: Adjustment to capital reserves	-1,415.63	-3.80

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	254,616.99		261,479.04	



	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.
Non-current assets	276,598.44		284,930.09	
Total assets	531,215.43		546,409.13	
Current liabilities	127,668.73		174,737.31	
Non-current liabilities	2,403.19		2,809.66	
Total liabilities	130,071.92		177,546.97	
Non-controlling interests				
Equities attributable to shareholders of the parent company				
Share of net assets calculated based on the shareholding	174,818.34		160,750.13	
Adjustments	72,083.07		70,469.01	
--Goodwill				
--Unrealised profits of internal transactions				
--Others	72,083.07		70,469.01	
Carrying value of equity investments in associated enterprises	246,901.41		231,219.14	
Fair value of equity investments in associated enterprises with public quotation				
Operating revenue		168,457.29		333,437.01
Net profit		31,688.19		196,034.49
Net profit from discontinued operations				
Other comprehensive income				

	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 comprehensive income		31,688.19		196,034.49
Dividends from associated enterprises for the Year		41,140.71		

**(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	73,829.82	38,951.31
The total of following items according to the shareholding proportions		
-- Net profit	4,369.81	-62.60
-- Other comprehensive income	3.33	
-- Total comprehensive income	4,373.14	-62.60

**(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). Unrecognised 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 subsidies recognised at the end of the Reporting Period based on amounts receivable**

☒Applicable    ☐Not applicable

Closing balance of accounts receivable 3,558.27 (Unit: Ten Thousand Yuan Currency: RMB)

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

☐Applicable    ☒Not applicable

**2. Liability items involving government subsidies**

☒Applicable    ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Financial statement item	Opening balance	Amount of new subsidies in the Reporting Period	Amount recognised 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	3,336.86	450.00		569.91		3,216.95	Related to assets

Other non-current liabilities	2,345.81	2,309.93		3,296.46		1,359.28	Related to assets/income
Total	5,682.67	2,759.93		3,866.37		4,576.23	/

### 3. Government subsidies recognised as profit and loss 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	3,296.46	5,450.68
Related to assets	569.91	507.58
Total	3,866.37	5,958.26

## 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 30 June 2024 are presented in the form of undiscounted contractual cash flows by maturity date as follows:

Unit: Ten Thousand Yuan Currency: RMB

Item	30 June 2024				
	Carrying value	Total value	Within one year	One to three years	Over three years
Monetary funds	321,440.69	321,440.69	321,440.69		
Financial assets held for trading	43,468.48	43,468.48	43,468.48		
Notes receivable	9,314.88	9,314.88	9,314.88		
Accounts receivable	186,544.78	186,544.78	160,114.60	24,253.39	2,176.79
Accounts receivables financing	9,268.38	9,268.38	9,268.38		
Other receivables	21,660.87	21,660.87	17,143.65	3,895.11	622.11
Non-current assets due within one year	55,177.53	55,177.53	55,177.53		
Other current assets	52,526.46	52,526.46	52,526.46		

Long-term receivables	22,235.75	22,235.75		22,235.75	
Other non-current financial assets	1,450.91	1,450.91		1,450.91	
<b>Sub-total</b>	723,088.73	723,088.73	668,454.67	51,835.16	2,798.90
Bank loans	497,750.59	497,750.59	159,343.41	338,407.18	
Notes payable	70,751.14	70,751.14	70,751.14		
Accounts payable	202,163.33	202,163.33	176,714.07	16,364.91	9,084.35
Other payables	85,679.38	85,679.38	77,419.54	7,695.39	564.45
<b>Total</b>	856,344.44	856,344.44	484,228.16	362,467.48	9,648.80

**Continued**

Unit: Ten Thousand Yuan Currency: RMB

Item	31 December 2023				
	Carrying value	Total value	Within one year	One to three years	Over three years
Monetary funds	360,218.54	360,218.54	360,218.54		
Financial assets held for trading	29,089.94	29,089.94	29,089.94		
Notes receivable	5,474.33	5,474.33	5,474.33		
Accounts receivable	176,691.26	176,691.26	148,098.49	27,627.14	965.63
Accounts receivables financing	23,576.65	23,576.65	23,576.65		
Other receivables	55,297.80	55,297.80	53,453.00	1,305.82	538.98
Non-current assets due within one year	43,894.60	43,894.60	43,894.60		
Other current assets	49,919.24	49,919.24	49,919.24		
Long-term receivables	21,198.62	21,198.62		21,198.62	
Other non-current financial assets	500.00	500.00		500.00	
<b>Sub-total</b>	765,860.98	765,860.98	713,724.79	50,631.58	1,504.61
Bank loans	485,059.50	485,059.50	145,204.34	339,855.16	
Notes payable	57,889.54	57,889.54	57,889.54		
Accounts payable	183,950.36	183,950.36	159,612.43	15,805.86	8,532.07
Other payables	19,808.27	19,808.27	12,864.52	5,457.70	1,486.05
<b>Sub-total</b>	746,707.67	746,707.67	375,570.83	361,118.72	10,018.12

## 2. Hedging

### (1) The Company conducts hedging operations for risk management

√Applicable □Not applicable

Item	Corresponding risk management strategies and objectives	Qualitative and quantitative information on risk of being hedged	Economic relationships between hedged items and related hedging instruments	Effective achievement of expected risk management objectives	Impact of corresponding hedging activities on risk exposure
Contracts for future 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 recognised 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	18,599.74	Not applicable	Relevance of hedged items to	Impact on financial liabilities held for trading of RMB

			hedging instruments	592.2 thousand and gain on change in fair value of RMB 1,617.8 thousand
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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 Acceptances	42,027.31	Derecognition	Has transferred almost all of its risks and rewards
Endorsement	Banker's Acceptances and Commercial Acceptances	7,270.49	Non-derecognition	
Total	/	49,297.80	/	/

#### (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 derecognised	Gains or losses related to derecognition
Receivables financing	Endorsement/Discounting	42,027.31	-34.09
Total	/	42,027.31	-34.09

#### (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
<b>I. Continuous fair value measurement</b>				
i. Financial assets held for trading		43,468.48	1,450.91	44,919.39
1. Financial assets at fair value through profit or loss				
(1) Debt instrument investment				
(2) Equity instrument investment				
(3) Derivative financial assets				
2. Financial assets designated at fair value through profit or loss		43,468.48	1,450.91	44,919.39
(1) Debt instrument investment		43,053.85		43,053.85
(2) Equity instrument investment			1,450.91	1,450.91
(3) Derivative financial assets		414.63		414.63
ii. Other debt investments				
iii. Other equity instruments investments	87,995.35		856.35	88,851.70
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			9,268.38	9,268.38
<b>Total assets continuously measured at fair value</b>	87,995.35	43,468.48	11,575.64	143,039.47
vii. Financial liabilities held for trading		59.22		59.22
1. Financial liabilities at fair value through profit or loss				
Including: Held-for-trading bonds offered				
Derivative financial liabilities				
Others				
2. Financial liabilities designated at fair value through profit or loss		59.22		59.22
<b>Total liabilities continuously measured at fair value</b>		59.22		59.22
<b>II. Non-continuous fair value measurement</b>				
i. Assets held for sale				
<b>Total assets not continuously measured at fair value</b>				
<b>Total liabilities not continuously measured at fair value</b>				

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

☒Applicable   ☐Not applicable

The fair value of hedging instruments for futures contracts is determined using level-1 inputs. The call price of the corresponding futures contract of the Shanghai Futures Exchange on the balance sheet date is used as an important reference for assessing the fair value.

The Company's investment in Jiaying Keda Jinhong Salt Lake Industrial Equity Investment Partnership (Limited Partnership) uses level-1 inputs. The closing price of the corresponding stock on the exchange at the balance sheet date is used as an important reference for assessing its fair value.

### **3. Qualitative and quantitative 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 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
Anhui Keda New Material Co., Ltd.	Limited liability company	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	Dai Tao	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	Dai Tao	Manufacturing	44,363.16	58.62	58.62	91350425MA2YNNXG0K
Anhui Keda Platinum Platform Energy Technology Co., Ltd.	Limited liability company	Dangtu Economic and Technological Development Zone, Maanshan City, Anhui Province	Tang Jiangang	Manufacturing	800.00	51.00	51.00	91340521MA2N1EB218

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Sichuan Keda Clean Energy New Material 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
Anhui Keda New Energy Automobile Sales Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Xu Jianshe	Commercial services	1,000.00	100.00	100.00	91340500MA2MTEPE07
Anhui Keda Huadong New Energy Vehicle Travel Service Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zhu Hongjun	Commercial services	1,000.00	51.00	51.00	91340500MA2MUTTP26
Anhui Keda Smart Energy Technology Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zhang Feng	Commercial services	20,001.00	80.00	80.00	91340500MA2MT7G34X
Jiangsu Keda Electric Power Co., Ltd.	Limited liability company	Jiangning District, Nanjing City, Jiangsu Province	Zhang Feng	Commercial services	20,100.00	100.00	100.00	91320115MA1P1QC122
Anhui Ke'an 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	Zhou Peng	Manufacturing	5,000.00	100.00	100.00	9134022166624276X0
Shenyang Keda Clean Gas Co., Ltd.	Limited liability company	Liaoning Faku Economic Development Zone	Ma Liang	Manufacturing	100,000.00	93.00	93.00	91210124550792268N
Guangdong Keda Smart Energy	Limited liability company	Shunde District, Foshan City	Zhang Feng	Commercial services	20,001.00	95.00	95.00	91440606MA53N01N91

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Technology Co., Ltd.								
Keda (Anhui) Clean Energy Co., Ltd.	Other joint stock company	Maanshan Economic and Technological Development Zone, Anhui Province	Li Ting	Manufacturing	4,460.00	97.37	97.37	91340500661503967A
Guangdong Keda Hydraulic Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City	Yang Jun	Manufacturing	4,851.43	44.08	44.08	91440606568290581X
HLT Industry Co., Ltd.	Limited liability company	Sanshui Central Science Technology Park, Foshan City	Yang Xuexian	Manufacturing	20,000.00	100.00	100.00	91440600712393666R
DLT Technology Co., Ltd.	Limited liability company	Sanshui Central Science Technology Park, Foshan City	Wu Junliang	Manufacturing	10,000.00	100.00	100.00	91440607MA4UNRGA45
Anhui Keda Investment Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone	Zeng Fei	Commercial services	25,000.00	100.00	100.00	913405006986740300
Henan KDNEU International Engineering Co., Ltd.	Limited liability company	Shangwu Waihuan Road, Zhengzhou Area (Zhengdong) of China (Henan) Pilot Free Trade Zone	Long Yuzhou	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	100.00	100.00	913209026086112210
Anhui Keqing Environmental Engineering Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone	Wei Senmao	Manufacturing	5,000.00	100.00	100.00	91340500MA2TN7CAXR
Jiangsu Weilili New Material Co., Ltd..	Limited liability company	Huai'an District, Huai'an City, Jiangsu Province	Zeng Fei	Manufacturing	8,681.76	53.62	53.62	91632900679184650E
Guangdong Keda Lithium Industry Co., Ltd.	Limited liability company	Shunde District, Foshan City	Zeng Fei	Manufacturing	100,000.00	100.00	100.00	916300006791880023
Foshan Keda Industrial Co., Ltd.	Limited liability company	Shunde District, Foshan City	He Weidong	Manufacturing	27,334.00	100.00	100.00	91440606MA51BFQE8A

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Foshan Keda Ceramic Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City	Qiu Hongying	Import and export	2,000.00	100.00	100.00	91440606MA534JQK1E
Guangdong Artget Fluidtech Co., Ltd.	Limited liability company	Shunde District, Foshan City	Liu Zhengfu	Manufacturing	1,000.00	73.20	73.20	914401137219513328
Maanshan Huadong Travel Passenger Transportation Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone	Qin Juan	Commercial services	1,000.00	100.00	100.00	91340500680813282J
Suzhou Keda Smart Energy Technology Co., Ltd.	Limited liability company	Suzhou City, Anhui Province	Xiang Jing	Commercial services	500.00	51.00	51.00	91341302MA2W4MYLX8
Wuhu Keda Smart New Energy Technology Co., Ltd.	Limited liability company	Wuhu City, Anhui Province	Zhang Feng	Commercial services	1,200.00	100.00	100.00	91340222MA2W7K7P18
Hefei Binhu Keda Smart Energy Co., Ltd.	Limited liability company	Baohe Economic Development Zone, Hefei City	Zhang Feng	Commercial services	1,000.00	100.00	100.00	91340111MA2WBGD22X
Anhui Hengwang 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
Maanshan Ke'an New Energy Technology Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340500MA2XK3E90X
Wuhu Ke'an Energy Technology Co., Ltd.	Limited liability company	Jiujiang District, Wuhu City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340207MA2WEEEXX40
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	Jiujiang City, Jiangxi Province	/	Commercial services	1,368.01	9.67	9.67	91360405MA3AEW5A96
Dongyang Hydraulic Technology (Dalian) Co., Ltd.	Limited liability company	Jinzhou District, Dalian City, Liaoning Province	Zhang Heping	Manufacturing	588.00	62.24	62.24	91210242MA110D46XT
HLT Technology Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Yang Xuexian	Manufacturing	10,000.00	100.00	100.00	91440607MA578CG434

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Foshan Ke'an New Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91440606MA56DX766W
Dangtu Ke'an New Energy Technology Co., Ltd.	Limited liability company	Dangtu County, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340521MA8MYRYQX4
Guangde Ke'an Photovoltaic Electricity Co., Ltd.	Limited liability company	Guangde, Xuancheng City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91341822MA8N02WA38
Kunshan Boyue New Energy Technology Co., Ltd.	Limited liability company	Kunshan, Suzhou City, Jiangsu Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91320583MA26UQCT4R
Shaoguan Keda Machinery Manufacturing Co., Ltd.	Limited liability company	Zhenjiang District, Shaoguan City, Guangdong Province	Zeng Pingli	Manufacturing	10,000.00	80.00	80.00	91440204MA58C6H03U
Anhui Keda New Energy Equipment Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Li Ting	Manufacturing	7,000.00	100.00	100.00	91340500MA8NDDRN9J
Maanshan City Zhengpu Port New District Taixin New Energy Technology Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340500MA2WT0TTXB
Dangtu Keda New Energy Technology Co., Ltd.	Limited liability company	Dangtu County, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340521MA8N13RC67
Guangdong Keda New Energy Equipment Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Chen Shuifu	Manufacturing	5,000.00	100.00	100.00	91440606MABMRNAQ3D
Anhui Keda Hydraulic Technology Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Yang Jun	Manufacturing	3,000.00	100.00	100.00	91340500MA8PB2FW7D
Hefei Lunuo New Energy Co., Ltd.	Limited liability company	Changfeng County, Hefei City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340121MA8NUMXP0D
Maanshan Keci New Energy Technology Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340500MA8N2T5D0L



Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
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
Langxi Ke'an New Energy Technology Co., Ltd.	Limited liability company	Langxi County, Xuancheng City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91341821MA8LGUD10D
Foshan Kesheng New Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91440606MA7M5A3W5M
Foshan Kexin New Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91440606MA7MK86L0W
Foshan Keshiming New Energy Technology Co., Ltd.	Limited liability company	Gaoming District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91440608MABMPTRK87
Maanshan Kegu New Energy Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340500MA8NXXDK9T
Foshan HLT Ceramic Technology Co., Ltd.	Limited liability company	Sanshui District, Foshan City, Guangdong Province	Zhu Shouli	Import and export	2,000.00	100.00	100.00	91440607MAC7BWW81C
Wuhu Kesen New Energy Co., Ltd.	Limited liability company	Fanchang County, Wuhu City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340222MA8NTDTK4N
Maanshan Keda Kezhong New Energy Co., Ltd.	Limited liability company	Yushan District, Maanshan City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91340504MA8PLRNW05
Foshan Kerongsheng New Energy Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	100.00	55.00	55.00	91440606MACGCAT004
Chongqing Keda New Energy Materials Co., Ltd.	Limited liability company	Tongliang District, Chongqing	Fu Guoguang	Manufacturing	18,000.00	100.00	100.00	91500151MAC5G48E7T
Guangdong Keda Innovation	Limited liability company	Shunde District, Foshan City,	Huang Longju	Finance	1,000.00	100.00	100.00	91440606MAC7PG2M8K

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Private Equity Investment Co., Ltd.		Guangdong Province						
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
Maanshan Keda-SUREMAKER INDUSTRIAL CO., LTD	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Xinjiang Chen	Import and export trade	500.00	100.00	100.00	91340500MA8QQW346G
Foshan Kedar Ecological Stone Engineering Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Song Zhigang	Commercial services	100.00	51.00	51.00	91440606MACR2THF4A
Anhui Keducheng New Energy Technology Co., Ltd.	Limited liability company	Baohu 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	Sixiyan, Suzhou City, Anhui Province	Zhang Feng	Commercial services	100.00	100.00	100.00	91341324MA8PALBL8N
Guangdong Tefu International Holding Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Shen Yanchang	Corporate Headquarters Management	5,000.00	51.00	51.00	91440606MAD2KFQE2R
Tefu (Guangzhou) Home Furnishing Co., Ltd.	Limited liability company	Tianhe District, Guangzhou City, Guangdong Province	Shen Yanchang	Import and export trade	1,000.00	51.00	51.00	91440106MAD81GDF2X
Gao'an Keda Mechanical Parts Co., Ltd.	Limited liability company	Gao'an City, Yichun, Jiangxi Province	Chen Yuheng	Manufacturing	500.00	100.00	100.00	91360983MAD6YT8D81
Foshan Shunruixinyu Investment Partnership (Limited Partnership)	Limited partnership	Shunde District, Foshan City	/	Commercial services	3,001.00	100.00	100.00	91440606MAC4XHK30N
Xiamen Keda New Energy Technology Co., Ltd.	Limited liability company	Siming District, Xiamen City	Wang Xueqiang	Manufacturing	10,000.00	100.00	100.00	91350200MADAR6548A
Guangdong Dafeng Zhihe Low Carbon Industry Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City, Guangdong Province	Zhang Feng	Commercial services	1,000.00	100.00	100.00	91340500MA8LJAHT7Y
Hefei Keda Keheng New Energy	Limited liability company	Changfeng County, Hefei	Zhang Feng	Commercial services	100.00	100.00	100.00	91340121MA8PABW10P

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding percentage (%)	Proportion of voting rights (%)	Unified social credit code
Technology Co., Ltd.		City, Anhui Province						

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	Li Yuejin	Import and export	3,311.38	51.00	51.00

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., Ltd.	Limited liability company	Hong Kong	Li Qing	Import and export	6,001.00	100.00	100.00
Keda Industrial (Hong Kong) Limited	Limited liability company	Hong Kong	Li Qing	Import and export	7,802.13	100.00	100.00
Xincheng International (Hong Kong) Co., Ltd.	Limited liability company	Hong Kong	Li Qing	Import and export	2,000.00	100.00	100.00
Guangdong Xincheng Finance Leases Co., Ltd.	Limited liability company	Shunde District, Foshan City	Wang Gang	Commercial services	2,700.00	100.00	100.00
Anhui Xincheng Finance Leases Co., Ltd.	Limited liability company	Maanshan Economic and Technological Development Zone, Anhui Province	Wang Gang	Commercial services	3,500.00	100.00	100.00
Keda Holding (Mauritius) Limited	Limited liability company	Mauritius	/	Commercial services	5,371.33	100.00	100.00
Brightstar Investment Limited	Limited liability company	Mauritius	/	Commercial services	5,369.20	51.00	51.00
Tilemaster Investment Limited	Limited liability company	Mauritius	/	Commercial services	9,763.20	51.00	51.00
Keda (Kenya) Ceramics Company Limited	Limited liability company	Kenya	/	Manufacturing	1,000.00	51.00	51.00

Full name of the subsidiary	Type of enterprise	Place of registration	Legal representative	Business nature	Registered capital	Shareholding (%)	Proportion of voting rights (%)
Keda (Ghana) Ceramics Company Limited	Limited liability company	Ghana	/	Manufacturing	1,000.00	51.00	51.00
Keda (Tanzania) Ceramics Company Limited	Limited liability company	Tanzania	/	Manufacturing	1,000.00	51.00	51.00
Keda (SN) Ceramics Company Limited	Limited liability company	Senegal	/	Manufacturing	100.00	51.00	51.00
Kami Colourcera Private Limited	Limited liability company	India	SAMEERDIGGIKER	Manufacturing	160.00	72.00	72.00
Keda Ceramics International Company Limited	Limited liability company	Kenya	/	Manufacturing	1,000.00	51.00	51.00
PT Keda INDUSTRIAL INDONESIA	Limited liability company	Indonesia	Tan Xuhui	Import and export	300.00	100.00	100.00
Keda Zambia Ceramics Company Limited	Limited liability company	Zambia	/	Manufacturing	1000.00	51.00	51.00

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.a.r.l.	Limited liability company	Luxembourg	/	Commercial services	1.20	100.00	100.00
Keda Europe S.r.l.	Limited liability company	Italy	Yang Xuexian	Commercial services	100.00	100.00	100.00
I.C.F.& Welko S.P.A.	Joint stock company	Italy	Yang Xuexian	Manufacturing	400.00	100.00	100.00
Wibe S.L.	Limited liability company	Spain	/	Manufacturing	120.20	100.00	100.00
F.D.S. Ettmar S.r.l.	Limited liability company	Italy	Liu Xiaodong	Manufacturing	10.00	70.00	70.00
P.I.R.C. S.r.l.	Limited liability company	Italy	Liu Xiaodong	Manufacturing	1.00	100.00	100.00

Unit: Ten Thousand Currency: 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	Ashwath	Manufacturing	6,500.00	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 (%)
Keda Turkey Makine Ticaret Limited Şirketi	Limited liability company	Türkiye	Zeng Fei	Import and export	43,554.22	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	100.00	51.00	51.00

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	51.00	51.00

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	/	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 (%)
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Keda Peru Building Materials Company S.R.L.	Limited liability company	PERU	/	Manufacturing	1.00	51.00	51.00
Twyford Peru Company S.R.L.	Limited liability company	PERU	/	Import and export	0.10	51.00	51.00

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	195,000.00	51.00	51.00

### 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

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	Fei Zixian	Commercial services	1,960.00	26.02	26.02	91340521MA2RU8N74T
Foshan Keda Ceramic Technology Co., Ltd.	Limited liability company	Shunde District, Foshan City	Huang Jianwu	Manufacturing	10,000.00	49.00	49.00	91440606MA4UUWAC43
Zhangzhou Grande Graphite Material Co., Ltd.	Limited liability company	Nanjing County, Fujian Province	Wang Xueqiang	Manufacturing	5,000.00	49.00	49.00	91350627717396444C
Guangdong Keda Nanyue New Energy Venture Capital Partnership	Limited partnership	Nanhai District, Foshan City	/	Capital market services	25,101.00	59.76	40.00	91440605MABTRA5H94

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
(Limited Partnership)								
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	3,000.00	28.35	28.35	91340500MA2RNGB63X
Shanghai Mingfeng Management Consulting Partnership (Limited Partnership)	Limited partnership	Fengxian District, Shanghai City	/	Commercial services	2,814.13	18.93	18.93	91310120MA1JKJP9XJ
Shanghai Mingzhao Management Consulting Partnership (Limited Partnership)	Limited partnership	Fengxian District, Shanghai City	/	Commercial services	578.82	10.42	10.42	91310120MA1JKJEN4F
Gongqingcheng Kehong Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	637.01	24.45	24.45	91360405MA7EPCUM2X
Gongqingcheng Kexin Investment Partnership (Limited Partnership)	Limited partnership	Jiujiang City, Jiangxi Province	/	Commercial services	3,109.74	47.35	47.35	91360405MA7G7R8X71

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 considered to be related parties of the Company in accordance with Article 4 of the *Accounting Standards for Business Enterprises No. 36 - Disclosure of Related Parties*.

(4) Given that Macrolink Group Holding Co., Ltd. once held more than 5% of the Company's shares, Macrolink Group and its subsidiaries are considered to be related parties of the Company in accordance with Article 4 of the *Accounting Standards for Business Enterprises No. 36 - Disclosure of Related Parties*, Article 6.3.3 of the *Rules for Listing Stocks on the Shanghai Stock Exchange*.

The above table includes Sunda Group Co., Ltd., Guangzhou Sunda Trading Co., Ltd. and its wholly-owned subsidiaries, Guangdong Hongyu Group Limited includes Guangdong Hongyu Group Limited and its subsidiaries, Guangdong Liansu Technology Industrial Co., Ltd. Includes Guangdong Liansu Technology Industrial Co., Ltd. and its subsidiaries, and New China United Holdings Limited includes New China United Holdings Limited 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	Amount incurred in the previous period
Sunda Group Co., Ltd.	Materials and labor services	40,342.16	57,888.44
Qinghai Yanhu Lanke Lithium Industry Co., Ltd.	Lithium carbonate	4,445.31	
Zhangzhou Grande Graphite Material Co., Ltd.	Raw materials	183.16	479.87
Hunan Liling Hongguanyao China Industry Co., Ltd.	Ceramics	4.50	20.24
Sichuan Guangxing Lithium Battery Technology Co., Ltd.	Lithium carbonate	10.00	
Guangdong Hongyu Group Co., Ltd.	Ceramic tiles, etc.	27.82	72.82
FCRI Group Co., Ltd.	Ceramic roller sticks, etc.	4,736.40	63.89
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd. and its subsidiaries	Ink, color glaze	6,569.91	

## 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.	Ceramics, sanitary wares, and equipment	44,793.44	51,131.96
Guangdong Hongyu Group Co., Ltd.	Ceramic machinery equipment, negative electrode materials, and electricity costs for photovoltaic projects	1,093.77	1,339.49
Zhangzhou Grande Graphite Material Co., Ltd.	Processing fee	211.51	2,681.53
Hunan Hualian Porcelain Industry Co., Ltd.	Ceramic machinery equipment	3.32	45.75
Maanshan Qingshan Electricity Selling Co., Ltd.	Services	6.00	17.00
Guangdong Liansu Technology Industrial Co., Ltd.	Accessories	11.95	0.59

Notes to related party transactions involving the purchase and sale of goods and the supply and acceptance of services

√Applicable □Not applicable

The foregoing Sunda Group Co., Ltd. includes Sunda Group Co., Ltd., Guangzhou Sunda International Trading Co., Ltd. and its wholly-owned subsidiaries, Guangdong Hongyu

Group Co., Ltd. includes Guangdong Hongyu Group Co., Ltd. and its subsidiaries, and Guangdong Liansu Technology Industrial Co., Ltd. Includes Guangdong Liansu Technology Industrial Co., Ltd. and its subsidiaries.

**(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

The Company as Lessee:

√Applicable   □Not applicable

Unit: Ten Thousand Yuan   Currency: RMB

Lessor	Type of leased 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	
		Amount incurred in the Reporting Period	Amount incurred in the previous period	Amount incurred in the Reporting Period	Amount incurred in the previous period	Amount incurred in the Reporting Period	Amount incurred in the previous period	Amount incurred in the Reporting Period	Amount incurred in the previous period	Amount incurred in the Reporting Period	Amount incurred in the previous period
Guangdong Hongyu Group Co., Ltd.	Premises					12.57	9.98				
Foshan Keda Ceramic Technology Co., Ltd.	Premises					300.00	240.00				

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

Secured party	Amount of guarantee	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Anhui Xincheng Finance Leases Co., Ltd.	1,087.88	March 28, 2023	26 January 2025	No
Anhui Xincheng Finance Leases Co., Ltd.	4,680.00	13 June 2024	19 December 2024	No
Guangdong Xincheng Finance Leases Co., Ltd.	7,155.63	25 June 2023	20 February 2027	No
Keda (Anhui) Clean Energy Co., Ltd.	1,650.13	24 January 2024	27 November 2024	No
Keda (Anhui) Clean Energy Co., Ltd.	71.40	29 January 2024	1 December 2024	No
Anhui Keda New Energy Equipment Co., Ltd.	569.62	21 June 2024	21 December 2024	No
Guangdong Keda New Energy Equipment Co., Ltd.	2,996.33	11 July 2023	27 June 2027	No
Guangdong Keda New Energy Equipment Co., Ltd.	641.02	4 February 2024	29 November 2024	No
DLT Technology Co., Ltd.	4,983.21	24 January 2024	25 December 2024	No
Foshan Keda Industrial Co., Ltd.	498.28	28 May 2024	28 May 2025	No
Foshan Keda Industrial Co., Ltd.	3,668.02	23 May 2024	24 December 2024	No
Anhui Keda Hydraulic Technology Co., Ltd.	700.00	28 June 2024	21 December 2029	No
Anhui Keda Smart Energy Technology Co., Ltd.	6,829.23	10 June 2022	31 January 2032	No
Anhui Keda Smart Energy Technology Co., Ltd.	609.95	28 September 2023	27 September 2024	No
Chongqing Keda New Energy Materials Co., Ltd.	13,998.33	23 May 2024	8 October 2030	No
Tefu (Guangzhou) Furniture Co., Ltd.	1,000.00	29 June 2024	28 December 2024	No
Forwell International (HK) Co., Ltd.	EUR11,500	24 April 2023	24 April 2026	No
Xincheng International (Hong Kong) Co., Ltd.	USD9.10	8 August 2023	23 September 2024	No
Keda (Ghana) Ceramics Company Limited	USD1,590.91	3 December 2020	15 December 2027	No
Keda (SN) Ceramics Company Limited	EUR918.32	1 August 2021	15 December 2027	No

Secured party	Amount of guarantee	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Keda Zambia Ceramics Company Limited	EUR1,679.27	22 November 2021	15 December 2027	No
Keda Ceramics International Company Limited	EUR2,467.59	30 September 2022	15 December 2028	No
Tilemaster Investment Limited	EUR3,009.56	24 July 2023	15 December 2029	No
Tilemaster Investment Limited	EUR5,000.00	31 January 2024	15 December 2028	No

The Company as Secured 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

Item	Amount incurred in the Reporting Period	Amount incurred in the previous period
Remuneration of key management members	558.00	578.70

**(8). Other related party transactions**

☐Applicable ☒Not applicable

**6. Unsettled items such as receivables from and payables to related parties**

**(1). Receivables**

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Project	Related party	Closing balance	Opening balance
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		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	Sunda Group Co., Ltd.			3,350.31	40.57
Accounts receivable	Hunan Hualian Porcelain Industry Co., Ltd.	100.97	18.09	97.29	13.83
Accounts receivable	Hunan Hualian Torch Porcelain Insulator & Electrical Apparatus Co., Ltd.	16.25	6.08	16.25	6.08
Accounts receivable	Guangdong Hongyu Group Co., Ltd.	232.52	10.23	1,259.59	72.25
Accounts receivable	Zhangzhou Grande Graphite Material Co., Ltd.	214.69	3.28	239.18	3.64
Accounts receivable	Guangdong Liansu Technology Industrial Co., Ltd.	0.39	0.02	0.85	0.03
Dividends receivable	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.			41,140.71	
Other receivables	Guangdong Hongyu Group Co., Ltd.	57.09		107.09	
Prepaid accounts	Guangdong Hongyu Group Co., Ltd.	89.14			
Prepaid accounts	FCRI Group Co., Ltd.	268.63		742.40	
Prepaid accounts	Sichuan Guangxing Lithium Battery Technology Co., Ltd.			10.00	
Prepaid accounts	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.			1,156.19	

**(2). Payables**

√Applicable    □Not applicable

Unit: Ten Thousand Yuan    Currency: RMB

Project	Related party	Closing book balance	Opening book balance
Accounts payable	Sunda Group Co., Ltd.	20,934.29	
Accounts payable	Zhangzhou Grande Graphite Material Co., Ltd.	12.25	1.53
Other payables	Zhangzhou Grande Graphite Material Co., Ltd.	735.00	735.00
Other payables	Foshan Keda Ceramic Technology Co., Ltd.	3,869.23	3,619.23
Other payables	FCRI Group Co., Ltd.	0.50	
Notes payable	Qinghai Yanhu Lanke Lithium Industry Co., Ltd.		4,800.00
Notes payable	FCRI Group Co., Ltd.	1,325.73	582.39
Accounts payable	Guangdong Hongyu Group Co., Ltd.	15.47	10.84
Contract liabilities	Guangdong Liansu Machine Manufacturing Co., Ltd.		2.15

Project	Related party	Closing book balance	Opening book balance
Contract liabilities	Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	228.00	
Other payables	Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	10.00	
Accounts payable	Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd. and its subsidiaries	3,566.66	3,314.57
Contract liabilities	Foshan Sanshui Hongyuan Ceramics Enterprise Co., Ltd.		42.71

The foregoing Sunda Group Co., Ltd. includes Sunda Group Co., Ltd., Guangzhou Sunda International Trading Co., Ltd. and its wholly-owned subsidiaries, Guangdong Hongyu Group Co., Ltd. includes Guangdong Hongyu Group Co., Ltd. and its subsidiaries.

### (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

☐Applicable ☒Not applicable

Share options or other equity instruments issued and outstanding at the end of the Reporting Period

☐Applicable ☒Not applicable

### 2. Equity-settled share-based payment

☐Applicable ☒Not applicable

### 3. Cash-settled share-based payment

☐Applicable ☒Not applicable

### 4. Share payment expense in the Reporting Period

☐Applicable ☒Not applicable

**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 New Century Jiangnan Environmental Protection Co., Ltd. against the Company and subsidiaries, namely Jiangsu Cohen and Keda (Anhui) Clean Energy, as well as other related parties on infringement of technical secrets [(2019) S.01. M. CH. No.2893]

On October 18, 2019, Jiangsu Cohen, the Company's partially-owned subsidiary received such legal documents as the *Summons* sent by the Intermediate People's Court of Nanjing City, Jiangsu Province, in which Jiangnan Environmental Protection filed lawsuits against Jiangsu Cohen, the Company, and other related parties on infringement of technological secrets. After the first instance of the Intermediate People's Court of Nanjing City, the appeal of the Company and other related parties, and the second instance of the Supreme People's Court, in the final decree, Jiangsu Cohen was ruled to immediately stop infringing on technological secrets of Jiangnan Environmental Protection, compensating Jiangnan Environmental Protection economic losses of RMB22,285.2 thousand and RMB1 million for reasonable expenses incurred to stop the infringement.

On May 11, 2024, for refusing to accept the second instance judgment made by the Supreme People's Court, Jiangsu Cohen applied to the Supreme People's Court for a retrial according to law and received the *Notice on the Acceptance of Appeal* ((2024) Z. G. F. M. S. No. 3191) issued by the Supreme People's Court on June 6, 2024.

In August 2024, the Company and its subsidiaries received the *Notice of Response to Litigation* ((2024) Z. G. F. M. S. No.3191) issued by the Supreme People's Court, and learned



that Jiangnan Environmental Protection applied to the Supreme People's Court for a retrial for refusing to accept the second instance judgment made by the Supreme People's Court. At present, the Supreme People's Court has filed a case for review of the two parties' retrial applications. For details, please see the relevant announcement of the Company.

2. Prosecution raised by Jiangsu New Century Jiangnan Environmental Protection Co., Ltd. against the Company and its subsidiaries Jiangsu Kehang and Keda (Anhui) Clean Energy, as well as other related parties on infringement of technical secrets ((2023) S. 01. M. CH. Nos. 4209, 4210, 4211 and (2024) S. 01 M. CH. 16)

From March 25 to March 26, 2021, the Company and its partially-owned subsidiaries received four *Notices of Response to Litigation* and other legal documents served by the Intermediate People's Court of Nanjing City, Jiangsu Province, in which Jiangsu New Century Jiangnan Environmental Protection Co., Ltd. filed four lawsuits against the Company and subsidiaries, namely Jiangsu Kehang and Keda (Anhui) Clean Energy, as well as other related parties on infringement of technological secrets, claiming for a compensation of RMB295,293.9 thousand.

In February and December 2023, the Company and its subsidiaries received the *Civil Ruling* and other legal documents served by the Intermediate People's Court of Nanjing City, and Jiangnan Environmental Protection has applied for withdrawal of the four lawsuits and re-filed lawsuits to the Intermediate People's Court of Nanjing City regarding the four matters.

In January 2024, the Company and its subsidiaries received the *Notice of Response to Litigation*, the *Complaint* and other legal documents served by the Intermediate People's Court of Nanjing and the change of Jiangnan Environmental Protection's litigation request. Jiangnan Environmental Protection filed a lawsuit to the Nanjing Intermediate Court again in relation to the aforesaid four cases and changed its litigation request, with the economic loss claimed changed to RMB117,637.6 thousand (Case No.: (2023) S. 01. M. CH. Nos. 4209, 4210 and 4211 and (2024) S. 01. M. CH. No.16), and as at the date of disclosure of this report, the aforesaid litigation case was still in the process of trial of the first instance, as of the disclosure date of the Report, cases have been tried successively in the Intermediate People's Court of Nanjing, and no verdict of the first instance has been produced. In July 2024, Keda Industrial and Keda (Anhui) Clean Energy filed eight counterclaims with the Intermediate People's Court of Nanjing in relation to the above four cases, requesting Jiangnan Environmental Protection to bear the reasonable expenses paid by the counterclaim plaintiffs as a result of the lawsuits filed against them in bad faith, as well as the litigation costs of the counterclaim cases.

As the court has ruled to allow the plaintiff to withdraw the lawsuits in the said case, the subsequent progress of this litigation matter and its impact on the Company's profit for the current period or profit after the period, etc. are uncertain. The Company will disclose the progress of the litigation in a timely manner in accordance with the relevant provisions of the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*.

## **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

Profit or dividends to be distributed	62,299.26
Profits or dividends declared after consideration and approval	62,299.26

Upon the deliberation at the Company's 2023 Shareholders' Meeting on 8 May 2024, the Company's profit distribution proposal for 2023 is as follows: The Company proposes to distribute cash dividend of RMB3.30 (tax inclusive) per 10 shares based on the Company's total share capital (exclusive of shares in the Company's special securities account for repurchased shares) registered as at the registration date for the implementation of dividend distribution, namely, on the basis of 1,887,856.5 thousand shares, distributing a total of RMB622,992.6 thousand (tax inclusive) cash dividends. The Company completed the payment of cash dividends to shareholders on 5 July 2024.

**3. Sales return**

□Applicable √Not applicable

**4. Notes to other subsequent events after the balance sheet date**

□Applicable √Not applicable

**XVIII. Other Key Matters****1. Correction of previous accounting errors****(1). Retrospective restatement**

□Applicable √Not applicable

**(2). Prospective application**

□Applicable √Not applicable

**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		306.96	-306.96		-306.96	-306.96
Total		306.96	-306.96		-306.96	-306.96

**6. Segment information****(1). Determination basis and accounting policies for reportable segments**

☐Applicable ☒Not applicable

**(2). Financial data on reportable segments**

☐Applicable ☒Not applicable

**(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		
Including: Sub-items within one year		
Subtotal within one year	70,497.12	59,162.37
One to two years	10,970.90	10,993.73
Two to three years	2,764.09	2,886.21
Over three years	620.65	1,134.56
Total	84,852.76	74,176.87

**(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	3,312.42	3.90	2,507.20	75.69	805.22	2,591.71	3.49	2,065.20	79.68	526.51
Provision set aside for bad debts by portfolio	81,540.34	96.10	3,218.14	3.95	78,322.20	71,585.16	96.51	3,936.87	5.50	67,648.29
Including:										
Provision set aside for bad debts by portfolio	40,413.07	47.63	3,218.14	7.96	37,194.93	42,634.85	57.48	3,936.87	9.23	38,697.98
Payment for goods from subsidiaries	41,127.27	48.47			41,127.27	28,950.31	39.03			28,950.31
Total	84,852.76	/	5,725.34	/	79,127.42	74,176.87	/	6,002.07	/	68,174.80

Provision set aside for bad debts by the single item:

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Name	Closing balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Customer 3	1,958.31	1,824.20	93.15	Projected risk of recovery
Others	1,354.11	683.00	50.44	Projected risk of recovery
Total	3,312.42	2,507.20	75.69	/

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		
	Accounts receivable	Provision for bad debts	Provision percentage (%)
Within one year	31,084.86	1,387.75	4.46
One to two years	7,599.97	899.26	11.83
Two to three years	1,154.02	381.85	33.09
Three to five years	333.68	308.74	92.53
Over 5 years	240.54	240.54	100.00
Total	40,413.07	3,218.14	7.96

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

Basis of classification of stages and percentage of provision for bad debts

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	6,002.07	-304.88	28.15			5,725.34
Total	6,002.07	-304.88	28.15			5,725.34

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

☐Applicable ☒Not applicable

Other notes

### (4). Accounts receivable written off in the Reporting Period

☐Applicable ☒Not applicable

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 categorised 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
Brightstar Investment Limited	16,015.20		16,015.20	18.87	
Xincheng International (Hong Kong) Co., Ltd.	9,959.47		9,959.47	11.74	
Customer 12	6,056.41		6,056.41	7.14	273.30
Forwell International (HK) Co., Ltd.	6,052.74		6,052.74	7.13	
Keda Industrial (India) Limited	4,498.57		4,498.57	5.30	
Total	42,582.39		42,582.39	50.18	273.30

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	10,000.00	13,742.36
Other receivables	136,084.24	121,580.56
Total	146,084.24	135,322.92

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

### **(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

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
HLT Industry Co., Ltd.	10,000.00	10,000.00
Foshan Keda Industrial Co., Ltd.		3,742.36
Total	10,000.00	13,742.36

### (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

### (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

Other notes:

#### **(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		
Including: Sub-items within one year		
Subtotal within one year	56,980.00	27,608.14
One to two years	38,817.46	42,900.94
Two to three years	22,266.03	32,282.40
Over three years	39,932.33	40,700.59
Total	157,995.82	143,492.07

##### **(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	157,159.04	140,194.49
Other current accounts	834.27	847.05
Export tax rebate		2,313.93
Margin	2.51	136.60
Total	157,995.82	143,492.07

**(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)	Expected credit loss during the whole outstanding maturity (with credit impairment)	
Balance as of 1 January 2024	37.24		21,874.27	21,911.51
Balance as of 1 January 2024 in the Reporting Period	37.24		21,874.27	21,911.51
-- Transferred to Phase II				
-- Transferred to Phase III				
-- Reclassified under Phase II				
-- Reclassified under Phase I				
Provision in the Reporting Period	0.07			0.07
Reclassification in the Reporting Period				
Charge-off in the Reporting Period				
Write-off in the Reporting Period				
Other changes				
Balance on 30 June 2024	37.31		21,874.27	21,911.58

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	21,911.51	0.07				21,911.58
Total	21,911.51	0.07				21,911.58

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

☐ Applicable ☒ Not applicable

Other notes

#### **(5). Other receivables written off in the Reporting Period**

☐ Applicable ☒ Not applicable

Including: Write-off of significant other receivables:

☐ Applicable ☒ Not applicable

Notes to the write-off of other receivables:

☐ Applicable ☒ Not applicable

#### **(6). Top five other receivables in the closing balance categorised 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
Anhui Keda Investment Co., Ltd.	41,100.00	26.01	Intercourse funds	Within four years	
Shenyang Keda Clean Gas Co., Ltd.	24,403.00	15.45	Intercourse funds	Within six years	21,874.27
Keda (Ghana) Ceramics Company Limited	14,966.28	9.47	Intercourse funds	Within two years	
Fujian Keda New Energy Technology Co., Ltd.	14,500.00	9.18	Intercourse funds	Within one year	
Keda Zambia Ceramics Company Limited	12,828.24	8.12	Intercourse funds	Within two years	
Total	107,797.52	68.23	/	/	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	762,767.10	60,000.00	702,767.10	737,822.54	60,000.00	677,822.54
Investment in associated enterprises and joint ventures	63,674.03		63,674.03	59,264.08		59,264.08
Total	826,441.13	60,000.00	766,441.13	797,086.62	60,000.00	737,086.62

**(1). Investment in subsidiaries**☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Investee	Opening balance	Increase in the Reporting Period	Decrease in the Reporting Period	Closing balance	Impairment provision set aside in the Reporting Period	Closing balance of the provision for impairment
Guangdong Keda Lithium Industry Co., Ltd.	140,386.80			140,386.80		
HLT Industry Co., Ltd.	85,735.44			85,735.44		
Keda (Anhui) Clean Energy Co., Ltd.	62,432.34			62,432.34		
Jiangsu Kehang Environmental Protection Co., Ltd.	53,960.00			53,960.00		
Keda Industrial (Hong Kong) Limited	42,523.36	11,423.28		53,946.64		
Anhui Keda New Material Co., Ltd.	313.02			313.02		
Foshan Keda Equipment Manufacturing Co., Ltd.	37,500.00	7,500.00		45,000.00		
Keda Holding (Mauritius) Limited	36,453.18			36,453.18		
Anhui Keda Investment Co., Ltd.	26,595.48			26,595.48		
Foshan Keda Industrial Co., Ltd.	20,458.75			20,458.75		
Jiangsu Weilili New Material Co., Ltd.	20,014.37			20,014.37		
Anhui Keda Industrial Co., Ltd.	15,582.75			15,582.75		
Forwell International (HK) Co., Ltd.	40,781.64	676.00		41,457.64		
Guangdong Keda Hydraulic Technology Co., Ltd.	2,829.36			2,829.36		
Foshan Keda Ceramic Technology Co., Ltd.	500.00	1,500.00		2,000.00		

Investee	Opening balance	Increase in the Reporting Period	Decrease in the Reporting Period	Closing balance	Impairment provision set aside in the Reporting Period	Closing balance of the provision for impairment
Fujian Keda New Energy Technology Co., Ltd.	73,619.45			73,619.45		
Anhui Keda Smart Energy Technology Co., Ltd.	66.60			66.60		
Shenyang Keda Clean Gas Co., Ltd.	60,000.00			60,000.00		60,000.00
Shaoguan Keda Machinery Manufacturing Co., Ltd.	8,000.00			8,000.00		
Anhui Keda New Energy Equipment Co., Ltd.	6,500.00	500.00		7,000.00		
Quanitech Material Ltd.	1,020.00			1,020.00		
Guangdong Tefu International Holdings Limited	2,550.00			2,550.00		
Gao'an Keda Mechanical Parts Co., Ltd.		200.00		200.00		
Foshan Shunruixinyu Investment Partnership (Limited Partnership)		3,145.28		3,145.28		
Total	737,822.54	24,944.56		762,767.10		60,000.00

**(2). Investment in associated enterprises and joint ventures**

√Applicable    □Not applicable

Unit: Ten Thousand Yuan    Currency: RMB



Investments Unit	Opening Balance	Change in the Reporting Period								Closing balance Balance	Closing balance of the provision for impairment
		Increase in the investment	Decrease in the investment	Profit or loss of investment recognised 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. Joint venture											
Sub-total											
I. Associated enterprises											
Foshan Keda Ceramic Technology Co., Ltd.	15,456.31			-12.24						15,444.07	
Guangdong Keda Nanyue New Energy Venture Capital Partnership (Limited Partnership)	14,948.76			0.19						14,948.95	
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	28,859.01			4,415.06	6.94					33,281.01	
Sub-total	59,264.08			4,403.01	6.94					63,674.03	
Total	59,264.08			4,403.01	6.94					63,674.03	

### (3). Impairment test of long-term equity investments

☐Applicable ☒Not applicable

#### Other notes:

☐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	107,444.15	83,840.83	83,623.49	65,740.31
Other business	1,315.19	560.19	600.63	332.40
Total	108,759.34	84,401.02	84,224.12	66,072.71

**(2). Information on the breakdown of operating revenue and cost of sales**

☐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 calculated by the cost method	2,132.58	246,015.80
Long-term equity investment income calculated by the equity method	4,403.01	-19.21
Investment income arising from the disposal of long-term equity investments		-255.64
Investment income arising from the disposal of the financial assets held for trading	-57.64	178.43
Total	6,477.95	245,919.38

Other notes:

(1) Long-term equity investment income calculated by the cost method:

Item	Amount incurred in the Reporting Period	Amount incurred in the previous period
Keda HOLDING (MAURITIUS) LIMITED		21,286.30
Guangdong Keda Lithium Industry Co., Ltd.		193,000.00
HLT Industry Co., Ltd.		16,000.00
Jiangsu Weilili New Material Co., Ltd.		15,729.50
Keda Industrial (Hong Kong) Limited	2,132.58	
Total	2,132.58	246,015.80

(2) Long-term equity investment income calculated by the equity method:

Item	Amount incurred in the Reporting Period	Amount incurred in the previous period
Shandong SinoCera Create-Tide New Materials High-Tech Co., Ltd.	4,415.06	
Others	-12.05	-19.21
Total	4,403.01	-19.21

## 6. Others

☐Applicable ☒Not applicable

## XX. Supplementary Data

### 1. Breakdown of Non-recurring Profit or Loss in the Current Period

☒Applicable ☐Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Item	Amount	Note
Profit or losses on disposal of non-current assets, including the portion offset for provisions for asset impairment	3,908.31	
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	3,225.11	
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	-897.52	

Item	Amount	Note
operations		
Reclassification of impairment loss allowances of receivables separately tested for impairment	592.16	
Profit or loss on debt restructuring	-1.42	
Other non-operating income and expenses apart from the aforementioned items	349.92	
Less: Income tax effect	1,247.85	
Effect equities of non-controlling interest (after tax)	463.27	
Total	5,465.44	

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

Other notes

☐Applicable ☒Not applicable

## 2. Return on net assets and earnings per share

☒Applicable ☐Not applicable

Profit for the Reporting Period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profits attributable to common shareholders of the Company	3.97	0.241	0.241
Net profits attributable to common shareholders of the Company after deducting non-recurring profit or loss	3.50	0.212	0.212

## 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: August 20, 2024

**Revision information**

☐Applicable    ☒Not applicable