

Yizumi Holdings Co., Ltd.

Annual Report 2024

2025-028

April 2025

Message to Our Shareholders

In 2024, as the global economy embarked on a difficult path to recovery amid a complex and volatile international landscape, YIZUMI demonstrated remarkable resilience. Through the concerted efforts of our entire team, we remained steadfast in our commitment to the philosophy of “Sustainable, innovative technology for humankind”, focusing on developments of “Intelligent and Efficient, Global Operation and Green Development”. We strengthened our management capabilities, our innovation skills, as well as our production efficiency. During 2024, YIZUMI recorded operating revenue of RMB5,063 million and a net profit attributable to the parent company of RMB608 million, support our global business expansion and brand enhancement. We extend our heartfelt thanks to all YIZUMI employees worldwide for their unity, dedication, and hard work, and to our shareholders for your enduring trust and support—your belief in us fuels our commitment to long-term value creation and sound operations.

As we reach a new stage in our development, 2024 saw YIZUMI further upgrade our global production and move toward Industry 4.0. The launch of our new products — including the NEXT² 2-platen die casting machine, the A6 series injection molding machine, and the A3 series rubber injection machine — marked new breakthroughs in our core technologies. The delivery of key projects like the UN2400D1M injection molding machine and 3200T Thixomolding machine empowered our customers and supported the electric vehicle industry. With the

groundbreaking of YIZUMI Global Headquarters and expanded operations in Thailand and Mexico, we have taken bold steps in our global journey, driving innovation and growth.

In the face of intensifying industry competition and rapid technological change, we remain keenly aware of the uncertainties ahead. We must adapt and evolve to reach greater heights.

Looking ahead, we will:

- Lead with innovation to build differentiated competitive advantages and unlock new opportunities.

- Strengthen talent-development by attracting top talent and leveraging our global innovation platforms to create a leading technological ecosystem.

- Enhance product quality through advanced reliability systems, delivering greater value to our customers.

- Expand globally, with strategic market planning, regional service centers, and localized operations in key international markets.

- Optimize management and processes by building digital capabilities, streamlining production, and fostering organizational vitality to improve customer experiences from delivery to use.

YIZUMI remains committed to the path of Intelligent and Efficient, Global Operation and Green Development. By seamlessly integrating our industrial, supply, information, and value chains, we will create a more efficient, sustainable, and globally competitive value ecosystem.

Running a business is like a marathon. Chasing short-term trends brings only fleeting excitement. In an ever-changing market, steady growth, internal strength, and consistent rhythm are the keys to long-term success. Our vision is for YIZUMI to be a company that delivers value to society through outstanding products and services, and a partner known for innovation and reliability. We aim to be a world-class molding equipment solution provider that thrives with vitality and purpose.

The future is filled with hope. We aim to be a world-class molding equipment solution provider that thrives with vitality and purpose. Together, let us move forward with focus and determination, embracing new peaks of success.

The Board of Directors

Yizumi Holdings Co., Ltd.

April 2025

Annual Report 2024

Part I Important Notes, Table of Contents and Definitions

The Board of Directors (or the “Board”), the Board of Supervisors as well as the directors, supervisors and senior executives of Yizumi Holdings Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions, and collectively and individually accept legal responsibility for such contents.

Richard Yan, the Company’s legal representative, Yang Yuangui, the Company’s Chief Financial Officer, and Wu Yongtian, person-in-charge of the Company’s accounting department, hereby guarantee that the financial statements carried in this Report are true, accurate and complete.

All the Company’s directors have attended the Board meeting for the review of this Report.

For the risks faced by the Company and its countermeasures, please refer to “XI Prospects” in “Part III Management Discussion and Analysis” of this Report. And investors are reminded to exercise caution when making investment decisions.

The Board of Directors has approved a final cash dividend of RMB5 (tax inclusive) per 10 shares to shareholders based on the total 460,561,917 shares held by them, with no bonus issue from either profit or capital reserves.

This Report has been prepared in Chinese and translated into English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

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Documents Available for Reference

1. The full annual report and its summary that have been signed by the Company's legal representative and stamped by the Company.
2. The financial statements that have been signed and stamped by the Company's legal representative, Chief Financial Officer, and person-in-charge of the accounting department.
3. The original copy of the Independent Auditor's Report that has been stamped by the accounting firm, as well as signed and stamped by the engaged certified public accountants.
4. The originals of all the Company's documents and announcements that were disclosed on the website designated by the CSRC during the Reporting Period.

Definitions

Term	refers to	Definitions
YIZUMI, the Company, or we	refers to	Yizumi Holdings Co., Ltd. Former names “Guangdong Yizumi precision machinery co., Ltd”/“Guangdong Yizumi precision machinery holdings Ltd”
The Industry	refers to	The molding equipment industry, a sub-sector of specialized equipment manufacturing
Great Alpha	refers to	Great Alpha Holdings Limited, the controlling shareholder of the Company
YIZUMI Germany, Germany Technology Center, or Germany R&D Center	refers to	YIZUMI GERMANY GMBH, a wholly-owned sub-subsidiary of the Company
Germany Sales Center	refers to	YIZUMI PRECISION MACHINERY (GERMANY) GMBH I.G., a wholly-owned sub-subsidiary of the Company
YIZUMI HK	refers to	Yizumi Precision Machinery (HK) Co., Limited, a wholly-owned subsidiary of the Company
India Technical Center	refers to	YIZUMI PRECISION MACHINERY (INDIA) TECHNICAL CENTER PRIVATE LIMITED, a wholly-owned subsidiary of the Company
YIZUMI India, or India Factory	refers to	YIZUMI PRECISION MACHINERY (INDIA) PRIVATE LIMITED, a majority-owned subsidiary of the Company, which has been acquired by and merged with India Advanced Processing
India Advanced Processing	refers to	Yizumi Advanced Processing Technology Private Limited, a majority-owned subsidiary of the Company
HPM North America	refers to	YIZUMI-HPM CORPORATION, formerly known as “HPM North America Corporation”, a wholly-owned subsidiary of the Company
YIZUMI Thailand	refers to	YIZUMI PRECISION MACHINERY (Thailand) Company Limited, a wholly-owned subsidiary of the Company
YIZUMI Mexico	refers to	YIZUMI PRECISION MACHINERY (MEXICO) S.de R.L de C.V., a wholly-owned subsidiary of the Company
YIZUMI Turkey	refers to	Yizumi Turkey Precision Makine A.S., a wholly-owned subsidiary of the Company
YIZUMI Zhejiang	refers to	Yizumi Precision Machinery (Zhejiang) Co., Ltd., a wholly-owned subsidiary of the Company
YIZUMI Suzhou	refers to	Yizumi Precision Machinery (Suzhou) Co., Ltd., a wholly-owned subsidiary of the Company
YIZUMI Injection Molding and Die Casting	refers to	Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd., a wholly-owned subsidiary of the Company
YIZUMI Yige, or YIZUMI Yige Sports	refers to	Foshan Shunde Ronggui Yige Sports Planning Co., Ltd., a wholly-owned subsidiary of the Company
YIZUMI Rubber	refers to	Guangdong Yizumi Precision Rubber and Plastic Equipment Technology Co., Ltd., formerly known as “Foshan Yizumi Precision Rubber Machinery Co., Ltd.”, a majority-owned subsidiary of the Company
YIZUMI Import and Export	refers to	Guangdong Yizumi Import and Export Co., Ltd., Former names “Guangdong Yizumi High-Speed Packaging System Co., Ltd.”, a wholly-owned subsidiary of the Company
YIZUMI Robot	refers to	Yizumi Robot Automation Technology (Suzhou) Co., Ltd., a wholly-owned subsidiary of the Company
Jiaquanhao, or Jiaquanhao Leasing	refers to	Guangdong Jiaquanhao Financial Leasing Co., Ltd., a wholly-owned subsidiary of the Company
Zero One Fund	refers to	Foshan Shunde Yingfeng Zero One High-end Intelligent Equipment Industry Investment Fund Partnership (L.P.)
Ningbo Fengle	refers to	Ningbo Fengle Equity Investment Partnership (L.P.)
Meizhi Venture Capital	refers to	Meizhi Phase II (Guangdong) Venture Capital Partnership (L.P.)
Huoshen Environmental Technology	refers to	Foshan Huoshen Environmental Technology Co., Ltd., a wholly-owned subsidiary of the Company, which has been de-registered

Jiangxi Yifeng, or Jiangxi Jianggong	refers to	Jiangxi Jianggong Precision Machinery Co., Ltd., formerly known as “Jiangxi Yifeng Precision Casting Co., Ltd.”, a joint stock company of the Company
YIZUMI Intelligent Manufacturing	refers to	Guangdong Yizumi Intelligent Manufacturing Co., Ltd., a wholly-owned subsidiary of the Company
Lixi Technology	refers to	Foshan Lixi Machinery Technology Co., Ltd., the sole shareholder of Great Faith
Great Faith	refers to	Great Faith Development Limited, a wholly-owned subsidiary of Lixi Technology and one of the shareholders of Great Alpha
Yiliwei Technology	refers to	Foshan Yiliwei Machinery Technology Co., Ltd., shareholder of Gold Vision
Gold Vision	refers to	Gold Vision Investments Limited, a wholly-owned subsidiary of Yiliwei Technology and one of the shareholders of Great Alpha
ONLI Electrical Appliances	refers to	ONLI Electrical Appliances Co., Ltd., a related party of the Company
Weili Electrical Appliances	refers to	Foshan Shunde Weili Electrical Appliances Co., Ltd., a related party of the Company
Haisheng Financial Leasing	refers to	Foshan Haisheng Financial Leasing Company Limited, a joint stock company of the Company
CSRC	refers to	China Securities Regulatory Commission
SZSE	refers to	Shenzhen Stock Exchange
Huatai United Securities, or the Sponsor	refers to	Huatai United Securities Co., Ltd.
PCCPA, or the Independent Auditor	refers to	Pan-China Certified Public Accounts LLP
Hai Run	refers to	Hai Run Law Firm
The Company Law	refers to	The Company Law of the People's Republic of China
The Securities Law	refers to	The Securities Law of the People's Republic of China
RMB RMB'0,000 RMB'00,000,000	refers to	Expressed in the Chinese currency of Renminbi Expressed in tens of thousands of Renminbi Expressed in hundreds of millions of Renminbi
Molding process	refers to	The process whereby materials are transformed from solid to molten state through internal or external heating and mixing devices, then filled into a clamped mold at a specified speed and pressure. After cooling and solidifying, the molded product is ejected and demolded. A standard molding cycle includes: mold clamping → injection → holding pressure (boosting) → cooling → feeding → mold opening → ejection. For certain specialized molds and products, additional procedures such as mold core insertion and withdrawal, and nozzle opening and closing may be required.
Polymer compression injection molding equipment	refers to	Equipment that utilizes the molding process to shape polymer materials into products. It mainly includes injection molding machines and rubber injection machines.
Injection molding machine	refers to	A plastic injection molding machine, a specialized plastic processing machine that utilizes the thermoplasticity of plastics. The material is melted by heating and then rapidly injected into the mold cavity under high pressure. After a period of holding pressure and cooling, the mold opens, and the product is ejected into its final shape.
Rubber injection machine	refers to	A rubber injection machine, which is a type of molding equipment within rubber and plastic machinery. It uses rubber as raw material and adopts injection molding processes to manufacture rubber products.
Light alloy molding equipment / die casting machine	refers to	Industrial casting equipment that injects molten metal into molds under pressure. After cooling and solidification, solid metal castings are formed upon mold opening.
3C	refers to	The collective term for Computer, Communication, and Consumer Electronics products.
YFO	refers to	YIZUMI Factory Outlet, the Company's factory-direct service center. It

		represents a standardized design and enhancement initiative across the Company's entire after-sales service management system.
IPD product development model	refers to	Integrated Product Development (IPD), a development model, philosophy, and methodology designed to shorten product time-to-market, improve profitability, and enable efficient product development. It achieves this by reengineering product and process structures to create greater value for customers and shareholders.
The Reporting Period	refers to	The period from January 1, 2024 to December 31, 2024

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	YIZUMI	Stock code	300415
Company name in Chinese	伊之密股份有限公司		
Abbr.	伊之密		
Company name in English (if any)	Yizumi Holdings Co., Ltd.		
Abbr. (if any)	YIZUMI		
Legal representative	Richard Yan		
Registered address	No. 22 Ke Yuan 3rd Road, Shunde High-tech Zone (Ronggui), Foshan City, Guangdong Province, China		
Zip code	528306		
Past changes of registered address	None		
Office address	No. 22 Ke Yuan 3rd Road, Shunde High-tech Zone (Ronggui), Foshan City, Guangdong Province, China		
Zip code	528306		
Company website	www.yizumi.com		
Email address	yzm@yizumi.com		

II Contact Information

	Board Secretary	Securities Representative
Name	Xiao Deyin	Chen Jiewen
Office address	No. 22 Ke Yuan 3rd Road, Shunde High-tech Zone (Ronggui), Foshan City, Guangdong Province, China	No. 22 Ke Yuan 3rd Road, Shunde High-tech Zone (Ronggui), Foshan City, Guangdong Province, China
Tel.	0757-29262256	0757-29262162
Fax	0757-29262337	0757-29262337
Email address	xiaodeyin@yizumi.com	chenjw@yizumi.com

III Media for Information Disclosure and Place where this Report Is Lodged

Stock exchange website where this Report is disclosed	Securities Times
Media and website where this Report is disclosed	http://www.cninfo.com.cn/
Place where this Report is lodged	The Board Secretary's Office of the Company

IV Other Information

The accounting firm appointed by the Company:

Name of the accounting firm	Pan-China Certified Public Accounts LLP
Office address	Block B, China Resources Building, 1366 Qianjiang Rd.,

	Jiangan District, Hangzhou, China
Accountants writing signatures	Jiang Bo, and Wu Nan

The independent sponsor appointed by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

The independent financial advisor appointed by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

V Key Financial Information

Indicate whether there is any retrospectively restated datum in the table below.

Yes No

	2024	2023	2024-on-2023 change (%)	2022
Operating revenue (RMB)	5,062,986,914.57	4,095,816,864.87	23.61%	3,679,894,446.26
Net profit attributable to the listed company's shareholders (RMB)	607,895,384.28	477,089,898.56	27.42%	405,466,462.80
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	591,623,109.24	455,624,222.51	29.85%	369,093,030.10
Net cash generated from/used in operating activities (RMB)	358,046,107.39	174,758,826.19	104.88%	347,835,773.01
Basic earnings per share (RMB/share)	1.32	1.02	29.41%	0.86
Diluted earnings per share (RMB/share)	1.32	1.02	29.41%	0.86
Weighted average return on equity (%)	22.08%	18.90%	3.18%	17.94%
	December 31, 2024	December 31, 2023	Change of December 31, 2024 on December 31, 2023 (%)	December 31, 2022
Total assets (RMB)	7,110,111,707.89	6,191,396,688.47	14.84%	5,437,798,929.47
Equity attributable to the listed company's shareholders (RMB)	2,962,302,208.27	2,561,217,505.95	15.66%	2,365,196,668.32

Indicate whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative for the last three accounting years, or the latest independent auditor's report indicated that there was uncertainty about the continuity of the Company's operations.

Yes No

Indicate whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative.

Yes No

VI Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	954,745,136.16	1,415,044,110.20	1,303,660,029.84	1,389,537,638.37
Net profit attributable to the listed company's shareholders	115,913,379.52	183,328,433.31	181,178,469.52	127,475,101.93
Net profit attributable to the listed company's shareholders before exceptional gains and losses	110,682,019.66	180,386,345.23	177,035,496.65	123,519,247.70
Net cash generated from/used in operating activities	-113,229,385.34	287,004,507.06	-68,242,399.82	252,513,385.49

Indicate whether any of the quarterly financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or interim reports.

Yes No

VII Accounting Data Differences under China's Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and Foreign Accounting Standards

1. Net Profit and Equity under CAS and IFRS

Applicable Not applicable

No difference for the Reporting Period.

2. Net Profit and Equity under CAS and Foreign Accounting Standards

Applicable Not applicable

No difference for the Reporting Period.

VIII Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB

Item	2024	2023	2022	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	-244,856.15	-303,893.69	-123,856.40	
Government grants recognized in profit or loss (exclusive of those that are closely related)	21,003,625.28	27,335,107.65	46,092,398.46	

to the Company's normal business operations and given in accordance with defined criteria and in compliance with government policies, and have a continuing impact on the Company's profit or loss)				
Gain or loss on fair-value changes in financial assets and liabilities held by a non-financial enterprise, as well as on disposal of financial assets and liabilities (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)		236,361.89	-3,122,160.00	
Gain or loss on assets entrusted to other entities for investment or management	154,441.09		560,694.44	
Reversed portions of impairment allowances for receivables which are tested individually for impairment	965,230.09			
Non-operating income and expense other than the above	-2,519,216.48	-2,587,900.79	4,746,109.54	
Other gains and losses that meet the definition of exceptional gain/loss			473,548.24	
Less: Income tax effects	2,748,709.55	3,143,049.37	5,748,583.99	
Non-controlling interests effects (net of tax)	338,239.24	70,949.64	6,504,717.59	
Total	16,272,275.04	21,465,676.05	36,373,432.70	--

Particulars about other items that meet the definition of exceptional gain/loss:

Applicable Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

No such cases for the Reporting Period.

Part III Management Discussion and Analysis

I Industry Overview for the Reporting Period

1. Injection molding machine industry

In recent years, the global injection molding machine market has experienced steady growth, primarily driven by the rapid development of industries such as new energy vehicles, electronics, home appliances, and healthcare. The increasing demand for plastic products in these sectors has fueled the sustained expansion of the injection molding machine market.

China has become one of the most important countries in the global plastic machinery manufacturing industry, accounting for nearly 20% of the global plastic machinery export value. Notably, domestic enterprises have gradually mastered core technologies in high-end injection molding machines and have achieved a certain level of international competitiveness. The Industry is moving in a healthy direction toward precision, energy efficiency, intelligence, and multi-function integration, narrowing the technological gap with leading European machinery manufacturers. As downstream application sectors such as automotive, home appliances, and healthcare continue to evolve and upgrade, the demand for plastic machinery is becoming increasingly diversified and high-end, thereby promoting technological advancements and product innovation within the Industry. Furthermore, with the advancement of Industry 4.0 and intelligent manufacturing, injection molding machines are evolving toward greater intelligence and automation, further enhancing production efficiency and flexibility.

Against the backdrop of growing global environmental awareness, manufacturers of injection molding machines are facing increasingly stringent environmental requirements. Reducing waste and improving energy efficiency have become key development directions for the Industry. These trends not only present challenges to manufacturers but also create opportunities for transformation, upgrading, and sustainable development.

In 2024, the injection molding machine industry continued its steady growth, with further expansion in market size, ongoing technological innovation, and a heightened focus on environmental consciousness. However, regional differences in market development persist, and the Industry faces intense international competition. Looking ahead, the injection molding machine industry will place greater emphasis on technological upgrades and innovation, environmental protection and energy efficiency, market segmentation and specialization, as well as internationalization and cooperative competition. Manufacturers that can continuously innovate, adapt to market demands, and actively engage in international competition will stand out in this highly competitive landscape and achieve sustainable growth.

2. Die casting machine industry

In recent years, the die casting machine industry in China has experienced significant development characterized by large-scale expansion and technological upgrading. The Industry is transitioning from traditional manufacturing to intelligent and green production models. The rapid growth of industries such as new energy vehicles has led to increasing demand for large and complex die-cast components, driving the development of ultra-large die casting machines. These machines are capable of producing larger and more structurally complex parts and components, thereby meeting the demands for lightweight and high-strength parts in sectors such as new energy vehicles. With the further implementation of the "intelligent manufacturing" strategy, the die casting machine industry is accelerating its transformation toward intelligence and automation. By integrating advanced sensors, the Internet of Things (IoT), big data, and artificial intelligence technologies, manufacturers are achieving precise control and efficient management of production processes, thereby improving productivity and product quality.

Looking ahead, the die casting machine industry is poised for broad development prospects. On one hand, the continued growth of emerging industries such as new energy vehicles and aerospace will drive sustained demand for die casting machines. On the other hand, with ongoing technological advancement and innovation, the Industry will evolve toward higher efficiency, intelligence, and environmental performance, creating new growth opportunities. In summary, the die casting machine industry holds significant potential and vast market opportunities. Enterprises will seize these opportunities by increasing R&D investment,

enhancing technological innovation, improving product quality and service levels, and actively expanding into markets to respond to intensifying competition.

3. Industry position of the Company

Since its establishment in 2002, YIZUMI has grown into one of the most competitive and promising comprehensive equipment service providers and one of the largest equipment manufacturers in China.

(1) Injection molding machines

YIZUMI possesses strong capabilities in injection molding technology, supported by extensive experience and innovation. The Company continues to launch new products and implement technological upgrades to meet the evolving needs of customers. In 2024, we introduced the new A6 series of high-end intelligent injection molding machines. As the sixth generation of YIZUMI's high-end intelligent injection molding machines, the A6 series focuses on four core values: Intelligence, precision, sustainability, and efficiency. It aims to redefine industry benchmarks through technological innovation and promote the transformation of the injection molding sector toward intelligence and sustainable development. YIZUMI is also dedicated to research into special process applications, such as multi-material molding and high-speed packaging molding equipment, offering customers integrated solutions with enhanced cost performance.

The presence of the YIZUMI brand continues to strengthen, receiving recognition not only in the domestic market but also internationally. We have actively participated in domestic and international exhibitions, showcasing our innovative products and solutions, which have been highly praised by customers and have further strengthened our brand reputation.

According to the China Plastics Machinery Industry Association, in 2024, the Company ranked second among the "Top 40 Comprehensive Strength Enterprises in China's Plastics Machinery Manufacturing Industry" and second in the "Top 18 Enterprises in China's Plastic Injection Molding Machine Industry". The Company remains a leading player in the national injection molding machine sector and has maintained steady growth.

(2) Die casting machines

YIZUMI has long focused on technological innovation and product development in die casting machinery. Our LEAP series of large die casting machines has achieved notable success in the field of integrated die casting. This series incorporates advanced injection technologies, intelligent control systems, and servo compensation technologies, significantly improving the quality and stability of die-cast products. YIZUMI has also successfully developed the heavy-duty LEAP 7000T and 9000T ultra-large die casting machines, which are highly competitive in the market.

YIZUMI's die casting machines have been widely recognized and trusted by customers. Our customers include leading global automotive component manufacturers as well as companies in the 5G, home appliance, and 3C industries. The trust and selection by these customers reflect the strong global market position and competitiveness of YIZUMI. YIZUMI has established partnerships with well-known enterprises such as FAW, CHANGAN Automobile, and Sinyuan ZM, providing them with high-quality die casting machinery and services.

According to the Die Casting Branch of the China Foundry Association, the Company ranks among the leading companies in China's die casting machine industry.

II Principal Operations of the Company during the Reporting Period

1. Company overview

In 2024, as the global economy embarked on a difficult path to recovery amid a complex and volatile international landscape, YIZUMI demonstrated remarkable resilience. Through the concerted efforts of our entire team, we remained steadfast in our commitment to the philosophy of "Think Tech Forward", focusing on developments of "Intelligent and Efficient, Global Operation and Green Development". By continuously increasing R&D investment and driving product innovation, we have advanced the transformation of key equipment such as injection molding and die casting machines toward high-end, intelligent, and green development. Simultaneously, we optimized supply chain management, effectively reducing raw material and

operational costs. Accelerated implementation of our globalization strategy has significantly improved production efficiency and expanded our market share overseas, resulting in favorable operating performance.

During the Reporting Period, the Company recorded operating revenue of RMB5,062,986,914.57, a year-on-year increase of 23.61%, and a net profit attributable to its shareholders of RMB607,895,384.28, up by 27.42% from a year ago.

2. Principal operations

The Company operates within the molding equipment industry and serves as a system integration provider focusing on the polymer material and metal forming sectors. During the Reporting Period, the Company's main business remained unchanged, encompassing the design, R&D, manufacturing, sales, and service of injection molding machines, die casting machines, and rubber injection machines.

3. Primary products and their applications

The Company's primary products include injection molding machines, die casting machines, rubber injection machines, and related ancillary products.

(1) Injection molding machines

The Company's injection molding machines include general-purpose models (A5S series, A6 series, SKIII series, multi-material C series, two-platen series, all-electric series, high-speed packaging series, etc.) and specialized models (thin-wall SJ-II series, construction material M series/UPVC series, packaging PET series, medical BOPP series, etc.). These machines are mainly used in automotive, home appliance, 3C, and packaging industries. During the Reporting Period, the sales revenue of injection molding machines reached RMB3,555,203,900, accounting for 70.22% of the Company's total sales revenue, representing a year-on-year growth of 28.80%. This increase was primarily driven by industry recovery, continuous improvement in operational efficiency, and stronger sales efforts, leading to enhanced overall competitiveness.

(2) Die casting machines

The Company's die casting machines include cold chamber models (H-series heavy-duty, SM-series servo, DM-series large and medium cold chamber, LEAP series, etc.), specialized models (HM-series hot chamber, HM-H hot chamber, etc.), and magnesium alloy models (HM-M hot chamber for magnesium alloy, HPM semi-solid magnesium alloy injection molding machine, etc.), as well as ultra-large LEAP 7000T and 9000T models, and the new NEXT2 series two-platen die casting machines. These are primarily used in the automotive, motorcycle, 3C, and home appliance sectors. During the Reporting Period, the sales revenue of die casting machines was RMB893,490,100, accounting for 17.65% of the Company's total sales revenue, a year-on-year growth of 14.53%. The increase was mainly attributable to rapid sales growth following the launch of new products in 2023.

(3) Rubber injection machines

The Company's rubber injection machines include the third-generation YL3-VL/F Euro-standard series, horizontal injection machines, C-frame injection machines, A3 vertical injection molding machines, flat-plate vulcanizing machines, and LSR cable accessory injection machines. These machines are mainly used in the power, automotive, and home appliance industries. Downstream products include high-voltage composite insulators, cable accessories, automotive dampers, and sealing components. During the Reporting Period, the sales revenue of rubber injection machines reached RMB221,957,800, accounting for 4.38% of the Company's total sales revenue, a year-on-year growth of 21.42%. The increase was primarily due to the strong overall performance of the rubber injection division, full order capacity, and rapid expansion in overseas markets.

4. Business model

(1) Procurement model

The Company adopts differentiated procurement strategies based on the characteristics of various materials and implements a hierarchical supplier management system with tailored management methods. Material replenishment methods include Normal, Dun, VMI, and JIT.

(2) Production model

The Company's products include both general-purpose and customized products. For general-purpose products, production is organized based on the principle of "production by sales forecast with reasonable inventory". For customized products, given the

specific configuration, performance, and parameter requirements of different customers, the Company adopts a "made-to-order" production model.

(3) Sales model

The Company employs different sales models for domestic and overseas markets. In the domestic market, we mainly adopt a direct sales model. With revenue growth, we are also exploring a combination of direct and distributor-based sales. For overseas markets, considering cost efficiency in sales and after-sales services, we primarily use a distributor model. However, with our globalization strategy progressing, we are establishing marketing subsidiaries in key regions and actively adopting a hybrid model combining direct sales and distribution overseas.

5. Growth drivers during the Reporting Period

During the Reporting Period, the Company recorded operating revenue of RMB5,062,986,914.57, a year-on-year increase of 23.61%. This growth was mainly due to the recovery and stabilization of industry conditions, steadfast implementation of strategic initiatives, improved operational efficiency, increased sales efforts, continuous R&D investment, and product launches, which led to a steady enhancement in competitiveness and expanded market share.

During the Reporting Period, the Company recorded a net profit attributable to its shareholders of RMB607,895,384.28, up by 27.42% from a year ago, primarily due to: 1) Recovery and stabilization in industry prosperity led to revenue growth; 2) scale efficiency from increased revenue contributed to higher gross margins; 3) Accelerated globalization strategy execution, with greater investment in sales, R&D, and management personnel, boosting overall market competitiveness.

III Core Competitiveness Analysis

1. Technological R&D innovation and core technical team advantages

With its technology center as the R&D platform, the Company upholds the commitment to "bringing Chinese equipment technology in line with global standards". We have increased R&D investment, optimized existing production processes, and facilitated the development of new products to enhance overall competitiveness and economic performance, supporting sustainable and rapid development. In 2024, the Company's total R&D investment was RMB245,862,085.97, a year-on-year increase of 15.78%.

A highly experienced R&D team forms the foundation of YIZUMI's comprehensive innovation capabilities. Since its inception in 2002, the Company has placed strong emphasis on building and developing its technical team. Based on our technical strengths, we have established specialized departments in mechanical engineering, electrical engineering, automation, energy conservation, new materials and processes, and software development. The Company currently has an R&D team of over 900 members and holds more than 400 patents, including 74 invention patents. YIZUMI's core technical team possesses years of practical industry experience and strong capabilities in R&D, design, and technical improvement, laying a solid foundation for corporate growth.

2. Product sales and customer service advantages

In the domestic market, we continue to strengthen our efforts in expanding into segmented markets and developing new sales outlets based on our existing sales and service network. By adjusting our sales management model and building a more standardized sales force, we aim to maintain our leadership in technology and quality among domestic brands and target the high-end market traditionally dominated by foreign brands. Through the in-depth implementation of the cross-division YFO project, we have further improved overall service standards and built long-term strategic partnerships with customers, expanding our presence and brand influence in the domestic market.

Internationally, the Company has continued to expand its market share through its existing overseas sales network and intensified strategic market development to achieve new breakthroughs. In key markets such as India, we have implemented localized investment and operations, increased direct sales efforts, and enhanced after-sales service capabilities to boost international competitiveness. Leveraging the "HPM" brand to explore the North American and European markets, and the dual-

brand advantage of "YIZUMI" and "HPM", we have solidified our presence in existing markets and expanded into high-potential new ones, establishing a global brand image. Our overseas business currently spans over 90 countries and regions.

3. YIZUMI 4.0 intelligent manufacturing

In recent years, the Company has made continuous investments in intelligent manufacturing. The operational performance of the Third Factory in Wusha has reached industry-leading levels. Building upon this, we have continued to plan for and invest in more advanced intelligent warehousing centers and manufacturing bases. Construction has commenced on Warehouse No.1 of the South China Logistics Center and Phase I of the East China Manufacturing Base (Nanxun), which will support logistics efficiency in South China and enhance production capacity in East China.

4. Production capacity and supply chain advantages

As the Company's scale expands, its overall risk resilience has been enhanced. Domestically, the headquarters and production base in Gaoli, Shunde, Guangdong, cover an area of 80,000 m² primarily producing die casting machines and semi-solid magnesium alloy injection machines. The First Factory in Wusha covers over 81,000 m² and mainly produces injection molding machines; the Second Factory covers over 92,000 m² and produces all-electric injection molding machines, high-speed packaging systems, rubber injection machines. The Global Innovation Center is operational and includes a comprehensive R&D building, exhibition and report hall, and a testing center for new materials and processes. The Third Factory in Wusha covers 178,000 m² and commenced production at the end of 2022, serving as a production base for injection molding and heavy-duty die casting machines. The Suzhou Wujiang Factory covers over 33,000 m² and primarily serves the production of two-platen injection molding machines, robotic automation systems, and additive manufacturing systems. In September 2024, the Company acquired land use rights for approximately 110,000 m² in Nanxun, Zhejiang, and plans to build an East China production base to better serve the regional industrial cluster and promote intelligent manufacturing. Internationally, the Ohio Production Factory and North American Technology Center serve as a base for HPM product manufacturing, technical demonstrations, equipment consultation, training, and material storage. The Gujarat Factory in India is fully operational and primarily produces injection molding machines. The Suzhou Wujiang Factory covers over 33,000 m² and primarily serves the production of two-platen injection molding machines, robotic automation systems, and additive manufacturing systems. In September 2024, the Company acquired land use rights for approximately 110,000 m² in Nanxun, Zhejiang, and plans to build an East China production base to better serve the regional industrial cluster and promote intelligent manufacturing. Internationally, the Ohio Production Factory and North American Technology Center serve as a base for HPM product manufacturing, technical demonstrations, equipment consultation, training, and material storage. The Gujarat Factory in India is fully operational and primarily produces injection molding machines.

The Company attaches great importance to supply chain support and has established a dedicated Supply Chain Management Center to meet the growing procurement needs. We continue to strengthen supply chain management to ensure production requirements are fully met.

IV Analysis of Principal Operations

1. Overview

Please refer to contents under "II Principal Operations of the Company during the Reporting Period".

2. Revenues and Costs

(1) Breakdown of Operating Revenue

Overview of operating revenue:

Unit: RMB

	2024	2023	Change (%)
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	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
Total	5,062,986,914.57	100%	4,095,816,864.87	100%	23.61%
By operating division					
Automobiles	1,332,010,102.80	26.31%	1,141,663,837.92	27.87%	16.67%
3C products	905,628,217.69	17.89%	553,655,249.74	13.52%	63.57%
Home appliances	353,095,323.82	6.97%	276,248,127.59	6.74%	27.82%
Daily necessities	323,865,732.06	6.40%	206,864,867.30	5.05%	56.56%
Packaging	292,645,554.93	5.78%	329,344,365.64	8.04%	-11.14%
Construction materials	155,956,624.94	3.08%	167,829,231.17	4.10%	-7.07%
Medical industry	76,999,721.08	1.52%	43,346,601.79	1.06%	77.64%
light industry	71,307,423.41	1.41%	56,684,484.61	1.38%	25.80%
Toys	82,503,896.45	1.63%	116,130,786.32	2.84%	-28.96%
Other	1,468,974,317.39	29.01%	1,204,049,312.79	29.40%	22.00%
By product category					
Injection molding machines	3,555,203,855.08	70.22%	2,760,273,521.36	67.39%	28.80%
Die casting machines	893,490,084.22	17.65%	780,138,325.12	19.05%	14.53%
Rubber injection machines	221,957,811.82	4.38%	182,805,812.99	4.46%	21.42%
Other products	77,835,964.29	1.54%	102,320,567.13	2.50%	-23.93%
Other businesses	314,499,199.16	6.21%	270,278,638.27	6.60%	16.36%
By operating segment					
South China	1,610,955,173.20	31.82%	876,930,958.43	21.41%	83.70%
East China	1,223,412,734.48	24.16%	1,305,332,045.85	31.87%	-6.28%
Overseas	1,394,559,034.78	27.54%	1,094,231,412.87	26.72%	27.45%
Central China	180,706,355.57	3.57%	212,652,882.63	5.19%	-15.02%
North China	217,982,228.16	4.31%	137,711,272.78	3.36%	58.29%
Southwest China	162,200,172.99	3.20%	189,939,414.40	4.64%	-14.60%
Other	273,171,215.39	5.40%	279,018,877.91	6.81%	-2.10%
By sales model					
Distribution	291,778,537.81	5.76%	276,750,229.67	6.76%	5.43%
Direct sales	4,771,208,376.76	94.24%	3,819,066,635.20	93.24%	24.93%

(2) Operating Division, Product Category, Operating Segment or Sales Model Contributing over 10% of Operating Revenue or Operating Profit

Applicable Not applicable

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	YoY change in gross profit margin (%)
By operating division						
Automobiles	1,332,010,102.80	961,538,201.73	27.81%	16.67%	18.81%	-1.30%
3C products	905,628,217.69	597,730,235.27	34.00%	63.57%	64.33%	-0.31%
Other	1,468,974,317.39	937,853,371.99	36.16%	22.00%	12.20%	5.58%
By product category						

Injection molding machines	3,555,203,855.08	2,425,202,598.11	31.78%	28.80%	28.11%	0.37%
Die casting machines	893,490,084.22	634,270,067.91	29.01%	14.53%	21.69%	-4.17%
By operating segment						
South China	1,610,955,173.20	1,175,724,939.25	27.02%	83.70%	86.06%	-0.93%
East China	1,223,412,734.48	860,417,241.01	29.67%	-6.28%	-7.45%	0.89%
Overseas	1,394,559,034.78	833,335,381.36	40.24%	27.45%	26.22%	0.58%
By sales model						
Direct sales	4,771,208,376.76	3,237,828,102.36	32.14%	24.93%	24.15%	0.43%

Data of principal operations for the prior period adjusted according to the changed methods of measurement that occurred in the Reporting Period (if any):

Applicable Not applicable

(3) Whether Revenue from Physical Sales Is Higher than Service Revenue

Yes No

Operating division	Item	Unit	2024	2023	Change (%)
3C products	Sales volume	Unit	3,050.00	1,755.00	73.79%
	Sales value	RMB	905,628,217.69	553,655,249.74	63.57%
Automobiles	Sales volume	Unit	2,999.00	1,750.00	71.37%
	Sales value	RMB	1,332,010,102.80	1,141,663,837.92	16.67%
Home appliances	Sales volume	Unit	1,389.00	966	43.79%
	Sales value	RMB	353,095,323.82	276,248,127.59	27.82%
Daily necessities	Sales volume	Unit	1,332	1,009	32.01%
	Sales value	RMB	323,865,732.06	206,864,867.30	56.56%
Packaging	Sales volume	Unit	1,154.00	1,193.00	-3.27%
	Sales value	RMB	292,645,554.93	329,344,365.64	-11.14%
Construction materials	Sales volume	Unit	481.00	562	-14.41%
	Sales value	RMB	155,956,624.94	167,829,231.17	-7.07%
Medical industry	Sales volume	Unit	305.00	192	58.85%
	Sales value	RMB	76,999,721.08	43,346,601.79	77.64%
Light industry	Sales volume	Unit	259.00	127	103.94%
	Sales value	RMB	71,307,423.41	56,684,484.61	25.80%
Toys	Sales volume	Unit	503.00	553	-9.04%
	Sales value	RMB	82,503,896.45	116,130,786.32	-28.96%
Other	Sales volume	Unit	3,908.00	2,702.00	44.63%
	Sales value	RMB	1,468,974,317.39	1,204,049,312.79	22.00%

Any over 30% YoY movements in the data above and why:

Applicable Not applicable

1. Sales value in the 3C products industry increased by 63.57% year-on-year, primarily driven by the continued recovery of the consumer electronics industry in the period.
2. Sales value in the daily necessities industry increased by 56.56% year-on-year, primarily driven by the recovery of the consumer industry in the period.

3. Sales value in the medical industry increased by 77.64% year-on-year, primarily driven by the increase in investment demand in the medical industry in the period.

(4) Execution Progress of Significant Signed Sales or Purchase Contracts in the Reporting Period

Applicable Not applicable

Execution progress of significant signed sales contracts in the Reporting Period:

Applicable Not applicable

Unit: RMB'0,000

Subject matter of the contract	Counter party	Total contract amount	Total amount executed	Amount executed during the period	Amount to be executed	Sales revenue recognized during the period	Cumulative sales revenue recognized	Amount collected on accounts receivable	Executed as schedule or not	Whether there are any significant changes in the conditions that affect the execution of significant contracts	Whether there is any significant risk that the contract cannot be fulfilled	Explanation of the failure to execute the contract as scheduled
Die casting machine	Customer 1	4,758	0	0	4,758	0	0	1,427.40	Yes	No	No	
Die casting machine	Customer 2	5,800	3,552.96	3,552.96	2,247.04	3,144.21	3,144.21	0.00	Yes	No	No	
Die casting machine	Customer 3	4,130	0	0	4,130	0	0	300.00	Yes	No	No	
Die casting machine	Customer 4	4,550	4,550	4,353.3	0	3,852.48	4,026.55	2,730.00	Yes	No	No	
Die casting machine	Customer 5	10,200	8,446.56	5,517.00	1,753.44	4,882.30	7,474.83	5,100.00	Yes	No	No	
Die casting machine	Customer 6	4,345	4,345	886.5	0	784.51	3,845.13	3571.58	Yes	No	No	
Die casting machine	Customer 7	7,167.27	1,577.3	0	5,589.97	0	1,395.84	6,087.66	Yes	No	No	
Injection molding machine	Customer 8	2,800	0	0	2,800	0	0	1,680.00	Yes	No	No	

Injection molding machine	Customer 9	2,507.8	2,507.8	938.35	0	830.4	2,219.29	2,507.80	Yes	No	No	
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Execution progress of significant signed purchase contracts in the Reporting Period:

Applicable Not applicable

(5) Breakdown of Cost of Sales

By product category:

Unit: RMB

Product category	Item	2024		2023		Change (%)
		Cost of sales	As % of total cost of sales (%)	Cost of sales	As % of total cost of sales (%)	
Injection molding machines	Direct materials	2,111,462,682.59	61.28%	1,591,794,285.83	56.76%	32.65%
Die casting machines	Direct materials	544,444,956.94	15.80%	443,010,032.77	15.80%	22.90%
Rubber injection machines	Direct materials	112,806,500.21	3.27%	91,863,014.79	3.28%	22.80%
Other products	Direct materials	74,765,003.34	2.17%	68,649,007.03	2.45%	8.91%
Other businesses	Direct materials	169,793,243.26	4.93%	188,622,897.69	6.73%	-9.98%

Notes:

(6) Changes in the Scope of Consolidated Financial Statements for the Reporting Period

Yes No

1. Entities added to the consolidated financial statements

Unit: RMB

Name of entity	How the Company obtained equity interests in the entity	Date of obtaining the equity interests	Capital contribution	As % of total capital
YIZUMI Mexico	Incorporation	2024-1-26	1,032,500.00	100.00%
YIZUMI Turkey	Incorporation	2024-10-7	301,700.00	100.00%
YIZUMI Zhejiang	Incorporation	2024-5-24	10,000,000.00	100.00%

[Note] The Company's capital contributions to YIZUMI Mexico, YIZUMI Turkey, and YIZUMI Zhejiang are in USD, USD and RMB respectively.

2. Entities excluded from the consolidated financial statements

Unit: RMB

Name of entity	How the Company disposed of equity interests in the entity	Date of disposal of the equity interests	Equity at the date of disposal	Net profit from the period-begin to the date of disposal
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Name of entity	How the Company disposed of equity interests in the entity	Date of disposal of the equity interests	Equity at the date of disposal	Net profit from the period-begin to the date of disposal
Huoshen Environmental Technology	Liquidated and de-registered	2024-12-10		1,596,619.01
India Factory	M&A	2024-10-31	23,072,174.94	4,286,978.40

(7) Significant Changes to the Business Scope or Product or Service Range in the Reporting Period

Applicable Not applicable

(8) Major Customers and Suppliers

Major customers:

Total sales to top five customers (RMB)	352,179,317.79
Total sales to top five customers as % of total sales in the Reporting Period (%)	6.96%
Total sales to related parties among top five customers as % of total sales in the Reporting Period (%)	0

Top five customers:

No.	Customer	Sales to the customer (RMB)	As % of total sales in the Reporting Period (%)
1	Customer 1	119,710,289.36	2.36%
2	Customer 2	88,909,474.46	1.76%
3	Customer 3	48,823,008.85	0.96%
4	Customer 4	48,413,249.59	0.96%
5	Customer 5	46,323,295.53	0.91%
Total	--	352,179,317.79	6.96%

Other information about major customers:

Applicable Not applicable

Major suppliers:

Total purchases from top five suppliers (RMB)	679,145,420.10
Total purchases from top five suppliers as % of total purchases in the Reporting Period (%)	22.52%
Total purchases from related parties among top five suppliers as % of total purchases in the Reporting Period (%)	4.33%

Top five suppliers:

No.	Supplier	Purchases (RMB)	As % of total purchases in the Reporting Period (%)
1	Supplier 1	249,734,159.73	8.28%
2	Supplier 2	130,531,007.19	4.33%
3	Supplier 3	120,065,649.59	3.98%
4	Supplier 4	117,291,353.34	3.89%
5	Supplier 5	61,523,250.25	2.04%
Total	--	679,145,420.10	22.52%

Other information about major suppliers:

 Applicable Not applicable

3. Expenses

Unit: RMB

	2024	2023	Change (%)	Main reason for any significant change
Selling expense	432,244,686.18	335,012,611.21	29.02%	
Administrative expense	263,809,028.24	217,543,513.96	21.27%	
Finance costs	36,185,547.89	7,957,193.22	354.75%	Significant decrease in interest income and exchange gain during the Reporting Period
R&D expense	245,862,085.97	212,357,941.56	15.78%	

4. R&D Investments

 Applicable Not applicable

Main R&D project	Purpose	Progress	Specific objectives	Expected impact on the Company
A6 high-end intelligent injection molding machine	The A6 series is the sixth generation of high-end intelligent injection molding machines developed by YIZUMI. It focuses on four core values: intelligence, precision, sustainability, and efficiency. The project aims to redefine industry benchmarks through technological innovation and promote the transformation of the injection molding industry toward intelligent and sustainable development.	Mass production achieved	1. Develop a new-generation servo power system to optimize hydraulic drive efficiency, reduce energy consumption, and enhance motion accuracy. Response speed is improved by 15% compared to the previous generation, meeting the precision molding requirements of highly complex products. 2. Independently developed intelligent control system supports remote monitoring, real-time production data analysis, and process optimization, enabling unmanned workshop management. With digital twin technology, the system can predict equipment status and provide early fault warnings, improving production stability and yield. 3. High-speed molding process: Maximum injection speed reaches 300 mm/s. Coupled with an optimized plasticizing unit design, the molding cycle is shortened by 18%, applicable for high-cycle production scenarios such as automotive components and consumer electronics.	By incorporating intelligent and green processes, the A6 product helps customers improve production efficiency and reduce maintenance costs. It is especially applicable for large-scale production of lightweight components and precision electronic parts. This product not only reinforces our leading position in the domestic market but also supports our globalization strategy (e.g., in Southeast Asia and Europe), further opening up international markets.
NEXT ² series two-platen die casting	Traditional three-platen die casting	Small-batch production achieved	1. Efficient and compact two-platen clamping structure: This	The YIZUMI NEXT ² series two-platen die

machine	machines face challenges such as high energy consumption, large footprint, and insufficient clamping precision. YIZUMI addresses these issues by overcoming technical barriers in two-platen die casting machines, promoting their application in emerging fields such as new energy vehicles and the low-altitude economy.		structure can overcome limitations of conventional three-platen models with an integrated two-platen design, shortening machine length by 30%, reducing equipment footprint, and meeting the spatial optimization needs of modern factories. 2. Independently developed Yi-Cast high-speed injection system: This system can utilize dual accumulator pressurization technology to achieve peak injection speed of 12 m/s (compared to 8–9 m/s for conventional models) and injection acceleration of 0.5G, and is capable of forming aluminum alloy parts with wall thicknesses as thin as 1.2 mm—an optimal solution for thin-wall structural parts. 3. Independently developed Dolphin intelligent control system: Integrating PLC and edge computing units via OPC UA protocol, this system uses LSTM neural networks to predict mold temperature field variations, enabling real-time monitoring and automated optimization. It also supports multiple communication protocols for equipment collaboration, while optimizing energy use to reduce costs and support sustainable development.	casting machine delivers outstanding performance and innovative breakthroughs, with exceptional results in energy efficiency, precision, and productivity. It meets the advanced equipment needs of the die casting industry and fills a gap in the domestic market. As a representative of intelligent and green manufacturing, it enhances the image of high-end domestic equipment brands, accelerates the process of import substitution, and is expected to become a new profit growth driver for the Company.
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Particulars about R&D personnel:

	2024	2023	Change (%)
Number of R&D personnel	911	866	5.20%
R&D personnel as % of total employees	19.97%	22.00%	-2.03%
Educational background of R&D personnel			
Bachelor's degree	524	440	19.09%
Master's degree	55	33	66.67%
Below bachelor's degree	332	393	-15.52%
Age structure of R&D personnel			
Below 30	368	347	6.05%
30~40	373	342	9.06%
Over 40	170	177	-3.95%

R&D investments and R&D investments as % of operating revenue in the past three years:

	2024	2023	2022
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R&D investments (RMB)	245,862,085.97	212,357,941.56	180,564,654.10
R&D investments as % of operating revenue	4.86%	5.18%	4.91%
Capitalized R&D investments (RMB)	0.00	0.00	0.00
Capitalized R&D investments as % of total R&D investments	0.00%	0.00%	0.00%
Capitalized R&D investments as % of net profit	0.00%	0.00%	0.00%

Reasons for any significant change to the composition of R&D personnel and the impact:

Applicable Not applicable

Reasons for any significant YoY change in the percentage of R&D investments in operating revenue:

Applicable Not applicable

Reasons for any sharp variation in the percentage of capitalized R&D investments and rationale:

Applicable Not applicable

5. Cash Flows

Unit: RMB

Item	2024	2023	Change (%)
Subtotal of cash generated from operating activities	5,317,520,010.69	4,459,965,164.44	19.23%
Subtotal of cash used in operating activities	4,959,473,903.30	4,285,206,338.25	15.73%
Net cash generated from/used in operating activities	358,046,107.39	174,758,826.19	104.88%
Subtotal of cash generated from investing activities	42,060,697.14	8,628,189.12	387.48%
Subtotal of cash used in investing activities	324,843,848.50	227,298,595.25	42.92%
Net cash generated from/used in investing activities	-282,783,151.36	-218,670,406.13	-29.32%
Subtotal of cash generated from financing activities	488,341,204.32	537,115,829.18	-9.08%
Subtotal of cash used in financing activities	562,792,861.67	602,425,598.03	-6.58%
Net cash generated from/used in financing activities	-74,451,657.35	-65,309,768.85	-14.00%
Net increase in cash and cash equivalents	3,137,677.90	-105,315,135.94	102.98%

Explanation of why any of the data above varies significantly on a year-on-year basis:

Applicable Not applicable

1. Subtotal of cash generated from investing activities stood at RMB42.0607 million during 2024, a year-on-year increase of 387.48%, primarily driven by the Company's receipt of dividends from associates and redemption of structured deposits during the period.

2. Subtotal of cash used in investing activities stood at RMB324.8438 million during 2024, a year-on-year increase of 42.92%,

primarily driven by the increased capital expenditures on the production ramp-up and the construction and acquisition of long-term assets, etc. during the period.

Explanation of why the net cash generated from/used in operating activities varies significantly from the net profit of the Reporting Period:

Applicable Not applicable

During the Reporting Period, net cash generated from operating activities was RMB358.0461 million, and net profit was RMB628.2489 million. The difference was primarily driven by the increased working capital in 2024.

V Income/Losses Other than Those of Principal Operations

Applicable Not applicable

Unit: RMB

	Amount	As % of gross profit	Main reason/cause	Recurrent or not
Return on investment	48,880,183.37	6.78%	Income recognized by the Company from joint stock companies using the equity method	No
Gain or loss on changes in fair value	0.00	0.00%		No
Asset impairments	-41,744,618.44	-5.79%	Allowances for doubtful accounts for the increased balance of accounts receivable and inventory valuation allowances	No
Non-operating income	2,044,621.20	0.28%		No
Non-operating expense	3,591,854.42	0.50%		No
Other income	112,283,244.34	15.58%	Government grants received by the Company	No

VI Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Unit: RMB

	December 31, 2024		January 1, 2024		Change in percentage (%)	Main reason for any significant change
	Amount	As % of total assets	Amount	As % of total assets		
Monetary assets	499,243,382.55	7.02%	478,517,636.98	7.73%	-0.71%	
Accounts receivable	1,341,328,097.29	18.87%	1,010,859,004.09	16.33%	2.54%	Increased operating revenue during the period
Contract assets	37,179,449.12	0.52%	26,227,155.65	0.42%	0.10%	Increased product warranties during the period

Inventories	1,850,476,851.81	26.03%	1,548,131,377.54	25.00%	1.03%	Financial results improved while new production capacity was put into use
Investment properties						
Long-term equity investments	480,911,939.67	6.76%	440,991,591.62	7.12%	-0.36%	
Fixed assets	1,161,614,710.37	16.34%	1,126,898,653.61	18.20%	-1.86%	
Construction in progress	52,972,208.36	0.75%	64,807,386.33	1.05%	-0.30%	
Right-of-use assets	21,348,334.44	0.30%	18,259,367.44	0.29%	0.01%	
Short-term borrowings	214,742,511.39	3.02%	123,461,741.67	1.99%	1.03%	Increased additional operating borrowings during the period
Contract liabilities	568,220,500.70	7.99%	511,327,471.44	8.26%	-0.27%	
Long-term borrowings	907,288,241.80	12.76%	950,708,077.39	15.36%	-2.60%	
Lease liabilities	14,232,805.92	0.20%	12,837,884.14	0.21%	-0.01%	
Receivables financing	323,209,598.63	4.55%	275,596,736.17	4.45%	0.10%	
Current portion of non-current assets	419,370,901.95	5.90%	319,852,958.93	5.17%	0.73%	Increased finance leases of Jiaquanhao during the period
Other current assets	117,343,169.48	1.65%	126,311,208.77	2.04%	-0.39%	
Long-term receivables	194,464,467.73	2.74%	132,791,186.28	2.14%	0.60%	Increased finance leases of Jiaquanhao during the period
Intangible assets	427,510,658.67	6.01%	360,968,757.24	5.83%	0.18%	
Notes payable	743,715,809.23	10.46%	573,966,408.01	9.27%	1.19%	Financial results improved, leading to the increased procurement
Accounts payable	819,228,383.86	11.52%	721,573,716.50	11.65%	-0.13%	
Employee benefits payable	201,679,715.28	2.84%	150,768,045.87	2.44%	0.40%	
Current portion of non-current liabilities	325,267,330.17	4.57%	176,018,656.04	2.84%	1.73%	Increased long-term borrowings repayable

						within 12 months
Other current liabilities	165,886,503.89	2.33%	79,408,412.51	1.28%	1.05%	Reclassification of product warranties from provisions to other current liabilities according to the changed accounting policies during the period
Provisions	1,406,217.44	0.02%	68,764,404.05	1.11%	-1.09%	

Indicate whether overseas assets account for a large proportion in total assets.

Applicable Not applicable

2. Assets and Liabilities Measured at Fair Value

Applicable Not applicable

Unit: RMB

Item	Opening amount	Gain or loss on changes in fair value during the period	Cumulative fair value changes recognized in equity	Impairment allowance for the period	Purchased during the period	Sold during the period	Other changes	Closing amount
Financial assets								
5. Other non-current financial assets					6,000,000.00			6,000,000.00
Subtotal of financial assets					6,000,000.00			6,000,000.00
Receivables financing	275,596,736.17						47,612,862.46	323,209,598.63
Total of the above	275,596,736.17				6,000,000.00		47,612,862.46	329,209,598.63
Financial liabilities	0.00							0.00

Contents of other changes:

Indicate whether any significant change occurred to the measurement attributes of the major assets in the Reporting Period.

Yes No

3. Restricted Assets as at the Period-end

Item	As at the period-end			
	Gross amount	Carrying amount	Type of restriction	Restriction information
Monetary assets	91,383,039.44	91,383,039.44	Security deposits, term deposits, and frozen funds in	Security deposits for bank acceptance bills, letters of credit, and

			accounts	letters of guarantees, term deposits, and frozen funds
Notes receivable	33,800.00	32,110.00	Transferred	Trade acceptance bills endorsed and un-derecognized
Fixed assets	329,046,214.63	300,499,318.87	As collateral	As collateral for bank loan
Intangible assets	308,676,708.30	270,662,880.60	As collateral	As collateral for bank loan
Long-term receivables	25,429,933.00	25,302,783.32	Put in pledge	Put in pledge for bank loan
Total	754,569,695.37	687,880,132.23		

VII Investment Analysis

1. Total Investment Amount

Applicable Not applicable

Total investment amount during the Reporting Period (RMB)	Total investment amount last year (RMB)	Change (%)
324,843,848.50	227,298,595.25	42.92%

2. Significant Equity Investments Acquired in the Reporting Period

Applicable Not applicable

3. Significant Ongoing Non-Equity Investments in the Reporting Period

Applicable Not applicable

Unit: RMB

Project	Way of investment	Fixed asset investment or not	Industry involved	Investment during the period	Cumulative investment as of the period-end	Funding source	Project progress	Expected return	Cumulative return as of the period-end	Reasons for failure to meet the project schedule or expected return	Date of disclosure (if any)	Index to disclosed information (if any)
Wusha New Factory	Self-built	Yes	Equipment manufacturing	7,344,790.11	769,216,281.32	Own funds	90.45%			N/A		
Wujiang Factory Phase IV Workshop 2# Construction Project	Self-built	Yes	Equipment manufacturing	9,967,507.33	43,872,227.43	Own funds	100.00%			N/A		
HPM North America Building	Self-built	Yes	Equipment manufacturing	52,863,393.20	76,519,999.26	Own funds	100.00%			N/A		

Expansion Project			acturing									
East China Manufacturing Base Phase I Project	Self-built	Yes	Equipment manufacturing	64,238,958.67	64,238,958.67	Own funds	9.00%			N/A		
Total	--	--	--	134,414,649.31	953,847,466.68	--	--	0.00	0.00	--	--	--

4. Financial Investments

(1) Securities Investments

Applicable Not applicable

No such cases in the Reporting Period.

(2) Investments in Derivative Financial Instruments

Applicable Not applicable

No such cases in the Reporting Period.

5. Use of Raised Funds

Applicable Not applicable

No such cases in the Reporting Period.

VIII Sale of Major Assets and Equity Investments

1. Sale of Major Assets

Applicable Not applicable

No such cases in the Reporting Period.

2. Sale of Major Equity Investments

Applicable Not applicable

IX Principal Subsidiaries and Joint Stock Companies

Applicable Not applicable

Principal subsidiaries and joint stock companies with an over 10% effect on the consolidated net profit:

Unit: RMB

Name	Relationship with the Company	Principal activities	Registered capital	Total assets	Equity	Operating revenue	Operating profit	Net profit
Guangdong Yizumi Precision	Subsidiary	Production, sale and research of	394,800,000.00	3,958,822,873.34	1,753,457,106.63	3,204,343,391.18	511,596,796.57	442,290,124.88

Injection Molding and Die Casting Technology Co., Ltd.		injection molding machines						
Yizumi Precision Machinery (Suzhou) Co., Ltd.	Subsidiary	Production, sale and research of injection molding machines	100,000,000.00	791,709,493.52	381,637,376.18	593,524,450.02	97,541,566.78	85,403,842.31

Subsidiaries acquired or disposed of in the Reporting Period:

Applicable Not applicable

Name	How the subsidiary was acquired or disposed of in the Reporting Period	Impact on the Company's overall operations and business performance
YIZUMI Mexico	Incorporated	Expanding the American market
YIZUMI Turkey	Incorporated	Expanding the Middle East market
YIZUMI Zhejiang	Incorporated	Increasing production capacity
Huoshen Environmental Technology	De-registered	Focusing on the principal operations
India Factory	De-registered upon an M&A	Reallocating resources and optimizing structure

Notes to the principal subsidiaries and joint stock companies:

X Structured Entities Controlled by the Company

Applicable Not applicable

1. Basic information on structured entities not included in the consolidated financial statements

As of December 31, 2024, structured entities associated with the Company but not included in the consolidated financial statements were industrial M&A funds and equity investment funds established with the Company's capital contributions. The industrial M&A funds are primarily engaged in investments in high-end equipment manufacturing and intelligent manufacturing industries. As of December 31, 2024, the total assets of these entities amounted to RMB54,983,550.71. The equity investment funds focus on investing in the high-end intelligent equipment industry and exploring new directions for industrial development. As of December 31, 2024, the total assets of these entities amounted to RMB61,093,954.96.

2. Carrying amount and maximum loss exposure of equity-related assets and liabilities

Item	Financial statement line item	Carrying amount		Maximum loss exposure	
		Closing balance	Opening balance	Closing balance	Opening balance
Industrial M&A fund	Long-term equity investments	16,446,827.69	RMB22,470,133.32	RMB16,446,827.69	RMB22,470,133.3
Equity investment fund	Long-term equity investments	6,035,356.00	RMB5,994,719.00	RMB6,035,356.00	RMB5,994,719.00
Equity investment fund	Other non-current financial assets	RMB6,000,000.00	—	RMB6,000,000.00	—

3. Method for determining maximum loss exposure

The maximum loss exposure is based on the carrying amount of the Company's investment in the industrial M&A fund as of the balance sheet date.

4. Differences between maximum loss exposure and the recognized assets and liabilities in the financial statements and the reasons

Foshan Shunde Yingfeng Zero One High-end Intelligent Equipment Industry Investment Fund Partnership (L.P.) mainly engages in investment activities in high-end equipment manufacturing and intelligent manufacturing industries. The total scale of this industrial M&A fund is RMB100 million. The Company, as a limited partner, contributed RMB30 million of its own funds. Investment returns received amounted to RMB7,386,000.00 in 2022, RMB6,292,337.21 in 2023, and RMB6,928,050.03 in 2024.

According to the partnership agreement, relevant activities of the fund are determined by the Investment Decision Committee, of which the Company nominates one of five members. Although this member holds a veto right, it is a protective right, only exercisable when decisions deviate significantly from the agreed investment direction. Furthermore, under the agreed risk-return allocation mechanism, the fund manager, as the general partner, receives administrative and excess returns while bearing unlimited liability. The Company and other limited partners share risk and returns equally, without senior or junior tranches. Therefore, the Company does not have the power to affect the returns of the industrial fund and does not exercise control over the fund. Therefore, the industrial fund is not included in the scope of consolidation.

Ningbo Fengle Equity Investment Partnership (L.P.) aims to explore strategic directions in high-end intelligent manufacturing. The Company seeks to leverage the experience, capabilities, and resources of professional investment institutions to drive industrial transformation and upgrading, enhance resource allocation and structural adjustment in the high-end intelligent equipment sector, and achieve long-term value growth of managed capital. This equity investment fund has a total size of RMB60.11 million, of which the Company, as a limited partner, committed RMB30 million and has contributed RMB6 million to date.

According to the partnership agreement, Ningbo Yingfeng Equity Investment Fund Management Co., Ltd. serves as the general partner and manages external investments, supervised by all partners. To enhance professionalism and decision-making quality, an Investment Decision Committee of three members—all appointed by the manager—was established. Decisions require the approval of at least two committee members. Given these governance structures, the Company does not have the power to influence the returns of the equity investment fund and does not exercise control over the fund. Accordingly, the fund is not included in the scope of consolidation.

Meizhi Phase II (Guangdong) Venture Capital Partnership (L.P.) is primarily engaged in venture capital, equity investment, and related activities, promoting the transformation of scientific and technological achievements, and integrating technology, finance, and industry while maximizing benefits for all partners. The total scale of this equity investment fund is RMB161.96 million, with the Company contributing RMB20 million as a limited partner, and RMB6 million has been paid in to date.

According to the partnership agreement, Midea Venture Capital Management Co., Ltd. is the general partner and was unanimously agreed upon by all partners to act as the executive partner. The executive partner is authorized to invest, manage, utilize, and dispose of the fund's assets, under the supervision of other general and limited partners. An Investment Decision Committee was established with final authority over investment and exit decisions, consisting of five members appointed by the executive partner. Resolutions require at least a four-fifths majority vote to pass. The Company does not have the power to influence the returns of the equity investment fund and has no significant influence over its financial or operational decision-making. Therefore, the fund is not included in the scope of consolidation.

XI Prospects

I Operational Objectives

In the coming years, YIZUMI will continue to advance along its main development trajectory, upholding the principle of “Think Tech Forward” while focusing on three key directions: Intelligent and Efficient, Global Operation and Green Development. We aim to seize opportunities in high-end manufacturing, enhance core competitiveness through technological innovation, and elevate our level of internationalization through global deployment. Our vision is to “Equip the World with Global Intelligence”.

In 2025, the Company will initiate organizational and managerial reform, build domain-specific organizational capabilities, and shift from vertical functional management to horizontal process-oriented management. This will accelerate the establishment of a process-based organization and empower rapid business growth. YIZUMI will gradually develop its own management system model, continuously accumulating best practices to become a benchmark business model in the Industry. We will continue to promote upgrades in technology and products, customers and markets, and operations and organizational systems, embracing a proactive and adaptive approach. Guided by our strategic focus of “Think Tech Forward”, we will steadily progress toward our vision “To Be a World-class Molding Equipment Solution Provider”.

II Potential Risks and Countermeasures

1. Risk of performance decline due to market environment changes and countermeasures

The molding equipment industry serves as a core supplier of critical technical equipment across various sectors of the national economy and is closely tied to macroeconomic trends and fixed asset investment. The Industry exhibits cyclical characteristics. During economic downturns, downstream demand weakens, negatively impacting business operations. Our products primarily serve the automotive, home appliance, medical device, 3C, packaging, and aerospace sectors. If these industries slow down and market demand weakens without effective market expansion, the Company may face performance decline.

Facing the risk of sharp performance decline due to changes in market conditions, the Company will closely monitor domestic and international market trends, raise risk awareness, and make timely strategic adjustments and responses.

2. Market competition risk and countermeasures

The downstream applications of molding equipment are broad, and market competition is intense. Leading global companies such as Engel (Austria), Demag (Germany), UBE and Sumitomo (Japan), and domestic competitors such as Haitian International, Chen Hsong, LK Technology, and Tederic are all increasing their R&D investment and market expansion efforts. If the Company fails to further increase R&D investment and continuous innovation or cannot meet growing technical requirements from customers, we may face market share and gross margin decline as competitors grow stronger.

Facing the risk of market competition, the Company will continue to invest in R&D, strengthen brand promotion, and enhance pre-sales, in-sales, and after-sales services to improve overall competitiveness.

3. Risk of loss of core personnel and core technology and countermeasures

Our technical R&D team and core technologies are critical resources. If competitors gain access to trade secrets through improper means or if our R&D team departs en masse, it would adversely affect our operations and long-term development.

Facing the risk of loss of core personnel, the Company has implemented multiple rounds of equity incentive plans and improved human resources systems. We also focus on cultural development to foster a positive working environment and a strong sense of belonging among employees. Facing the risk of loss of core technology, the Company will enhance confidentiality awareness and require key technical staff to sign confidentiality agreements to prevent technology loss.

4. Foreign exchange risk and countermeasures

The Company’s exports are mainly priced and settled in USD. If the RMB appreciates significantly, it could reduce the competitiveness of our export products, adversely affecting overseas market expansion and potentially resulting in foreign exchange losses.

Facing the risk of exchange rate fluctuation, the Company will closely monitor fluctuations in global exchange rates and adjust sales strategies accordingly to improve risk resilience.

XII Researches, Inquiries, Interviews, etc. Received during the Reporting Period

Applicable Not applicable

Date	Place	Way of communication	Type of the communication party	Communication party	Main discussions and materials	Index to the relevant information
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					provided by the Company	
March 5, 2024	Company Headquarters	Face-to-face meeting	Institution	Zhang Jing et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated March 5, 2024
April 19, 2024	Company Headquarters	By phone	Institution	Dai Jihui et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated April 19, 2024
April 26, 2024	Company Headquarters	Other	Other	All investors	About the Company's current operations	Investor Q&A Log Sheet for the 2023 Annual Results Briefing
May 24, 2024	Company Headquarters	Face-to-face meeting	Institution	Wu Jianming et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated May 24, 2024
May 31, 2024	Company Headquarters	Face-to-face meeting	Institution	Sam Wu et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated May 31, 2024
June 5, 2024	Company Headquarters	Face-to-face meeting	Institution	Fan Fangzhou et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated June 5, 2024
June 7, 2024	Company Headquarters	Face-to-face meeting	Institution	Zhang Yue et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated June 7, 2024
August 23, 2024	Company Headquarters	By phone	Institution	Rao Yuhan et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated August 23, 2024
September 05, 2024	Company Headquarters	Face-to-face meeting	Institution	Kerry Cheng et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated September 05, 2024
September 12, 2024	Company Headquarters	Other	Other	All investors	About the Company's current operations	Investor Day in the Investor Relations Management Month for Listed Companies in Guangdong Province 2024
September 20, 2024	Company Headquarters	Face-to-face meeting	Institution	Yu Ming et al.	About the Company's	Investor Relations

					current operations	Activities Log Sheet Dated September 20, 2024
September 26, 2024	Company Headquarters	Face-to-face meeting	Institution	Lu Mingzhen et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated September 26, 2024
October 29, 2024	Company Headquarters	By phone	Institution	Dong Zhiguo et al.	About the Company's current operations	Investor Relations Activities Log Sheet Dated October 29, 2024

XIII Implementation of Market Value Management Mechanism and Valuation Enhancement Plan

Indicate whether the Company has established a market value management mechanism.

Yes No

The Company has formulated the Market Value Management System of Yizumi Holdings Co., Ltd. in accordance with Guidelines No. 10 for the Regulation of Listed Companies—Market Value Management and other relevant regulatory requirements. The system was reviewed and approved at the Ninth Meeting of the Fifth Board of Directors and has been publicly disclosed. The aim of this system is to enhance the Company's capabilities in market value management, improve returns for investors—particularly minority shareholders—and promote the reasonable reflection of the Company's investment value and intrinsic quality.

Indicate whether the Company has disclosed its market value management mechanism.

Yes No

XIV Implementation of the Action Plan for “Dual Enhancement of Development Quality and Investor Returns”

Indicate whether the Company has disclosed the Action Plan for “Dual Enhancement of Development Quality and Investor Returns”.

Yes No

The Company has earnestly implemented the guiding principles of the Political Bureau of the CPC Central Committee—to invigorate capital markets and boost investor confidence—and the State Council Executive Meeting, which emphasized the need to improve the quality and investment value of listed companies and take more effective measures to stabilize the market and confidence. In line with its development strategy, business conditions, and financial performance, and to protect the interests of all shareholders, enhance investor confidence, and support long-term, healthy, and sustainable development, the Company has formulated an Action Plan for the “Dual Enhancement of Development Quality and Investor Returns”. The key measures are as follows:

I Focus on core business and strive to be a world-class molding equipment solution provider

The Company specializes in the manufacturing of molding equipment and serves as an integrated supplier encompassing design, R&D, production, sales, and service. Since its founding in 2002, YIZUMI has grown into one of China's most competitive and promising large-scale equipment service providers and manufacturing enterprises. In recent years, the Company has remained focused on its core business, continuously extending its product line within the molding equipment sector, innovating product

development and business operations, and proactively expanding into global markets. Our products and brand have earned widespread recognition from global customers and industry peers.

As a global enterprise, YIZUMI attaches great importance to product quality, adhering to the philosophy of “high standards, refinement, and zero defects”. The Company strictly complies with product quality laws and regulations in its operating regions, adopts multiple measures to ensure product quality, and has passed several authoritative certifications. We are constantly improving our quality management systems and regularly track the completion of quality indicators, thus steadily enhancing product reliability.

Looking ahead, the Company will continue to focus on the three strategic themes of “customer and market upgrading, product and technology upgrading, and operation and organization upgrading”. We will accelerate globalization, optimize our customer portfolio, further improve our quality systems and performance evaluation, standardize operational procedures, actively fulfill product quality responsibilities, and steadily advance toward high-end, intelligent, and green product technologies.

II Strengthen corporate governance and fulfill social responsibilities

The Company strictly complies with the Company Law, Securities Law, and Code of Corporate Governance for Listed Companies, and has established a clear and balanced corporate governance structure comprising the General Meeting of Shareholders (the highest authority), the Board of Directors (decision-making body), the Board of Supervisors (supervisory body), and the Management (executive body). These bodies perform their respective duties while maintaining checks and balances. We operate in accordance with applicable laws and regulations, continuously improve corporate governance and internal control systems, revise and refine related governance documents, and optimize decision-making procedures.

Meanwhile, we actively implement a sustainable development strategy and have voluntarily disclosed our Social Responsibility Report for six consecutive years, showcasing our extensive achievements and practices in social responsibility. In the future, the Company will continue to build a sound governance framework, improve internal controls, and enhance standardized operations to support high-quality growth. Additionally, we will further integrate ESG governance into our business operations, refine working mechanisms, and enhance the professionalism and systematic nature of ESG practices to better meet both domestic and international investors' expectations for ESG performance, thereby strengthening investor confidence in the Company's development.

III Improve information disclosure and strengthen investor relations management

The Company fulfills its information disclosure obligations in strict accordance with laws, regulations, and the requirements of the China Securities Regulatory Commission (CSRC) and the Shenzhen Stock Exchange, continually improving the effectiveness and transparency of disclosures. We have established mechanisms for the internal collection, reporting, and communication of material information to ensure disclosures are timely, accurate, and complete. The Company values communication with capital markets and has gradually developed a diversified investor communication system. To facilitate investor understanding, we actively engage through telephone, email, the Shenzhen Stock Exchange's Interactive Easy platform, performance briefings, investor meetings, roadshows, and reverse roadshows to strengthen the two-way communication with investors. These channels help convey the Company's strategic direction and operational updates and better communicate its intrinsic value to investors.

Going forward, the Company will continue to conduct information disclosure rigorously and in compliance, ensuring sustained, accurate, and timely communication of the Company's value to the market. We will further enhance our investor relations management mechanisms, enrich and diversify engagement approaches, and more effectively convey the Company's value to investors.

IV Prioritize investors and ensure returns

While pursuing performance growth and high-quality sustainable development, the Company has continuously reinforced its commitment to shareholder returns, placing strong emphasis on delivering sustained, stable, and reasonable returns to investors through concrete actions.

We are committed to building a stable return mechanism and fostering shareholder expectations. On May 23, 2023, the Company convened its Annual General Meeting for 2022, during which the *Shareholder Return Plan (2023–2027)* was reviewed and approved. This plan defines the Company’s medium- to long-term dividend policy, refines the profit distribution provisions in the Articles of Association, enhances the transparency and operability of dividend decisions, and facilitates shareholder supervision of distribution policies.

Looking ahead, the Company will faithfully implement the medium- to long-term return plan and maintain a prudent dividend policy. Through a combination of share repurchases, cash dividends, and other means, we will share the fruits of the Company’s development with all shareholders, balancing sustainable corporate growth with investor returns and enhancing investors' sense of gain and satisfaction.

Looking into the future, the Company will continue to focus on the three strategic themes of “customer and market upgrading, product and technology upgrading, and operation and organization upgrading”, continuously enhance core competitiveness, strengthen governance, improve the quality of information disclosure, prioritize shareholder returns, and earnestly fulfill its responsibilities and obligations as a listed company. Through active implementation of the Action Plan for “Dual Enhancement of Development Quality and Investor Returns”, the Company will contribute to market stability and investor confidence.

Part IV Corporate Governance

I Corporate Governance Overview

During the Reporting Period, the Company strictly complied with relevant laws, regulations, and normative documents, continuously improving its corporate governance structure, establishing and refining its internal control system, promoting standardized operations, and enhancing its governance level. The Company has established a governance framework composed of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the Management. Under the Board of Directors, four specialized committees have been formed—namely, the Strategic Committee, Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee—tailored to the Company's actual conditions to strengthen internal controls.

1. Shareholders and the General Meeting of Shareholders

The Company convenes and holds General Meetings of Shareholders in strict accordance with the Company Law, Rules of the General Meeting of Shareholders of Listed Companies, and the Articles of Association, ensuring equal rights for all shareholders, especially minority shareholders. Shareholders are guaranteed the rights to information, participation, and voting on major Company matters. During the Reporting Period, all General Meetings of Shareholders were convened and held by the Board of Directors. All matters required by relevant laws, administrative regulations, departmental rules, normative documents, and the Articles of Association to be deliberated by the General Meeting of Shareholders were submitted for deliberation accordingly after proper authorization, with no unauthorized approvals or post-implementation approvals. The qualifications of participants and the procedures for convening and voting at the meetings were legally compliant.

2. Relationship between the Company and the Controlling Shareholder

The Company possesses independent operational capabilities and a complete operating system. It maintains independence from the controlling shareholder in terms of business, personnel, assets, organization, and finance. The Board of Directors, Board of Supervisors, and internal departments operate independently in accordance with their respective rules of procedure or Company regulations. The controlling shareholder complies strictly with regulations, exercises its rights, and fulfills its obligations through the General Meeting of Shareholders in accordance with the law, without directly or indirectly intervening in the Company's business operations. During the Reporting Period, the Company did not provide guarantees for the controlling shareholder, nor was there any non-operating appropriation of Company funds by the controlling shareholder.

3. Directors and the Board of Directors

The Company elects directors in strict compliance with the procedures stipulated in the Company Law and the Articles of Association. The number and composition of the Board of Directors comply with legal and regulatory requirements. All directors attend Board and General Meetings conscientiously, act in the best interests of the Company and all shareholders, fulfill their duties faithfully, and actively participate in relevant training to understand applicable laws and regulations, thereby promoting standardized operations and informed decision-making. The procedures for Board meetings are compliant, records are complete and accurate, and information disclosures are timely, accurate, and adequate.

In accordance with the Code of Corporate Governance for Listed Companies and Guidelines No. 2 for Self-Regulation of Listed Companies on the Shenzhen Stock Exchange—Standardized Operations for ChiNext Listed Companies, the Company has established four specialized committees under the Board of Directors: the Strategic Committee, Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee. These committees perform their functions in accordance with the Articles of Association and their respective rules of procedure, independent of any other departments or individuals within the Company.

4. Supervisors and the Board of Supervisors

Supervisors are elected in accordance with the procedures prescribed in the Company Law and the Articles of Association, and the number and composition of the Board of Supervisors meet legal and regulatory requirements. All supervisors diligently study relevant laws and regulations, actively participate in professional training, and faithfully perform their duties. They fulfill their supervisory role by overseeing the performance of duties by the Board of Directors and Management, with a particular focus on safeguarding the interests of all shareholders, especially minority shareholders. The Board of Supervisors supervises major issues, related-party transactions, financial conditions, and the compliance and legality of the performance of duties by directors and senior management, thereby protecting the legitimate rights and interests of the Company and its shareholders.

5. Information Disclosure and Transparency

The Company complies strictly with relevant laws and regulations and its Information Disclosure Management System to ensure truthful, accurate, timely, and complete disclosures. The Company has enhanced the management of disclosure affairs, fulfills its disclosure obligations, and designates Securities Times and the official information disclosure website for the ChiNext Market of the CSRC (<http://www.cninfo.com.cn>) as the official newspaper and website for information disclosure.

During the Reporting Period, the Company was not subject to any regulatory criticism due to non-compliant disclosure practices.

6. Investor Relations Management

The Board Secretary is designated as the person in charge of investor relations management. Prior to receiving visits from specific investors, the Company requires the visiting parties to assign designated personnel to manage the reception, ensuring the fairness of information disclosure.

Indicate whether there is any material incompliance with the applicable laws, regulations, or rules issued by the CSRC governing the governance of listed companies.

Yes No

No such cases.

II Independence of the Company from its Controlling Shareholder and Actual Controller in Assets, Personnel, Finance, Organizational Structure, Business, etc.

The Company is independent of its controlling shareholder in terms of business, personnel, assets, organizational structure, finance, etc. and is able to operate on its own.

III Horizontal Competition

Applicable Not applicable

IV Annual and Extraordinary General Meetings of Shareholders Convened during the Reporting Period

1. General Meetings of Shareholders Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Date of the meeting	Disclosure date	Resolutions
The First Extraordinary General Meeting of Shareholders in	Extraordinary General Meeting of Shareholders	36.25%	January 30, 2024	January 30, 2024	For details, please refer to the Announcement on the Resolutions of the First Extraordinary General Meeting of Shareholders in 2024 (Announcement No. 2024-010), which has been disclosed by the Company on http://www.cninfo.com.cn .

2024					
The 2023 Annual General Meeting of Shareholders	Annual General Meeting of Shareholders	40.44%	May 22, 2024	May 22, 2024	For details, please refer to the Announcement on the Resolutions of the 2023 Annual General Meeting of Shareholders (Announcement No. 2024-035), which has been disclosed by the Company on http://www.cninfo.com.cn .

2. Extraordinary General Meetings of Shareholders Convened at the Request of Preference Shareholders with Resumed Voting Rights

Applicable Not applicable

V Differential Voting Rights Arrangements

Applicable Not applicable

VI Corporate Governance of a Red Chip Structured Company

Applicable Not applicable

VII Directors, Supervisors and Senior Executives

1. General Information

Name	Gender	Age	Office title	Employment status	Start of office term	End of office term	Opening shareholding (share)	Increase during the period (share)	Decrease during the period (share)	Other increase/decrease (share)	Closing shareholding (share)	Reason for share changes
Richard Yan	Male	64	Chairman and CEO	Incumbent	October 11, 2023	October 10, 2026	7,859,917				7,859,917	
Liang Jinghua	Male	65	Vice Chairman	Incumbent	October 11, 2023	October 10, 2026	9,510,396		2,370,000		7,140,396	Personal financial needs
Chen Liyao	Male	36	Director and Deputy General Manager	Incumbent	October 11, 2023	October 10, 2026	37,200				37,200	
Zhang Tao	Male	57	Director and Deputy General Manager	Incumbent	October 11, 2023	October 10, 2026	5,200,080				5,200,080	
Yu Zhuokun	Male	54	Director and Deputy General	Incumbent	October 11, 2023	October 10, 2026	189,000				189,000	

			Manager									
Li Donghai	Male	48	Director	Incumbent	October 11, 2023	October 10, 2026						
Xiao Deyin	Male	43	Deputy General Manager and Board Secretary	Incumbent	October 11, 2023	October 10, 2026	110,000				110,000	
Zhou Jun	Male	49	Director	Incumbent	October 11, 2023	October 10, 2026						
Yin Xiaochun	Male	50	Independent Director	Incumbent	October 11, 2023	October 10, 2026						
Chen Qiyu	Male	52	Independent Director	Incumbent	October 11, 2023	October 10, 2026						
Yang Yong	Male	38	Independent Director	Incumbent	October 11, 2023	October 10, 2026						
Zhou Liang	Male	50	Independent Director	Incumbent	October 11, 2023	October 10, 2026						
Wen Jiancheng	Male	47	Chairman of the Board of Supervisors	Incumbent	October 11, 2023	October 10, 2026						
Zhang Chunfeng	Female	45	Supervisor	Incumbent	October 11, 2023	October 10, 2026						
Liang Hongyun	Female	39	Employee Supervisor	Incumbent	October 11, 2023	October 10, 2026						
Yang Yuanguai	Male	38	Chief Financial Officer	Incumbent	October 11, 2023	October 10, 2026	90,000				90,000	
Total	--	--	--	--	--	--	22,996,593	0	2,370,000	0	20,626,593	--

Indicate whether any director, supervisor or senior executives resigned before the expiry of their office terms during the Reporting Period.

Yes No

Changes of directors, supervisors and senior executives:

Applicable Not applicable

2. Biographical Information

Professional backgrounds, main work experience and current positions in the Company of the incumbent directors, supervisors and senior executives:

Richard Yan, Bachelor's degree in Economics and Management from the University of Hong Kong. From March 2008 to September 2009, served as CEO of Guangdong Yizumi Precision Machinery Co., Ltd. From October 2009 to May 2011, served as

Director and CEO of Guangdong Yizumi Precision Machinery Co., Ltd. Since June 2011, has served as Director and CEO of the Company, and since July 2022, has served as Chairman and CEO of the Company.

Liang Jinghua, MBA from Sun Yat-sen University. From October 2009 to May 2011, served as Director of Guangdong Yizumi Precision Machinery Co., Ltd. Since June 2011, has served as Director of the Company, and since October 2022, has served as Vice Chairman of the Company.

Chen Liyao, Master's degrees in Electronic and Electrical Engineering from the University of Bristol, Wireless and Optical Communications Engineering from University College London, and Industrial Engineering from the University of Southern California. From 2015 to 2022, successively served as Pre-sales Technical Consultant for All-electric Injection Molding Machines, Deputy Manager of Investment and New Business Development Department (acting), Manager of the Intelligent Connectivity Department, and Chief Procurement Officer (CPO) of the Procurement Management Center. Since August 2022, has served as Director of the Company; since October 2023, has served as Director and Deputy General Manager of the Company.

Zhang Tao, Master's degree in Precision Mechanical Manufacturing Technology from Harbin University of Science and Technology. From October 2009 to May 2011, served as Director, Deputy General Manager of the Injection Molding Machine Division, and Chief Engineer of Guangdong Yizumi Precision Machinery Co., Ltd. From October 2011 to July 2017, served as Director, Deputy General Manager, and Board Secretary of the Company. Since July 2017, has served as Director and Deputy General Manager of the Company.

Yu Zhuokun, Master's degree in Mechanical Manufacturing Technology and Equipment from Guangdong University of Technology and EMBA from China Europe International Business School. From October 2016 to July 2017, served as Deputy General Manager of Guangdong Yizumi Precision Machinery Co., Ltd. From 2017 to October 2018, served as Director, Deputy General Manager, and Board Secretary of the Company. Since October 2018, has served as Director and Deputy General Manager of the Company.

Li Donghai, Bachelor's degree in Economics from Beijing Wuzi University. From September 2000 to February 2003, worked at Guangdong Zhende Plastic Machinery Factory Co., Ltd. in sales and office management. From March 2003 to October 2008, served as Sales Manager of the Company's Injection Molding Machine Division. From October 2008 to February 2010, served as Sales Director of the Division. Since February 2010, has served as Executive Deputy General Manager of the Injection Molding Machine Division. Since August 2020, has served as Director of the Company.

Zhou Jun, Ph.D. in Chemical Process Machinery from Zhejiang University of Technology. From 2011 to 2015, served as Dean and Chief Engineer of the Research Institute of New United Group Co., Ltd. From 2016 to 2018, served as R&D Center Director of Nanjing High Speed Gear Manufacturing Co., Ltd. From 2018 to 2019, served as Dean of the Research Institute at Wanfeng Auto Holding Group Co., Ltd. From 2019 to 2022, served as Dean of the Technical Research Institute of Zhejiang Wanfeng Auto Wheel Co., Ltd. Since June 2022, has served as Chief Technology Officer (CTO) of Yizumi Holdings Co., Ltd. and Chairman of the Robotics Division. Since July 2023, has also served as Executive Deputy General Manager of the Die Casting Machine Division. Since October 2023, has served as Director of the Company.

Xiao Deyin, Bachelor's degrees in Accounting and Law from Southwest University of Political Science and Law. Previously worked at Wanyi Paper (Shenzhen) Co., Ltd., Dongfang Fubang Furniture Factory, and Lianke Industrial (Shenzhen) Co., Ltd. From June 2008 to September 2016, served at the Guangdong Regulatory Bureau of the China Securities Regulatory Commission. Since October 2018, has served as Deputy General Manager and Board Secretary of the Company.

Yin Xiaochun, Ph.D. in Mechanical Design and Theory from South China University of Technology, where he is also a doctoral advisor. From September 2005 to December 2009, served as Lecturer at the School of Mechanical and Automotive Engineering, South China University of Technology. From January 2009 to December 2018, served as Associate Professor. Since January 2019, has served as Professor at the same institution. He is currently a member of the Expert Committee of the China Plastics Machinery Industry Association. Since September 2021, has served as an Independent Director of the Company.

Chen Qiyu, Master's degree in Welding Technology and Equipment from South China University of Technology. From December 2002 to September 2013, served as Deputy Director of the Key Laboratory for Computer Networks of Guangdong Province, South China University of Technology. From October 2013 to March 2016, served as Deputy Director of the Electromechanical Engineering Institute at Guangdong Institute of Materials and Processing (Guangzhou Nonferrous Metals Research Institute). Since April 2016, has served as Director of the Reliability and Equipment Technology Center at the Institute of Intelligent Manufacturing, Guangdong Academy of Sciences, and concurrently as Secretary-General of the Guangdong Mechanical Industry Quality Management Association. Since May 2022, has served as an Independent Director of the Company.

Yang Yong, Bachelor's degree in Accounting from Jiangxi University of Finance and Economics. From September 2012 to September 2015, served as Project Manager at Tianjian Certified Public Accountants (Special General Partnership) Guangdong Branch. From October 2015 to September 2020, served as Senior Manager at Zhonghua Certified Public Accountants (Special General Partnership) Guangdong Branch. Since August 2020, has served as Business Partner at Gongzheng Tianye Certified Public Accountants (Special General Partnership) Shenzhen Branch. Since October 2023, has served as an Independent Director of the Company.

Zhou Liang, Ph.D. in Mechanical Engineering from KU Leuven. From January 2004 to December 2017, held various R&D and operational roles, eventually serving as Executive President of Hexagon Manufacturing Intelligence Greater China. From January to July 2018, served as Global Vice President of Solutions at Hexagon Manufacturing Intelligence Group. From August 2018 to October 2019, served as Executive Director of Mingzhi Technology. From November 2019 to April 2022, served as Professor at Westlake University and Executive Dean of the Intelligent Research Institute. Since May 2022, has served as Director and Deputy General Manager of Zhejiang RIFA Precision Machinery Co., Ltd. Since October 2023, has served as an Independent Director of the Company.

Wen Jiancheng, Associate degree in International Economics and Trade from Foshan University of Science and Technology. Joined the workforce in July 2001 and previously worked at Foshan Shunde Rural Commercial Bank Co., Ltd. Since July 2013, has served as General Manager of Foshan Honghui Microfinance Co., Ltd. Since August 2020, has served as Chairman of the Board of Supervisors of the Company.

Zhang Chunfeng, Bachelor's degree in Mechanical Design, Manufacturing, and Automation from Zhongyuan University of Technology (formerly Zhengzhou Textile Institute). From March 2005 to October 2022, successively served as Section Chief and Manager of the Company's Board Secretary Office. Since October 2022, has served as Manager of the Science and Technology Management Department of the Central Research Institute. Since July 2017, has served as Supervisor of the Company.

Liang Hongyun, Bachelor's degree in Tourism Management from Guangdong University of Business Studies (now Guangdong University of Finance and Economics). From June 2010 to April 2022, served as Section Chief of the Administration Department. From 2022 to 2024, served as Project Supervisor of the International Business Development Center for Injection Molding Machines. Since 2025, has served as Deputy Manager of the General Office of the International Business Division. Elected as Chairman of the Company's Labor Union in 2016. Since July 2017, has served as Employee Supervisor of the Company.

Yang Yuangui, Master of Business Administration from Guanghua School of Management, Peking University. From November 2011 to May 2015, served as Assistant to the Chief Financial Officer of the Company. From May 2015 to April 2016, served as Manager of the Financial Operations Management Department. From April 2016 to July 2017, served as Senior Finance Manager. Since July 2017, has served as Chief Financial Officer of the Company.

Offices held concurrently in shareholding entities:

Applicable Not applicable

Name	Shareholding entity	Office held in the entity	Start of office term	End of office term	Paid by the entity or not
Richard Yan	Great Alpha Holdings Limited	Director	July 14, 2008		No

Liang Jinghua	Great Alpha Holdings Limited	Director	July 14, 2008		No
Chen Liyao	Great Alpha Holdings Limited	Director	August 19, 2022		No

Offices held concurrently in other entities:

Applicable Not applicable

Name	Other entity	Office held in the entity	Start of office term	End of office term	Paid by the entity or not
Liang Jinghua	Foshan Yiliwei Machinery Technology Co., Ltd.	Manager and Executive Director	July 30, 2010		No
Zhang Tao	Xinyu Yiyuan Investment Management Co., Ltd.	Executive Director	June 30, 2010		No
Yu Zhuokun	Guangdong Shunde Holding Group Co., Ltd.	Independent Director	April 7, 2022		Yes
Yu Zhuokun	Foshan Yishi Technology Co., Ltd.	Manager and Executive Director	August 18, 2023		No
Li Donghai	Xinyu Yilida Investment Management Co., Ltd.	General Manager	July 1, 2010		No
Chen Liyao	Foshan Shunde Yiyu Property Management Co., Ltd.	Supervisor	March 30, 2018		No
Chen Liyao	Foshan Shunde Sanyu Property Management Co., Ltd.	Supervisor	April 9, 2018		No
Chen Liyao	Foshan Shunde Fisherman's Wharf Joyful Gate Hotel Management Co., Ltd.	Director	November 11, 2019		No
Chen Liyao	Foshan Shunde Hongkai Yacht Services Co., Ltd.	Supervisor	August 28, 2014		No
Chen Liyao	ONLI Electrical Appliances Co., Ltd.	Vice Chairman	July 6, 2011		No
Chen Liyao	Guangdong Shunde Fisherman's Wharf Property Management Co., Ltd.	Supervisor	January 4, 2017		No
Chen Liyao	Guangdong Shangfan Investment Co., Ltd.	Manager	April 12, 2016		No
Chen Liyao	Foshan Jingyuyun Property Management Co., Ltd.	Supervisor	November 13, 2014		No
Chen Liyao	Guangdong Fisherman's Wharf Cultural Tourism Development Co., Ltd.	Supervisor	January 30, 2019		No
Chen Liyao	Foshan Shunde Chengyang	Supervisor	September 9, 2015		No

	Investment Co., Ltd.				
Chen Liyao	Foshan Shunde Hongsheng Commercial Management Co., Ltd.	Supervisor	November 7, 2023		No
Chen Liyao	Guangdong Shunde Honghan Commercial Management Co., Ltd.	Supervisor	November 7, 2023		No
Chen Liyao	Foshan Shunde Honghui Real Estate Co., Ltd.	Director	September 10, 2012		No
Chen Liyao	Foshan Hongqian Hotel Apartment Management Services Co., Ltd.	Supervisor	November 7, 2023		No
Chen Liyao	Foshan Shunde Hongsheng Xiaoxu Food Co., Ltd.	Supervisor	December 27, 2023		No
Yang Yuangui	Jiangsu Haichen Logistics Co., Ltd.	Independent Director	November 10, 2022		Yes
Wen Jiancheng	Foshan Honghui Microfinance Co., Ltd.	General Manager	June 18, 2013		Yes
Wen Jiancheng	Foshan Shunde Manheng Consulting Services Co., Ltd.	Executive Director and Manager	July 29, 2014		No
Wen Jiancheng	Guangdong Shunde Huixi Investment Co., Ltd.	Executive Director and Manager	September 20, 2017		No
Wen Jiancheng	Foshan Zhuozhen Enterprise Management Co., Ltd.	Executive Director and Manager	December 16, 2020		No
Wen Jiancheng	Foshan Shunde Zhengchu Enterprise Management Co., Ltd.	Executive Director and Manager	September 17, 2015		No
Wen Jiancheng	Guangdong Dingming Industrial Investment Co., Ltd.	Executive Director (Legal Representative) and Manager/Finance Officer	October 18, 2022		No
Wen Jiancheng	Foshan Runda Shangming Technology Industry Development Center (Limited Partnership)	Managing Partner	November 14, 2022		No
Xiao Deyin	Jiangxi Jianggong Precision Machinery Co., Ltd.	Director	March 21, 2022		No
Xiao Deyin	Foshan Haisheng Financial Leasing Co., Ltd.	Director	June 28, 2016		No
Xiao Deyin	Changzhou Aozhi	Independent	February 8, 2024		Yes

	Polymer Group Co., Ltd.	Director			
Zhou Liang	Zhejiang RIFA Precision Machinery Co., Ltd.	Director and Deputy General Manager	August 12, 2022		Yes

Punishments imposed in the recent three years by the securities regulator on the incumbent directors, supervisors and senior executives as well as those who resigned in the Reporting Period:

Applicable Not applicable

3. Remunerations of Directors, Supervisors and Senior Executives

Decision-making procedure, determination basis and actual payments of remunerations for directors, supervisors and senior executives:

Remuneration for directors, supervisors, and senior executives is paid by the Company and determined based on their performance, competencies, and responsibilities, in accordance with the Rules of Procedure of the Remuneration and Appraisal Committee of the Board of Directors, the Director and Supervisor Remuneration Management System, and the Senior Executive Remuneration Management System. Independent directors receive their allowances based on resolutions of the General Meeting of Shareholders. As of the end of the Reporting Period, the Company had a total of 16 serving directors, supervisors, and senior executives. In 2024, the total remuneration paid to them was RMB12,051,300.

Remunerations of directors, supervisors and senior executives during the Reporting Period:

Unit: RMB'0,000

Name	Gender	Age	Office title	Employment status	Total before-tax remunerations from the Company	Paid by any related party or not
Richard Yan	Male	64	Chairman and CEO	Incumbent	174.78	No
Liang Jinghua	Male	65	Vice Chairman	Incumbent	109.1	No
Chen Liyao	Male	36	Director and Deputy General Manager	Incumbent	71.25	No
Zhang Tao	Male	57	Director and Deputy General Manager	Incumbent	162.84	No
Li Donghai	Male	48	Director	Incumbent	158.28	No
Yu Zhuokun	Male	54	Director and Deputy General Manager	Incumbent	108.36	No
Zhou Jun	Male	49	Director	Incumbent	140.99	No
Xiao Deyin	Male	43	Deputy General Manager and Board Secretary	Incumbent	79.04	No
Yin Xiaochun	Male	50	Independent Director	Incumbent	8	No
Chen Qiyu	Male	52	Independent Director	Incumbent	8	No
Yang Yong	Male	38	Independent Director	Incumbent	8	No
Zhou Liang	Male	50	Independent Director	Incumbent	8	No
Yang Yuanguai	Male	38	Chief Financial Officer	Incumbent	72.23	No
Wen Jiancheng	Male	47	Chairman of the Board of Supervisors	Incumbent	5	No
Zhang Chunfeng	Female	45	Supervisor	Incumbent	51.46	No
Liang Hongyun	Female	39	Employee Supervisor	Incumbent	39.8	No
Total	--	--	--	--	1,205.13	--

Other information:

Applicable Not applicable

VIII Activities of Directors during the Reporting Period

1. Board Meetings Convened during the Reporting Period

Meeting	Date of the meeting	Disclosure date	Resolutions
The Third Meeting of the Fifth Board of Directors	January 12, 2024	January 13, 2024	For details, please refer to the Announcement on the Resolutions of the Third Meeting of the Fifth Board of Directors (Announcement No. 2024-002), which has been disclosed by the Company on http://www.cninfo.com.cn .
The Fourth Meeting of the Fifth Board of Directors	April 17, 2024	April 19, 2024	For details, please refer to the Announcement on the Resolutions of the Fourth Meeting of the Fifth Board of Directors (Announcement No. 2024-017), which has been disclosed by the Company on http://www.cninfo.com.cn .
The Fifth Meeting of the Fifth Board of Directors	July 4, 2024	July 5, 2024	For details, please refer to the Announcement on the Resolutions of the Fifth Meeting of the Fifth Board of Directors (Announcement No. 2024-039), which has been disclosed by the Company on http://www.cninfo.com.cn .
The Sixth Meeting of the Fifth Board of Directors	August 21, 2024	August 23, 2024	For details, please refer to the Announcement on the Resolutions of the Sixth Meeting of the Fifth Board of Directors (Announcement No. 2024-044), which has been disclosed by the Company on http://www.cninfo.com.cn .
The First Extraordinary Meeting of the Board of Directors in 2024	September 6, 2024	September 10, 2024	For details, please refer to the Announcement on the Resolutions of the First Extraordinary Meeting of the Board of Directors in 2024 (Announcement No. 2024-053), which has been disclosed by the Company on http://www.cninfo.com.cn .
The Second Extraordinary Meeting of the Board of Directors in 2024	September 18, 2024	September 19, 2024	For details, please refer to the Announcement on the Resolutions of the Second Extraordinary Meeting of the Board of Directors in 2024 (Announcement No. 2024-055), which has been disclosed by the Company on http://www.cninfo.com.cn .
The Seventh Meeting of the Fifth Board of Directors	October 25, 2024	October 29, 2024	For details, please refer to the Announcement on the Resolutions of the Seventh Meeting of the Fifth Board of Directors (Announcement No. 2024-058), which has been disclosed by the Company on http://www.cninfo.com.cn .

2. Attendance of Directors at Board Meetings and General Meetings of Shareholders

Attendance of directors at board meetings and general meetings of shareholders							
Director	Total number of board meetings the director was supposed to attend	Board meetings attended on site	Board meetings attended by way of telecommunication or circulation	Board meetings attended through a proxy	Board meetings the director failed to attend	The director failed to attend two consecutive board meetings or not	General meetings of shareholders attended
Richard Yan	7	7	0	0	0	No	2
Liang Jinghua	7	7	0	0	0	No	2
Chen Liyao	7	7	0	0	0	No	2
Zhang Tao	7	7	0	0	0	No	2
Yu Zhuokun	7	7	0	0	0	No	2
Li Donghai	7	7	0	0	0	No	2
Zhou Jun	7	7	0	0	0	No	2

Yin Xiaochun	7	1	6	0	0	No	2
Chen Qiyu	7	1	6	0	0	No	2
Yang Yong	7	0	7	0	0	No	2
Zhou Liang	7	1	6	0	0	No	2

Explanation of why any director failed to attend two consecutive board meetings:

3. Objections Raised by Directors on Matters of the Company

Indicate whether any director raised any objections on any matter of the Company.

Yes No

No such cases in the Reporting Period.

4. Other Information about the Activities of Directors

Indicate whether any recommendation from directors was adopted by the Company.

Yes No

Explanation on adoption/rejection of recommendations of directors:

During the Reporting Period, the directors did not raise any objection to the Company's matters.

IX Activities of Special Committees under the Board of Directors during the Reporting Period

Committee	Members	Number of meetings convened	Date of meeting	Contents	Important opinion and suggestions	Other work done	Particulars about objections (if any)
Audit Committee	Liang Jinghua, Li Donghai, Yin Xiaochun, Yang Yong, and Zhou Liang	3	April 17, 2024	1. Proposal on the 2023 Annual Report and its summary; 2. Proposal on the 2023 Annual Financial Statements; 3. Proposal on the 2023 Profit Distribution Plan; 4. Proposal on the 2023 Internal Control Self-assessment Report; 5. Proposal on the renewal of the financial audit institution for 2024; 6. Proposal on applying for comprehensive credit lines from banks and provision of guarantees to subsidiaries; 7. Proposal on providing guarantees to associates; 8. Proposal on estimated continuing related-party transactions for 2024; 9. Proposal on using self-owned funds to engage in foreign exchange financial derivatives; 10. Proposal on using part of idle self-owned funds for cash management; 11. Proposal on revising governance rules, including the Rules of Procedure of the Audit Committee of the Board of Directors; 12. Proposal on the 2024 First Quarterly Report			

Audit Committee	Liang Jinghua, Li Donghai, Yin Xiaochun, Yang Yong, and Zhou Liang		August 21, 2024	1. Proposal on the Company's 2024 Interim Report and its summary; 2. Proposal on the Changes to the Company's Accounting Policies			
Audit Committee	Liang Jinghua, Li Donghai, Yin Xiaochun, Yang Yong, and Zhou Liang		October 25, 2024	1. Proposal on the Company's 2024 Third Quarterly Report and its summary			
Nomination Committee	Richard Yan, Liang Jinghua, Yu Zhuokun, Yin Xiaochun, Chen Qiyu, Yang Yong, and Zhou Liang	1	April 17, 2024	1. Proposal on the amendments to the Rules of Procedure of the Audit Committee of the Board of Directors and other governance-related systems			
Remuneration and Appraisal Committee	Richard Yan, Zhang Tao, Yin Xiaochun, Yang Yong, and Chen Qiyu		January 12, 2024	1. Proposal on the achievement of the conditions for lifting the second lock-up period under the third restricted stock incentive plan			
Remuneration and Appraisal Committee	Richard Yan, Zhang Tao, Yin Xiaochun, Yang Yong, and Chen Qiyu	3	April 17, 2024	1. Proposal on the amendments to the Rules of Procedure of the Audit Committee of the Board of Directors and other governance-related systems			
Remuneration and Appraisal Committee	Richard Yan, Zhang Tao, Yin Xiaochun, Yang		July 4, 2024	1. Proposal on achievement of the conditions for lifting the third lock-up period under the second restricted stock incentive plan			

tee	Yong, and Chen Qiyu						
Strategic Committee	Richard Yan, Chen Liyao, Zhang Tao, Zhou Jun, Yu Zhuokun, Li Donghai, and Yin Xiaochun	3	August 21, 2024	1. Proposal on the Action Plan for “Dual Enhancement of Development Quality and Investor Returns”			
Strategic Committee	Richard Yan, Chen Liyao, Zhang Tao, Zhou Jun, Yu Zhuokun, Li Donghai, and Yin Xiaochun		September 6, 2024	1. Proposal on authorizing the management to participate in land use right bidding			
Strategic Committee	Richard Yan, Chen Liyao, Zhang Tao, Zhou Jun, Yu Zhuokun, Li Donghai, and Yin Xiaochun		September 18, 2024	1. Proposal on signing a State-owned Construction Land Use Rights Transfer Contract with the Natural Resources and Planning Bureau of Nanxun District, Huzhou City, Zhejiang Province. 2. Proposal on the Company's Intention to Sign the Nanxun District Industrial "Standard Land" Investment and Construction Agreement with the Dongqian Street Office, Nanxun District, Huzhou City			

X Activities of the Board of Supervisors

Indicate whether the Board of Supervisors identified any risk to the Company during its supervision in the Reporting Period.

Yes No

The Board of Supervisors raised no objections with respect to matters of the Company.

XI Employees

1. Number, Functions and Educational Backgrounds of Employees

Number of in-service employees of the parent company at the period-end	1,702
Number of in-service employees of major subsidiaries at the period-end	2,860
Total number of in-service employees at the period-end	4,562

Total number of paid employees in the Reporting Period	4,562
Number of retirees to whom the parent company and its major subsidiaries need to pay retirement pensions	60
Employees by function	
Function	Number of employees
Production	1,895
Sales	793
Technical	1,005
Financial	84
Administrative	785
Total	4,562
Employees by educational background	
Educational background	Number of employees
High school and below	1,874
Universities and colleges	1,212
Bachelor's degree	1,319
Master's degree and above	157
Total	4,562

2. Remuneration Policy

The Company follows its Remuneration Management System and Salary Calculation and Disbursement Management Measures, classifying employees as sales or non-sales staff. Compensation is determined based on job category, performance evaluation, and relevant assessment criteria.

3. Training Plans

According to the Training Management System, the Company develops annual training plans and implements them rigorously to enhance employees' skills across various dimensions.

4. Labor Outsourcing

Applicable Not applicable

XII Profit Distribution and Bonus Issue

The formulation, implementation and amendments to the profit distribution policy, especially the cash dividend policy, in the Reporting Period:

Applicable Not applicable

During the Reporting Period, the Company did not change its profit distribution policy. The Company reviewed and implemented the profit distribution plan in strict accordance with the relevant profit distribution policy in the "Articles of Association". The dividend standards and dividend payout ratios are specific and clear, and the relevant decision-making procedures and mechanisms are complete. The profit distribution plan is implemented within the specified time after review and approval, ensuring the interests of all shareholders. The Company's profit distribution plan and bonus issue plan for the Reporting Period are consistent with the relevant provisions of the Company's Articles of Association and dividend management measures.

The 2023 Final Dividend Plan was reviewed and approved at the 2023 Annual General Meeting of Shareholders on May 22, 2024. For 2023, the parent company was to distribute a final cash dividend of RMB4 (tax inclusive) per 10 shares to shareholders based on the total 460,561,917 shares held by them (the total share capital of 468,562,084 shares minus the repurchased 8,000,167 shares as of May 22, 2024), with no bonus issue from either profit or capital reserves. The said equity distribution has been completed on June 5, 2024.

Special statement about the cash dividend policy	
In compliance with the Company's Articles of Association and resolution of general meeting of shareholders	Yes
Specific and clear dividend standard and ratio	Yes
Complete decision-making procedure and mechanism	Yes
Independent directors faithfully performed their duties and played their due role	Yes
If the Company has no dividend plan, it should disclose the specific reasons and the next steps it intends to take to enhance investor returns	N/A
Non-controlling shareholders are able to fully express their opinion and desire and their legal rights and interests are fully protected	Yes
In case of adjusting or altering the cash dividend policy, the conditions and procedures involved are in compliance with applicable regulations and transparent	N/A

Indicate whether the profit distribution plan and bonus issue plan of the Company for the Reporting Period is in compliance with the Company's Articles of Association and other applicable regulations and rules.

Yes No Not applicable

Final dividend plan and bonus issue plan for the Reporting Period:

Bonus issue from profit (share/10 shares)	0
Cash dividend/10 shares (RMB) (tax inclusive)	5
Bonus issue from capital reserves (share/10 shares)	0
Share base (share)	460,561,917
Cash dividends (RMB) (tax inclusive)	230,280,958.50
Cash dividends in other forms (such as share repurchase) (RMB)	0.00
Total cash dividends (including those in other forms) (RMB)	230,280,958.50
Distributable profit (RMB)	704,599,730.57
Total cash dividends (including those in other forms) as % of the total profit to be distributed	100.00%
Applicable cash dividend policy	

Where the Company is at a mature stage of development and has any substantial spending plan, total cash dividends shall account for at least 20% of the total profit to be distributed.

Profit distribution plan or bonus issue plan in detail

As audited by Pan-China Certified Public Accounts LLP, the Company recorded a net profit of RMB300,751,914.67 in 2024. With RMB30,075,191.47 set aside as statutory surplus reserves as per the Company's Articles of Association, the net profit attributable to the listed company's ordinary shareholders is 607,895,384.28. As of now, the total share capital of the Company is 468,562,084 shares, and there are 8,000,167 repurchased shares in the Company's special account. In accordance with the applicable rules, the shares in the Company's special account for repurchased shares are not eligible for profit distribution. Therefore, the number of shares eligible for the profit distribution is 460,561,917. For 2024, the Company intends to distribute a final cash dividend of RMB5 (tax inclusive) per 10 shares to shareholders based on the total 460,561,917 shares held by them, with no bonus issue from either profit or capital reserves.

Indicate whether the Company fails to put forward a cash dividend plan despite the facts that the Company has made profit in the Reporting Period and the profit of the parent company distributable to shareholders is positive.

Applicable Not applicable

XIII Equity Incentive Plans, Employee Stock Ownership Plans or Other Incentive Measures for Employees

Applicable Not applicable

1. Equity Incentives

(1) The Second Restricted Share Incentive Plan

In accordance with the Proposal on the Second Restricted Share Incentive Plan (Draft) and its Summary approved at the 2019 Annual General Meeting of Shareholders held on May 20, 2020, and the Proposal on Granting Restricted Stocks to Awardees of the Second Restricted Stock Incentive Plan passed at the 16th meeting of the third Board of Directors on June 3, 2020, the Company agreed to grant a total of 1,999,410 restricted shares to 50 awardees. Each share has a par value of RMB1 and was granted at a price of RMB3.49 per share. The grant date was June 3, 2020, and the shares were repurchased by the Company on the secondary market using self-owned funds.

The validity period of this incentive plan is from the completion of the registration of the granted restricted shares until all granted restricted shares are either unlocked or repurchased and retired, not exceeding 60 months in total. The plan includes three unlocking periods, respectively at 24 months, 36 months, and 48 months from the grant registration date. For awardees meeting the unlocking conditions, the Company will proceed with unlocking; otherwise, the unqualified restricted shares will be repurchased and retired at the original grant price. Unlocking arrangements are detailed as follows:

Unlocking schedule	Unlocking time	Unlocking proportion
First Unlocking Period	From the first trading day after 24 months from the registration date to the last trading day within 36 months	40%
Second Unlocking Period	From the first trading day after 36 months from the registration date to the last trading day within 48 months	30%
Third Unlocking Period	From the first trading day after 48 months from the registration date to the last trading day within 60 months	30%

According to the draft plan, unlocking is conditional upon the achievement of corporate-level performance assessments, business unit performance evaluations, and individual performance assessments. The assessment years were from 2020 to 2023, with the following performance targets at the Company level:

Unlocking period	Performance target
First Unlocking Period	Taking 2018 as the base year: average growth rate of operating revenue for 2020 and 2021 not less than 26%, and average growth rate of net profit attributable to the parent company not less than 26%
Second Unlocking Period	Taking 2018 as the base year: average growth rate of operating revenue for 2021 and 2022 not less than 40%, and average growth rate of net profit attributable to the parent company not less than 40%
Third Unlocking Period	Taking 2018 as the base year: average growth rate of operating revenue for 2022 and 2023 not less than 52%, and average growth rate of net profit attributable to the parent company not less than 52%

On September 13, 2021, the Company held the fifth meeting of the fourth Board of Directors and the fifth meeting of the fourth Board of Supervisors, during which the proposal on the Repurchase and Retirement of Certain Restricted Shares was reviewed and approved. One awardee voluntarily resigned for personal reasons and, according to the Company's incentive plan,

no longer qualified for the incentive. The Company repurchased and retired 40,000 shares of restricted stock previously granted but not yet unlocked.

On July 1, 2022, the eighth meeting of the fourth Board of Directors and the eighth meeting of the fourth Board of Supervisors reviewed and approved the Proposal on the Achievement of the Conditions for Lifting the First Unlocking Period under the Second Restricted Share Incentive Plan, and the Proposal on the Repurchase and Retirement of Some Restricted Shares. The Board of Directors confirmed that the first restricted period of the second incentive plan had ended, and the unlocking conditions for the first period had been fulfilled. Therefore, the Company agreed to process the unlocking procedures in accordance with relevant regulations. A total of 48 awardees met the unlocking conditions, with 652,564 restricted shares eligible for unlocking, representing 0.1391% of the Company's total share capital. Among these, 12 awardees did not meet the performance assessment criteria at their business unit level and had part of their first unlocking period shares partially unlocked. The remaining 115,200 shares that were not unlocked were repurchased and retired. Additionally, one awardee voluntarily resigned, and according to the Company's incentive plan, no longer qualified for the incentive, resulting in the repurchase and retirement of 40,000 shares of restricted stock previously granted but not yet unlocked. Therefore, the Company repurchased and retired a total of 155,200 shares of restricted stock from these 13 awardees.

On July 4, 2023, the fifteenth meeting of the fourth Board of Directors and the fifteenth meeting of the fourth Board of Supervisors reviewed and approved the Proposal on the Achievement of the Conditions for Lifting the Second Unlocking Period under the Second Restricted Share Incentive Plan. The Board confirmed that the second restricted period had ended and the unlocking conditions for the second period had been met. The Company agreed to proceed with the unlocking procedures in accordance with relevant regulations. A total of 48 awardees met the conditions, and 575,823 restricted shares were unlocked, representing 0.1229% of the Company's total share capital.

On July 4, 2024, the fifth meeting of the fifth Board of Directors and the fifth meeting of the fifth Board of Supervisors reviewed and approved the Proposal on the Achievement of the Conditions for Lifting the Third Unlocking Period under the Second Restricted Share Incentive Plan. The Board confirmed that the third restricted period had ended, and the unlocking conditions for the third period had been met. The Company agreed to process the unlocking procedures in accordance with relevant regulations. A total of 48 awardees met the conditions, and 575,823 restricted shares were unlocked, representing 0.1229% of the Company's total share capital.

(2) The Third Restricted Share Incentive Plan

Pursuant to the Proposal on the Third Restricted Share Incentive Plan (Draft) and its Summary passed at the Second Extraordinary General Meeting of Shareholders on November 17, 2020, and the Proposal on Granting Restricted Stocks to Awardees of the Second Restricted Stock Incentive Plan passed at the second extraordinary Board meeting on November 23, 2020, the Company agreed to grant 3.6 million restricted shares to 120 awardees, each with a par value of RMB1 and a grant price of RMB3.49 per share. The grant date was November 23, 2020, and the shares were issued as A-shares of the Company to the awardees.

The validity period of this incentive plan is from the completion of the registration of the granted restricted shares until all restricted shares granted to the awardees are either unlocked or repurchased and retired, not exceeding 60 months. The restricted shares will be unlocked in three stages within the next 36 months, starting from the 24th month from the grant date. During the unlocking period, the Company will handle the unlocking procedures for those who meet the conditions. For those who do not meet the unlocking conditions, the Company will repurchase and retire their restricted shares.

Unlocking schedule	Unlocking time	Unlocking proportion
First Unlocking Period	From the first trading day after 24 months from the completion of restricted share grant registration to the last trading day within 36 months from the grant date	40%
Second Unlocking Period	From the first trading day after 36 months from the completion of restricted share grant registration to the last trading day within 48 months from the grant date	30%
Third Unlocking Period	From the first trading day after 48 months from the completion of restricted share grant registration to the	30%

	last trading day within 60 months from the grant date
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According to the incentive plan draft, awardees can unlock restricted shares according to the agreed percentage if they meet performance assessment targets at the Company level, business unit level, and individual level. The performance assessment years for this incentive plan are from 2020 to 2023, and the performance targets at the Company level for each year are as follows:

Unlocking schedule	Performance target
First Unlocking Period	Taking 2018 as the base year: average operating revenue growth rate for 2020 and 2021 not less than 26%, and average net profit growth rate for 2020 and 2021 not less than 26%
Second Unlocking Period	Taking 2018 as the base year: average operating revenue growth rate for 2021 and 2022 not less than 40%, and average net profit growth rate for 2021 and 2022 not less than 40%
Third Unlocking Period	Taking 2018 as the base year: average operating revenue growth rate for 2022 and 2023 not less than 52%, and average net profit growth rate for 2022 and 2023 not less than 52%

On September 13, 2021, the Company held the fifth meeting of the fourth Board of Directors and the fifth meeting of the fourth Board of Supervisors, during which the proposal on the Repurchase and Retirement of Certain Restricted Shares was reviewed and approved. Four awardees voluntarily resigned for personal reasons and, according to the Company's incentive plan, no longer qualified for the incentive. The Company repurchased and retired 120,000 shares of restricted stock previously granted but not yet unlocked.

On July 1, 2022, the Company held the eighth meeting of the fourth Board of Directors and the eighth meeting of the fourth Board of Supervisors, during which the proposal on the Repurchase and Retirement of Certain Restricted Shares was reviewed and approved. Two awardees voluntarily resigned for personal reasons and, according to the Company's incentive plan, no longer qualified for the incentive. The Company repurchased and retired 60,000 shares of restricted stock previously granted but not yet unlocked.

On September 15, 2022, the Company held the tenth meeting of the fourth Board of Directors and the tenth meeting of the fourth Board of Supervisors, during which the proposal on the Repurchase and Retirement of Certain Restricted Shares was reviewed and approved. One awardee voluntarily resigned for personal reasons, and according to the Company's incentive plan, no longer qualified for the incentive. The Company repurchased and retired 30,000 restricted shares of restricted stock previously granted but not yet unlocked.

On January 6, 2023, the twelfth meeting of the fourth Board of Directors and the twelfth meeting of the fourth Board of Supervisors reviewed and approved the Proposal on the Achievement of the Conditions for Lifting the First Unlocking Period of the Third Restricted Share Incentive Plan, and Proposal on the Repurchase and Retirement of Some Restricted Shares. The Board confirmed that the first restricted period of the third incentive plan had ended, and the unlocking conditions for the first period had been fulfilled. Therefore, the Company agreed to proceed with the unlocking procedures according to relevant regulations. A total of 113 awardees met the unlocking conditions, and 1,190,400 restricted shares were eligible for unlocking, representing 0.2539% of the Company's total share capital. Among them, 23 awardees did not meet the performance assessment criteria at the business unit level. These 23 awardees had part of their first unlocking period shares partially unlocked, and the remaining 165,600 shares that were not unlocked were repurchased and retired.

On July 4, 2023, the fifteenth meeting of the fourth Board of Directors and the fifteenth meeting of the fourth Board of Supervisors reviewed and approved the proposal on Repurchase and Retirement of Some Restricted Shares. One incentive awardee from the third restricted share incentive plan voluntarily resigned for personal reasons, and according to the Company's incentive plan, no longer qualified for the incentive. The Company repurchased and retired 18,000 restricted shares held by this individual, which had been granted but not yet unlocked.

On January 12, 2024, the third meeting of the fifth Board of Directors and the third meeting of the fifth Board of Supervisors reviewed and approved the Proposal on the Achievement of the Conditions for Lifting the Second Unlocking Period under the Third Restricted Share Incentive Plan, and Proposal on the Repurchase and Retirement of Some Restricted Shares. The Board

confirmed that the second restricted period of the third incentive plan had ended, and the unlocking conditions for the second period had been met. Therefore, the Company agreed to proceed with the unlocking procedures according to relevant regulations. A total of 111 awardees met the conditions, and 999,000 restricted shares were eligible for unlocking, representing 0.2132% of the Company's total share capital. Additionally, one awardee did not meet the individual-level performance assessment criteria, and the 9,000 shares for this awardee could not be unlocked. These shares were repurchased and retired by the Company.

Equity incentives of directors and senior executives:

Applicable Not applicable

Unit: share

Name	Office title	Opening stock options	Stock options granted during the period	Stock options exercisable during the period	Stock options exercised during the period	Exercise price for stock options exercised during the period (RMB /share)	Closing stock options	Closing market price (RMB /share)	Opening restricted shares	Unlocked restricted shares during the period	Restricted shares granted during the period	Grant price of restricted shares (RMB /share)	Closing restricted shares
Chen Liyao	Director and Deputy General Manager	0	0	0	0	0	0	0	18,000	9,000	0	3.49	9,000
Total	--	0	0	0	0	--	0	--	18,000	9,000	0	--	9,000
Remark (if any)	None												

Appraisal mechanism and incentives for senior executives:

Senior executives are appraised based on the incentive targets set in the Third Restricted Share Incentive Plan. All senior executives have met the performance targets and have unlocked their shares under the third incentive plan.

2. Employee Stock Ownership Plans

Applicable Not applicable

3. Other Incentive Measures for Employees

Applicable Not applicable

XIV Internal Control System Construction and Implementation during the Reporting Period

1. Internal Control Construction and Implementation

The Company strictly adheres to the requirements of relevant laws and regulations, such as the Company Law, Securities Law, Shenzhen Stock Exchange ChiNext Listing Rules, and Guidelines No. 2 for Self-Regulation of Listed Companies on the Shenzhen Stock Exchange—Standardized Operations for ChiNext Listed Companies, as well as the Basic Norms for Enterprise Internal Control and its supporting guidelines. Through continuous monitoring and effective evaluation of the operation of internal control, the Company has continuously improved and optimized key business processes, timely improved the internal control system, and further enhanced corporate governance. It has established an operational mechanism that meets the needs of the Company's development.

The Company has strengthened its internal control and standardized operations by continuously revising and improving relevant internal control systems, optimizing the business structure and management processes, improving risk awareness, optimizing internal supervision mechanisms, and enhancing the Company's ability to make scientific decisions and prevent risks.

2. Material Defects in Internal Control Identified during the Reporting Period

Yes No

XV Management and Control of Subsidiaries during the Reporting Period

Name of subsidiary	Integration plan	Integration progress	Problems in integration	Solutions taken	Solution progress	Subsequent solutions
No subsidiaries were acquired during the Reporting Period.	N/A	N/A	N/A	N/A	N/A	N/A

XVI Internal Control Evaluation Report and Internal Control Audit Report

1. Internal Control Evaluation Report

Disclosure date of internal control evaluation report	April 23, 2025	
Disclosure index	(http://www.cninfo.com.cn/)	
Percentage of total assets in the evaluation scope relative to the consolidated financial statements	100.00%	
Percentage of operating revenue in the evaluation scope relative to the consolidated financial statements	100.00%	
Deficiency identification criteria		
Category	Financial reporting	Non-financial reporting
Qualitative standards	A deficiency may indicate the possibility that the Company's internal controls failed to timely	1. Major Deficiency: A serious violation of laws, regulations, rules, and standards that leads to investigations by relevant

	<p>prevent or detect material misstatements in financial reporting. The potential misstatement amount, either individually or combined with other deficiencies, will determine its impact. The following situations could indicate major deficiencies in financial reporting-related internal controls: 1. Fraud by directors, supervisors, and senior management; 2. The Company correcting previously published financial reports; 3. The external auditor identifies material misstatements in the current financial report that internal controls failed to detect; 4. Ineffective supervision of internal control by the Audit Committee and internal audit. If any of the above occurs, it may be considered a major deficiency requiring external disclosure.</p>	<p>departments and regulatory authorities, and results in orders to exit the industry or revoke the business license. The Company fails to achieve all operational goals or key business targets, operations are suspended, and there are severe budget overruns in terms of time, manpower, or costs. Irreparable safety incidents or severe quality issues occur, leading to substantial asset losses and potential large-scale legal litigation. 2. Important Deficiency: A violation of laws, regulations, or rules that leads to investigations by relevant departments and regulatory authorities, resulting in orders for business rectification. The Company fails to achieve some operational goals or key business targets, and is subject to restrictions by regulatory authorities. There are significant budget overruns in terms of time, manpower, or costs, resulting in large safety production accidents or widespread quality issues that cause asset losses and require substantial remedial measures. 3. General Deficiency: A violation of laws, regulations, or rules that leads to investigations by relevant departments and regulatory authorities, resulting in penalties. Operations are impacted to some extent, and there are budget overruns in terms of time, manpower, or costs. Safety production accidents or individual quality issues occur, and remedial measures need to be implemented.</p>
Quantitative standards	<p>Major Deficiency: Misstatement \geq 5% of Gross Profit; Important Deficiency: $3\% \leq$ Misstatement $<$ 5% of Gross Profit; General Deficiency: Misstatement $<$ 3% of Gross Profit</p>	<p>Major Deficiency: Direct loss \geq RMB10 million; Important Deficiency: RMB5 million \leq Direct loss $<$ RMB10 million; General Deficiency: RMB1 million \leq Direct loss $<$ RMB5 million</p>
Number of major deficiencies in financial reporting		0
Number of major deficiencies in non-financial reporting		0
Number of important deficiencies in financial reporting		0
Number of important deficiencies in non-financial reporting		0

2. Internal Control Audit Report

Applicable Not applicable

Audit opinion in the internal control audit report
We believe that, as of December 31, 2024, Yizumi Company has maintained effective internal control over financial reporting in all

material aspects, in compliance with the Basic Norms for Enterprise Internal Control and related regulations.	
Disclosure of internal control audit report	Disclosure
Disclosure date of internal control audit report	April 23, 2025
Audit opinion type	Unmodified unqualified opinion
Existence of major deficiencies in non-financial reporting	No

Indicate whether the accounting firm issued a modified opinion in the internal control audit report.

Yes No

Indicate whether the opinion in the internal control audit report is consistent with the Board's self-evaluation report.

Yes No

XVII Remediation of Problems Identified by Self-Inspection in the Special Action on the Governance of Listed Companies

In December 2020, the CSRC issued the Announcement on the Special Action for the Governance of Listed Companies (CSRC Announcement [2020] No. 69), requiring listed companies to conduct a self-inspection of their governance and complete the "Self-Inspection Checklist for the Special Action on Listed Company Governance" by April 30, 2021. The Company, adhering to the principle of truthfulness, conducted a self-inspection based on the Company Law, Securities Law, and other relevant laws and regulations, as well as its internal rules and regulations. By April 2021, the Company had completed its self-inspection checklist. Through this self-inspection, the Company confirmed that it had established a relatively sound corporate governance system, formed a comprehensive corporate governance structure, and found no significant violations that could affect the standardized governance of the listed company or harm the interests of the Company and its shareholders.

Part V Environmental and Social Responsibility

I Major Environmental Issues

Indicate whether the listed company and its subsidiaries a key pollutant discharge unit published by the environmental protection department.

Yes No

Environmental protection policies and industry standards:

The Company has established a record of environmental protection regulations, policies, and industry standards. Each year, it identifies and acquires applicable new or amended safety and environmental protection laws and regulations. The list of these regulations is updated quarterly, and each law or regulation is evaluated for compliance. A compliance evaluation report is prepared. As of December 31, 2024, no new environmental laws or regulations were identified. Key environmental protection laws, policies, and industry standards are as follows:

No.	Law, regulation, standard, or other requirement	Date of issuance	Date of implementation	Issuing authority	Document number/standard code
1	Environmental Protection Law of the People's Republic of China	April 24, 2014	January 1, 2015	Standing Committee of the National People's Congress	Presidential Order No. 9
2	Water Pollution Prevention and Control Law of the People's Republic of China	June 27, 2017	January 1, 2018	Standing Committee of the National People's Congress	Presidential Order No. 70
3	Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution	October 26, 2018	October 26, 2018	Standing Committee of the National People's Congress	Presidential Order No. 16
4	Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution	April 29, 2020	September 1, 2020	Standing Committee of the National People's Congress	Presidential Order No. 57
5	Management Measures for Hazardous Waste Transfer	November 30, 2021	January 1, 2022	Ministry of Ecology and Environment	Ministry Order No. 23
6	Law of the People's Republic of China on Prevention and Control of Pollution From Environmental Noise	December 24, 2021	June 5, 2022	32nd Session of the Standing Committee of the National People's Congress	Presidential Order No. 104

7	Management Measures for Environmental Information Disclosure of Enterprises	December 11, 2021	February 8, 2022	Ministry of Ecology and Environment	Ministry Order No. 24
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Environmental protection administrative licenses:

1. Yizumi Holdings Co., Ltd. obtained the environmental impact assessment approval, document number: Foshan Environmental 0302 Assessment [2022] No. 85, approval date: July 4, 2022, approval authority: Foshan Ecological and Environmental Bureau. It has passed self-inspection work.
2. Yizumi Holdings Co., Ltd. obtained the pollutant discharge permit on November 11, 2023, valid until November 10, 2028.
3. Yizumi Holdings Co., Ltd. Phase 3 of the Wusha Third Factory 3# Workshop New Project obtained environmental impact assessment approval, document number: Foshan Environmental 03 Assessment [2023] No. 9, approval date: February 20, 2023, approval authority: Foshan Ecological and Environmental Bureau. It has passed self-inspection work.
4. Yizumi Holdings Co., Ltd. Phase 3 of the Wusha Third Factory 3# Workshop New Project pollutant discharge permit was issued on December 1, 2023, valid until November 30, 2028.
5. Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd. obtained environmental impact assessment approval, document number: Foshan Environmental 0301 Assessment [2022] No. 41, approval date: June 23, 2022, approval authority: Foshan Ecological and Environmental Bureau. It has passed self-inspection work.
6. Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd. pollutant discharge permit application was submitted on September 15, 2021, valid until September 14, 2026.
7. Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd. Phase 2 of the Wusha Third Factory obtained environmental impact assessment approval, document number: Foshan Environmental 0301 Assessment [2022] No. 41, approval date: June 23, 2022, approval authority: Foshan Ecological and Environmental Bureau. It has passed self-inspection, registration number: 91440606688680314N002X.

Industry emission standards and pollution emission specifics in production and operational activities:

Company or subsidiary name	Main pollutants and particular pollutants	Name of main pollutants and particular pollutants	Emission method	Number of emission ports	Distribution of emission ports	Emission concentration/intensity	Pollution emission standards	Total emission	Approved total emission	Exceedance of emission standards
Yizumi Holdings Co., Ltd.	Waste Gas: Particulate Matter, SO ₂ , NO _x , VOCs, Other Particular Pollutants (Fluorides, Sulfuric Acid Mist, Ringelmann Black	Waste Gas: Particulate Matter, SO ₂ , NO _x , VOCs, Other Particular Pollutants (Fluorides, Sulfuric Acid Mist, Ringelmann Black	Organized, Unorganized	6	Mainly located on the northeast and northwest sides of the factory building	Particulate Matter (Smoke): 120 mg/m ³ ; Total VOCs: 90 mg/m ³ ; Benzene: 1 mg/m ³ ; Xylene: 70 mg/m ³ ; Toluene + Xylene: 18 mg/m ³ ; Smoke Blackness: 1; SO ₂ : 500 mg/m ³ ; NO _x : 120 mg/m ³ ; Sulfuric Acid Mist:	Industrial Furnace Air Pollution Emission Standards GB9078-1996, Air Pollution Emission Limitation DB44/27-2001, Odor Pollution Emission Standards	Total Exhaust Emission: 3,337,37,280 m ³ /year; VOCs: 0.6268 tons/year; SO ₂ : 0.17721 tons/year; NO _x : 0.17258 tons/year	Total Exhaust Emission: 1,065,600,000 m ³ /year; VOCs: 6.856 tons/year; SO ₂ : 0.12 tons/year; NO _x : 1.122 tons/year	None

	Smoke, Non-Methane Hydrocarbons, Toluene + Xylene, Toluene, Xylene, Benzene, Odor Concentration)	Smoke, Non-Methane Hydrocarbons, Toluene + Xylene, Toluene, Xylene, Benzene, Odor Concentration)				35 mg/m ³ ; Oil Smoke: 2 mg/m ³	GB14544-93, Volatile Organic Compound (VOC) Non-Organized Emission Control Standards GB37822-2019			
Yizumi Holdings Co., Ltd.	Wastewater: COD, Ammonia Nitrogen, Other Particular Pollutants (Total Nitrogen (N), Total Phosphorus (P), pH, Suspended Solids, Anionic Surfactants, Petroleum, Fluoride (F), etc.)	Wastewater: COD, Ammonia Nitrogen, Other Particular Pollutants (Total Nitrogen (N), Total Phosphorus (P), pH, Suspended Solids, Anionic Surfactants, Petroleum, Fluoride (F), etc.)	Intermittent Emission, Flow is Unstable but Has Periodicity	1	Northeast Side of Factory	pH: 6-9; Total Phosphorus: /mg/L; Ammonia Nitrogen: /mg/L; Total Nitrogen: /mg/L; Fluoride: 10 mg/L; Petroleum: 8 mg/L; Anionic Surfactants: 20 mg/L; Chemical Oxygen Demand: 110 mg/L; Suspended Solids: 100 mg/L	Guangdong Province Local Standard for Water Pollutant Emission Limits (DB44/26-2001), Level 2 Standard for the Second Period	Total Wastewater Emission: 7,444 tons/year; COD: 0.118485 tons/year; Ammonia Nitrogen: 0.002155 tons/year	Wastewater Emission: 9,791 tons/year; COD Emission: 0.392 tons/year; NH3-N Emission: 0.049 tons/year	None
Yizumi Holdings Co., Ltd.	Factory Boundary Noise	Factory Boundary Noise	Indirect Or Direct Discharge	/	/	Daytime: 65 dB(A); Nighttime: 55 dB(A)	Industrial Enterprise Plant Boundary Environmental Noise Emission Standards GB 12348—2008	/	/	None
Yizumi Holdings Co., Ltd. Wusha Third Factory Phase 3	Waste Gas: Particulate Matter, Benzene Derivatives, Volatile Organic Compounds, Non-Methane Hydrocarbons, Nitrogen Oxides, Ringelmann Black Smoke, Sulfur Dioxide, Odor Concentration	Waste Gas: Particulate Matter, Benzene Derivatives, Volatile Organic Compounds, Non-Methane Hydrocarbons, Nitrogen Oxides, Ringelmann Black Smoke, Sulfur Dioxide, Odor Concentration	Organized, Unorganized	3	South Side of Factory	Particulate Matter : 120 mg/m ³ ;Benzene Derivatives: 40 mg/m ³ ;Ringelmann Blackness: Level 1;Nitrogen Oxides: 300 mg/m ³ ;Sulfur Dioxide: 200 mg/m ³ ;VOCs 100 mg/m ³ ;Non-Methane Hydrocarbons: 80 mg/m ³ ;	DB44-2367-2022 (Guangdong Province) Comprehensive Emission Standard for Volatile Organic Compounds from Fixed Pollution Sources DB44/2367—2022, Air Pollution Emission Limitation DB44/27-2001, Industrial Furnace Air Pollution	Total Exhaust Emission: 254,195,600 m ³ /year; VOCs: 0.129838tons/year; SO2: 0.022297 tons/year; NOx: 0.027502 tons/year	Total Exhaust Emission: 718,848,000m ³ /year; VOCs: 1.863tons/year; SO2: 0.0502 tons/year; NOx: 0.469tons/year	None

							Emission Standards GB9078-1996, Odor Pollution Emission Standards GB14544-93, Emission Standards for Air Pollutants in Foundry Industry GB39726-2020			
Yizumi Holdings Co., Ltd. Wusha Third Factory Phase 3	Wastewater: COD, Ammonia Nitrogen, Other Particular Pollutants (Total Nitrogen (N), Total Phosphorus (P), pH, Suspended Solids, Anionic Surfactants, Petroleum, Fluoride (F), etc.), Five-day Biochemical Oxygen Demand	Wastewater: COD, Ammonia Nitrogen, Other Characteristic Pollutants (Total Nitrogen (N), Total Phosphorus (P), pH, Suspended Solids, Anionic Surfactants, Petroleum, Fluoride (F), etc.), Five-day Biochemical Oxygen Demand	Intermittent Emission, Flow is Unstable but Has Periodicity	1	South Side of Factory	Suspended Solids: 400mg/L; Ammonia Nitrogen: /mg/L; Total Phosphorus: /mg/L; Anionic Surfactants: 20 mg/L; PH: 6-9; Total Nitrogen: /mg/L; Chemical Oxygen Demand: 500 mg/L; Five-day Biochemical Oxygen Demand: 300 mg/L; Petroleum: 20mg/L	Guangdong Province Local Standard for Water Pollutant Emission Limits (DB44/26-2001), Level 3 Standard for the Second Period	Total Wastewater Emission: 2,027 tons/year; COD: 0.161349tons/year; Ammonia Nitrogen: 0.005766 tons/year	Wastewater Emission: 8,400 tons/year; COD Emission: 0.392 tons/year; NH3-N Emission: 0.049 tons/year	None
Environmental Management Details for Yizumi Holdings Co., Ltd. Wusha Third Factory Phase 3	Factory Boundary Noise	Factory Boundary Noise	Indirect or Direct Discharge	/	/	Daytime: 65 dB(A); Nighttime: 55 dB(A)	Industrial Enterprise Plant Boundary Environmental Noise Emission Standards / GB 12348—2008	/	/	None
Environmental Management Details for Yizumi Holdings Co., Ltd. Wusha Third Factory	Waste Types: Waste Packaging Barrels, Waste Oil-Soaked Rags, Waste Activated Carbon, Waste Emulsified Liquids,	Waste Types: Waste Packaging Barrels, Waste Oil-Soaked Rags, Waste Activated Carbon, Waste Emulsified Liquids,	Handled by Qualified Units	/	Gao Li: Northwest Side of the Factory Building, Phase III of Factory	/	/	January - December 2024: 266.65 tons	/	None

Phase 3	Wastewater Treatment Sludge, Waste Hydraulic Oil, Spray Coating Wastewater, Paint Sludge	Wastewater Treatment Sludge, Waste Hydraulic Oil, Spray Coating Wastewater, Paint Sludge			Three: South Side of the Factory Building					
Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd.	Pollutants: Total VOCs (Volatile Organic Compounds), SO2 (Sulfur Dioxide), NOx (Nitrogen Oxides), Particulate Matter, Hydrogen Chloride, Sulfuric mist, Kitchen Oil Smoke	Pollutants: Total VOCs (Volatile Organic Compounds), SO2 (Sulfur Dioxide), NOx (Nitrogen Oxides), Particulate Matter, Hydrogen Chloride, Sulfuric Mist, Kitchen Oil Smoke	Organized, Unorganized	12	South and Northwest Sides of the Factory Building	Total VOCs: 50 mg/m ³ ; Particulate Matter: 120 mg/m ³ ; Sulfur Dioxide: 50 mg/m ³ ; Nitrogen Oxides: 150 mg/m ³ ; Sulfuric Acid Mist: 35 mg/m ³ ; Hydrogen Chloride: 100 mg/m ³ ; Oil Smoke: 2 mg/m ³	Air Pollutant Emission Limits: DB44/27—2001, Surface Coating (Automobile Manufacturing Industry) Volatile Organic Compound Emission Standards, DB44/816-2010, Boiler Air Pollutant Emission Standards, DB44/765-2019, Boiler Air Pollutant Emission Standards	Total Exhaust Emissions: 2,125,180,000 standard cubic meters/half-year; VOCs: 0.5824 tons/year; Sulfur Dioxide: 0.09484 tons/year; Nitrogen Oxides: 1.08813 tons/year; Particulate Matter: 0.238676 tons/year	Total Exhaust Emissions: 4,095,360,000 standard cubic meters/year; VOCs: 7.988 tons/year; Sulfur Dioxide: 0.14 tons/year; Nitrogen Oxides: 1.31 tons/year; Particulate Matter: 0.26 tons/year	None
Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd.	Pollutants COD (Chemical Oxygen Demand), Ammonia Nitrogen, Other Specific Pollutants such as pH Value, BOD5 (Biochemical Oxygen Demand), Suspended Solids, Phosphates, Anionic Surfactants, Oil, Fluoride (as F-), Total Zinc, Total Chromium,	Pollutants: Total VOCs (Volatile Organic Compounds), SO2 (Sulfur Dioxide), NOx (Nitrogen Oxides), Particulate Matter, Hydrogen Chloride, Sulfuric Mist, Kitchen Oil Smoke Pollutants COD (Chemical Oxygen Demand), Ammonia Nitrogen, Other Specific	Intermittent Emissions, with Flow Instability And Irregularity During the Emission Period, but not Classified as Shock-type Emissions.	1	Organized, Unorganized	Chemical Oxygen Demand: 500 mg/L; Hexavalent Chromium: /mg/L; Total Lead: /mg/L; Total Mercury: /mg/L; Phosphate: /mg/L; Five-Day Biochemical Oxygen Demand: 300 mg/L; pH Value: 6-9; Total Chromium: /mg/L; Total Copper: /mg/L; Anionic Surfactants: 20 mg/L; Total Zinc: 5.0 mg/L; Total Nickel: /mg/L; Ammoniacal Nitrogen: /mg/L; Petroleum: 20 mg/L	Water Pollutant Emission Limits for Guangdong Province: DB44/26-2001	Wastewater Discharge: 7,236 tons/year; Chemical Oxygen Demand: 0.5161 tons/year; Ammoniacal Nitrogen: 0.005163 tons/year	Wastewater Discharge: 13,000 tons/year; Chemical Oxygen Demand: 0.52 tons/year; Ammoniacal Nitrogen: 0.065 tons/year	None

	Hexavalent Chromium, Total Nickel, Total Copper, Total Lead, Total Cadmium, Total Mercury	Pollutants such as pH Value, BOD5 (Biochemical Oxygen Demand), Suspended Solids, Phosphates, Anionic Surfactants, Oil, Fluoride (as F-), Total Zinc, Total Chromium, Hexavalent Chromium, Total Nickel, Total Copper, Total Lead, Total Cadmium, Total Mercury								
Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd.	Factory Boundary Noise	Factory Boundary Noise	Factory Boundary Noise: Indirect or Direct Discharge	/	/	Daytime: 65 dB(A); Nighttime: 55 dB(A)	Implementation of the "Industrial Enterprise Plant Boundary Environmental Noise Emission Standards" (GB 12348-2008) Class 3 Emission Limits	/	/	None
Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd.	Waste Organic Solvents, Waste Machine Oil, Waste Hydraulic Oil, Dye and Paint Wastewater, Paint Residue, Paint Sludge, Surface Treatment Waste, Waste Acids and Alkalis, Waste Packaging Barrels, Waste Rags, Waste	Waste Organic Solvents, Waste Machine Oil, Waste Hydraulic Oil, Dye and Paint Wastewater, Paint Residue, Paint Sludge, Surface Treatment Waste, Waste Acids and Alkalis, Waste Packaging Barrels, Waste Rags, Waste	Handled by Qualified Units	/	/	/	/	January - December 2024: 443.847 tons	/	None

Lead-Acid Batteries, Waste Emulsified Liquids, Grinding Sludge, Waste Resins, Waste Lubricating Grease, Waste Activated Carbon	Lead-acid Batteries, Waste Emulsified Liquids, Grinding Sludge, Waste Resins, Waste Lubricating Grease, Waste Activated Carbon									
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Treatment of pollutants:

Yizumi Holdings Co., Ltd. and Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd. are key pollutant discharge units recognized by the Foshan Environmental Protection Department. The Company has always attached great importance to environmental protection, actively promoting resource recycling, strengthening comprehensive environmental management, eliminating backward production capacity, and introducing high-tech technologies. Through these measures, we have advanced technological and management innovations, enabling us to achieve sustainable development with green growth, clean production, energy conservation, and emission reduction while expanding and growing. During the Reporting Period, Yizumi Holdings Co., Ltd. and Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd. did not receive any environmental penalties, nor did they experience any major environmental pollution accidents.

The main pollutants of the Company during the Reporting Period were wastewater, waste gas, noise, and solid pollutants. Among them, noise was mainly caused by the operation of air compressors and production equipment; waste gas was primarily generated from natural gas combustion and workshop exhaust; wastewater mainly consisted of industrial wastewater from pretreatment processes, domestic sewage, and rainwater; solid pollutants primarily included waste packaging drums, waste activated carbon, waste engine oil, waste paint sludge, waste cloths, and wastewater treatment sludge.

The Company has developed relevant environmental management systems, environmental factor identification, emergency environmental contingency plans, and other internal regulations in accordance with laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Emission Standard for Industrial Enterprises Noise At Boundary, and Management Regulation on Hazardous Wastes Manifests, and handles the "three wastes" (wastewater, waste gas, and solid waste) as required.

The main waste gas is treated through environmental, and is discharged through a 15-meter exhaust stack. Process improvement technologies are gradually controlling VOC emissions at the source from raw materials and auxiliary materials. The industrial wastewater and other waste liquids generated are treated by the Company's wastewater treatment station and discharged after meeting standards. The treatment process includes coagulation and sedimentation + biological treatment + filtration. The treated wastewater is then discharged into the sewage treatment plant after meeting the pollution discharge standards of Guangdong Province's Water Pollutant Emission Limits. Noise is mainly addressed by adding mufflers to noisy equipment to ensure it meets acceptable levels, and corresponding protective gear is provided to on-site workers. Solid pollutants are managed by storing them in designated warehouses, keeping records, and transferring them to qualified solid waste treatment companies for disposal according to the plan.

Environmental self-monitoring plan:

During the Reporting Period, the Company and its subsidiaries conducted environmental monitoring in accordance with standard requirements. Yizumi Holdings Co., Ltd. and Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd. entrusted a qualified third-party organization (Guangdong Testing Institute of Product Quality Supervision) to conduct monthly, quarterly, semi-annual, and annual testing of the Company's wastewater, waste gas, and noise according to the pollution discharge permit. All testing results were submitted and uploaded to the National Pollution Source Monitoring Data Management and Sharing System as required.

Emergency plan for environmental incidents:

During the Reporting Period, the Company and its subsidiaries registered general environmental risks according to the emergency plan filing system: General environmental risks [General - Atmosphere (Q0) + General - Water (Q0)]. Yizumi Holdings Co., Ltd.'s emergency plan filing number is 440606-2023-0103-L, and the filing authority is the Foshan Ecological Environment Bureau, Shunde District. Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd.'s original emergency plan filing number is 440600-2020-022(S)-L, and the filing authority is the Foshan Ecological Environment Bureau, Shunde District.

Investment in environmental management and payment of environmental protection tax:

From January to December 2024, the taxable factors for environmental protection tax for Yizumi Holdings Co., Ltd. mainly included fluoride, petroleum, suspended solids, total chromium, chemical oxygen demand, smoke dust, particulate matter, hydrogen chloride, nitrogen oxides, and sulfur dioxide. The Company paid a total of RMB10,058.12 for environmental protection tax. For Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd., the taxable factors mainly included fluoride, petroleum, ammoniacal nitrogen, suspended solids, total nickel, total lead, total chromium, total cadmium, total mercury, smoke dust, general dust, hydrogen chloride, sulfuric acid mist, nitrogen oxides, and sulfur dioxide, with a total environmental protection tax of RMB63,200.

Construction and operation of pollution prevention and control facilities:

Environmental Facilities at Gaoli Plant of Yizumi Holdings Co., Ltd.: 1. Self-built facilities include one grinding room, one sandblasting room, one powder coating room, two spray painting rooms, and two drying rooms. Organic waste gas is treated mainly using a process that combines air scrubbers, water spraying, activated carbon adsorption/desorption, and catalytic combustion; 2. Self-built hazardous waste management includes a dedicated temporary storage room with anti-seepage measures; 3. Self-built wastewater treatment facilities. There are six waste gas discharge outlets, and there is one wastewater treatment facility discharge outlet. Environmental facilities at Yizumi's Wusha Plant, Factory 3, Workshop 3#: The equipment includes one large-item spray painting line, one small-item spray painting line, three spray painting drying rooms, one grinding room, one flaw detection room, and one self-built wastewater treatment facility. The main treatment process is dry filtration + activated carbon adsorption/desorption + catalytic combustion. There are three waste gas discharge outlets, and there is one wastewater treatment facility discharge outlet. Environmental facilities at Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd.: The facilities include one large machine spray painting line, one small machine spray painting line, one grinding room, and two cleaning rooms. Organic waste gas treatment includes air scrubbers, water spraying, dry filters, activated carbon adsorption, and micro-bubble technology. There are 11 waste gas discharge outlets, and there is one wastewater treatment facility discharge outlet.

Each plant is equipped with relevant operation management personnel, including operators and maintenance staff, with clearly defined job responsibilities to ensure the professional and standardized management of the facilities. Operational staff receives relevant professional training every month, familiarizing themselves with the facility's operation principles, operating procedures, and emergency handling measures. The Company also has a sound management system, including operating procedures, maintenance systems, monitoring systems, emergency

management systems, and facility operation logs. Routine maintenance of facilities is carried out by the maintenance department, which conducts regular inspections of equipment, quickly identifies and handles equipment malfunctions, and ensures stable operation. Equipment is cleaned, lubricated, and maintained to extend its lifespan. The equipment management department also performs daily maintenance checks to ensure wastewater and waste gas discharges comply with national laws and regulations. The Company conducts self-inspection of wastewater monthly and commissions qualified third-party organizations to monitor wastewater and waste gas emissions quarterly. Additionally, the environmental facilities at the Gaoli Plant and Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd. are installed with online wastewater and waste gas monitoring equipment, connected to the environmental protection department's monitoring platform, allowing for real-time remote supervision of the environmental treatment equipment.

Measures and effects for reducing carbon emissions during the Reporting Period:

Applicable Not applicable

Environmental penalties during the Reporting Period:

Company or subsidiary name	Penalty reason	Violation details	Penalty result	Impact on production and operations	Corrective measures
None	None	None	None	None	None

Other environmental information to be disclosed:

None

Other environmental protection-related information:

None

II Social Responsibility

For more details, please refer to the Company's concurrently disclosed Social Responsibility Report 2024.

III Consolidating and Expanding the Achievements in Poverty Alleviation and Rural Revitalization

(1) Consolidating and Expanding the Achievements in Poverty Alleviation

In accordance with the decisions and deployments of the Central Committee of the Communist Party of China and the State Council, after the completion of the poverty alleviation targets and tasks, a 5-year transition period has been established. By 2025, we aim to consolidate and expand the achievements in education poverty alleviation. Yizumi is committed to fulfilling its social responsibilities. In January 2024, before the upcoming Chinese New Year, outstanding party members from the Yizumi Party Committee organized a Spring Festival visit to the Gaoli

and Wusha communities. The purpose was to bring warmth and care to underprivileged individuals in the community. The team visited families in need, delivering Chinese New Year red envelopes and gifts, while offering sincere greetings and blessings.

(2) Supporting Rural Revitalization

On March 8, 2024, the Ronggui Township held the 2024 Entrepreneurs' Conference to honor enterprises and individuals who made outstanding contributions to the economic and social development of Ronggui in the past year. Yizumi Holdings Co., Ltd. was awarded the "Ronggui Subdistrict 2023 Model Unit for Supporting the 'Hundreds of Counties, Thousands of Towns, and Ten Thousand Villages' Project". In 2023, Ronggui mobilized the entire society to implement the provincial government's "High-Quality Development Project for Hundreds of Counties, Thousands of Towns, and Ten Thousand Villages". Many enterprises and individuals, with a strong sense of social responsibility, actively contributed to the "Hundreds of Counties, Thousands of Towns, and Ten Thousand Villages" project. Yizumi was also honored with the title of "Model Unit for Supporting the 'Hundreds of Counties, Thousands of Towns, and Ten Thousand Villages' Project in Ronggui Subdistrict in 2023".

Part VI Significant Events

I Fulfillment of Commitments

1. Commitments Fulfilled by the Company, its Actual Controllers, Shareholders, Related Parties, Acquirers, and Other Relevant Commitment Makers during the Reporting Period and those Not Fulfilled by the End of the Reporting Period

Applicable Not applicable

Commitment reason	Commitment party	Type of commitment	Commitment content	Commitment date	Commitment period	Fulfillment status
Commitment made during IPO or refinancing	Great Alpha Holdings Limited	Share Reduction Commitment	Great Alpha Holdings Limited (hereinafter "the Company"), as the controlling shareholder of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), commits to the following regarding the public offering and listing on GEM of YIZUMI: I. The Company shall reduce its shares in compliance with relevant laws, regulations, and stock exchange rules. If the shares held by the Company prior to the IPO of YIZUMI are reduced within two years after the lock-up period expires, such shares will be reduced through legal means, and an announcement will be made through YIZUMI three trading days before the reduction. The total reduction within two years will not exceed 10% of the shares held by the Company, and the reduction price will not be lower than the IPO price of YIZUMI (the lower limit of the reduction price and the number of shares will be adjusted accordingly in case of ex-entitlement and ex-dividend matters, such as dividend distribution, bonus issues, capital reserves to share capital, and right issues). II. If there are false records, misleading statements, or major omissions in YIZUMI's prospectus, which have a significant and substantial impact on judging whether YIZUMI meets the issuance conditions stipulated by law, the Company will repurchase the shares offered by the Company at the IPO at the prevailing secondary market price. Within 20 trading days after the above-mentioned repurchase situation occurs, the Company will make a repurchase plan and request YIZUMI to make an announcement, and will urge YIZUMI to repurchase all the new shares of its IPO according to law. III. If the prospectus of YIZUMI has false records, misleading statements, or major omissions causing investor losses in securities trading, the Company will compensate investors for the losses according to law.	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or	Richard Yan, Liang Jinghua, Chen	Shareholding Reduction Commitment	Richard Yan, Liang Jinghua, and Chen Liyao (hereinafter collectively referred to as "we"), as the joint actual controllers of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), make the following commitments regarding the public offering	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of

refinancing	Liyao		and listing on GEM of YIZUMI: I. During our tenure as directors, supervisors, or senior management of YIZUMI, we will not reduce more than 25% of our shares in YIZUMI annually after the lock-up period ends. Within half a year after resignation, we will not transfer our shares in YIZUMI. II. If the shares held by us prior to the IPO of YIZUMI are reduced within two years after the lock-up period expires, such shares will be reduced through legal means, and an announcement will be made through YIZUMI three trading days before the reduction. The total reduction within two years after the lock-up period expires will not exceed 10% of the shares held by us, and the reduction price will not be lower than the IPO price (the lower limit of the reduction price and the number of shares will be adjusted accordingly in case of ex-entitlement and ex-dividend matters, such as dividend distribution, bonus issues, capital reserves to share capital, and right issues). The above commitments will not change or become invalid due to our job change or resignation. III. During our tenure as directors, supervisors, or senior management of YIZUMI, we will strictly comply with relevant laws and regulations on stockholding and share changes for directors, supervisors, and senior management, perform our obligations as directors, supervisors or senior management in a standardized and honest manner, and truthfully and timely declare the shares we hold and their changes. IV. If the prospectus of YIZUMI has false records, misleading statements, or major omissions causing investor losses in securities trading, we will compensate investors for the losses according to law.			commitment
Commitment made during IPO or refinancing	Guangdong Yizumi Precision Machinery Co., Ltd.	Other Commitments	In accordance with the Opinions of the CSRC on Further Promoting the Reform of the New Stock Issuance System and relevant requirements, Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI") makes the following commitments regarding its public offering and listing on GEM. If there are false records, misleading statements, or major omissions in YIZUMI's prospectus, which have a significant and substantial impact on judging whether YIZUMI meets the issuance conditions stipulated by law, YIZUMI will repurchase all the new shares offered by it at the IPO according to the principle of which is higher, the issue price or the secondary market price. Within ten trading days after the above-mentioned repurchase situation occurs, the Board of Directors of YIZUMI shall make and announce the repurchase plan and submit it to the shareholders' meeting of YIZUMI for review. Within 30 days after the approval by the shareholders' meeting, YIZUMI will initiate the repurchase procedure according to the repurchase plan. If the prospectus of YIZUMI has false records, misleading statements, or major omissions causing investor losses in securities trading, YIZUMI will compensate investors for the losses according to law.	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or refinancing	Guangdong Yizumi Precision Machinery Co., Ltd.	Other Commitments	In accordance with the Opinions of the CSRC on Further Promoting the Reform of the New Stock Issuance System, YIZUMI makes a series of open commitments regarding its IPO and listing on GEM. If the relevant commitments are not fulfilled, YIZUMI will take the following restraint measures: 1. YIZUMI will publicly explain the reasons for non-fulfillment at the shareholders' meeting and in the newspapers and periodicals designated	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			by the CSRC and apologize to its shareholders and public investors. 2. If YIZUMI fails to compensate the investors as committed, the insufficient part will be fully compensated by the controlling shareholder according to its commitment. If the controlling shareholder fails to compensate the investors according to its commitment, YIZUMI will urge it to fulfill its compensation obligations within 30 days after the commitment is overdue, and shall take necessary legal actions (including but not limited to raising a lawsuit) and disclose the progress in time. 3. YIZUMI will disclose the commitment fulfillment by YIZUMI and its controlling shareholder, directors, and senior management in its regular reports, as well as remediation and corrections when any commitments are not fulfilled.			
Commitment made during IPO or refinancing	Great Alpha Holdings Limited	Other Commitments	In accordance with the Opinions of the CSRC on Further Promoting the Reform of the New Stock Issuance System, Great Alpha Holdings Limited (hereinafter referred to as "the Company"), as the controlling shareholder of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI") makes the following public commitments regarding the IPO and listing on GEM of YIZUMI. If the relevant commitments are not fulfilled, the Company will take the following restraint measures: 1. The Company will publicly explain the reasons for non-fulfillment at the shareholders' meeting of YIZUMI and in the newspapers and periodicals designated by the CSRC and apologize to the other shareholders of YIZUMI and the public investors. 2 Any income gained by the Company due to failure to fulfill the commitments will belong to YIZUMI, and the Company will remit the income to the Board of Directors of YIZUMI. 3. If the Company fails to repurchase the transferred shares in the IPO according to its commitment or compensate investors for losses according to law, YIZUMI shall have the right to reduce the dividends payable to the Company and directly pay the investors, as compensation for investors by the Company. 4. If YIZUMI fails to repurchase all the new shares of the IPO as committed, the Company will repurchase all the insufficient parts, and the Company will start the repurchase process within 30 days at the request of YIZUMI. If YIZUMI fails to compensate the investors as committed, the Company will compensate the insufficient parts within 30 days at the request of YIZUMI.	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or refinancing	Richard Yan, Liang Jinghua, Chen Liyao	Other Commitments	In accordance with the Opinions of the CSRC on Further Promoting the Reform of the New Stock Issuance System, Richard Yan, Liang Jinghua, and Chen Liyao (hereinafter referred to as "we"), as the joint actual controllers of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI") make the following public commitments regarding the IPO and listing on GEM of YIZUMI. If the relevant commitments are not fulfilled, we will take the following restraint measures: 1. If we fail to fulfill the commitments related to shareholding lock-up, holding intentions, and reduction intentions, any income gained will belong to YIZUMI, and we will remit the income to the Board of Directors of YIZUMI. 2. If the prospectus of YIZUMI has false records, misleading statements, or major omissions causing investor losses in securities trading, and we fail to compensate the investors as committed according to law, YIZUMI	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			may deduct the salaries payable to us and pay them directly to the investors. Meanwhile, YIZUMI shall have the right to deduct the dividends payable to its controlling shareholder Great Alpha Holdings Limited and pay them directly to the investors, as compensation for investors by us.			
Commitment made during IPO or refinancing	Huang Hanxiong, Liu Guiliang, Tang Aiping, Zhang Ruijun	Other Commitments	In accordance with the Opinions of the CSRC on Further Promoting the Reform of the New Stock Issuance System, as directors, supervisors, and senior management of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), we make public commitments regarding the IPO and listing on GEM of YIZUMI. If the relevant commitments are not fulfilled by the corresponding directors, supervisors, and senior management, we agree to take the following restraint measures: All directors, supervisors, and senior management make commitments that if the prospectus of YIZUMI has false records, misleading statements, or major omissions causing investor losses in securities trading, and we fail to compensate the investors as committed according to law, YIZUMI may deduct the salaries payable to us and pay them directly to the investors, as compensation for investors by us.	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or refinancing	Gao Chao, Liao Changqing, Lu Min, Shen Fengli, Yu Zhuangzhi, Zhang Tao	Other Commitments	In accordance with the Opinions of the CSRC on Further Promoting the Reform of the New Stock Issuance System, as directors, supervisors, and senior management of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), we make public commitments regarding the IPO and listing on GEM of YIZUMI. If the relevant commitments are not fulfilled by the corresponding directors, supervisors, and senior management, we agree to take the following restraint measures: 1. Directors, supervisors, and senior management who indirectly hold shares in YIZUMI, including Gao Chao, Liao Changqing, Lu Min, Shen Fengli, Yu Zhuangzhi, and Zhang Tao, make commitments that if they fail to fulfill commitments regarding shareholding lock-up, holding intentions, and reduction intentions, any income gained will belong to YIZUMI, and we will remit the income to the Board of Directors of YIZUMI. 2. All directors, supervisors, and senior management make commitments that if the prospectus of YIZUMI has false records, misleading statements, or major omissions causing investor losses in securities trading, and we fail to compensate the investors as committed according to law, YIZUMI may deduct the salaries payable to us and pay them directly to the investors, as compensation for investors by us.	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or refinancing	Tang Aiping	Other Commitments	I (Tang Aiping), as a senior management member of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI"), makes the following commitments regarding the public offering and listing on GEM of YIZUMI: I. During the tenure as a director, supervisor, or senior management member, I will strictly adhere to the relevant laws and regulations regarding shareholding and share changes for directors, supervisors, and senior management, perform my obligations as a director, supervisor, or senior management member in a standardized and honest manner, and truthfully and timely declare the shares I hold and their changes. II. If the prospectus of YIZUMI has	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			false records, misleading statements, or major omissions causing investor losses in securities trading, I will compensate the investors according to law.			
Commitment made during IPO or refinancing	Huang Hanxiong, Liu Guiliang, Zhang Ruijun	Other Commitments	As independent directors of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), we make the following commitment regarding the public offering and listing on GEM of YIZUMI: If the prospectus of YIZUMI has false records, misleading statements, or major omissions causing investor losses in securities trading, we will compensate the investors according to the law.	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or refinancing	Gao Chao, Liao Changqing, Zhang Tao	Other Commitments	As directors and senior management who indirectly hold shares in Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), we make the following commitments regarding the public offering and listing on GEM of YIZUMI: I. During the tenure as directors, supervisors, or senior management, we will not transfer more than 25% of our shares per year after the lock-up period expires. Within half a year after resignation, we will not transfer our shares in YIZUMI. II. If the shares held by us prior to the IPO of YIZUMI are reduced within two years after the lock-up period expires, such shares will be reduced through legal means, and the reduction price will not be lower than the IPO price of YIZUMI (the lower limit of the reduction price and the number of shares will be adjusted accordingly in case of ex-entitlement and ex-dividend matters, such as dividend distribution, bonus issues, capital reserves to share capital, and right issues). The above commitments will not change or become invalid due to our job change or resignation. III. During our tenure as directors, supervisors, or senior management of YIZUMI, we will strictly comply with relevant laws and regulations on stockholding and share changes for directors, supervisors, and senior management, perform our obligations as directors, supervisors or senior management in a standardized and honest manner, and truthfully and timely declare the shares we hold and their changes. IV. If the prospectus of YIZUMI has false records, misleading statements, or major omissions causing investor losses in securities trading, we will compensate investors for the losses according to law.	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or refinancing	Xinyu Yichuan Investment Management Co., Ltd.; Xinyu Yili Big Investment Management Co., Ltd.; Xinyu Yiyuan Investment Management	Other Commitments	Xinyu Yili Big Investment Management Co., Ltd. (former Foshan Lidu Venture Capital Co., Ltd., hereinafter "Yili Big Company"), Xinyu Yiyuan Investment Management Co., Ltd. (former Foshan Shunde Yiyuan Technological Development Co., Ltd., hereinafter "Yiyuan Company"), and Xinyu Yichuan Investment Management Co., Ltd. (former Foshan Shunde Yichuan Mechanical Product Design Co., Ltd., hereinafter "Yichuan Company"), as shareholders holding more than 5% of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), make the following commitments regarding the public offering and listing on GEM of YIZUMI: If the shares held by these companies prior to the IPO of YIZUMI are reduced within two years after the lock-up period expires, such shares will be reduced through legal means, and an announcement will be made through YIZUMI three trading days before the reduction. The total reduction within two years will not exceed 10% of the shares held by these companies, and the reduction price will not be lower than the IPO price of YIZUMI (the lower limit	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment

	Co., Ltd.		of the reduction price and the number of shares will be adjusted accordingly in case of ex-entitlement and ex-dividend matters, such as dividend distribution, bonus issues, capital reserves to share capital, and right issues).			
Commitment made during IPO or refinancing	Modern Creation Ltd.	Commitment on Horizontal Competition, Related Party Transactions, and Fund Occupation	<p>Modern Creation Ltd. (the "Company") is a shareholder of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), currently holding 1.17 million shares in YIZUMI, and representing 1.30% of its total share capital. YIZUMI plans to apply for an IPO and listing on GEM in China. Based on the requirements of YIZUMI, the Company makes the following statements, commitments, and guarantees regarding the IPO and listing of YIZUMI: I. The shares currently held by the Company in YIZUMI are true, legal, and valid, with no ownership disputes. There are no existing or potential pledges, freezes, auctions, sales, debt offset restrictions, or other conditions that limit the Company's exercise of shareholder rights. II. The 1.17 million shares held by the Company in YIZUMI are truly and legally owned by the Company. The Company is not trusted by others with holding or managing shares through entrustment, trust or other means, nor has the Company entrusted other shareholders of YIZUMI with holding or managing its shares in YIZUMI. III. The Company's shareholder, Wu Yingji, is the wife of Mr. Peng Baiqiang, who is the cousin of Peng Huiping (the wife of Chen Jingcai, a joint actual controller of YIZUMI) and Peng Huiyan (the wife of Mr. Liang Jinghua). Additionally, Wu Yingji is the daughter-in-law of Mr. Peng Yangbiao (a shareholder of another corporate shareholder of YIZUMI, Foshan Lidu Venture Capital Co., Ltd.) and the sister-in-law of Mr. Peng Deqiang. Except these relationships, neither the Company nor its shareholders have any connected relations, or any authorized holding relationships with the other shareholders or ultimate equity holders of other corporate shareholders of YIZUMI. Furthermore, the Company and its shareholders do not have any connected relations, or any authorized holding relationships with the directors, supervisors, senior management, core personnel of YIZUMI, or any intermediaries and their signatories involved in the IPO. IV. The Company and its shareholders do not have any connected relations, or any authorized holding relationships with YIZUMI's major customers, distributors, suppliers, outsourced manufacturers, subcontractors, entrusted processors and their shareholders, directors, supervisors, or senior management. V. Since its establishment, the Company has not been subject to any administrative or criminal penalties, criminal investigations, or any other legal or regulatory issues related to violations of national or Hong Kong laws, regulations, or administrative rules, nor does it face any current or potential administrative penalties, litigation, or arbitration. VI. Within 12 months after YIZUMI's stock is listed, the Company will not transfer or entrust others to manage the shares held in YIZUMI, nor will YIZUMI repurchase these shares. The Company will also handle the lock-up procedures in accordance with the law for the shares held. VII. At all times when holding shares in YIZUMI, the Company will not form any concerted action relationship with other shareholders of YIZUMI through</p>	February 22, 2012	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			written agreements, shareholding custody, or shareholder rights authorizations. VIII. The Company is fully responsible for the truthfulness, accuracy, and completeness of the statements, commitments, and guarantees made in this letter, and guarantees that there is no concealment, omission, or misrepresentation. The Company will bear the legal consequences for any legal violation of this letter. Once signed and issued, this letter shall be irrevocable.			
Commitment made during IPO or refinancing	Richard Yan, Liang Jinghua, Chen Liyao	Commitment on Horizontal Competition, Related Party Transactions, and Fund Occupation	Richard Yan, Liang Jinghua, and Chen Liyao are direct or indirect shareholders of Great Alpha Holdings Limited (hereinafter referred to as "Great Alpha"), directly or indirectly holding 27.78%, 44.44%, and 27.78% of its shares, respectively. Great Alpha holds 45% of the shares of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI") and is the controlling shareholder of YIZUMI. Richard Yan, Liang Jinghua, and Chen Liyao have signed the Agreement on Establishing Relationship between Parties Acting in Concert, making them the parties acting in concert of YIZUMI and the joint actual controllers of YIZUMI. As the joint actual controllers of YIZUMI, we (Richard Yan, Liang Jinghua, and Chen Liyao) jointly issue the following statements, commitments and guarantees to avoid engaging in competitive business with YIZUMI and its wholly-owned, controlling, associated, and partially-owned subsidiaries (hereinafter collectively referred to as "YIZUMI"): I. In addition to investing in Foshan Lixi Machinery Technology Co., Ltd., investing in Great Faith Development Limited through Foshan Lixi Machinery Technology Co., Ltd., investing in Great Alpha through Great Faith Development Limited, and indirectly investing in YIZUMI and its subsidiaries through Great Alpha, Chen Jingcai also holds 25% of Foshan Shunde Weili Electrical Appliances Co., Ltd. ("Weili Electrical Appliances"), and his wife, Peng Huiping, holds 25% of Weili Electrical Appliances. Weili Electrical Appliances holds 60.99% of ONLI Electrical Appliances Co., Ltd., thus Chen Jingcai and his wife indirectly hold 30.495% of ONLI Electrical Appliances. Except this, Chen Jingcai has no other external long-term equity investments in the Chinese mainland, Hong Kong, or other countries or regions. Except indirectly holding shares in YIZUMI and its subsidiaries through Great Alpha, Richard Yan has no other external long-term equity investments in the Chinese mainland, Hong Kong, or other countries or regions. In addition to investing in Foshan Yiliwei Machinery Technology Co., Ltd., investing in Gold Vision Investments Limited through Foshan Yiliwei Machinery Technology Co., Ltd., investing in Great Alpha through Gold Vision Investments Limited, and indirectly investing in YIZUMI and its subsidiaries through Great Alpha, Liang Jinghua also holds 25% of Weili Electrical Appliances, and his wife, Peng Huiyan, holds 25% of Weili Electrical Appliances. Weili Electrical Appliances holds 60.99% of ONLI Electrical Appliances, so Liang Jinghua and his wife indirectly hold 30.495% of ONLI Electrical Appliances. Except this, Liang Jinghua has no other external long-term equity investments in the Chinese mainland, Hong Kong, or other countries or regions. II.	February 22, 2012	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			Regarding the current and future business activities of YIZUMI, we will not seek to engage, through Great Alpha or any other investments, joint ventures, co-operations, associates, entrusted operations, contracting, leasing, or any other methods, in any business that competes with the business of YIZUMI. The other enterprises controlled by us will not directly or indirectly engage in any activities that compete with or potentially compete with YIZUMI's products or business. III. If we or the other enterprises controlled by us will, in the future, acquire, merge, or otherwise increase any assets or businesses that could compete or potentially compete with YIZUMI's products or businesses, YIZUMI will have the right of first refusal to purchase these assets or businesses. If we or the other enterprises controlled by us intend to sell or transfer any assets, rights, or businesses related to YIZUMI's products or businesses, YIZUMI will have the right of first refusal to purchase these assets or businesses. IV. This letter shall become effective immediately upon signing and shall be legally binding on us. During the period when we serve as the joint actual controllers and concerted actors of YIZUMI, we will strictly comply with and fulfill the commitments and guarantees in this letter. If any breach occurs, we commit to take all necessary and effective measures to correct and eliminate the adverse impact caused to YIZUMI and will bear liability for direct and indirect losses caused to YIZUMI. V. After the IPO and listing of YIZUMI are approved, we agree and voluntarily accept continuous supervision by the national securities regulators and the stock exchange where the shares are listed, regarding the fulfillment of the commitments and guarantees in this letter.			
Commitment made during IPO or refinancing	Richard Yan, Liang Jinghua, Chen Liyao	Commitment on Horizontal Competition, Related Party Transactions, and Fund Occupation	Richard Yan, Liang Jinghua, and Chen Liyao, as direct or indirect shareholders of Great Alpha Holdings Limited (hereinafter referred to as "Great Alpha"), directly or indirectly hold 27.78%, 44.44%, and 27.78% shares in Great Alpha, respectively. Great Alpha holds 45% of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI") and is the controlling shareholder of YIZUMI. Richard Yan, Liang Jinghua, and Chen Liyao have signed the Agreement on Establishing Relationship between Parties Acting in Concert, making them the parties acting in concert of YIZUMI and the joint actual controllers of YIZUMI. As the joint actual controllers of YIZUMI, we make the following statement, commitments, and guarantees to reduce and avoid related party transactions with YIZUMI and its wholly-owned, controlling, joint venture, cooperative, associated, and partially-owned subsidiaries (hereinafter collectively referred to as "YIZUMI"): I. We will minimize and avoid any related party transactions with YIZUMI. Transactions that YIZUMI can carry out with independent third parties in the market will be conducted directly with those third parties. We will not use funds by borrowing from YIZUMI, occupying YIZUMI, or encroaching on YIZUMI's funds by using it to make advances or compensate debts on behalf of others. II. All transactions that are truly necessary between us and YIZUMI or its subsidiaries will strictly comply with market principles and be based on equality, mutual benefit, and compensation of equal value. III.	February 22, 2012	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			<p>All related party transactions between us and YIZUMI will be clearly defined by written contracts or agreements, in strict compliance with relevant laws, regulations, the articles of association of YIZUMI, and related party transaction management systems. We will perform all approval procedures and information disclosure obligations and will avoid voting according to law during the review of related party transactions by YIZUMI's Board meetings or shareholders' meetings. IV. We will not harm the legal interests of YIZUMI or its other shareholders through related party transactions. If such harm occurs, we will bear all losses caused to YIZUMI. V. This letter of statements, commitments, and guarantees shall be effective immediately upon issuance and will remain valid until we are no longer the actual controllers or related parties of YIZUMI. We agree to accept the continuous supervision by YIZUMI and China's securities regulators.</p>			
Commitment made during IPO or refinancing	Foshan Lidu Venture Capital Co., Ltd.	Commitment on Horizontal Competition, Related Party Transactions, and Fund Occupation	<p>Foshan Lidu Venture Capital Co., Ltd. (hereinafter referred to as "the Company") is a shareholder of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI"), currently holding 19.98 million shares in YIZUMI, and representing 22.20% of its total share capital. YIZUMI plans to apply for an IPO and listing on GEM in China. In accordance with the requirements of YIZUMI, the Company makes the following statements, commitments, and guarantees regarding the public offering and listing of YIZUMI: I. The shares held by the Company are true, legal, and valid, with no ownership disputes, pledges, freezes, auctions, sales, debt settlements, or any other restrictions that prevent the Company from exercising its shareholder rights. II. The 19.98 million shares held by the Company are genuinely and legally owned by the Company. The Company is not trusted by others with holding or managing shares through entrustment, trust or other means, nor has the Company entrusted other shareholders of YIZUMI with holding or managing its shares in YIZUMI. III. Mr. Liao Changqing, the largest shareholder of the Company, holds 45.95% of the Company's shares, and indirectly holds 9.18 million shares in YIZUMI through the Company. He is currently a director of YIZUMI. The Company's shareholder, Mr. Peng Yangbiao, is the uncle of Mr. Chen Jingcai and Mr. Liang Jinghua's wives and the father of Mr. Peng Baiqiang, whose wife, Wu Yingji, is a shareholder of another corporate shareholder of YIZUMI, Modern Creation Ltd. The Company's shareholder, Mr. Peng Deqiang, is the cousin of Mr. Chen Jingcai's wife, Ms. Peng Huiping, and Mr. Liang Jinghua's wife, Ms. Peng Huiyan, and the younger brother of Mr. Peng Baiqiang, whose wife, Wu Yingji, a shareholder of Modern Creation Ltd. Except these relationships, neither the Company nor its shareholders have any connected relations, or any authorized holding relationships with the other shareholders or ultimate equity holders of other corporate shareholders of YIZUMI. Furthermore, the Company and its shareholders do not have any connected relations, or any authorized holding relationships with the directors, supervisors, senior management, core personnel of YIZUMI, or any intermediaries and their signatories involved in the IPO. IV. The Company and its shareholders do not have any connected</p>	February 22, 2012	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			relations, or any authorized holding relationships with the major customers, distributors, suppliers, outsourced manufacturers, subcontractors, and entrusted processors of YIZUMI or their shareholders, directors, supervisors, or senior management. V. Since its establishment, the Company has not been subject to any administrative or criminal penalties, criminal investigations, or any other legal or regulatory issues, and there are no pending or potential administrative penalties, litigation, or arbitration matters. VI. Within 12 months of YIZUMI's listing, the Company will not transfer or entrust others to manage the shares held in YIZUMI, nor will YIZUMI repurchase these shares. The Company will handle the lock-up procedures in accordance with the law. VII. At all times when holding shares in YIZUMI, the Company will not form any concerted action relationship with other shareholders of YIZUMI through written agreements, share custody, or shareholder rights authorizations. VIII. The Company is fully responsible for the truthfulness, accuracy, and completeness of the statements, commitments, and guarantees in this letter, and guarantees that there is no concealment, omission, or misrepresentation. The Company will bear the legal consequences for any violation of this letter. Once signed and issued, this letter is irrevocable.			
Commitment made during IPO or refinancing	Xinyu Yichuan Investment Management Co., Ltd.	Commitment on Horizontal Competition, Related Party Transactions, and Fund Occupation	Foshan Shunde Yichuan Mechanical Product Design Co., Ltd. (hereinafter referred to as "the Company") is a shareholder of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI"), holding 13.95 million shares in YIZUMI, which represent 15.50% of its total share capital. YIZUMI plans to apply for an IPO and listing on GEM in China. In accordance with the requirements of YIZUMI, the Company makes the following statements, commitments, and guarantees regarding the IPO and listing of YIZUMI: I. The shares held by the Company are true, legal, and valid, with no ownership disputes, pledges, freezes, auctions, sales, debt settlements, or any other restrictions that prevent the Company from exercising its shareholder rights. II. The 13.95 million shares held by the Company are genuinely and legally owned by the Company. The Company is not trusted by others with holding or managing shares through entrustment, trust or other means, nor has the Company entrusted other shareholders of YIZUMI with holding or managing its shares in YIZUMI. III. The Company and its shareholders do not have any connected relations, or any authorized holding relationships with the other shareholders or ultimate equity holders of other corporate shareholders of YIZUMI. Except that the Company's shareholder, Mr. Li Yejun, serves as the chairman of YIZUMI's Board of Supervisors, and Mr. Gao Chao serves as a director of YIZUMI, the Company and its shareholders do not have any connected relations, or any authorized holding relationships with the directors, supervisors, senior management, or core personnel of YIZUMI or any intermediaries and their signatories involved in the IPO. IV. The Company and its shareholders have no connected relations, or authorized holding relationships with the major customers, distributors, suppliers, outsourced manufacturers, subcontractors, and entrusted processors of YIZUMI or their shareholders, directors, supervisors, or senior	January 23, 2015	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			<p>management. V. Since its establishment, the Company has not been subject to any administrative or criminal penalties, criminal investigations, or any other legal or regulatory issues, and there are no pending or potential administrative penalties, litigation, or arbitration matters. VI. Within 12 months of YIZUMI's listing, the Company will not transfer or entrust others to manage the shares held in YIZUMI, nor will YIZUMI repurchase these shares. The Company will handle the lock-up procedures in accordance with the law. VII. At all times when holding shares in YIZUMI, the Company will not form any concerted action relationship with other shareholders of YIZUMI through written agreements, shareholding custody, or shareholder rights authorizations. VIII. The Company is fully responsible for the truthfulness, accuracy, and completeness of the statements, commitments, and guarantees in this letter, and guarantees that there is no concealment, omission, or misrepresentation. The Company will bear the legal consequences for any violation of this letter. Once signed and issued, this letter is irrevocable.</p>			
Commitment made during IPO or refinancing	Foshan Shunde Yiyuan Technological Development Co., Ltd.	Commitment on Horizontal Competition, Related Party Transactions, and Fund Occupation	<p>Foshan Shunde Yiyuan Technological Development Co., Ltd. (hereinafter referred to as "the Company") is a shareholder of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI"), holding 14.4 million shares in YIZUMI, and representing 16% of its total share capital. YIZUMI plans to apply for an IPO and listing on GEM in China. In accordance with the requirements of YIZUMI, the Company makes the following statements, commitments, and guarantees regarding the IPO and listing of YIZUMI: I. The shares held by the Company are true, legal, and valid, with no ownership disputes, pledges, freezes, auctions, sales, debt settlements, or any other restrictions that prevent the Company from exercising its shareholder rights. II. The 14.4 million shares held by the Company are genuinely and legally owned by the Company. The Company is not trusted by others with holding or managing shares through entrustment, trust or other means, nor has the Company entrusted other shareholders of YIZUMI with holding or managing its shares in YIZUMI. III. The Company and its shareholders have no connected relations, or authorized holding relationships with the other shareholders or ultimate equity holders of other corporate shareholders of YIZUMI. Except that the Company's largest shareholder, Mr. Zhang Tao, serves as a director, deputy general manager, and Board secretary of YIZUMI, the Company's shareholder, Mr. Shen Fengli, serves as a supervisor of YIZUMI, and Mr. Lu Min serves as an employee supervisor of YIZUMI, the Company and its shareholders do not have any connected relations, or any authorized holding relationships with the directors, supervisors, senior management, or core personnel of YIZUMI or the intermediaries and their signatories involved in the IPO. IV. The Company and its shareholders or ultimate equity holders have no connected relations, or authorized holding relationships with the major customers, distributors, suppliers, outsourced manufacturers, subcontractors, and entrusted processors of YIZUMI or their shareholders, directors, supervisors, or senior management. V. Since its</p>	February 22, 2012	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			establishment, the Company has not been subject to any administrative or criminal penalties, criminal investigations, or any other legal or regulatory issues, and there are no pending or potential administrative penalties, litigation, or arbitration matters. VI. Within 12 months of YIZUMI's listing, the Company will not transfer or entrust others to manage the shares held in YIZUMI, nor will YIZUMI repurchase these shares. The Company will handle the lock-up procedures in accordance with the law. VII. At all times when holding shares in YIZUMI, the Company will not form any concerted action relationship with other shareholders of YIZUMI through written agreements, shareholding custody, or shareholder rights authorizations. VIII. The Company is fully responsible for the truthfulness, accuracy, and completeness of the statements, commitments, and guarantees in this letter, and guarantees that there is no concealment, omission, or misrepresentation. The Company will bear the legal consequences for any violation of this letter. Once signed and issued, this letter is irrevocable.			
Commitment made during IPO or refinancing	Great Alpha Holdings Limited	Commitment on Horizontal Competition, Related Party Transactions, and Fund Occupation	Great Alpha Holdings Limited (hereinafter referred to as "the Company") currently holds 40.5 million shares in Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI"), representing 45% of YIZUMI's total 90 million shares. The Company is the controlling shareholder of YIZUMI. The Company makes the following statements, commitments, and guarantees to reduce and avoid related party transactions with YIZUMI and its wholly-owned, controlling, joint venture, cooperative, associated, and partially-owned subsidiaries (hereinafter collectively referred to as "YIZUMI"): I. The Company will minimize and avoid related party transactions with YIZUMI. Transactions that can be carried out with independent third parties in the market will be conducted directly by YIZUMI with independent third parties. The Company will not use funds by borrowing from YIZUMI, occupying YIZUMI, or encroaching on YIZUMI's funds by using it to make advances or compensate debts on behalf of others. II. For any necessary transactions between the Company and YIZUMI, the Company will strictly adhere to market principles and carry out transactions based on equality, mutual benefit, and compensation of equal value. III. Any related party transactions between the Company and YIZUMI will be clearly defined in written contracts or agreements and strictly comply with relevant laws, regulations, the articles of association of YIZUMI, and related party transaction management systems. All required approval procedures and information disclosure obligations will be fulfilled. IV. The Company will not harm the legal interests of YIZUMI or its other shareholders through related party transactions. If such harm occurs, the Company voluntarily undertakes to compensate YIZUMI for any losses caused. V. This letter of statements, commitments, and guarantees shall become effective immediately upon issuance and will remain valid until the Company is no longer the controlling shareholder of YIZUMI. The Company agrees to accept continuous supervision from YIZUMI and the securities regulatory authorities in China.	February 22, 2012	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment	Great Alpha	Commitment	Great Alpha Holdings Limited (hereinafter referred to as "the Company") currently holds	February 22,	Until	Strictly

made during IPO or refinancing	Holdings Limited	on Horizontal Competition, Related Party Transactions, and Fund Occupation	40.5 million shares of Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter referred to as "YIZUMI"), representing 45% of YIZUMI's total 90 million shares. The Company is the controlling shareholder of YIZUMI. The Company makes the following statements, commitments, and guarantees to avoid engaging in competitive business with YIZUMI: I. The Company's business scope as per its business registration is trade. It does not engage in any production or operating activities and has not carried out any business operations. Except YIZUMI and its wholly-owned, controlling, joint venture, cooperative, associated, and partially-owned subsidiaries (hereinafter collectively referred to as "YIZUMI"), the Company has no other subsidiaries or associated, cooperative, joint venture, partially-owned, custody, contracting or leasing operation enterprises. Currently, the Company's business does not constitute horizontal competition with YIZUMI. II. For the current and future business of YIZUMI, the Company will not engage in any business that competes with YIZUMI's business, whether through investments, joint ventures, collaborations, associates, entrusted operation, contracting and leasing operation or other means. III. If the Company or any other enterprises it controls except YIZUMI intends to acquire, merge, or otherwise increase assets or businesses that could compete or potentially compete with YIZUMI's products or business, YIZUMI will have the right of first refusal to purchase such assets or businesses. If the Company or the other enterprises controlled by the Company except YIZUMI intends to sell or transfer any assets, rights, or businesses related to YIZUMI's products or businesses, YIZUMI will have the right of first refusal to purchase these assets or businesses. IV. This letter shall be effective immediately upon signing and is legally binding on the Company. The Company agrees to strictly comply with and fulfill commitments and guarantees in this letter at any time from the effective date of this letter to the time as the controlling shareholder of YIZUMI. If any breach occurs, the Company will take all necessary and effective measures to correct and eliminate any negative impacts caused to YIZUMI and will bear compensation liability for any direct and indirect losses caused to YIZUMI. V. After the approval of YIZUMI's IPO and listing, the Company agrees to accept continuous supervision by the national securities regulators and the stock exchange where the shares are listed regarding the fulfillment of commitments and guarantees in this letter.	2012	December 31, 9999	fulfilled, no breach of commitment
Commitment made during IPO or refinancing	YIZUMI	No Financial Assistance or Compensation to Investors	In 2020, YIZUMI intends to issue shares to specific investors. Regarding the issuance, the Company makes the following commitment on not providing financial assistance or compensation directly or through stakeholders to investors subscribing to the shares: "YIZUMI does not provide financial assistance or compensation directly or through stakeholders to investors subscribing to the shares."	April 28, 2020	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or	YIZUMI	No Investment in Financial-like	In 2020, YIZUMI plans to issue shares to specific investors to supplement its working capital. YIZUMI makes the following commitment regarding the use of funds raised: "YIZUMI commits not to make any further investments in financial-like business	August 18, 2020	Until September 2, 2024	Fully fulfilled, strictly

refinancing		Assets	(including capital increases, loans, and various forms of capital investment) before the raised funds are fully used or within 36 months of receiving the funds."			adhered to commitment, no breach
Commitment made during IPO or refinancing	Richard Yan, Liang Jinghua, Peng Huiping	Lock-up Commitment	Richard Yan, Liang Jinghua, and Peng Huiping, as the issuing targets in this issue of shares to specific targets and listing on GEM, make the following commitment: The shares subscribed by us shall not be transferred within 36 months from the end of the issuance. Any shares derived from the shares acquired in this non-public offering due to YIZUMI's bonus issues or capital reserves to share capital shall also comply with this lock-up arrangement. Upon expiration of the lock-up period, it shall be implemented according to the relevant regulations of the CSRC and the Shenzhen Stock Exchange.	April 28, 2020	Until September 2, 2024	Fully fulfilled, strictly adhered to commitment, no breach
Commitment made during IPO or refinancing	Great Alpha Holdings Limited	Commitment on Remedial Measures for Dilution of Immediate Returns	Great Alpha, the controlling shareholder of YIZUMI, makes the following commitment regarding remedial measures for the dilution of immediate returns on the shares issued to specific targets and listed on GEM by YIZUMI this time: 1. The Company will not interfere with YIZUMI's operation and management or infringe on its interests. 2. From the date of issuance of this commitment until the completion of YIZUMI's issuing shares to specific targets and listing on GEM this time, if any new regulatory regulations are issued by the CSRC, the Shenzhen Stock Exchange, or other regulators regarding immediate return remedial measures and commitments, and the original commitments do not meet these regulations, the Company will issue supplemental commitments as per the latest regulations. 3. As one of the responsible entities for immediate return remedial measures, the Company will strictly implement all related immediate return remedial measures made by YIZUMI and any commitment made by the Company on such measures. If any violation occurs and causes losses to YIZUMI or investors, the Company will accept relevant administrative penalties or regulatory measures and compensate YIZUMI or investors according to law.	April 28, 2020	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or refinancing	Richard Yan, Liang Jinghua, Chen Liyao	Commitment on Remedial Measures for Dilution of Immediate Returns	The joint actual controllers of YIZUMI make the following commitment regarding remedial measures for the dilution of immediate returns on the shares issued to specific targets and listed on GEM by YIZUMI this time: 1. We will not interfere with YIZUMI's operation and management or infringe on its interests. 2. From the date of issuance of this commitment until the completion of YIZUMI's issuing shares to specific targets and listing on GEM this time, if any new regulatory regulations are issued by the CSRC, the Shenzhen Stock Exchange, or other regulators regarding intermediate return remedial measures and commitments, and the original commitments do not meet these regulations, we will issue supplemental commitments as per the latest regulations. 3. As one of the responsible entities for intermediate return remedial measures, we will strictly implement all related intermediate return remedial measures made by YIZUMI and any commitment made by us on such measures. If any violation occurs and causes losses to YIZUMI or investors, we will accept relevant administrative penalties or regulatory measures and compensate YIZUMI or investors according to law.	April 28, 2020	Until December 31, 9999	Strictly fulfilled, no breach of commitment

Commitment made during IPO or refinancing	Richard Yan, Liang Jinghua, Chen Liyao, Gao Chao, Liao Changqing, Zhang Tao, Yu Zhuokun, He Hezhi, Liang Zhifeng, Liu Yihua, Yang Ge, Xiao Deyin, Yang Yuanguai	Commitment on Remedial Measures for Dilution of Immediate Returns	The directors and senior management of YIZUMI make the following commitment regarding remedial measures for the dilution of immediate returns on the shares issued to specific targets and listed on GEM by YIZUMI this time: 1. We will not transfer benefits to other units or individuals for free or under unfair terms, nor harm the interests of YIZUMI by other means. 2. We will restrict our position-related consumption behaviors. 3. We will not use YIZUMI's assets for investments or consumption activities unrelated to our duty performance. 4. We will support linking the remuneration system formulated by the Board of Directors or the Remuneration and Assessment Committee of the Board of Directors to the execution of YIZUMI's immediate return remedial measures. 5. If YIZUMI develops an equity incentive plan in the future, we will support the link between the exercise conditions of YIZUMI's equity incentive and the execution of YIZUMI's immediate return remedial measures. 6. From the date of issuance of this commitment until the completion of YIZUMI's issuing shares to specific targets and listing on GEM this time, if any new regulatory regulations are issued by the CSRC, the Shenzhen Stock Exchange, or other regulators regarding the immediate return remedial measures and commitments, and the original commitments do not meet these new regulations, we will issue supplemental commitments as per the latest regulations. 7. We undertake to fulfill this commitment. If any violation occurs and causes losses to YIZUMI or investors, we will accept relevant administrative penalties or regulatory measures and compensate YIZUMI or investors according to law.	April 28, 2020	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Commitment made during IPO or refinancing	Richard Yan, Liang Jinghua, Peng Huiping	Commitment on Subscription Funds Source	Richard Yan, Liang Jinghua, and Peng Huiping, as the issuing targets in this issue of shares to specific targets and listing on GEM, make the following commitments: I. We possess full civil rights and capacity to act and meet the qualifications for subscribing to the shares of the issuer as per Chinese laws, administrative regulations, department rules, and normative documents. II. We do not have any of the following circumstances: 1. Using the subscription of the issuer's shares to harm YIZUMI or its shareholders' legal rights and interests; 2. Having significant debts that have not been paid and are in a continuing state; 3. Having major illegal behavior or suspected major illegal behavior in the past three years; 4. Having serious credit violations in the securities market in the past three years; 5. Breaking the restrictions as per Article 146 of the Company Law on being a director, supervisor, or senior management member of the issuer; 6. Other circumstances in which it is prohibited to subscribe for shares of listed companies as stipulated by laws and administrative regulations and determined by the CSRC. III. We have not been subject to administrative penalties (except those unrelated to the securities market), criminal penalties, or major civil lawsuits related to economic disputes in the past five years. IV. This issue will not cause new or potential competition between YIZUMI and us or related parties regarding the main business. After this issue is completed, there will also be no new related party transactions between the Company and us or related parties due to this issue. V. In the 24 months prior to the disclosure of	April 28, 2020	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			<p>YIZUMI's issue plan, except for transactions disclosed in regular reports or interim announcements, there have been no other major transactions between us or enterprises controlled by us and YIZUMI. VI. The subscription is based on our analysis and judgment of the stock market, with confidence in YIZUMI's development prospects and investment value. This subscription is our true intention. VII. All subscribed shares will be directly held by us, without authorized holding, trust, or similar arrangements. VIII. The funds used for this subscription are all from our legal funds or self-raised funds, without external fundraising, authorized holding, structured arrangements, or direct or indirect use of YIZUMI's or its related parties' funds for this subscription. YIZUMI will not provide financial assistance, compensation, promised returns, or other agreed arrangements to us directly or through related parties. IX. We will provide the issuer with all relevant information for this subscription in a timely manner and ensure that the information is true, accurate, and complete. X. We guarantee that, from the end of this subscription, we will not transfer the subscribed shares within the transfer restriction period as stipulated by laws, administrative regulations, and the CSRC.</p>			
Equity incentive commitment	YIZUMI	Equity Incentive Commitment	<p>YIZUMI and the incentive participants commit that if YIZUMI's information disclosure documents contain false records, misleading statements, or significant omissions, resulting in non-compliance with the arrangements for granting or exercising rights and interests, the incentive participants will return all benefits obtained from the equity incentive plan to YIZUMI after the relevant disclosure documents are confirmed to contain false records, misleading statements, or significant omissions. YIZUMI commits that shareholders or actual controllers who individually or collectively hold more than 5% of the listed company's shares, or their spouses, parents, and children, will not participate in this plan. YIZUMI also commits not to provide loans or any other form of financial assistance, including guarantees for loans, for the incentive participants to obtain restricted stocks under this incentive plan.</p>	June 15, 2019	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Stock incentive commitment	YIZUMI	Stock Incentive Commitment	<p>YIZUMI and the incentive participants commit that if YIZUMI's information disclosure documents contain false records, misleading statements, or significant omissions, resulting in non-compliance with the arrangements for granting or exercising rights and interests, the incentive participants will return all benefits obtained from the stock incentive plan to YIZUMI after the relevant disclosure documents are confirmed to contain false records, misleading statements, or significant omissions. YIZUMI commits that shareholders or actual controllers who individually or collectively hold more than 5% of the listed company's shares, or their spouses, parents, and children, will not participate in this plan. YIZUMI also commits not to provide loans or any other form of financial assistance, including guarantees for loans, for the incentive participants to obtain restricted stocks under this incentive plan.</p>	April 28, 2020	Until December 31, 9999	Strictly fulfilled, no breach of commitment
Stock incentive	YIZUMI	Stock Incentive	<p>YIZUMI and the incentive participants commit that if YIZUMI's information disclosure documents contain false records, misleading statements, or significant omissions,</p>	October 28, 2020	Until December 31,	Strictly fulfilled, no

commitment		Commitment	resulting in non-compliance with the arrangements for granting or exercising rights and interests, the incentive participants will return all benefits obtained from the stock incentive plan to YIZUMI after the relevant disclosure documents are confirmed to contain false records, misleading statements, or significant omissions. YIZUMI commits not to provide loans or any other form of financial assistance, including guarantees for loans, for the incentive participants to obtain restricted stocks under this incentive plan.		9999	breach of commitment
Other commitments	Richard Yan, Liang Jinghua, Chen Liyao	Shareholder Concerted Action Commitment	<p>Given that: 1. Great Alpha Holdings Limited ("Great Alpha") holds 141,166,439 shares in Guangdong Yizumi Precision Machinery Co., Ltd. (hereinafter "YIZUMI"), representing 30.09% of YIZUMI's total share capital, making it the controlling shareholder of YIZUMI. Great Alpha's shareholding structure is as follows: Richard Yan holds 44.44%, Gold Vision Investments Limited ("Gold Vision") holds 27.78%, and Great Faith Development Limited ("Great Faith") holds 27.78%. Gold Vision is 100% owned by Liang Jinghua and Foshan Yiliwei Machinery Technology Co., Ltd. invested by Liang Jinghua, while Great Faith is wholly owned by Foshan Lixi Machinery Technology Co., Ltd. invested by Chen Liyao. Richard Yan indirectly holds 13.37% of YIZUMI's shares, Liang Jinghua indirectly holds 8.36%, and Chen Liyao also indirectly holds 8.36%, for a total of 30.09%. 2. Party A directly holds 7,859,917 shares of YIZUMI (1.68% of YIZUMI's total share capital); Party B directly holds 9,510,396 shares of YIZUMI (2.03% of YIZUMI's total share capital); and Party C directly holds 37,200 shares of YIZUMI (0.01% of YIZUMI's total share capital). 3. In order to ensure efficient and stable decision-making and operations for YIZUMI, all parties agree to exercise their rights as directors and shareholders of YIZUMI in a concerted manner. Accordingly, this agreement is made under the condition of consensus, and all parties will comply with the following. Article 1. During their tenure as directors of YIZUMI, the parties agree to vote unanimously (in favor, against, or abstaining) on all Board proposals, and maintain unanimous opinions, unanimous votes and unanimous actions. If the parties do not reach a consensus on any proposal to be submitted by any party to the Board of YIZUMI for review, the proposal will not be submitted to the Board. If a proposal is made by others and the parties cannot agree, all parties will vote against it when voting on the proposal at the Board meeting of YIZUMI. Article 2. During their tenure as shareholders of Great Alpha, 1) When exercising Great Alpha's rights as the shareholder of YIZUMI, all parties, as shareholders of Great Alpha (direct or indirect shareholders), agree to vote unanimously (in favor, against, or abstaining) on all proposals during Great Alpha's Board or shareholders' meetings, and maintain unanimous opinions, unanimous votes and unanimous actions. If the parties (including shareholders of Great Alpha) do not reach a consensus on any proposal to be submitted by any party (including shareholders of Great Alpha) to Great Alpha's Board or shareholders' meeting for review, the proposal will not be submitted to Great Alpha's Board or shareholders' meeting for review. If a proposal is made by other shareholders and the parties (including shareholders of Great Alpha)</p>	September 22, 2022	Until December 31, 9999	Strictly fulfilled, no breach of commitment

			cannot reach an agreement at Great Alpha's Board or shareholders' meeting, all parties (including shareholders of Great Alpha) will vote against it when voting on the proposal at Great Alpha's Board or shareholders' meeting. 2) The parties agree that the representative of Great Alpha exercising shareholder rights over YIZUMI is Mr. Richard Yan, the executive director of Great Alpha, or his authorized representative, and Mr. Richard Yan shall exercise shareholder rights over YIZUMI on behalf of Great Alpha according to the consensus reached by the parties. Article 4. The agreement shall be effective immediately upon signing by the parties. Article 5. The agreement shall be valid indefinitely.			
Other commitments	Great Alpha Holdings Limited	Share Reduction Commitment	Based on the high recognition of YIZUMI's value and confidence in its future development, and to better support YIZUMI's sustainable, healthy, and stable growth, as well as to maintain the stability of the capital market and protect investors' interests, the controlling shareholder of YIZUMI, Great Alpha, voluntarily commits: Within the next six months from October 26, 2023 (October 26, 2023 to April 25, 2024), Great Alpha will not reduce its shares in YIZUMI in any form. During the above commitment period, the commitment entity will also comply with the above commitment of not reducing shares for the shares obtained due to bonus issues, capital reserves to share capital, or rights issues of YIZUMI.	October 26, 2023	Until April 25, 2024	Strictly fulfilled, no breach of commitment
Other commitments	Gao Chao	Share Reduction Commitment	I, as a director of the Fourth Board of Directors and senior management member of Yizumi Holdings Co., Ltd. (hereinafter "YIZUMI"), officially resigned on October 11, 2023. I. I commit that within six months of my resignation, neither I nor my concerted actors will reduce any YIZUMI's shares (including any shares resulting from bonus issues, capital reserves to share capital, and other equity distribution). II. I and my concerted actors will strictly manage YIZUMI's shares held according to relevant laws, regulations, and normative documents, including the Securities Law of the People's Republic of China, the Company Law of the People's Republic of China, the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange, the Guidelines for the Standard Operation of Listed Companies on SME Board of Shenzhen Stock Exchange, the CSRC Provisions on the Share Lessening by the Shareholders, Directors, Supervisors and Senior Management of Listed Companies, and the SZSE Implementation Rules on the Share Lessening by the Shareholders, Directors, Supervisors and Senior Management of Listed Companies, and in accordance with our commitments. III. I commit that the above content is true, accurate, and complete. If I or my concerted actors violate these commitments and reduce shares, all the proceeds from such reduction will be owned by YIZUMI, and I will bear all legal responsibilities arising from this.	October 11, 2023	Until April 10, 2024	Strictly fulfilled, no breach of commitment
Whether the commitment is fulfilled on time	Yes					

2. Where there had been an earnings forecast for an asset or project and the Reporting Period was still within the forecast period, explain why the forecast has been reached for the Reporting Period.

Applicable Not applicable

II Occupation of the Company's Funds by the Controlling Shareholder or Any of Its Related Parties for Non-Operating Purposes

Applicable Not applicable

No such cases in the Reporting Period.

III Irregularities in the Provision of Guarantees for External Parties

Applicable Not applicable

No such cases in the Reporting Period.

IV Statement Made by the Board of Directors Regarding the Latest "Modified Opinion" of an Independent Auditor on Financial Statements

Applicable Not applicable

V Statements Made by the Board of Directors, the Board of Supervisors and the Independent Directors (if any) Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Reporting Period

Applicable Not applicable

VI Statement Made by the Board of Directors Regarding Changes to Accounting Policies and Estimates and Correction of Material Accounting Errors for the Reporting Period

Applicable Not applicable

VII Changes to the Scope of Consolidated Financial Statements Compared with Last Year

Applicable Not applicable

1. Entities added to the consolidated financial statements

Unit: RMB

Name of entity	How the Company obtained equity interests in the entity	Date of obtaining the equity interests	Capital contribution	As % of total capital
YIZUMI Mexico	Incorporation	2024-1-26	1,032,500.00	100.00%
YIZUMI Turkey	Incorporation	2024-10-7	301,700.00	100.00%
YIZUMI Zhejiang	Incorporation	2024-5-24	10,000,000.00	100.00%

[Note] The Company's capital contributions to YIZUMI Mexico, YIZUMI Turkey, and YIZUMI Zhejiang are in USD, USD and RMB respectively.

2. Entities excluded from the consolidated financial statements

Unit: RMB

Name of entity	How the Company disposed of equity interests in the entity	Date of disposal of the equity interests	Equity at the date of disposal	Net profit from the period-begin to the date of disposal
Huoshen Environmental Technology	Liquidated and de-registered	2024-12-10		1,596,619.01
India Factory	M&A	2024-10-31	23,072,174.94	4,286,978.40

VIII Appointment and Dismissal of Accounting Firm

Current accounting firm:

Name of the domestic accounting firm	Pan-China Certified Public Accounts LLP
The Company's payment to the domestic accounting firm (RMB'0,000)	110
How many consecutive years the domestic accounting firm has provided audit service for the Company	13

Names of the certified public accountants from the domestic accounting firm writing signatures on the independent auditor's report	Jiang Bo, and Wu Nan
How many consecutive years the certified public accountants have provided audit service for the Company	1 year and 3 years

Indicate whether the accounting firm was changed for the Reporting Period.

Yes No

Accounting firm appointed for the audit of internal control, as well as financial advisor or sponsor appointed:

Applicable Not applicable

During the Reporting Period, the Company appointed Pan-China Certified Public Accounts LLP as the independent auditor for internal control for a fee of RMB200,000, which was included in the total payment of RMB1.1 million for the accounting firm.

IX Possibility of Delisting after the Disclosure of this Report

Applicable Not applicable

X Insolvency and Reorganization

Applicable Not applicable

No such cases in the Reporting Period.

XI Significant Legal Matters

Applicable Not applicable

General information on lawsuit (arbitration)	Amount involved (RMB'0,000)	Whether there is any provision incurred	Lawsuit (arbitration) progress	Lawsuit (arbitration) results and impact	Execution of lawsuit (arbitration) judgment	Date of disclosure	Index to disclosed information
2 lawsuit cases between YIZUMI (and its subsidiaries) and other parties	520.46	No	Case closed	None	None		
24 lawsuit cases between YIZUMI	4,640.48	No	Pending	None	None		

(and its subsidiaries) and other parties							
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XII Penalties and Rectifications

Applicable Not applicable

No such cases in the Reporting Period.

XIII Credit Standings of the Company as well as Its Controlling Shareholder and Actual Controller

Applicable Not applicable

XIV Significant Related-Party Transactions

1. Continuing Related-Party Transactions

Applicable Not applicable

Related transaction party	Relationship with the Company	Type of the transaction	Contents of the transaction	Pricing principle	Transaction price	Transaction amount (RMB'0,000)	Transaction amount as % of the total amount of transactions of the same kind	Approved transaction line (RMB'0,000)	Over approved line	Way of settlement	Obtainable market price for the transaction of the same kind	Date of disclosure	Index to disclosed information
Jiangxi Jianggong	Joint stock company	Purchasing raw materials from the related party	Purchase of raw materials and material processing	Fair market price	Fair market price	13,053.1	4.33%	20,000	No	Bank transfer/bill	None	April 19, 2024	Announcement No.: 2024-026

Total	--	--	13,053.1	--	20,000	--	--	--	--	--
Details of any sales return of a large amount	No such cases									
Actual implementation during the Reporting Period (if any) where an estimate had been made, by type, for the total amount of continuing related-party transactions to occur during the period	N/A									
Reasons for any significant difference between the transaction price and the market reference price (if applicable)	N/A									

2. Related-Party Transactions Regarding Purchase or Sales of Assets or Equity Investments

Applicable Not applicable

No such cases in the Reporting Period.

3. Related-Party Transactions Regarding Joint Investments in Third Parties

Applicable Not applicable

No such cases in the Reporting Period.

4. Amounts Due to and from Related Parties

Applicable Not applicable

Indicate whether there is any amount due to or from any related party for non-operating purposes.

Yes No

No such cases in the Reporting Period.

5. Transactions with Related Finance Companies

Applicable Not applicable

There were no depositing, borrowing, credit granting or any other financial transactions between the Company and any related finance company.

6. Transactions between Finance Companies Controlled by the Company and Related Parties

Applicable Not applicable

There were no depositing, borrowing, credit granting or any other financial transactions between any finance company controlled by the Company and any related party of the Company.

7. Other Significant Related-Party Transactions

Applicable Not applicable

No such cases in the Reporting Period.

XV Significant Contracts and Execution

1. Entrustment, Contracting and Leases

(1) Entrustment

Applicable Not applicable

No such cases in the Reporting Period.

(2) Contracting

Applicable Not applicable

No such cases in the Reporting Period.

(3) Leases

Applicable Not applicable

Notes to leases:

The Company had no significant leases with any external party in the Reporting Period.

Leases with a greater-than-10% impact on the Company's gross profit in the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

2. Significant Guarantees

Applicable Not applicable

Unit: RMB'0,000

Guarantees provided by the Company and its subsidiaries for external parties (exclusive of those for subsidiaries)										
Guaranteed party	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Jiangxi Jiangong Precision Machinery Co., Ltd.	April 22, 2022	6,800	January 5, 2023	272	Joint liability guarantee	Land + factory		3 years	Yes	Yes
	April 15, 2023		August 8, 2023	306	Joint liability guarantee	Land + factory		3 years	Yes	Yes
	April 15, 2023	3,400	May 25, 2023	170	Joint liability guarantee	Land + factory		1 year	Yes	Yes
			June 27, 2023	170	Joint liability guarantee	Land + factory		1 year	Yes	Yes
	April 19, 2024		May 9, 2024	1,000	Joint liability guarantee	Land + factory		1 year	No	Yes
Total approved line for such guarantees provided for external parties in the Reporting Period (A1)			10,200	Total actual amount of such guarantees provided for external parties in the Reporting Period (A2)						1,000
Total approved line for such guarantees provided for external parties at the end of the Reporting Period (A3)			10,200	Total actual balance of such guarantees provided for external parties at the end of the Reporting Period (A4)						1,000
Guarantees provided by the Company for its subsidiaries										
Guaranteed party	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not

Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd.	July 6, 2021	59,500	December 23, 2021	151.86	With collateral	Land+factory		15 years	No	Yes
			December 23, 2021	9	With collateral	Land+factory		15 years	Yes	Yes
			December 23, 2021	1,900	With collateral	Land+factory		15 years	No	Yes
			December 23, 2021	100	With collateral	Land+factory		15 years	Yes	Yes
			January 1, 2022	6,080	With collateral	Land+factory		15 years	No	Yes
			January 1, 2022	320	With collateral	Land+factory		15 years	Yes	Yes
			January 8, 2022	5,225	With collateral	Land+factory		15 years	No	Yes
			January 8, 2022	275	With collateral	Land+factory		15 years	Yes	Yes
			January 19, 2022	2,798.79	With collateral	Land+factory		15 years	No	Yes
			January 19, 2022	148	With collateral	Land+factory		15 years	Yes	Yes
			January 21, 2022	475	With collateral	Land+factory		15 years	No	Yes
			January 21, 2022	25	With collateral	Land+factory		15 years	Yes	Yes
			February 16, 2022	768.6	With collateral	Land+factory		15 years	No	Yes
			February 16, 2022	45	With collateral	Land+factory		15 years	Yes	Yes
			February 18, 2022	466.94	With collateral	Land+factory		15 years	No	Yes
			February 18, 2022	25	With collateral	Land+factory		15 years	Yes	Yes
			February 26, 2022	1,747	With collateral	Land+factory		15 years	No	Yes
			February 26, 2022	93	With collateral	Land+factory		15 years	Yes	Yes
			March 1, 2022	712.5	With collateral	Land+factory		15 years	No	Yes
			March 1, 2022	37.5	With	Land+factory		15 years	Yes	Yes

				collateral					
		April 1, 2022	59	With collateral	Land+factory		15 years	No	Yes
		April 2, 2022	1,255.95	With collateral	Land+factory		15 years	No	Yes
		April 02, 2022	70	With collateral	Land+factory		15 years	Yes	Yes
		April 14, 2022	452.73	With collateral	Land+factory		15 years	No	Yes
		April 21, 2022	945.6	With collateral	Land+factory		15 years	No	Yes
		April 21, 2022	25.65	With collateral	Land+factory		15 years	No	Yes
		April 21, 2022	1.35	With collateral	Land+factory		15 years	Yes	Yes
		April 25, 2022	806.58	With collateral	Land+factory		15 years	No	Yes
		April 25, 2022	247.8	With collateral	Land+factory		15 years	No	Yes
		April 28, 2022	65.83	With collateral	Land+factory		15 years	No	Yes
		April 28, 2022	3.47	With collateral	Land+factory		15 years	Yes	Yes
		April 28, 2022	91.8	With collateral	Land+factory		15 years	No	Yes
		May 12, 2022	108	With collateral	Land+factory		15 years	No	Yes
		May 12, 2022	40.56	With collateral	Land+factory		15 years	No	Yes
		May 12, 2022	2.19	With collateral	Land+factory		15 years	Yes	Yes
		May 17, 2022	106.8	With collateral	Land+factory		15 years	No	Yes
		May 17, 2022	335.98	With collateral	Land+factory		15 years	No	Yes
		May 17, 2022	17.78	With collateral	Land+factory		15 years	Yes	Yes
		May 30, 2022	19.23	With collateral	Land+factory		15 years	No	Yes

			May 30, 2022	1	With collateral	Land+factory		15 years	Yes	Yes
			June 15, 2022	50.04	With collateral	Land+factory		15 years	No	Yes
			June 15, 2022	2.64	With collateral	Land+factory		15 years	Yes	Yes
			June 29, 2022	19.76	With collateral	Land+factory		15 years	No	Yes
			June 29, 2022	1.04	With collateral	Land+factory		15 years	Yes	Yes
			June 29, 2022	4,800	With collateral	Land+factory		15 years	No	Yes
			July 5, 2022	94.05	With collateral	Land+factory		15 years	No	Yes
			July 5, 2022	4.97	With collateral	Land+factory		15 years	Yes	Yes
			July 19, 2022	8.27	With collateral	Land+factory		15 years	No	Yes
			July 19, 2022	0.44	With collateral	Land+factory		15 years	Yes	Yes
			July 28, 2022	28.5	With collateral	Land+factory		15 years	No	Yes
			July 28, 2022	1.5	With collateral	Land+factory		15 years	Yes	Yes
			July 28, 2022	251.2	With collateral	Land+factory		15 years	No	Yes
			July 29, 2022	1,942.91	With collateral	Land+factory		15 years	No	Yes
			August 4, 2022	39.52	With collateral	Land+factory		15 years	No	Yes
			August 4, 2022	2.08	With collateral	Land+factory		15 years	Yes	Yes
			August 4, 2022	65.25	With collateral	Land+factory		15 years	No	Yes
			August 12, 2022	97.83	With collateral	Land+factory		15 years	No	Yes
			August 18, 2022	132.48	With collateral	Land+factory		15 years	No	Yes
			August 18,	6.97	With	Land+factory		15 years	Yes	Yes

			2022		collateral					
			August 18, 2022	245.58	With collateral	Land+factory		15 years	No	Yes
			August 18, 2022	12.93	With collateral	Land+factory		15 years	Yes	Yes
			August 30, 2022	85.5	With collateral	Land+factory		15 years	No	Yes
			August 30, 2022	4.5	With collateral	Land+factory		15 years	Yes	Yes
			September 21, 2022	15.32	With collateral	Land+factory		15 years	No	Yes
			September 21, 2022	0.81	With collateral	Land+factory		15 years	Yes	Yes
			September 28, 2022	72.03	With collateral	Land+factory		15 years	No	Yes
			September 28, 2022	3.79	With collateral	Land+factory		15 years	Yes	Yes
			October 7, 2022	335.54	With collateral	Land+factory		15 years	No	Yes
			October 7, 2022	601.12	With collateral	Land+factory		15 years	No	Yes
			October 21, 2022	109.44	With collateral	Land+factory		15 years	No	Yes
			October 21, 2022	5.76	With collateral	Land+factory		15 years	Yes	Yes
			November 25, 2022	85.5	With collateral	Land+factory		15 years	No	Yes
			November 25, 2022	4.5	With collateral	Land+factory		15 years	Yes	Yes
			December 12, 2022	19.95	With collateral	Land+factory		15 years	No	Yes
			December 12, 2022	1.05	With collateral	Land+factory		15 years	Yes	Yes
			January 9, 2023	109.73	With collateral	Land+factory		15 years	No	Yes
			January 9, 2023	5.78	With collateral	Land+factory		15 years	Yes	Yes
			January 16, 2023	4,500	With collateral	Land+factory		15 years	No	Yes

			February 10, 2023	2,137.5	With collateral	Land+factory		15 years	No	Yes
			March 17, 2023	450.3	With collateral	Land+factory		15 years	No	Yes
			March 17, 2023	23.7	With collateral	Land+factory		15 years	Yes	Yes
			April 6, 2023	14.16	With collateral	Land+factory		15 years	No	Yes
			April 6, 2023	0.75	With collateral	Land+factory		15 years	Yes	Yes
			May 5, 2023	4.28	With collateral	Land+factory		15 years	No	Yes
			May 5, 2023	0.23	With collateral	Land+factory		15 years	Yes	Yes
			May 16, 2023	382.5	With collateral	Land+factory		15 years	No	Yes
			May 18, 2023	11.48	With collateral	Land+factory		15 years	No	Yes
			May 18, 2023	0.6	With collateral	Land+factory		15 years	Yes	Yes
			May 25, 2023	118.56	With collateral	Land+factory		15 years	No	Yes
			May 25, 2023	6.24	With collateral	Land+factory		15 years	Yes	Yes
			May 30, 2023	85.5	With collateral	Land+factory		15 years	No	Yes
			May 30, 2023	4.5	With collateral	Land+factory		15 years	Yes	Yes
	April 15, 2023	2,000	January 2, 2024	1,800	Joint liability guarantee			3 years	No	Yes
			January 2, 2024	200	Joint liability guarantee			3 years	Yes	Yes
	April 29, 2020	12,000	February 28, 2021	2,550	Joint liability guarantee			3 years	Yes	Yes
			February 28, 2022	3,000	Joint liability guarantee			3 years	No	Yes
			February 28, 2022	400	Joint liability guarantee			3 years	Yes	Yes
			February 28,	2,250	Joint liability			3 years	No	Yes

			2022		guarantee					
			February 28, 2022	300	Joint liability guarantee			3 years	Yes	Yes
			March 24, 2022	1,350	Joint liability guarantee			3 years	No	Yes
			March 24, 2022	180	Joint liability guarantee			3 years	Yes	Yes
April 27, 2021	21,000		December 31, 2021	1,011.6	Joint liability guarantee			3 years	Yes	Yes
April 27, 2021	21,000		January 29, 2022	2,000	Joint liability guarantee			3 years	No	Yes
			January 29, 2022	800	Joint liability guarantee			3 years	Yes	Yes
April 22, 2022	23,000		January 10, 2023	3,137.82	Joint liability guarantee			3 years	No	Yes
			January 10, 2023	896.52	Joint liability guarantee			3 years	Yes	Yes
April 15, 2023	23,000		August 29, 2023	4,800	Joint liability guarantee			3 years	No	Yes
			August 29, 2023	1,200	Joint liability guarantee			3 years	Yes	Yes
April 22, 2022	80,000		December 28, 2022	3,864	Joint liability guarantee			3 years	No	Yes
			December 28, 2022	368	Joint liability guarantee			3 years	Yes	Yes
			March 30, 2023	840	Joint liability guarantee			3 years	No	Yes
			March 30, 2023	80	Joint liability guarantee			3 years	Yes	Yes
July 6, 2023	3,000		October 25, 2023	500	With pledge	With intellectual properties as pledge		1 year	Yes	Yes
April 19, 2024	35942		July 26, 2024	4,500	Joint liability guarantee			1 year	No	Yes
			September 13, 2024	800	Joint liability guarantee			1 year	No	Yes
			October 23, 2024	3,900	Joint liability guarantee			1 year	No	Yes

			September 14, 2024	1,600	Joint liability guarantee			3 years	No	Yes
	April 15, 2023	18,690	January 15, 2024	1,710	Joint liability guarantee			3 years	No	Yes
			January 15, 2024	90	Joint liability guarantee			3 years	Yes	Yes
			February 21, 2024	380	Joint liability guarantee			3 years	No	Yes
			February 21, 2024	20	Joint liability guarantee			3 years	Yes	Yes
			February 23, 2024	1,045	Joint liability guarantee			3 years	No	Yes
			February 23, 2024	55	Joint liability guarantee			3 years	Yes	Yes
			April 22, 2022	9,000	March 22, 2023	4,250	Joint liability guarantee			3 years
	March 22, 2023	500			Joint liability guarantee			3 years	Yes	Yes
Guangdong Jiaquanhao Financial Leasing Co., Ltd.	September 16, 2022	20,000	October 28, 2022	4,000	Joint liability guarantee			3 years	No	Yes
			October 28, 2022	500	Joint liability guarantee			3 years	Yes	Yes
			January 6, 2023	4,250	Joint liability guarantee			3 years	No	Yes
			January 6, 2023	500	Joint liability guarantee			3 years	Yes	Yes
	April 15, 2023	20,000	November 1, 2023	4,500	Joint liability guarantee			3 years	No	Yes
			November 1, 2023	500	Joint liability guarantee			3 years	Yes	Yes
			January 31, 2024	4,750	Joint liability guarantee			3 years	No	Yes
			January 31, 2024	250	Joint liability guarantee			3 years	Yes	Yes
	April 15, 2023	3,000	January 4, 2024	2,700	Joint liability guarantee			3 years	No	Yes
			January 4, 2024	300	Joint liability guarantee			3 years	Yes	Yes

Guangdong Yizumi Precision Rubber and Plastic Equipment Technology Co., Ltd.	April 22, 2022	5,000	December 8, 2022	84	Joint liability guarantee			3 years	No	Yes
			December 8, 2022	8	Joint liability guarantee			3 years	Yes	Yes
			March 30, 2023	126	Joint liability guarantee			3 years	No	Yes
			March 30, 2023	12	Joint liability guarantee			3 years	Yes	Yes
Guangdong Yizumi Intelligent Manufacturing Co., Ltd.	April 19, 2024	80,000	May 29, 2024	4,500	Joint liability guarantee			3 years	No	Yes
			June 7, 2024	490	Joint liability guarantee			3 years	No	Yes
	April 19, 2024	8,000	June 21, 2024	90	Joint liability guarantee			2 years	No	Yes
			June 21, 2024	10	Joint liability guarantee			2 years	Yes	Yes
April 19, 2024	24,441	September 14, 2024	300	Joint liability guarantee			3 years	No	Yes	
Yizumi Precision Machinery (HK) Co., Limited	April 15, 2023	10,783	March 18, 2024	3,000	Joint liability guarantee			1 year	No	Yes
			August 15, 2024	3,000	Joint liability guarantee			1 year	No	Yes
YIZUMI PRECISION MACHINERY (INDIA) PRIVATE LIMITED (“India Factory” for short)	April 15, 2023	2,101	July 5, 2024	1,345.4	Joint liability guarantee			1 year	No	Yes
Total approved line for such guarantees provided for subsidiaries in the Reporting Period (B1)		377,642		Total actual amount of such guarantees provided for subsidiaries in the Reporting Period (B2)		36,835.4				
Total approved line for such guarantees provided for subsidiaries at the end of the Reporting Period (B3)		437,142		Total actual balance of such guarantees provided for subsidiaries at the end of the Reporting Period (B4)		116,163.19				

Guarantees provided between subsidiaries										
Guaranteed party	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
YIZUMI ADVANCED PROCESSING TECHNOLOGY PRIVATE LIMITED	April 15, 2023	1,306.5	May 16, 2023	184.2	With collateral	Land+factory		5 years	No	Yes
			May 16, 2023	28.4	With collateral	Land+factory		5 years	Yes	Yes
			June 20, 2023	147.19	With collateral	Land+factory		5 years	No	Yes
			June 20, 2023	65.42	With collateral	Land+factory		5 years	Yes	Yes
			June 25, 2023	88.31	With collateral	Land+factory		5 years	No	Yes
			June 25, 2023	39.25	With collateral	Land+factory		5 years	Yes	Yes
			July 25, 2023	88.31	With collateral	Land+factory		5 years	No	Yes
			July 25, 2023	39.25	With collateral	Land+factory		5 years	Yes	Yes
			August 18, 2023	147.41	With collateral	Land+factory		5 years	No	Yes
			August 18, 2023	22.68	With collateral	Land+factory		5 years	Yes	Yes
			September 5, 2023	258.02	With collateral	Land+factory		5 years	No	Yes
			September 5, 2023	39.63	With collateral	Land+factory		5 years	Yes	Yes
			September 19, 2023	110.55	With collateral	Land+factory		5 years	No	Yes
			September 19, 2023	17.01	With collateral	Land+factory		5 years	Yes	Yes
Total approved line for such guarantees provided between subsidiaries in the Reporting Period (C1)			2,551.26	Total actual amount of such guarantees provided between subsidiaries in the Reporting Period (C2)						0
Total approved line for such			2,551.26	Total actual balance of such						1,023.99

guarantees provided between subsidiaries at the end of the Reporting Period (C3)		guarantees provided between subsidiaries at the end of the Reporting Period (C4)	
Total guarantee amount (total of the three kinds of guarantees above)			
Total guarantee line approved in the Reporting Period (A1+B1+C1)	390,393.26	Total actual guarantee amount in the Reporting Period (A2+B2+C2)	37,835.4
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)	449,893.26	Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)	118,187.18
Total actual guarantee balance (A4+B4+C4) as % of the Company's equity		39.90%	
Of which:			
Balance of guarantees provided for shareholders, the actual controller and their related parties (D)		0	
Balance of debt guarantees provided directly or indirectly for entities with a debt/asset ratio over 70% (E)		13,749.39	
Portion of the total guarantee amount in excess of 50% of the Company's equity (F)		0	
Total amount of the three kinds of guarantees above (D+E+F)		13,749.39	
Joint liabilities borne or possible to bear with evidence for undue guarantee contracts during the Reporting Period (if any)		N/A	
Provision of guarantees provided for external parties in violation of the prescribed procedures (if any)		N/A	

Compound guarantees:

3. Cash Entrusted to Other Entities for Management

(1) Cash Entrusted for Management

Applicable Not applicable

Overview of cash entrusted for management during the Reporting Period:

Unit: RMB'0,000

Type	Funding source	Amount	Undue amount	Unrecovered overdue amount	Impairment allowance for unrecovered overdue amount
Bank financial management product	Own funds	2,873.47	1,073.47	0	0
Total		2,873.47	1,073.47	0	0

High-risk financial management entrustments with a significant single amount, or with low security and low liquidity:

Applicable Not applicable

Financial management entrustments where the principal is expectedly irrecoverable or an impairment may be incurred:

Applicable Not applicable

(2) Entrusted Loans

Applicable Not applicable

No such cases in the Reporting Period.

4. Other Significant Contracts

Applicable Not applicable

No such cases in the Reporting Period.

XVI Other Significant Events

Applicable Not applicable

On September 11, 2024 and September 28, 2024, the Company disclosed the Announcement on the Company's Winning a Bid for Land Use Rights Put up for Sale and Signing of the Online Auction Confirmation of Transfer of State-owned Construction Land Use Rights (Announcement No.: 2024-054) and the Announcement on the Signing of the Transfer Contract of State-owned Construction Land Use Rights and Investment and Construction Agreement (Announcement No.: 2024-057) on the information disclosure website designated by the CSRC for the ChiNext Board (<http://www.cninfo.com.cn>). Investors are kindly reminded to refer to these announcements for further information.

XVII Significant Events of Subsidiaries

Applicable Not applicable

Part VII Share Changes and Shareholder Information

I Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease during the period (+/-)					After	
	Number of shares	As % of total shares	New issue	Bonus issue from profit	Bonus issue from capital reserves	Other	Subtotal	Number of shares	As % of total shares
I Restricted shares	45,512,817	9.71%				-27,264,122	-27,264,122	18,248,695	3.89%
1. Shares held by the state									
2. Shares held by state-owned corporations									
3. Shares held by other domestic investors	28,173,004	6.01%				-22,982,194	-22,982,194	5,190,810	1.11%
Of which: Shares held by domestic corporations									
Shares held by domestic individuals	28,173,004	6.01%				-22,982,194	-22,982,194	5,190,810	1.11%
4. Shares held by overseas investors	17,339,813	3.70%				-4,281,928	-4,281,928	13,057,885	2.79%
Of which: Shares held by overseas corporations									
Shares held by overseas individuals	17,339,813	3.70%				-4,281,928	-4,281,928	13,057,885	2.79%
II Unrestricted	423,058,267	90.29%				27,255,122	27,255,122	450,313,389	96.11

shares									%
1. RMB-denominated ordinary shares	423,058,267	90.29%				27,255,122	27,255,122	450,313,389	96.11 %
2. Domestically listed foreign shares									
3. Overseas listed foreign shares									
4. Others									
III Total shares	468,571,084	100.00%				-9,000	-9,000	468,562,084	100.00%

Reasons for share changes:

Applicable Not applicable

On March 28, 2024, as per the third restricted share incentive plan, one awardee did not meet the individual-level performance assessment criteria, and 9,000 shares of restricted stock were repurchased and retired.

Approval of share changes:

Applicable Not applicable

On January 12, 2024, the third meeting of the fifth Board of Directors and the third meeting of the fifth Board of Supervisors reviewed and approved the Proposal on the Achievement of the Conditions for Lifting the Second Unlocking Period under the Third Restricted Share Incentive Plan, and Proposal on the Repurchase and Retirement of Some Restricted Shares. The Board confirmed that the second restricted period of the third incentive plan had ended, and the unlocking conditions for the second period had been fulfilled. The Company agreed to proceed with the unlocking procedures according to relevant regulations. A total of 111 awardees met the conditions, and 999,000 restricted shares were eligible for unlocking, representing 0.2132% of the Company's total share capital. Additionally, one incentive recipient did not meet the individual-level performance assessment criteria, and their 9,000 shares were repurchased and retired by the Company. The legal opinion was issued by the lawyer, and the independent financial advisor provided an independent financial advisor report.

On January 26, 2024, the restricted shares from the third incentive plan were unlocked and listed for circulation. The number of awardees eligible for unlocking were 111 and the total number of shares eligible for unlocking was 999,000, representing 0.2132% of the Company's total share capital.

On January 30, 2024, the Company held the First Extraordinary General Meeting of Shareholders in 2024, during which the proposal on Repurchase and Retirement of Some Restricted Shares was reviewed and approved. One awardee from the third restricted share incentive plan did not meet the individual-level performance assessment criteria. Therefore, 9,000 shares corresponding to this awardee's second unlocking period could not be unlocked and were repurchased and retired by the Company.

On March 28, 2024, the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited confirmed the repurchase and retirement of restricted shares. The repurchase involved 9,000 shares from one awardee.

Transfer of share ownership:

Applicable Not applicable

Due to one awardee not meeting the individual-level performance assessment criteria under the Third Restricted Share Incentive Plan, 9,000 restricted shares were repurchased and retired. The Shenzhen Branch of China Securities Depository and Clearing Corporation Limited has reviewed and confirmed that the repurchase and retirement procedures for these restricted shares were completed on March 28, 2024.

Effects of share changes on the basic earnings per share, diluted earnings per share, equity per share attributable to the Company's ordinary shareholders and other financial indicators of the latest year and the latest accounting period, respectively:

Applicable Not applicable

Other information that the Company considers necessary or is required by the securities regulator to be disclosed:

Applicable Not applicable

2. Changes in Restricted Shares

Applicable Not applicable

Unit: share

Name of shareholder	Opening restricted shares	Increase in restricted shares during the period	Restricted shares unlocked during the period	Closing restricted shares	Reason for restriction	Date of unlocking
Chen Liyao	32,400	6,750	9,000	30,150	Locked-up shares of senior management and locked-up restricted shares as equity incentives	Unlocked in accordance with the applicable rules of the CSRC and the SZSE
Gao Chao	4,500,000	0	4,500,000	0	Unlocked upon expiration of the restriction after 6 months of the director's resignation	April 10, 2024
Peng Huiping	16,907,371	0	16,907,371	0	Unlocked shares issued to specific parties upon expiration of the restriction	September 5, 2024
Richard Yan	7,797,017	5,894,938	7,797,017	5,894,938	Locked-up shares of senior management and unlocked shares issued to specific parties upon expiration of the restriction	September 5, 2024
Liang Jinghua	9,510,396	7,132,797	9,510,396	7,132,797	Locked-up shares of senior management and unlocked shares issued to specific parties upon expiration of the restriction	September 5, 2024
Zhang Tao	3,900,060	0	0	3,900,060	Locked-up shares of senior management	Unlocked in accordance with the applicable rules of the

						CSRC and the SZSE
Yu Zhuokun	141,750	0	0	141,750	Locked-up shares of senior management	Unlocked in accordance with the applicable rules of the CSRC and the SZSE
Xiao Deyin	82,500	0	0	82,500	Locked-up shares of senior management	Unlocked in accordance with the applicable rules of the CSRC and the SZSE
Yang Yuangui	67,500	0	0	67,500	Locked-up shares of senior management	Unlocked in accordance with the applicable rules of the CSRC and the SZSE
Awardees of the Third Restricted Share Incentive Plan	1,998,000	0	990,000	999,000	Unlocked restricted shares as equity incentives, of which 9,000 shares were not eligible for unlocking and repurchased and retired by the Company	January 26, 2024
Awardees of the Second Restricted Share Incentive Plan	575,823	0	575,823	0	Unlocked restricted shares as equity incentives	July 16, 2024
Total	45,512,817	13,034,485	40,289,607	18,248,695	--	--

II Issuance and Listing of Securities

1. Securities (Exclusive of Preference Shares) Issued in the Reporting Period

Applicable Not applicable

2. Changes in Total Shares and Ownership Structure, as well as Asset and Liability Structures

Applicable Not applicable

1) On March 28, 2024, the Company repurchased and retired 9,000 restricted shares due to equity incentive awardees' failure to meet the performance appraisal indicators or resignation.

3. Existing Staff-Held Shares

Applicable Not applicable

III Shareholders and Actual Controller

1. Shareholders and Their Shareholdings

Unit: share

Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Increase/d decrease in the Reporting Period	Restricted shares held	Unrestricted shares held	Shares in pledge, marked or frozen	
							Status	Shares
Great Alpha Holdings Limited	Overseas corporation	29.32%	137,365,939	0	0	137,365,939	In pledge	30,251,620
Peng Huiping	Domestic individual	3.45%	16,161,291	-1,000,000	0	16,161,291	In pledge	16,161,291
Hong Kong Securities Clearing Company Limited	Other	3.16%	14,805,225	3,115,220	0	14,805,225	N/A	0
SDIC Securities Co., Ltd.	State-owned corporation	2.47%	11,561,000	1,156,100	0	11,561,000	N/A	0
Agricultural Bank of China Limited—Guotai Smart Car Stock Securities Investment Fund	Other	2.12%	9,946,036	-1,751,150	0	9,946,036	N/A	0
Liao	Domestic	1.76%	8,224,000	5,951,800	0	8,224,000	N/A	0

Changqing	Individual							
Richard Yan	Overseas individual	1.68%	7,859,917	0	5,894,938	1,964,979	N/A	0
Liang Jinghua	Overseas individual	1.52%	7,140,396	-2,370,000	7,132,797	77,599	N/A	0
Gao Chao	Domestic individual	1.22%	5,700,000	-300,000	0	5,700,000	N/A	0
Zhang Tao	Domestic individual	1.11%	5,200,080	0	3,900,060	1,300,020	N/A	0
Strategic investor or general corporation becoming a top-10 shareholder in a rights issue (if any) (see note 4)	None							
Related or acting-in-concert parties among the shareholders above	Richard Yan, Liang Jinghua and Chen Liyao are the ultimate controllers of Great Alpha, the controlling shareholder of the Company, which makes them the actual controllers of the Company. Richard Yan, Liang Jinghua and Chen Liyao signed the Agreement on Acting in Concert on September 29, 2022. Peng Huiping is the mother of the actual controller Chen Liyao and is Chen Liyao's party acting in concert. Save as disclosed above, the Company is not aware of whether there is, among the other top 10 shareholders, any related parties or parties acting in concert as defined in the Measures on the Administration of Acquisition of Listed Companies.							
Shareholders above entrusting/entrusted with or waiving voting rights	None							
Repurchased share account (if any) among the top 10 shareholders (see note 10)	As of the end of the Reporting Period, there were 8,000,167 shares in the Company's repurchased share account.							
Top 10 unrestricted shareholders (exclusive of shares lent in refinancing and locked-up shares of senior management)								
Name of shareholder	Unrestricted shares held at the period-end	Shares by class						
		Class	Shares					
Great Alpha Holdings Limited	137,365,939	RMB-denominated ordinary shares	137,365,939					
Peng Huiping	16,161,291	RMB-denominated ordinary shares	16,161,291					
Hong Kong Securities Clearing Company Limited	14,805,225	RMB-denominated ordinary shares	14,805,225					
SDIC Securities Co., Ltd.	11,561,000	RMB-denominated	11,561,000					

		ordinary shares	
Agricultural Bank of China Limited—Guotai Smart Car Stock Securities Investment Fund	9,946,036	RMB-denominated ordinary shares	9,946,036
Liao Changqing	8,224,000	RMB-denominated ordinary shares	8,224,000
Gao Chao	5,700,000	RMB-denominated ordinary shares	5,700,000
China Merchants Bank Co., Ltd.—Dongfanghong Vision Value Hybrid Securities Investment Fund	5,055,420	RMB-denominated ordinary shares	5,055,420
China Construction Bank Corporation—GF Diversification Emerging Stock Securities Investment Fund	3,850,720	RMB-denominated ordinary shares	3,850,720
Bank of China—Invesco Great Wall Strategy Selected Dynamic Asset Allocation Mixed Type Securities Investment Fund	3,628,211	RMB-denominated ordinary shares	3,628,211
Related or parties acting in concert among top 10 unrestricted public shareholders, as well as between top 10 unrestricted public shareholders and top 10 shareholders	Richard Yan, Liang Jinghua and Chen Liyao are the ultimate controllers of Great Alpha, the controlling shareholder of the Company, which makes them the actual controllers of the Company. Richard Yan, Liang Jinghua and Chen Liyao signed the Agreement on Acting in Concert on September 29, 2022. Peng Huiping is the mother of the actual controller Chen Liyao and is Chen Liyao's party acting in concert. Save as disclosed above, the Company is not aware of whether there is, among the other top 10 shareholders, any related parties or parties acting in concert as defined in the Measures on the Administration of Acquisition of Listed Companies.		
Shareholders involved in securities margin trading (if any) (see note 5)	None		

5% or greater shareholders, top 10 shareholders and top 10 unrestricted public shareholders involved in refinancing shares lending:

Applicable Not applicable

Indicate whether there was any change to the top 10 shareholders or top 10 unrestricted public shareholders due to refinancing shares lending/returning during the Reporting Period compared to the same period of last year.

Applicable Not applicable

Indicate whether the Company has differential voting rights arrangements.

Applicable Not applicable

Indicate whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repurchase during the Reporting Period.

Yes No

No such cases in the Reporting Period.

2. Controlling Shareholder

Nature of the controlling shareholder: Foreign-controlled

Type of the controlling shareholder: Corporation

Name of the controlling shareholder	Legal representative/person-in-charge	Date of incorporation	Organization code	Principal operations
Great Alpha Holdings Limited	Richard Yan	July 14, 2008	39872272	Trading
Interests held in other domestically and overseas listed companies in the Reporting Period	None			

Change of the controlling shareholder in the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

3. Actual Controllers and Parties Acting in Concert

Nature of actual controllers: Domestic and overseas individuals

Type of actual controllers: Individual

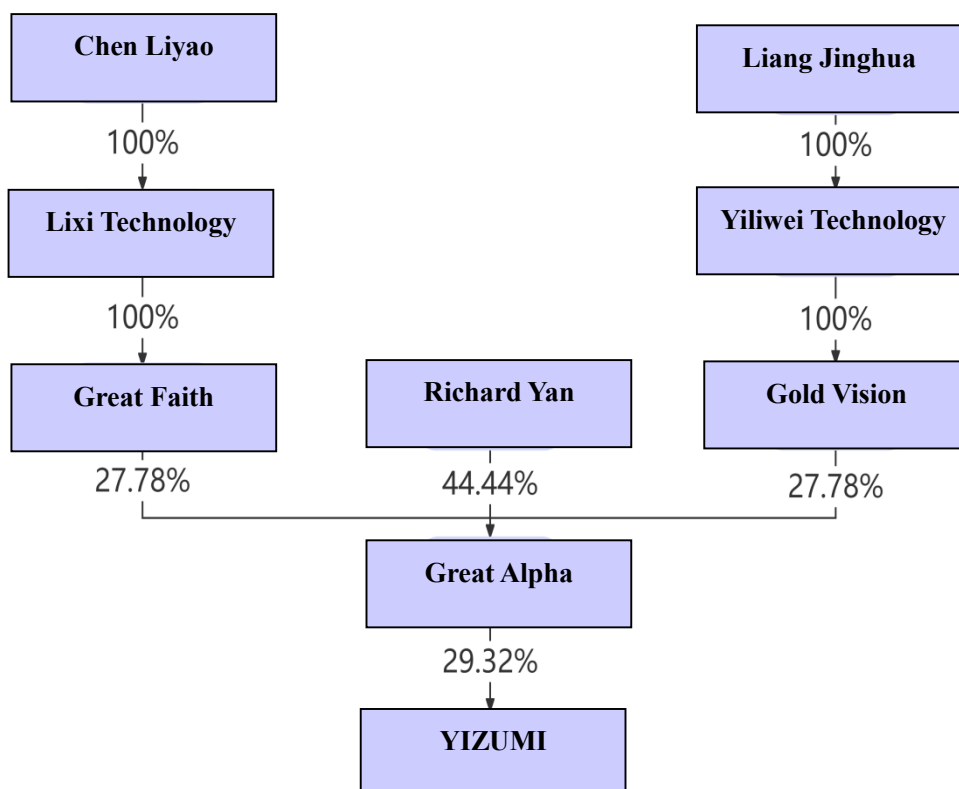
Name of actual controller	Relationship with the actual controller	Nationality	Residency in other countries or regions or not
Richard Yan	Actual controller	Hong Kong, China	No
Liang Jinghua	Actual controller	Hong Kong, China	No
Chen Liyao	Actual controller	Hong Kong, China	No
Peng Huiping	Acting in concert (including agreements, relatives, and common control)	China	No
Liang Jiaming	Acting in concert (including agreements, relatives, and common control)	Hong Kong, China	No
Main occupations and positions	Mr. Richard Yan is the incumbent Chairman and CEO of the Company; Mr. Liang Jinghua is an incumbent Vice Chairman of the Company; and Mr. Chen Liyao is an incumbent Director and Deputy General Manager of the Company.		
Other domestically and overseas listed companies controlled in the past 10 years	None		

Change of actual controllers in the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

Illustration of the relationship between the actual controllers and the Company:



Indicate whether the actual controllers control the Company via trust or other ways of asset management.

Applicable Not applicable

4. Indicate whether the cumulative number of shares held by the Company's controlling shareholder or the largest shareholder and its parties acting in concert that are in pledge accounts for over 80% of their total shareholdings in the Company.

Applicable Not applicable

5. Other 10% or Greater Corporate Shareholders

Applicable Not applicable

6. Restrictions on Shareholding Decrease by the Company's Controlling Shareholder, Actual Controllers, Reorganizer and Other Undertaking Makers

Applicable Not applicable

IV Share Repurchases in the Reporting Period

Progress on any share repurchase:

Applicable Not applicable

Date of the plan's disclosure	Number of shares to be repurchased	As % of total share	Amount to be used for share	Intended period for share	Use of repurchased shares	Number of shares repurchased	Shares repurchased (if any)

		capital	repurchase (RMB'0,000)	repurchase		ed	as % of the total underlying shares of the equity incentive plan
October 31, 2023	4,800,000-8,000,000	1.02%-1.71%	12,000-20,000	October 31, 2023 - October 29, 2024	The shares repurchased will all be used for equity incentive plans or employee stock ownership plans, and the specific implementation methods will be determined in accordance with applicable laws and regulations. The shares repurchased should be used for the above purposes within three years after the completion of the repurchase. If the Company fails to implement the above purposes, the unused repurchased shares will be retired and the registered capital will be reduced in accordance with the law.	8,000,167	0.00%

Progress on reducing the repurchased shares by way of centralized bidding:

Applicable Not applicable

Part VIII Preference Shares

Applicable Not applicable

No preference shares in the Reporting Period.

Part IX Bonds

Applicable Not applicable

Part X Financial Statements

I Independent Auditor's Report

Type of the independent auditor's opinion	Unmodified unqualified opinion
Date of signing the independent auditor's report	April 21, 2025
Name of the independent auditor	Pan-China Certified Public Accounts LLP
Names of the certified public accountants	Jiang Bo, and Wu Nan

Independent Auditor's Report

To the Shareholders of Yizumi Holdings Co., Ltd.:

I Opinion

We have audited the financial statements of Yizumi Holdings Co., Ltd. (hereinafter referred to as the "Company" or "YIZUMI"), which comprise the consolidated and parent company balance sheets as at December 31, 2024, the consolidated and parent company statements of income, cash flows and changes in owners' equity for the year then ended, as well as the notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated and parent company financial position of the Company at December 31, 2024, and the consolidated and parent company operating results and cash flows for the year then ended, in conformity with China's Accounting Standards for Business Enterprises (CAS).

II Basis for Opinion

We conducted our audits in accordance with the Audit Standards for Chinese Registered Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Audit of Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III Key Audit Matters

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

i. Revenue recognition

1. Description of the matter

For related disclosures, please refer to Notes V.37, VII.61, and XIX.4 to the financial statements.

YIZUMI derives its operating revenue primarily from the research and development, manufacturing, and sale of molding equipment. In 2024, YIZUMI's operating revenue amounted to RMB5,062,986,914.57, of which RMB4,670,651,751.12 was from the sales of molding equipment, representing 92.25% of the total operating revenue.

As operating revenue is one of YIZUMI's key performance indicators, there is an inherent risk that management may inappropriately recognize revenue to achieve specific targets or expectations. Therefore, we identified revenue recognition as a key audit matter.

2. Audit response

In response to revenue recognition, our audit procedures primarily included:

(1) Understanding key internal controls related to revenue recognition, evaluating the design of such controls, determining whether they were implemented, and testing the operating effectiveness of the relevant internal controls;

(2) Examining sales contracts, understanding key contractual terms or conditions, and assessing whether the revenue recognition methods were appropriate;

(3) Performing analytical procedures on operating revenue and gross margin by product and customer to identify any significant or unusual fluctuations and investigating the reasons;

(4) For domestic sales revenue, selecting samples and reviewing supporting documents including sales contracts, sales invoices, warehouse dispatch notes, delivery notes for complete machines, and installation and commissioning reports; for export revenue, obtaining data from the electronic customs platform and reconciling it with accounting records, and reviewing supporting documents such as sales contracts, export declarations, and bills of lading;

(5) Performing confirmation procedures for selected sales amounts in conjunction with confirmations of accounts receivable and contract assets;

(6) Performing cutoff tests to assess whether revenue was recognized in the appropriate period;

(7) For goods delivered but not yet recognized as revenue as of the balance sheet date, selecting specific items for customer confirmations; and

(8) Assessing whether the information related to operating revenue was appropriately disclosed in the financial statements.

ii. Impairment of accounts receivable, contract assets, and long-term receivables (including accounts due within one year)

1. Description of the matter

For related disclosures, please refer to Notes V.11, 13, 16, 21; VII.5, 6, 12, 17; and XIX.1 to the financial statements.

As of December 31, 2024, YIZUMI's accounts receivable had a gross amount of RMB1,418,696,136.53, with an allowance for doubtful account of RMB77,368,039.24, resulting in a carrying amount of RMB1,341,328,097.29. Contract assets had a gross amount of RMB39,339,012.86, with an impairment allowance of RMB2,159,563.74, resulting in a carrying amount of RMB37,179,449.12. Long-term receivables (including values due within one year) had a gross amount of RMB622,392,324.55, with an impairment allowance of RMB8,556,954.87, resulting in a carrying amount of RMB613,835,369.68.

Management assessed the expected credit losses for accounts receivable, contract assets, and long-term receivables (including accounts due within one year) based on credit risk characteristics, using either individual or collective assessment, and measured the loss allowance based on expected credit losses over the entire life of the financial asset. Given the material amounts involved and the significant judgment required by management in the impairment assessments, we identified the impairment of accounts receivable, contract assets, and long-term receivables (including accounts due within one year) as a key audit matter.

2. Audit response

In response to the impairment of accounts receivable, contract assets, and long-term receivables (including accounts due within one year), our audit procedures primarily included:

(1) Understanding key internal controls related to impairment, evaluating the design of such controls, determining whether they were implemented, and testing the operating effectiveness of the relevant internal controls;

(2) Reviewing the outcomes of prior year estimates and subsequent adjustments made by management to the bad debt and impairment allowances;

(3) Reviewing management's credit risk assessment considerations and supporting evidence for accounts receivable, contract assets, and long-term receivables (including accounts due within one year), and evaluating whether management appropriately identified the credit risk characteristics;

(4) For financial assets assessed on an individual basis, reviewing management's forecasts of expected cash flows, evaluating the appropriateness of key assumptions and the adequacy, relevance, and reliability of the data used, and corroborating such forecasts with external evidence;

(5) For financial assets assessed on a collective basis, evaluating the reasonableness of the groupings based on credit risk characteristics and assessing the reasonableness of the expected credit loss rates applied by management, including the

appropriateness of key assumptions and the adequacy, relevance, and reliability of the underlying data; and testing the accuracy of management's calculations of the bad debt and impairment allowances;

(6) Evaluating the reasonableness of the impairment allowances based on the confirmation of accounts receivable, contract assets, and long-term receivables (including accounts due within one year), as well as subsequent collections; and

(7) Assessing whether the information related to the impairment of accounts receivable, contract assets, and long-term receivables (including accounts due within one year) was appropriately disclosed in the financial statements.

IV Other Information

The Company's management is responsible for the other information. The other information comprises all of the information included in the Company's Annual Report other than the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's management is responsible for the preparation of the financial statements that give a fair view in accordance with CAS, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern (if applicable) and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

VI Auditor's Responsibilities for Audit of Financial Statements

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

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

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

ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

iv. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by CAS to draw users' attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Pan-China Certified Public Accounts LLP

Chinese certified public accountant: Jiang Bo
(Engagement partner)

Hangzhou China

Chinese certified public accountant: Wu Nan

April 21, 2025

II Financial Statements

Monetary unit for the financial statements and the statements in the notes thereto unless otherwise stated: RMB

1. Consolidated Balance Sheet

Prepared by: Yizumi Holdings Co., Ltd.

December 31, 2024

Unit: RMB

Item	December 31, 2024	January 1, 2024
Current assets:		
Monetary assets	499,243,382.55	478,517,636.98
Settlement reserve		

Loans to other banks and financial institutions		
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	10,806,074.43	36,100,692.38
Accounts receivable	1,341,328,097.29	1,010,859,004.09
Receivables financing	323,209,598.63	275,596,736.17
Prepayments	41,335,883.96	83,949,871.42
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	23,665,551.99	23,102,115.06
Of which: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	1,850,476,851.81	1,548,131,377.54
Of which: Data resources		
Contract assets	37,179,449.12	26,227,155.65
Assets held for sale		
Current portion of non-current assets	419,370,901.95	319,852,958.93
Other current assets	117,343,169.48	126,311,208.77
Total current assets	4,663,958,961.21	3,928,648,756.99
Non-current assets:		
Loans and advances to customers		
Debt investments		
Other debt investments		
Long-term receivables	194,464,467.73	132,791,186.28
Long-term equity investments	480,911,939.67	440,991,591.62
Other equity investments		
Other non-current financial assets	6,000,000.00	
Investment properties		
Fixed assets	1,161,614,710.37	1,126,898,653.61
Construction in progress	52,972,208.36	64,807,386.33
Productive living assets		
Oil and gas assets		
Right-of-use assets	21,348,334.44	18,259,367.44
Intangible assets	427,510,658.67	360,968,757.24
Of which: Data resources		
Development costs		
Of which: Data resources		
Goodwill		

Long-term prepaid expense	54,690,719.71	66,971,635.75
Deferred income tax assets	37,106,941.54	39,798,661.93
Other non-current assets	9,532,766.19	11,260,691.28
Total non-current assets	2,446,152,746.68	2,262,747,931.48
Total assets	7,110,111,707.89	6,191,396,688.47
Current liabilities:		
Short-term borrowings	214,742,511.39	123,461,741.67
Borrowings from the central bank		
Loans from other banks and financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	743,715,809.23	573,966,408.01
Accounts payable	819,228,383.86	721,573,716.50
Advances from customers		
Contract liabilities	568,220,500.70	511,327,471.44
Financial assets sold under repurchase agreements		
Customer deposits and deposits from other banks and financial institutions		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	201,679,715.28	150,768,045.87
Taxes and levies payable	29,322,101.29	38,448,667.33
Other payables	55,054,484.88	78,069,589.44
Of which: Interest payable		
Dividends payable		
Fees and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	325,267,330.17	176,018,656.04
Other current liabilities	165,886,503.89	79,408,412.51
Total current liabilities	3,123,117,340.69	2,453,042,708.81
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	907,288,241.80	950,708,077.39
Bonds payable		
Of which: Preference shares		
Perpetual bonds		
Lease liabilities	14,232,805.92	12,837,884.14
Long-term payables		

Long-term employee benefits payable		
Provisions	1,406,217.44	68,764,404.05
Deferred income	48,015,028.52	93,454,988.36
Deferred income tax liabilities		9,234,400.82
Other non-current liabilities		
Total non-current liabilities	970,942,293.68	1,134,999,754.76
Total liabilities	4,094,059,634.37	3,588,042,463.57
Owners' equity:		
Share capital	468,562,084.00	468,571,084.00
Other equity instruments		
Of which: Preference shares		
Perpetual bonds		
Capital reserves	197,206,838.69	193,802,122.01
Less: Treasury shares	147,316,014.93	129,031,976.53
Other comprehensive income	-16,428,396.38	-12,069,982.14
Specific reserve	10,665,582.85	14,004,762.05
Surplus reserves	200,226,260.54	170,151,069.07
General reserve		
Retained earnings	2,249,385,853.50	1,855,790,427.49
Total equity attributable to owners of the parent company	2,962,302,208.27	2,561,217,505.95
Non-controlling interests	53,749,865.25	42,136,718.95
Total owners' equity	3,016,052,073.52	2,603,354,224.90
Total liabilities and owners' equity	7,110,111,707.89	6,191,396,688.47

Legal representative: Richard Yan

Chief Financial Officer: Yang Yuangu

Person in charge of accounting department: Wu Yongtian

2. Balance Sheet of the Parent Company

Unit: RMB

Item	December 31, 2024	January 1, 2024
Current assets:		
Monetary assets	162,272,651.47	226,291,434.90
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	190,000.00	7,863,839.90
Accounts receivable	329,673,209.39	360,311,007.85
Receivables financing	28,105,729.80	42,942,015.01
Prepayments	9,859,327.17	22,313,198.87
Other receivables	329,344,143.59	181,384,319.53
Of which: Interest receivable		
Dividends receivable		
Inventories	608,728,821.26	513,807,032.67
Of which: Data resources		
Contract assets	17,885,270.00	7,187,851.05
Assets held for sale		
Current portion of non-current assets		

Other current assets	23,623,263.07	24,141,846.20
Total current assets	1,509,682,415.75	1,386,242,545.98
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	1,617,235,531.04	1,515,839,881.78
Other equity investments		
Other non-current financial assets	6,000,000.00	
Investment properties	6,176,221.42	
Fixed assets	77,167,116.71	82,204,754.94
Construction in progress	1,789,091.15	3,687,356.47
Productive living assets		
Oil and gas assets		
Right-of-use assets	118,400.91	
Intangible assets	28,526,660.43	24,665,854.64
Of which: Data resources		
Development costs		
Of which: Data resources		
Goodwill		
Long-term prepaid expense	8,690,564.10	11,414,385.22
Deferred income tax assets	11,058,407.52	11,523,887.83
Other non-current assets	2,055,250.12	6,317,509.62
Total non-current assets	1,758,817,243.40	1,655,653,630.50
Total assets	3,268,499,659.15	3,041,896,176.48
Current liabilities:		
Short-term borrowings		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	124,169,895.17	104,019,492.47
Accounts payable	222,844,491.33	198,384,368.92
Advances from customers		
Contract liabilities	149,120,544.00	131,508,468.69
Employee benefits payable	60,120,402.82	50,696,797.85
Taxes and levies payable	4,554,456.76	5,643,279.59
Other payables	977,911,470.70	981,474,104.54
Of which: Interest payable		
Dividends payable		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	58,358,417.75	49,862,402.30
Other current liabilities	35,443,594.37	20,432,614.06

Total current liabilities	1,632,523,272.90	1,542,021,528.42
Non-current liabilities:		
Long-term borrowings	158,432,000.00	103,956,610.00
Bonds payable		
Of which: Preference shares		
Perpetual bonds		
Lease liabilities	72,679.29	
Long-term payables		
Long-term employee benefits payable		
Provisions		12,030,065.03
Deferred income	33,775,837.36	37,958,137.84
Deferred income tax liabilities		1,689,037.53
Other non-current liabilities		
Total non-current liabilities	192,280,516.65	155,633,850.40
Total liabilities	1,824,803,789.55	1,697,655,378.82
Owners' equity:		
Share capital	468,562,084.00	468,571,084.00
Other equity instruments		
Of which: Preference shares		
Perpetual bonds		
Capital reserves	217,623,809.42	215,519,984.12
Less: Treasury shares	147,316,014.93	129,031,976.53
Other comprehensive income		
Specific reserve		882,862.83
Surplus reserves	200,226,260.54	170,151,069.07
Retained earnings	704,599,730.57	618,147,774.17
Total owners' equity	1,443,695,869.60	1,344,240,797.66
Total liabilities and owners' equity	3,268,499,659.15	3,041,896,176.48

3. Consolidated Income Statement

Unit: RMB

Item	2024	2023
I Total revenues	5,062,986,914.57	4,095,816,864.87
Of which: Operating revenue	5,062,986,914.57	4,095,816,864.87
Interest income		
Insurance premium income		
Fee and commission income		
II Total costs and expenses	4,458,799,007.77	3,609,834,571.63
Of which: Cost of sales	3,445,528,305.46	2,804,194,138.22
Interest costs		
Fee and commission costs		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		

Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and levies	35,169,354.03	32,769,173.46
Selling expense	432,244,686.18	335,012,611.21
Administrative expense	263,809,028.24	217,543,513.96
R&D expense	245,862,085.97	212,357,941.56
Finance costs	36,185,547.89	7,957,193.22
Of which: Interest expense	44,230,999.41	38,644,936.08
Interest income	6,036,815.36	10,918,707.50
Add: Other income	112,283,244.34	88,148,668.29
Return on investment (“—” for loss)	48,880,183.37	51,212,937.58
Of which: Share of profit or loss of joint ventures and associates	50,463,783.08	52,673,309.83
Income from the derecognition of financial assets at amortized cost		
Exchange gain (“—” for loss)		
Net gain on exposure hedges (“—” for loss)		
Gain on changes in fair value (“—” for loss)		
Credit impairment loss (“—” for loss)	-18,595,698.91	-23,953,212.34
Asset impairment loss (“—” for loss)	-23,148,919.53	-31,284,357.27
Asset disposal income (“—” for loss)	-1,216,839.41	332,214.67
III Operating profit (“—” for loss)	722,389,876.66	570,438,544.17
Add: Non-operating income	2,044,621.20	736,713.87
Less: Non-operating expense	3,591,854.42	3,960,723.02
IV Gross profit (“—” for gross loss)	720,842,643.44	567,214,535.02
Less: Income tax expense	92,593,786.93	75,873,389.97
V Net profit (“—” for net loss)	628,248,856.51	491,341,145.05
i. By operating continuity		
1. Net profit from continuing operations (“—” for net loss)	626,652,237.50	491,341,145.05
2. Net profit from discontinued operations (“—” for net loss)	1,596,619.01	
ii. By ownership		
1. Net profit attributable to owners of the parent company	607,895,384.28	477,089,898.56
2. Net profit attributable to non-controlling interests	20,353,472.23	14,251,246.49
VI Other comprehensive income, net of tax	-4,578,947.40	-4,102,772.10
Other comprehensive income, net of	-4,358,414.24	-3,451,944.54

tax attributable to owners of the parent company		
i. Other comprehensive income that will not be reclassified to profit or loss		
1. Changes caused by remeasurements on defined benefit schemes		
2. Other comprehensive income that will not be reclassified to profit or loss under the equity method		
3. Changes in the fair value of other equity investments		
4. Changes in the fair value arising from changes in own credit risk		
5. Other		
ii. Other comprehensive income that will be reclassified to profit or loss	-4,358,414.24	-3,451,944.54
1. Other comprehensive income that will be reclassified to profit or loss under the equity method		
2. Changes in the fair value of other debt investments		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Credit impairment allowances for other debt investments		
5. Reserve for cash flow hedges		
6. Differences arising from the translation of foreign currency-denominated financial statements	-4,358,414.24	-3,451,944.54
7. Other		
Other comprehensive income, net of tax attributable to non-controlling interests	-220,533.16	-650,827.56
VII Total comprehensive income	623,669,909.11	487,238,372.95
Total comprehensive income attributable to owners of the parent company	603,536,970.04	473,637,954.02
Total comprehensive income attributable to non-controlling interests	20,132,939.07	13,600,418.93
VIII Earnings per share		
i. Basic earnings per share	1.32	1.02
ii. Diluted earnings per share	1.32	1.02

Where business combinations involving entities under common control occurred in the period, the net profit achieved by the acquirees before the combinations was RMB , with the amount for last year being RMB .

Legal representative: Richard Yan

Chief Financial Officer: Yang Yuanguai

Person in charge of accounting department: Wu Yongtian

4. Income Statement of the Parent Company

Unit: RMB

Item	2024	2023
I Operating revenue	1,025,954,064.12	995,596,600.11
Less: Cost of sales	744,002,509.10	709,369,945.17

Taxes and levies	5,494,415.48	5,170,685.67
Selling expense	112,743,865.79	75,825,451.88
Administrative expense	133,576,414.07	112,366,440.25
R&D expense	66,099,403.32	56,554,723.39
Finance costs	611,070.49	-2,846,821.67
Of which: Interest expense	5,422,533.73	5,205,621.81
Interest income	3,324,354.59	5,224,040.56
Add: Other income	25,724,476.53	23,760,043.52
Return on investment (“—” for loss)	324,992,507.95	94,796,333.78
Of which: Share of profit or loss of joint ventures and associates	50,463,783.08	52,673,309.83
Income from the derecognition of financial assets at amortized cost (“—” for loss)		
Net gain on exposure hedges (“—” for loss)		
Gain on changes in fair value (“—” for loss)		
Credit impairment loss (“—” for loss)	2,771,154.23	-5,042,256.75
Asset impairment loss (“—” for loss)	-15,888,172.66	-4,744,964.44
Asset disposal income (“—” for loss)	727,338.41	-108,775.75
II Operating profit (“—” for loss)	301,753,690.33	147,816,555.78
Add: Non-operating income	71,147.52	306,560.99
Less: Non-operating expense	1,598,479.59	1,438,746.09
III Gross profit (“—” for gross loss)	300,226,358.26	146,684,370.68
Less: Income tax expense	-525,556.41	1,373,937.19
IV Net profit (“—” for net loss)	300,751,914.67	145,310,433.49
i. Net profit from continuing operations (“—” for net loss)	300,751,914.67	145,310,433.49
ii. Net profit from discontinued operations (“—” for net loss)		
V Other comprehensive income, net of tax		
i. Other comprehensive income that will not be reclassified to profit or loss		
1. Changes caused by remeasurements on defined benefit schemes		
2. Other comprehensive income that will not be reclassified to profit or loss under the equity method		
3. Changes in the fair value of other equity investments		
4. Changes in the fair value arising from changes in own credit risk		
5. Other		

ii. Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that will be reclassified to profit or loss under the equity method		
2. Changes in the fair value of other debt investments		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Credit impairment allowances for other debt investments		
5. Reserve for cash flow hedges		
6. Differences arising from the translation of foreign currency-denominated financial statements		
7. Other		
VI Total comprehensive income	300,751,914.67	145,310,433.49
VII Earnings per share:		
i. Basic earnings per share		
ii. Diluted earnings per share		

5. Consolidated Cash Flow Statement

Unit: RMB

Item	2024	2023
I Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	4,885,133,131.11	4,072,066,231.45
Net increase in customer deposits and deposits from other banks and financial institutions		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, fees and commissions received		
Net increase in loans from other banks and financial institutions		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax and levy rebates	178,639,455.47	104,496,545.07
Cash generated from other operating activities	253,747,424.11	283,402,387.92
Subtotal of cash generated from operating activities	5,317,520,010.69	4,459,965,164.44

Payments for goods and services	3,314,165,268.33	2,783,622,485.70
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and other banks and financial institutions		
Payments for claims on original insurance contracts		
Net increase in loans to other banks and financial institutions		
Interest, fees and commissions paid		
Policy dividends paid		
Cash paid to and for employees	860,285,881.34	697,006,631.60
Taxes and levies paid	259,454,145.77	231,271,917.19
Cash used in other operating activities	525,568,607.86	573,305,303.76
Subtotal of cash used in operating activities	4,959,473,903.30	4,285,206,338.25
Net cash generated from/used in operating activities	358,046,107.39	174,758,826.19
II Cash flows from investing activities:		
Proceeds from the disposal of investments	6,928,050.03	6,528,699.10
Return on investment	9,000,000.00	
Net proceeds from the disposal of fixed assets, intangible assets and other long-term assets	8,127,986.84	2,099,490.02
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	18,004,660.27	
Subtotal of cash generated from investing activities	42,060,697.14	8,628,189.12
Payments for the acquisition and construction of fixed assets, intangible assets and other long-term assets	287,416,888.00	224,606,287.75
Payments for the acquisition of investments	8,692,307.50	2,692,307.50
Net increase in pledge loans		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	28,734,653.00	
Subtotal of cash used in investing activities	324,843,848.50	227,298,595.25
Net cash generated from/used in investing activities	-282,783,151.36	-218,670,406.13
III Cash flows from financing activities:		
Capital contributions received	1,276,482.10	1,935,509.18
Of which: Capital contributions received by subsidiaries from non-controlling interests	1,276,482.10	1,935,509.18
Borrowings received	487,064,722.22	535,180,320.00
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	488,341,204.32	537,115,829.18

Repayment of borrowings	292,608,156.30	226,083,757.15
Interest and dividends paid	236,648,770.51	221,814,475.63
Of which: Dividends paid by subsidiaries to non-controlling interests	10,000,000.00	14,399,123.47
Cash used in other financing activities	33,535,934.86	154,527,365.25
Subtotal of cash used in financing activities	562,792,861.67	602,425,598.03
Net cash generated from/used in financing activities	-74,451,657.35	-65,309,768.85
IV Effect of foreign exchange rate changes on cash and cash equivalents	2,326,379.22	3,906,212.85
V Net increase in cash and cash equivalents	3,137,677.90	-105,315,135.94
Add: Cash and cash equivalents, beginning of the period	404,722,665.21	510,037,801.15
VI Cash and cash equivalents, end of the period	407,860,343.11	404,722,665.21

6. Cash Flow Statement of the Parent Company

Unit: RMB

Item	2024	2023
I Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	1,190,510,377.63	905,275,722.06
Tax and levy rebates	35,305,222.41	14,928,461.22
Cash generated from other operating activities	47,867,526.82	103,905,447.91
Subtotal of cash generated from operating activities	1,273,683,126.86	1,024,109,631.19
Payments for goods and services	814,893,844.55	722,707,634.38
Cash paid to and for employees	235,802,912.84	202,981,471.06
Taxes and levies paid	25,341,679.38	31,969,115.09
Cash used in other operating activities	163,909,126.36	187,807,672.88
Subtotal of cash used in operating activities	1,239,947,563.13	1,145,465,893.41
Net cash generated from/used in operating activities	33,735,563.73	-121,356,262.22
II Cash flows from investing activities:		
Proceeds from the disposal of investments	6,928,050.03	6,292,337.21
Return on investment	284,000,000.00	42,438,657.63
Net proceeds from the disposal of fixed assets, intangible assets and other long-term assets	2,490,125.99	345,903.62
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	10,002,589.04	
Subtotal of cash generated from investing activities	303,420,765.06	49,076,898.46
Payments for the acquisition and construction of fixed assets, intangible assets and other long-term assets	32,609,964.62	46,246,449.03
Payments for the acquisition of investments	68,502,707.50	167,246,511.74

Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	156,836,744.16	153,022,108.94
Subtotal of cash used in investing activities	257,949,416.28	366,515,069.71
Net cash generated from/used in investing activities	45,471,348.78	-317,438,171.25
III Cash flows from financing activities:		
Capital contributions received		
Borrowings received	128,100,000.00	83,347,000.00
Cash generated from other financing activities	4,067,479.31	731,351,934.01
Subtotal of cash generated from financing activities	132,167,479.31	814,698,934.01
Repayment of borrowings	65,311,371.25	49,363,100.00
Interest and dividends paid	189,695,306.32	169,350,931.06
Cash used in other financing activities	23,867,590.67	119,986,513.90
Subtotal of cash used in financing activities	278,874,268.24	338,700,544.96
Net cash generated from/used in financing activities	-146,706,788.93	475,998,389.05
IV Effect of foreign exchange rate changes on cash and cash equivalents	988,052.19	1,235,701.52
V Net increase in cash and cash equivalents	-66,511,824.23	38,439,657.10
Add: Cash and cash equivalents, beginning of the period	213,886,303.66	175,446,646.56
VI Cash and cash equivalents, end of the period	147,374,479.43	213,886,303.66

7. Consolidated Statements of Changes in Owners' Equity

2024

Unit: RMB

Item	2024														
	Equity attributable to owners of the parent company													Non-controlling interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
Preference shares		Perpetual bonds	Other												
I Balance as at the end of the prior year	468,571,084.00				193,802,122.01	129,031,976.53	-12,069,982.14	14,004,762.05	170,151,069.07		1,855,790,427.49		2,561,217,505.95	42,136,718.95	2,603,354,224.90
Add: Adjustments for changes in accounting policies															
Adjustment															

s for correction of previous errors															
Other															
II Balance as at the beginning of the year	468,571,084.00				193,802,122.01	129,031,976.53	12,069,982.14	14,004,762.05	170,151,069.07		1,855,790,427.49		2,561,217,505.95	42,136,718.95	2,603,354,224.90
III Increase/decrease in the period (“-” for decrease)	-9,000.00				3,404,716.68	18,284,038.40	4,358,414.24	3,339,179.20	30,075,191.47		393,595,426.01		401,084,702.32	11,613,146.30	412,697,848.62
i. Total comprehensive income							-4,358,414.24				607,895,384.28		603,536,970.04	20,132,939.07	623,669,909.11
ii. Capital increase and reduction by owners	-9,000.00				3,404,716.68	31,410.00							3,427,126.68	1,270,195.96	4,697,322.64
1. Ordinary share increase by owners														1,276,482.10	1,276,482.10
2. Capital increase by holders of other equity instruments															
3. Share-based payments recognized in owners' equity					3,427,126.68								3,427,126.68	6,286.14	3,420,840.54
4. Other	-9,000.00				22,410.00	31,410.00									
iii. Profit distribution									30,075,191.47		-214,299,958.27		-184,224,766.80	10,000.00	-194,224,766.80
1. Appropriated to surplus reserves									30,075,191.47		-30,075,191.47				
2.															

in the period							15,123,389.91					15,123,389.91	636,833.14	15,760,223.05
2. Used in the period							-12,752,753.08					-12,752,753.08	-426,821.87	-13,179,574.95
vi. Other						18,315,448.40	5,709,816.03					-24,025,264.43		-24,025,264.43
IV Balance as at the end of the period	468,562,084.00				197,206,838.69	147,316,014.93	16,428,396.38	10,665,582.85	200,226.26		2,249,385.853.50	2,962,302.208.27	53,749,865.25	3,016,052,073.52

2023

Unit: RMB

Item	2023														Non-controlling interests	Total owners' equity
	Equity attributable to owners of the parent company															
	Share capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal			
	Preference shares	Perpetual bonds	Other													
I Balance as at the end of the prior year	468,772,684.00				202,295,841.78	19,062,984.90	-8,618,037.60	8,945,087.64	155,620.02		1,557,244.051.68		2,365,196.668.32	56,710,851.66	2,421,907,519.98	
Add: Adjustments for changes in accounting policies																
Adjustments for correction of previous errors																
Other																
II Balance as at the beginning of the year	468,772,684.00				202,295,841.78	19,062,984.90	-8,618,037.60	8,945,087.64	155,620.02		1,557,244.051.68		2,365,196.668.32	56,710,851.66	2,421,907,519.98	
III Increase/decrease in the period ("-" for decrease)	-201,600.00				-8,493,719.77	109,968,991.63	-3,451,944.54	5,059,674.41	14,531,043.35		298,546,375.81		196,020,837.63	-14,574,132.71	181,446,704.92	

1. Increase in capital (or share capital) from capital reserves														
2. Increase in capital (or share capital) from surplus reserves														
3. Surplus reserves offset against loss														
4. Changes in defined benefit schemes transferred to retained earnings														
5. Other comprehensive income transferred to retained earnings														
6. Other														
v. Specific reserve							5,059,674.41					5,059,674.41	-330,264.76	4,729,409.65
1. Increase in the period							14,688,114.94					14,688,114.94	1,279,747.76	15,967,862.70
2. Used in the period							-9,628,440.53					-9,628,440.53	-1,610,012.52	-11,238,453.05
vi. Other					-12,830,095.88	109,968,991.63						-122,799,087.51	-15,377,333.36	-138,176,420.87
IV Balance as at the end of the period	468,571,084.00				193,802,122.01	129,031,976.53	-12,069,982.14	14,004,762.05	170,151,069.07		1,855,790,427.49	2,561,217,505.95	42,136,718.95	2,603,354,224.90

8. Statements of Changes in Owners' Equity of the Parent Company

2024

Unit: RMB

Item	2024											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preference shares	Perpetual bonds	Other								
I Balance as at the end of the prior year	468,571,084.00				215,519,984.12	129,031,976.53		882,862.83	170,151,069.07	618,147,774.17		1,344,240,797.66
Add: Adjustments for changes in accounting policies												
Adjustments for correction of previous errors												
Other												
II Balance as at the beginning of the year	468,571,084.00				215,519,984.12	129,031,976.53		882,862.83	170,151,069.07	618,147,774.17		1,344,240,797.66
III Increase/decrease in the period ("+" for increase, "-" for decrease)	9,000.00				2,103,825.30	18,284,038.40		882,862.83	30,075,191.47	86,451,956.40		99,455,071.94
i. Total comprehensive income										300,751,914.67		300,751,914.67
ii. Capital increase and reduction by owners	9,000.00				2,103,825.30	31,410.00						2,126,235.30
1. Ordinary share increase by owners												
2. Capital increase by holders of other equity instruments												
3. Share-based					2,126,235.30							2,126,235.30

payments recognized in owners' equity												
4. Other	9,000.00				22,410.00	31,410.00						
iii. Profit distribution								30,075,191.47	214,299,958.27			-184,224,766.80
1. Appropriated to surplus reserves								30,075,191.47	30,075,191.47			
2. Distributed to owners (or shareholders)									184,224,766.80			-184,224,766.80
3. Other												
iv. Transfers within owners' equity												
1. Increase in capital (or share capital) from capital reserves												
2. Increase in capital (or share capital) from surplus reserves												
3. Surplus reserves offset against loss												
4. Changes in defined benefit schemes transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Other												
v. Specific reserve												
1. Increase in												
								882,862.83				-882,862.83

the period								3,629,577.04				3,629,577.04
2. Used in the period								-				-
								4,512,439.87				4,512,439.87
vi. Other						18,315,448.40						18,315,448.40
IV Balance as at the end of the period	468,562,084.00				217,623,809.42	147,316,014.93			200,226,260.54	704,599,730.57		1,443,695,869.60

2023

Unit: RMB

Item	2023											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preference shares	Perpetual bonds	Other								
I Balance as at the end of the prior year	468,772,684.00				211,703,076.39	19,062,984.90		27,085.15	155,620,025.72	651,380,863.43		1,468,440,749.79
Add: Adjustments for changes in accounting policies												
Adjustments for correction of previous errors												
Other												
II Balance as at the beginning of the year	468,772,684.00				211,703,076.39	19,062,984.90		27,085.15	155,620,025.72	651,380,863.43		1,468,440,749.79
III Increase/decrease in the period ("+" for increase, "-" for decrease)	-201,600.00				3,816,907.73	109,968,991.63		855,777.68	14,531,043.35	-33,233,089.26		-124,199,952.13
i. Total comprehensive income										145,310,433.49		145,310,433.49
ii. Capital increase and reduction by owners	-201,600.00				3,816,907.73							3,615,307.73
1. Ordinary share increase by												

owners												
2. Capital increase by holders of other equity instruments												
3. Share-based payments recognized in owners' equity					3,816,907.73							3,816,907.73
4. Other	201,600.00											201,600.00
iii. Profit distribution								14,531.043.35	-178,543,522.75			-164,012,479.40
1. Appropriated to surplus reserves								14,531.043.35	-14,531.043.35			
2. Distributed to owners (or shareholders)									-164,012,479.40			-164,012,479.40
3. Other												
iv. Transfers within owners' equity												
1. Increase in capital (or share capital) from capital reserves												
2. Increase in capital (or share capital) from surplus reserves												
3. Surplus reserves offset against loss												
4. Changes in defined benefit schemes transferred to retained earnings												
5. Other comprehensive income												

transferred to retained earnings												
6. Other												
v. Specific reserve							1,420,165.83					1,420,165.83
1. Increase in the period							3,079,674.57					3,079,674.57
2. Used in the period							-1,659,508.74					-1,659,508.74
vi. Other						109,968,991.63	564,388.15					110,533,379.78
IV Balance as at the end of the period	468,571,084.00				215,519,984.12	129,031,976.53	882,862.83	170,151,069.07	618,147,774.17			1,344,240,797.66

III Company Profile

Yizumi Holdings Co., Ltd. (hereinafter referred to as the “Company”) was established through the overall restructuring of Guangdong Yizumi Precision Machinery Co., Ltd. and was registered with the Shunde Administration for Market Regulation, Foshan on June 28, 2011, with its headquarters located in Foshan City, Guangdong Province. The Company currently holds a business license with the Unified Social Credit Code 91440606740846335Y, with a registered capital of RMB468,562,084.00 and a total of 468,562,084 shares (par value of RMB1 per share). Among these, 18,248,695 shares are restricted tradable A shares, and 450,313,389 shares are unrestricted tradable A shares. The Company’s shares have been listed and traded on the Shenzhen Stock Exchange since January 23, 2015.

The Company operates in the machinery manufacturing industry. Its principal business activities include the research and development, production, and sales of injection molding equipment.

These financial statements were approved for issue by the 9th Meeting of the 5th Board of Directors of the Company on April 21, 2025.

IV Basis of Preparation of the Financial Statements

1. Basis of preparation

The Company’s financial statements have been prepared on a going concern basis.

2. Going concern

The Company does not have any events or circumstances that would cast significant doubt on its ability to continue as a going concern for the 12-month period following the end of the Reporting Period.

V Significant Accounting Policies and Accounting Estimates

Specific disclosures on accounting policies and estimates:

The Company has established specific accounting policies and estimates for transactions or matters such as impairment of financial instruments, inventories, depreciation of fixed assets, construction in progress, intangible assets, and revenue recognition based on its actual production and business characteristics.

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements of the Company have been prepared in accordance with the Accounting Standards for Business Enterprises, and present fairly and in all material respects the Company's financial position, operating results, and cash flows.

2. Accounting period

The accounting year begins on January 1 and ends on December 31 of each calendar year.

3. Operating cycle

As the Company's business cycle is relatively short, a period of twelve months is used as the standard to distinguish between current and non-current assets and liabilities.

4. Functional currency

The Company and its domestic subsidiaries use Renminbi (RMB) as their functional currency. For subsidiaries established in Hong Kong or overseas, the currency of the primary economic environment in which they operate is used as their functional currency.

5. Determination method and criteria for materiality

Applicable Not applicable

Item	Materiality Criteria
Individually significant accounts receivable subject to bad debt provision	Amount exceeding 0.5% of total assets
Individually significant write-offs of accounts receivable	Amount exceeding 0.5% of total assets
Prepayments with aging over one year deemed material	Amount exceeding 0.5% of total assets
Construction in progress projects deemed material	Amount exceeding 0.5% of total assets
Accounts payable with aging over one year deemed material	Amount exceeding 0.5% of total assets
Contract liabilities with aging over one year deemed material	Amount exceeding 0.5% of total assets
Other payables with aging over one year deemed material	Amount exceeding 0.5% of total assets
Cash flows from significant investing activities	Amount exceeding 5% of total assets
Significant subsidiaries or non-wholly owned subsidiaries	Total assets, revenue, or gross profit exceeding 3% of the consolidated total
Significant joint ventures or associates	Carrying amount of individual long-term equity investment exceeding 2.5% of consolidated net assets

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

1. Business combinations involving entities under common control

The assets and liabilities acquired by the Company in business combinations under common control are measured at the carrying amounts in the consolidated financial statements of the ultimate controlling party on the combination date. The difference

between the carrying amount of the consideration paid or the total nominal value of shares issued and the share of the acquiree's owners' equity recognized in the ultimate controlling party's consolidated financial statements is adjusted against capital reserves; if capital reserves are insufficient, the remainder is adjusted against retained earnings.

2. Business combinations involving entities not under common control

On the acquisition date, the excess of the cost of combination over the fair value of the identifiable net assets acquired is recognized as goodwill. If the cost of combination is less than the fair value of the identifiable net assets acquired, a reassessment of the fair value of the identifiable assets, liabilities, and contingent liabilities acquired, as well as the measurement of the combination cost, is conducted. If the reassessment confirms that the cost remains lower than the fair value, the difference is recognized in the current profit or loss.

7. Criteria for determining control and preparation method for consolidated financial statements

1. Criteria for determining control

An investor is considered to have control when it has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power to affect the amount of the returns.

2. Method for preparing consolidated financial statements

All subsidiaries controlled by the parent company are included in the scope of consolidation. The consolidated financial statements are prepared by the parent company in accordance with the financial statements of the parent and its subsidiaries, and other relevant information, in accordance with the *Accounting Standard for Business Enterprises No. 33—Consolidated Financial Statements*.

8. Classification of joint arrangements and accounting treatment for joint operations

1. Joint arrangements are classified into joint operations and joint ventures.

2. When the Company is a joint operator in a joint operation, it recognizes the following in relation to its interest in the joint operation:

- (1) Assets it solely controls, and its share of jointly controlled assets;
- (2) Liabilities it solely incurs, and its share of jointly incurred liabilities;
- (3) Revenue from the sale of its share of output of the joint operation;
- (4) Revenue from the sale of assets by the joint operation in proportion to its interest;
- (5) Expenses it incurs individually, and its share of expenses incurred jointly.

9. Definition of cash and cash equivalents

Cash presented in the cash flow statement refers to cash on hand and deposits available for payment at any time. Cash equivalents refer to short-term, highly liquid investments held by the Company that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

10. Translation of foreign currency transactions and foreign currency financial statements

1. Translation of foreign currency transactions

Transactions denominated in foreign currency are translated into RMB yuan at the approximate exchange rate similar to the spot exchange rate at the transaction date at initial recognition. At the balance sheet date, foreign currency monetary items are translated using the spot exchange rate on the balance sheet date. Exchange differences arising from such translations, except for those related to qualifying assets financed by foreign currency borrowings, are recognized in current profit or loss. Foreign

currency non-monetary items measured at historical cost continue to be translated at the approximate exchange rate similar to the spot exchange rate at the transaction date. Non-monetary items measured at fair value are translated at the spot exchange rate on the date when the fair value was determined, and the resulting exchange differences are recognized in current profit or loss or other comprehensive income.

2. Translation of foreign currency financial statements

Assets and liabilities in the balance sheet are translated at the spot exchange rate on the balance sheet date. Owners' equity items, except for retained earnings, are translated using the spot exchange rate on the transaction date. Income and expense items in the income statement are translated using the approximate spot exchange rate on the transaction date. Exchange differences arising from the translation of foreign currency financial statements are recognized in other comprehensive income.

11. Financial instruments

1. Classification of Financial assets and financial liabilities

Financial assets are classified at initial recognition into the following three categories: (1) Financial assets measured at amortized cost; (2) Financial assets measured at fair value through other comprehensive income; (3) Financial assets measured at fair value through current profit or loss.

Financial liabilities are classified at initial recognition into the following four categories: (1) Financial liabilities measured at fair value through current profit or loss; (2) Financial liabilities arising from the transfer of financial assets that do not qualify for derecognition, or that are subject to continuing involvement; (3) Financial guarantee contracts not included in (1) or (2), and loan commitments not included in (1) that are issued at below-market interest rates; (4) Financial liabilities measured at amortized cost.

2. Basis for recognition, measurement methods, and derecognition criteria

(1) Recognition basis and initial measurement

The Company recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of the financial instruments. Financial assets and financial liabilities are initially measured at fair value. For financial assets and financial liabilities measured at fair value through current profit or loss, transaction costs are recognized in current profit or loss. For other categories, transaction costs are included in the initial carrying amount. However, accounts receivable initially recognized by the Company that do not contain significant financing components, or for which the financing component is not considered as per the one-year practical expedient under *Accounting Standard for Business Enterprises No. 14 – Revenue*, are initially measured at the transaction price.

(2) Subsequent measurement of financial assets

1) Financial assets measured at amortized cost

Subsequent measurement is based on amortized cost using the effective interest method. Gains or losses arising from derecognition, reclassification, amortization using the effective interest method, or impairment are recognized in current profit or loss.

2) Debt instrument investments measured at fair value through other comprehensive income

Measured at fair value. Interest income, impairment losses or gains, and exchange gains or losses calculated using the effective interest method are recognized in current profit or loss. Other gains or losses are recognized in other comprehensive income. Upon derecognition, the accumulated gains or losses previously recognized in other comprehensive income are reclassified to current profit or loss.

3) Equity instrument investments measured at fair value through other comprehensive income

Measured at fair value. Dividends received (except those representing recovery of investment cost) are recognized in current profit or loss. Other gains or losses are recognized in other comprehensive income. Upon derecognition, the accumulated gains or losses previously recognized in other comprehensive income are transferred to retained earnings.

4) Financial assets measured at fair value through current profit or loss

Subsequently measured at fair value. Gains or losses, including interest and dividend income, are recognized in current profit or loss unless the financial asset is part of a hedging relationship.

(3) Subsequent measurement of financial liabilities

1) Financial liabilities measured at fair value through current profit or loss

This includes held-for-trading financial liabilities (including derivative financial liabilities) and those designated as measured at fair value through current profit or loss. Such liabilities are measured at fair value. Changes in fair value due to the Company's own credit risk are recognized in other comprehensive income unless such treatment creates or enlarges an accounting mismatch in current profit or loss. Other gains or losses (including interest expense and changes in fair value not attributable to changes in own credit risk) are recognized in current profit or loss. Upon derecognition, accumulated gains or losses previously recognized in other comprehensive income are transferred to retained earnings.

2) Financial liabilities arising from transfers of financial assets that do not qualify for derecognition or that involve continuing involvement

Measured in accordance with *Accounting Standard for Business Enterprises No. 23 – Transfer of Financial Assets*.

3) Financial guarantee contracts and loan commitments not included in (1) or (2) Subsequently measured at the higher of: ① The loss allowance determined in accordance with the impairment requirements for financial instruments; or ② The initially recognized amount less accumulated amortization determined in accordance with *Accounting Standard for Business Enterprises No. 14 – Revenue*.

4) Financial liabilities measured at amortized cost

Measured at amortized cost using the effective interest method. Gains or losses arising from derecognition or amortization are recognized in current profit or loss.

(4) Derecognition of Financial Assets and Financial Liabilities

1) A financial asset is derecognized when:

① The contractual rights to the cash flows from the financial asset expire; or

② The financial asset is transferred and the transfer qualifies for derecognition under *Accounting Standard for Business Enterprises No. 23 – Transfer of Financial Assets*.

2) A financial liability (or part of it) is derecognized when the obligation specified in the contract is discharged or cancelled.

3. Basis for recognition and measurement of transfers of financial assets

If substantially all the risks and rewards of ownership of the financial asset are transferred, the asset is derecognized, and any rights or obligations retained or incurred in the transfer are recognized separately as assets or liabilities. If substantially all the risks and rewards are retained, the asset is not derecognized. If neither transferred nor retained substantially all risks and rewards: (1) If control is not retained, the asset is derecognized and any rights or obligations retained are recognized separately; (2) If control is retained, the financial asset continues to be recognized to the extent of continuing involvement, and a corresponding liability is recognized.

If the entire financial asset is derecognized, the difference between: (1) the carrying amount of the transferred financial asset at the date of derecognition, and (2) the sum of the consideration received and the cumulative amount of changes in fair value previously recognized in other comprehensive income (if applicable, for FVOCI debt investments), is recognized in current profit or loss. If only a part of a financial asset is derecognized, and that part meets the derecognition conditions, the carrying amount is allocated between the derecognized part and the retained part based on their relative fair values on the date of transfer. The difference between the carrying amount of the derecognized part and the consideration received, along with the cumulative change in fair value previously recognized in other comprehensive income related to the derecognized portion, is recognized in current profit or loss.

4. Determination of fair value of financial instruments

The Company uses valuation techniques that are applicable under current conditions and supported by sufficient available data and information to determine the fair value of financial instruments. Inputs used in valuation techniques are categorized into three levels in order of priority:

(1) Level 1 inputs: unadjusted quoted prices in active markets for identical assets or liabilities accessible on the measurement date;

(2) Level 2 inputs: observable inputs other than quoted prices included within Level 1, such as quoted prices for similar assets or liabilities in active or inactive markets, interest rates and yield curves observable at commonly quoted intervals, and market-validated inputs;

(3) Level 3 inputs: unobservable inputs for the asset or liability, including assumptions about future cash flows, volatility, or internally generated forecasts.

5. Impairment of financial instruments

The Company applies the expected credit loss model to assess impairment for the following instruments: Financial assets measured at amortized cost, Debt investments measured at fair value through other comprehensive income, contract assets, lease receivables, loan commitments not measured at fair value through other comprehensive income, Financial guarantee contracts not measured at fair value through other comprehensive income and not arising from transfers that fail derecognition criteria.

Expected credit losses (ECL) represent the weighted average of credit losses on financial instruments, with the risk of default used as the weighting factor. Credit losses refer to the present value of the difference between all contractual cash flows that are due to the Company under the contract and all cash flows that the Company expects to receive, discounted at the original effective interest rate, which represents the present value of all cash shortfalls. For purchased or originated credit-impaired financial assets, the Company discounts the cash flows using the credit-adjusted effective interest rate.

For credit-impaired financial assets at initial recognition, only changes in lifetime ECL since initial recognition are recognized as loss allowance at each balance sheet date.

For lease receivables, trade receivables, and contract assets arising from transactions regulated by the *Accounting Standard for Business Enterprises No. 14—Revenue*, the Company applies a simplified approach and measures the loss allowance at an amount equal to lifetime expected credit losses.

For financial assets other than those measured using the above methods, the Company assesses at each balance sheet date whether their credit risk has increased significantly since initial recognition. If the credit risk has increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to lifetime expected credit losses; if the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses.

The Company uses reasonable and supportable information, including forward-looking information, to determine whether the credit risk of financial instruments has increased significantly since initial recognition by comparing the risk of default on the balance sheet date with the risk of default on the initial recognition date.

At the balance sheet date, if the Company determines that a financial instrument has only low credit risk, it assumes that the credit risk on the financial instrument has not increased significantly since initial recognition.

The Company assesses expected credit risk and measures expected credit losses on either an individual financial instrument basis or a financial instrument group basis. When the assessment is performed on a group basis, financial instruments are grouped according to shared risk characteristics.

The Company remeasures expected credit losses at each balance sheet date, with the resulting increases or reversals in the loss allowance recognized as impairment losses or gains in profit or loss for the current period. For financial assets measured at amortized cost, the loss allowance reduces the carrying amount of these financial assets presented in the balance sheet; for debt investments measured at fair value through other comprehensive income, the Company recognizes the loss allowance in other comprehensive income without reducing the carrying amount of these financial assets.

6. Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, the Company presents the net amount in the balance sheet when both of the following conditions are met: (1) the Company has a legally enforceable right to set off the recognized amounts, and such right is currently enforceable; and (2) the Company intends either to settle on a net basis or to realize the financial asset and settle the financial liability simultaneously.

For transfers of financial assets that do not qualify for derecognition, the Company does not offset the transferred financial assets against the associated liabilities.

12. Notes receivable

For details, please refer to Note V.13.

13. Accounts receivable

1. Expected credit losses on receivables and contract assets classified by credit risk characteristics

Category	Basis for grouping	Method for measuring expected credit loss
Bank accepted bills receivable	Bill type	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, expected credit losses are calculated using default risk exposure and the expected credit loss rate over the entire lifetime of the instrument.
Commercial accepted bills receivable		
Financial company accepted bills receivable		
Accounts receivable — aging group	Aging	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, a reference table of aging and expected credit loss rates is prepared to calculate the expected credit loss.
Accounts receivable credit loss experience, current conditions,	Transactions with related parties within the consolidation scope	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, expected credit losses are calculated using default risk exposure and the expected credit loss rate over the entire lifetime of the instrument.
Other receivables — employee advance receivables	Nature of the receivable	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, expected credit losses are calculated using default risk exposure and the expected credit loss rate for the next 12 months or the entire lifetime of the instrument.
Other receivables — temporary receivables		
Other receivables — aging group	Aging	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, a reference table of aging and expected credit loss rates is prepared to calculate the expected credit loss.
Other receivables — group of related parties within the consolidation scope	Transactions with related parties within the consolidation scope	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, expected credit losses are calculated using default risk exposure and the expected credit loss rate for the next 12 months or the entire lifetime of

Category	Basis for grouping	Method for measuring expected credit loss
		the instrument.
Contract assets — warranty deposit group	Nature of the receivable	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, expected credit losses are calculated using default risk exposure and the expected credit loss rate over the entire lifetime of the instrument.
Long-term receivables (Including other non-current assets due within one year)	Nature of the receivable	Based on historical credit loss experience, current conditions, and forecasts of future economic conditions, expected credit losses are calculated using default risk exposure and the expected credit loss rate over the entire lifetime of the instrument.

2. Aging and expected credit loss rate table for aging groups

Aging	Accounts receivable	Expected credit loss rate (%)
Within 1 year (inclusive)	5	5
1-2 years	10	10
2-3 years	20	20
3-4 years	30	30
4-5 years	50	50
Over 5 years	100	100

The aging of Accounts Receivable and Other Receivables is calculated from the date of initial recognition.

3. Method for measuring expected credit losses for long-term receivables by group

The Company classifies long-term receivables based on common credit risk characteristics, including customer overdue information and credit risk ratings. When determining the customer credit risk rating, factors such as customer production, sales (downstream customers), litigation, operations, and performance are considered. The credit risk rating is determined based on the risk factor.

Overdue status	Risk level	Long-term receivables
Not overdue	Normal	0.5
Overdue within 3 months (inclusive)	Watch	2
Overdue 3-12 months (inclusive)	Substandard	20
Overdue 12-24 months (inclusive)	Doubtful	50
Overdue more than 24 months	Loss	100

4. Recognition criteria for expected credit losses on individual receivables and contract assets

Receivables and contract assets that exhibit significantly different credit risk characteristics from the general grouping are subject to individual expected credit loss measurements.

14. Receivables financing

For details, please refer to Note V.13.

15. Other receivables

For details, please refer to Note V.13.

16. Contract assets

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the fulfillment of performance obligations and customer payments. The Company offsets contract assets and contract liabilities under the same contract and presents the net amount.

The Company presents unconditional rights (i.e., rights that depend only on the passage of time) to collect consideration from customers as receivables, and rights to collect consideration after goods have been transferred to customers, where the rights depend on other factors beyond the passage of time, as contract assets.

The Company presents its obligations to transfer goods to customers for which consideration has been received or is receivable as contract liabilities.

17. Inventories

1. Classification of inventories

Inventories include finished goods or merchandise held for sale in the ordinary course of business, work-in-progress, materials and supplies consumed in the production process or in the provision of services, etc.

2. Valuation method for issuing inventories

Raw materials are measured using the weighted average method at the end of each month. Other inventories are measured using the specific identification method.

3. Inventory system

The Company adopts a perpetual inventory system for inventories.

4. Amortization method for low-value consumables and packaging materials

(1) Low-value consumables

Amortized using the direct write-off method.

(2) Packaging materials

Amortized using the direct write-off method.

5. Provision for Inventory Impairment

At the balance sheet date, inventories are measured at the lower of cost and net realizable value, and a provision for inventory impairment is recognized for the difference when the cost exceeds the net realizable value. For inventories held for sale, net realizable value is determined by estimating the selling price less estimated selling expenses and relevant taxes. For inventories that require further processing, net realizable value is determined by estimating the selling price of the finished goods less the estimated costs to complete and estimated selling expenses and taxes. At the balance sheet date, for the same inventory item, if part of it has a contractually agreed price and other parts do not, net realizable value is determined separately for each portion and compared with the corresponding cost to determine the provision for inventory impairment.

18. Assets held for sale**19. Debt investments****20. Other debt investments****21. Long-term receivables**

For details, please refer to Note V.13.

22. Long-term equity investments

1. Determination of joint control and significant influence

Joint control is determined based on the shared control over an arrangement, where the relevant activities of the arrangement must be agreed upon by all participating parties before decisions can be made. Significant influence is determined when the investor has the power to participate in decisions about the financial and operational policies of the investee but does not have control or joint control over those policies.

2. Determining investment costs

(1) For business combinations under common control, the acquirer recognizes its initial investment at the share of the acquiree's owners' equity in the ultimate control party's consolidated financial statements on the acquisition date. The difference between the initial investment cost and the fair value of the consideration paid or the nominal value of the shares issued is adjusted in capital reserves; if capital reserves are insufficient, the shortfall is adjusted against retained earnings.

If the Company acquires long-term equity investments through multiple transactions in business combinations under common control, it determines whether the transactions constitute "a package of transactions". If they do, all the transactions are accounted for as a single transaction involving obtaining control. If they do not, the initial investment cost is determined based on the share of the acquiree's net assets on the acquisition date in the ultimate control party's consolidated financial statements. The difference between the initial investment cost and the carrying amount of the long-term equity investment before the acquisition, adjusted for any further consideration paid for additional shares, is adjusted in capital reserves; if capital reserves are insufficient, the shortfall is adjusted against retained earnings.

(2) For business combinations not under common control, the initial investment cost is based on the fair value of the consideration paid on the acquisition date.

For long-term equity investments acquired through multiple transactions in business combinations not under common control, the Company distinguishes between individual financial statements and consolidated financial statements:

1) In individual financial statements, the initial investment cost is the sum of the carrying amount of the original equity interest and the new investment cost.

2) In the consolidated financial statements, the Company determines whether multiple transactions should be considered as "a package of transactions". For transactions that constitute "a package of transactions", all transactions are accounted for as a single transaction to obtain control. For transactions that do not constitute "a package of transactions", the equity interest in the acquiree held before the acquisition date is remeasured at its fair value on the acquisition date, with any difference between the fair value and its carrying amount recognized in the current period's investment income; other comprehensive income and other items recognized under the equity method relating to the previously held equity interest in the acquiree are transferred to income in the period of the acquisition date. However, this excludes other comprehensive income arising from the remeasurement of net liabilities or net assets of defined benefit plans by the investee.

3) For acquisitions other than business combinations: Cash acquisitions are recognized at the actual cash paid as the initial investment cost; Equity securities issued are recognized at the fair value of the equity securities issued as the initial investment

cost; Debt restructurings are accounted for based on the guidelines in *Accounting Standard for Business Enterprises No. 12 – Debt Restructuring*; Non-monetary asset exchanges are accounted for based on the guidelines in *Accounting Standard for Business Enterprises No. 7 – Non-monetary Asset Exchanges*.

3. Subsequent measurement and profit or loss recognition

For investments where the Company has control over the investee, long-term equity investments are accounted for using the cost method. For investments in associates and joint ventures, long-term equity investments are accounted for using the equity method.

4. Treatment of partial disposal of subsidiary investments leading to loss of control

(1) Judging whether it constitutes a “a package of transactions”

When disposing of equity investments in a subsidiary through multiple transactions until loss of control, the Company determines whether the step-by-step transactions constitute “a package of transactions” by considering the terms of the transaction agreements at each step, the consideration received, the parties to whom the equity is sold, the disposal methods, the timing of the disposals, and other relevant information. Multiple transactions are usually considered as “a package of transactions” when the terms, conditions, and economic effects of these transactions meet one or more of the following criteria:

- 1) The transactions are entered into simultaneously or with mutual considerations;
- 2) The transactions together form a complete commercial result;
- 3) The occurrence of one transaction depends on the occurrence of another;
- 4) A transaction alone is not economical but is economically viable when considered with other transactions.

(2) Accounting treatment if not a “a package of transactions”

1) In individual financial statements

The difference between the carrying amount of the disposed equity interest and the actual consideration received is recognized in the current profit or loss. For remaining equity interests, if the Company still has significant influence or joint control, they are accounted for under the equity method; if the Company no longer has control, joint control, or significant influence, the investment is accounted for according to *Accounting Standard for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments*.

2) In consolidated financial statements

Before the loss of control, the difference between the disposal consideration and the proportion of net assets of the subsidiary continuously calculated from the acquisition date or combination date corresponding to the long-term equity investments being disposed of is adjusted against capital reserves (capital premium). If the capital premium is insufficient to absorb the difference, the retained earnings are adjusted.

When control over a former subsidiary is lost, any remaining equity interest is remeasured at its fair value at the date when control is lost. The sum of the consideration received from the disposal of equity interests and the fair value of the remaining equity interests, less the share of net assets of the former subsidiary calculated continuously from the acquisition date or combination date based on the original shareholding percentage, is recognized as investment income in the period when control is lost, with a corresponding reduction to goodwill. Other comprehensive income associated with the equity investment in the former subsidiary should be transferred to investment income in the period when control is lost.

(3) Accounting treatment if a “a package of transactions”

1) In individual financial statements

All transactions are accounted for as a single transaction that disposes of a subsidiary and results in loss of control. However, before the loss of control, the difference between the consideration received for each disposal and the corresponding carrying amount of the long-term equity investments in the individual financial statements is recognized as other comprehensive income, which is transferred to profit or loss collectively in the period when control is lost.

2) In consolidated financial statements

All transactions are accounted for as a single transaction that disposes of a subsidiary and results in loss of control. However, before the loss of control, the difference between the consideration received for each disposal and the corresponding share of the subsidiary's net assets in the consolidated financial statements is recognized as other comprehensive income, which is transferred to profit or loss collectively in the period when control is lost.

23. Investment properties

Measurement model for investment properties

Cost model

Depreciation or amortization methods

1. Investment properties include leased land use rights, land use rights held for appreciation and future sale, and leased buildings.

2. Investment properties are initially measured at cost and subsequently measured using the cost model. Depreciation or amortization is calculated using the same methods as for fixed assets and intangible assets.

24. Fixed assets

(1) Recognition criteria

Fixed assets are tangible assets held for the purpose of producing goods, providing services, leasing, or managing operations, with a useful life exceeding one accounting period. Fixed assets are recognized when it is probable that economic benefits will flow to the Company and the cost can be measured reliably.

(2) Depreciation methods

Category	Depreciation method	Useful life (years)	Residual value rate	Annual depreciation rate (%)
Buildings and structures	Straight-line method	20	5.00%	4.75
Machinery and equipment	Straight-line method	10	5.00%	9.5
Transport equipment	Straight-line method	5	5.00%	19
Electronic equipment	Straight-line method	3	5.00%	31.67
Other equipment	Straight-line method	5	5.00%	19

25. Construction in progress

1. Construction in progress is recognized when it is probable that economic benefits will flow to the Company and the cost can be measured reliably. Construction in progress is measured at the actual costs incurred before the asset is ready for its intended use.

2. Upon reaching the predetermined usable state, construction in progress is transferred to fixed assets at the actual cost. If the asset is ready for use but the completion settlement is not finalized, the asset is initially transferred to fixed assets at an estimated value. Once the completion settlement is done, the transfer value is adjusted to the actual cost, but previously recorded depreciation is not adjusted.

Category	Criteria and timing for transfer of construction in progress to fixed assets

Category	Criteria and timing for transfer of construction in progress to fixed assets
Buildings and structures	Main construction work and supporting works are substantially completed, meeting design requirements and inspected
Machinery and equipment	Installation and debugging are completed, meeting design requirements or contractual standards

26. Borrowing Costs

1. Recognition principles for capitalizing borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized and included in the cost of the related asset. Other borrowing costs are recognized as expenses when incurred and are included in the current profit or loss.

2. Capitalization period for borrowing costs

(1) Capitalization begins when all the following conditions are met: 1) Expenditure on the asset has been incurred; 2) Borrowing costs have been incurred; 3) Necessary activities for acquiring or producing the asset to prepare it for its intended use or sale have begun.

(2) If a qualifying asset undergoes an abnormal interruption in its construction or production for more than 3 months, capitalization of borrowing costs is suspended. Borrowing costs incurred during the interruption are recognized as expenses until activities for the acquisition or production of the asset resume.

(3) When an asset that qualifies for capitalization reaches its intended usable or saleable condition, the capitalization of borrowing costs ceases.

3. Capitalization rate and amount of borrowing costs

For borrowings specifically obtained for the acquisition or construction of a qualifying asset, the amount of interest to be capitalized is determined by deducting any interest income earned from depositing the unused borrowing funds in the bank or any investment income derived from the temporary investment of those borrowings from the actual interest expense incurred on the specific borrowings during the period (including amortization of discounts or premiums determined using the effective interest method). For general borrowings used for the acquisition or construction of a qualifying asset, the amount of interest to be capitalized is calculated by applying a capitalization rate to the weighted average of the excess of cumulative expenditures on the asset over the specific borrowings, where the capitalization rate is the weighted average of the interest rates applicable to the general borrowings.

27. Biological assets

28. Oil and gas assets

29. Intangible assets

(1) Useful life, determination basis, estimates, amortization methods or review procedures

1. Intangible assets include land use rights, trademarks, software, and patents, and are initially measured at cost.

2. Intangible assets with finite useful lives are amortized over their expected economic benefit realization period, using a systematic and rational method. If the expected method cannot be reliably determined, the straight-line method is used. The specific details are as follows:

Item	Useful life and basis for determination	Amortization method
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Item	Useful life and basis for determination	Amortization method
Land use rights	Useful life determined by property registration period: 50 years, 99 years	Straight-line method
Trademarks and other intellectual property	Useful life determined by expected benefit period: 10 years	Straight-line method
Software	Useful life determined by expected benefit period: 2-5 years	Straight-line method
BOT concessions	Useful life determined by the remaining term as per agreement: 21.75 years	Straight-line method
Patents	Useful life determined by expected benefit period: 5 years	Straight-line method

Note: The land acquired in Mexico during the period has permanent ownership, is classified as intangible assets, and is not amortized.

(2) Capitalization of R&D expenses and related accounting treatment

(1) Personnel expenses

Personnel expenses include wages, basic pension, medical insurance, unemployment insurance, work injury insurance, maternity insurance, and housing provident fund for R&D staff, as well as labor fees for external R&D personnel.

(2) Direct input costs

Direct input costs refer to the actual expenditures incurred by the Company in implementing R&D activities, including: 1) Expenses for directly consumed materials, fuel, and power; 2) Expenses for molds, process equipment development and manufacturing used for intermediate testing and product trials; purchase costs of samples, prototypes, and general testing tools that do not constitute fixed assets; and inspection costs for trial products; 3) Expenses for operation, maintenance, adjustment, inspection, testing, and repair of instruments and equipment used for R&D activities.

(3) Depreciation and long-term prepaid expenses

Depreciation expenses refer to the depreciation of instruments, equipment, and buildings in use that are utilized in R&D activities.

For instruments, equipment, and buildings that are used for both R&D and non-R&D activities, necessary records of their usage shall be maintained, and the actual depreciation expenses shall be allocated between R&D expenses and production and operation expenses using reasonable methods based on factors such as actual working hours and usage area.

Long-term prepaid expenses refer to expenses incurred during the renovation, remodeling, decoration, and repair of R&D facilities, which are aggregated based on actual expenditures and amortized on an average basis over the prescribed period.

(4) Amortization of intangible assets

Amortization of intangible assets refers to the amortization expenses of software, intellectual property rights, and non-patented technologies (proprietary technologies, licenses, designs, calculation methods, etc.) used for R&D activities.

(5) Design Costs

Design expenses refer to costs incurred for conceptualizing, developing, and manufacturing new products and processes, as well as for designing procedures, technical specifications, protocols, and operational characteristics, including related expenses incurred for creative design activities aimed at obtaining innovative, creative, and breakthrough products.

(6) Equipment debugging and testing costs

Equipment debugging costs refer to costs incurred during the preparation of equipment for R&D activities, including expenses for developing special and dedicated production machinery, changing production and quality control procedures, or establishing new methods and standards.

Expenses incurred for routine equipment preparation and industrial engineering for large-scale batch production and commercialization are not included in the scope of R&D expenses.

(7) External R&D commissioning fees

External R&D commissioning fees refer to costs incurred by the Company for commissioning other domestic or foreign institutions or individuals to conduct R&D activities (where the results of such activities are owned by the Company and are closely related to the Company's main business operations).

(8) Other R&D-related expenses

Other expenses refer to additional costs directly related to R&D activities not included in the above categories, such as technical literature costs, translation fees, expert consultation fees, high-tech R&D insurance premiums, retrieval, argumentation, review, appraisal, and acceptance costs of R&D results, application fees, registration fees, and agency fees for intellectual property rights, as well as conference fees, travel expenses, communication expenses, etc.

4. Internal R&D project costs

Expenses in the research phase of internal R&D projects are recognized as expenses when incurred. Expenditures in the development phase of internal R&D projects are recognized as intangible assets when all of the following conditions are met: (1) The technical feasibility of completing the intangible asset so that it will be available for use or sale; (2) The intention to complete the intangible asset and use or sell it; (3) The manner in which the intangible asset will generate economic benefits, including the ability to demonstrate that there is a market for the output of the intangible asset or the intangible asset itself, or, if it is to be used internally, the usefulness of the intangible asset; (4) The availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; (5) The ability to measure reliably the expenditure attributable to the development phase of the intangible asset.

30. Long-term asset impairment

For long-term assets such as long-term equity investments, fixed assets, construction in progress, right-of-use assets, and intangible assets with finite useful lives, if there are indications of impairment on the balance sheet date, the recoverable amount is estimated. For goodwill arising from business combinations and intangible assets with indefinite useful lives, an impairment test is conducted annually, regardless of whether there are impairment indicators. Goodwill is tested for impairment together with the related asset group or combination of asset groups.

If the recoverable amount of the aforementioned long-term assets is lower than their carrying amount, an impairment allowance is recognized for the difference, which is charged to the current profit or loss.

31. Long-term prepaid expense

Long-term prepaid expenses account for expenses that have been incurred, with an amortization period exceeding one year (excluding one year). These expenses are recorded at their actual amount and amortized on a straight-line basis over the benefit period or the specified term. If the long-term prepaid expenses do not provide benefits in future accounting periods, any unamortized balance is transferred to current profit or loss.

32. Contract liabilities

33. Employee benefits

(1) Accounting treatment of short-term employee benefits

Short-term employee benefits are recognized as liabilities during the accounting period in which employees provide services to the Company. These benefits are charged to the current profit or loss or the cost of relevant assets.

(2) Accounting treatment of post-employment benefits

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

(1) For defined contribution plans, the amount calculated based on the plan is recognized as a liability and charged to the current profit or loss or the cost of relevant assets.

(2) The accounting treatment for defined benefit plans typically includes the following steps:

1) Based on the projected unit credit method, unbiased and mutually consistent actuarial assumptions are used to estimate demographic variables and financial variables to measure the obligations arising from the defined benefit plan and determine the periods to which the related obligations belong. Simultaneously, the obligations arising from the defined benefit plan are discounted to determine the present value of the defined benefit plan obligations and current service cost;

2) Where assets exist in the defined benefit plan, the deficit or surplus formed by deducting the fair value of the defined benefit plan assets from the present value of the defined benefit plan obligations is recognized as a net liability or net asset of the defined benefit plan. If the defined benefit plan has a surplus, the net asset of the defined benefit plan is measured at the lower of the surplus of the defined benefit plan and the asset ceiling;

3) At the end of the period, the employee compensation costs generated by the defined benefit plan are recognized in three components: service cost, net interest on the net liability or net asset of the defined benefit plan, and remeasurements of the net liability or net asset of the defined benefit plan. The service cost and net interest on the net liability or net asset of the defined benefit plan are included in current profit or loss or relevant asset costs, while changes arising from remeasurements of the net liability or net asset of the defined benefit plan are included in other comprehensive income, and are not permitted to be reversed to profit or loss in subsequent accounting periods, but may be transferred within equity.

(3) Accounting treatment of termination benefits

Termination benefits are recognized as employee benefits liabilities and charged to the current profit or loss when the earliest of the following occurs: (1) The Company can no longer withdraw the termination benefits offered due to the termination of employment or layoffs; (2) The Company recognizes the cost or expense related to a restructuring involving the payment of termination benefits.

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

For other long-term employee benefits provided to employees, those that meet the conditions of defined contribution plans are accounted for in accordance with the relevant provisions of defined contribution plans. For other long-term benefits that do not meet these conditions, accounting is performed in accordance with the relevant provisions of defined benefit plans. To simplify the related accounting treatment, the total net amount comprising employee benefits costs (recognized as service cost), net interest on the net liability or net asset of other long-term employee benefits, and changes arising from remeasurements of the net liability or net asset of other long-term employee benefits is included in current profit or loss or relevant asset costs.

34. Provisions

1. Provisions are recognized when the Company has a present obligation resulting from a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount can be reliably estimated, including obligations arising from guarantees provided, litigation matters, product warranties, loss contracts, and other contingent liabilities.

2. Provisions are initially measured at the best estimate of the expenditure required to settle the present obligation and are reviewed at each balance sheet date to ensure the carrying amount is appropriately adjusted.

35. Share-based payments

1. Types of share-based payments

Share-based payments include equity-settled share-based payments and cash-settled share-based payments.

2. Accounting treatment for implementation, modification, and termination of share-based payment plans

(1) Equity-settled share-based payments

For equity-settled share-based payment in exchange for employee services that are vested immediately upon granting, the fair value of the equity instruments is recognized as relevant costs or expenses on the grant date, with a corresponding adjustment to capital reserves. For equity-settled share-based payment in exchange for employee services that become vested only after completion of a service period or achievement of specified performance conditions, on each balance sheet date during the vesting period, the services received in the current period are recognized as relevant costs or expenses based on the best estimate of the number of equity instruments expected to vest, using the fair value of the equity instruments at the grant date, with a corresponding adjustment to capital reserves.

For equity-settled share-based payment in exchange for services from parties other than employees, if the fair value of the other parties' services can be reliably measured, it is measured at the fair value of those services on the date they are obtained. If the fair value of the other parties' services cannot be reliably measured but the fair value of the equity instruments can be reliably measured, it is measured at the fair value of the equity instruments on the date the services are obtained, recognized as relevant costs or expenses, with a corresponding increase in owners' equity.

(2) Cash-settled share-based payments

For cash-settled share-based payment in exchange for employee services that are vested immediately upon granting, the fair value of the liability assumed by the Company is recognized as relevant costs or expenses on the grant date, with a corresponding increase in liabilities. For cash-settled share-based payment in exchange for employee services that become vested only after completion of a service period or achievement of specified performance conditions, on each balance sheet date during the vesting period, the services received in the current period are recognized as relevant costs or expenses based on the best estimate of the vesting conditions, using the fair value of the liability assumed by the Company, with a corresponding liability.

(3) Modification or Termination of Share-based Payment Plans

If a modification increases the fair value of the equity instruments granted, the Company recognizes the increase in services received accordingly. If a modification increases the number of equity instruments granted, the Company recognizes the fair value of the additional equity instruments as an increase in services received. If the Company modifies the vesting conditions in a manner beneficial to employees, the modified vesting conditions are considered when dealing with vesting conditions.

If a modification decreases the fair value of the equity instruments granted, the Company continues to recognize the amount of services received based on the fair value of the equity instruments on the grant date, disregarding the decrease in fair value. If a modification decreases the number of equity instruments granted, the Company treats the reduction as a cancellation of the granted equity instruments. If vesting conditions are modified in a manner unfavorable to employees, the modified vesting conditions are not considered when dealing with vesting conditions.

If the Company cancels or settles the granted equity instruments during the vesting period (except for cancellations due to failure to meet vesting conditions), the cancellation or settlement is treated as accelerated vesting, immediately recognizing the amount that would otherwise have been recognized during the remainder of the vesting period.

36. Preference shares, perpetual bonds, and other financial instruments

37. Revenue

Accounting policies for revenue recognition and measurement by business type

1. Revenue recognition principles

At the contract start date, the Company evaluates the contract, identifies the performance obligations within the contract, and determines whether the performance obligations are fulfilled over time or at a point in time.

If any of the following conditions are met, the performance obligation is fulfilled over time; otherwise, it is fulfilled at a point in time: (1) The customer simultaneously receives and consumes the economic benefits provided by the Company as the Company performs; (2) The customer controls the work-in-progress during the Company's performance; (3) The goods produced during the Company's performance have no alternative use, and the Company has the right to receive payment for the completed performance portion at any time during the contract period.

For performance obligations fulfilled over time, the Company recognizes revenue based on the progress of completion. If the progress of completion cannot be reliably determined, and costs incurred are expected to be recovered, revenue is recognized based on the amount of costs incurred until the progress can be reasonably determined. For performance obligations fulfilled at a point in time, revenue is recognized when the customer gains control of the related goods or services. In determining when the customer has obtained control of the goods, the Company considers the following indicators: (1) The Company has a right to collect payment for the goods, i.e., the customer has an obligation to pay for the goods; (2) Legal ownership of the goods has been transferred to the customer; (3) The physical goods have been transferred to the customer; (4) The significant risks and rewards of ownership of the goods have been transferred to the customer; (5) The customer has accepted the goods; (6) Other indicators showing that the customer has obtained control of the goods.

2. Revenue measurement principles

(1) The Company measures revenue by allocating the transaction price to each performance obligation. The transaction price is the amount the Company expects to receive in exchange for transferring goods or services to the customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to the customer.

(2) If the contract includes variable consideration, the Company estimates the best possible amount of the variable consideration using either the expected value method or the most likely amount method. However, the total transaction price, including variable consideration, should not exceed the amount of revenue that is highly likely to not be significantly reversed once the uncertainty related to the variable consideration is resolved.

(3) If the contract includes a significant financing component, the Company determines the transaction price based on the amount the customer would pay if they paid in cash at the time the goods or services are transferred. The difference between the transaction price and the contract consideration is amortized over the contract period using the effective interest method. If the time interval between the customer obtaining control and payment is not more than one year, the financing component is not considered.

(4) For contracts with multiple performance obligations, the Company allocates the transaction price to each performance obligation based on the relative standalone selling price of the goods or services promised in the contract.

3. Specific revenue recognition methods

The Company sells products such as injection molding machines, die-casting machines, rubber injection machines, which represent performance obligations fulfilled at a point in time.

The Company's product sales include domestic sales and export sales. Among these, domestic sales primarily use "direct sales, supplemented by outright distributor sales", while export sales use "a combination of direct sales and distributor sales". The Company recognizes revenue according to three scenarios: domestic direct sales, domestic distributor sales, and export sales, as detailed below:

Domestic sales (direct sales): After completing production according to customer order requirements, the Company ships the goods to the location specified in the contract. The Company's technical personnel perform installation and commissioning. After the customer confirms that the commissioning meets requirements and signs the installation and commissioning report, the relevant control rights have been transferred, and the Company has obtained the relevant rights to payment. The Company recognizes revenue accordingly.

Domestic sales (distributor sales): After completing production according to distributor order requirements, the Company ships the goods to the location specified in the contract. After the distributor signs and stamps the machine delivery note, the relevant control rights have been transferred, and the Company has obtained the relevant rights to payment. The Company recognizes revenue accordingly.

Export sales: After completing production according to customer order requirements, the Company ships the products. After the products are declared through customs, the Company obtains the export customs declaration form and packing list. The Company uses the export invoice account copy, export customs declaration form, bill of lading, sales contract, and other documents as the basis for revenue recognition.

38. Contract costs

The incremental costs incurred by the Company to obtain a contract, which are expected to be recovered, are recognized as contract acquisition costs and capitalized as an asset. If the amortization period of the contract acquisition costs does not exceed one year, they are directly charged to current profit or loss when incurred.

Costs incurred by the Company to fulfill a contract that do not fall within the scope of relevant standards such as inventories, fixed assets, or intangible assets, and simultaneously meet the following conditions, are recognized as contract fulfillment costs and capitalized as an asset:

1. The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar costs), clearly identifiable costs borne by the customer, and other costs that are incurred solely due to the contract;
2. The cost adds resources to fulfill the performance obligations in the future;
3. The cost is expected to be recoverable.

The Company amortizes assets related to contract costs on the same basis as revenue recognition for goods or services related to the asset, and charges the amortization to current profit or loss.

If the carrying amount of an asset related to contract costs exceeds the remaining consideration expected to be received from transferring the goods or services related to the asset, less the estimated costs to be incurred, the Company recognizes an impairment allowance for the excess portion and recognizes it as an asset impairment loss. If factors causing previous impairment subsequently change, making the remaining consideration expected to be received from transferring the goods or services related to the asset, less the estimated costs to be incurred, higher than the carrying amount of the asset, the previously recognized impairment allowance is reversed and included in current profit or loss. However, the carrying amount of the asset after reversal shall not exceed what the carrying amount would have been on the date of reversal had no impairment allowance been recognized.

39. Government grants

1. Government grants are recognized when the following conditions are met: (1) The Company can meet the conditions attached to the government grant; (2) The Company is entitled to receive the government grant. For monetary government grants, the amount received or receivable is recognized. For non-monetary government grants, the fair value is used for recognition. If the fair value cannot be reliably determined, the nominal value is used.

2. Basis for determination and accounting treatment of government grants related to assets

Government grants specified in government documents for purchasing, constructing, or otherwise forming long-term assets are classified as government grants related to assets. If government documents are not explicit, determination is based on the basic conditions required to obtain the grant; those with the basic condition of purchasing, constructing, or otherwise forming long-term assets are classified as government grants related to assets. Government grants related to assets are either offset against the carrying amount of the relevant asset or recognized as deferred income. When recognized as deferred income, they are systematically recognized in profit or loss over the useful life of the relevant asset using a reasonable method. Government grants

measured at nominal amount are directly recognized in current profit or loss. If the relevant asset is sold, transferred, scrapped, or damaged before the end of its useful life, the undistributed balance of related deferred income is transferred to profit or loss in the period of asset disposal.

3. Basis for determination and accounting treatment of government grants related to income

Government grants other than those related to assets are classified as government grants related to income. For government grants containing both portions related to assets and portions related to income, where it is difficult to distinguish between the two, the entire grant is classified as related to income. Government grants related to income that are used to compensate future related costs, expenses, or losses are recognized as deferred income and included in current profit or loss or offset against related costs when the related costs, expenses, or losses are recognized. Government grants related to income that are used to compensate costs, expenses, or losses already incurred are directly included in current profit or loss or offset against related costs.

4. Government grants related to the Company's normal operations are recognized as other income or deducted from relevant costs. Government grants unrelated to the Company's normal activities are recognized as non-operating income.

5. Accounting treatment of policy-based interest subsidies

(1) If the government provides interest subsidies to the lending bank, and the bank offers loans to the Company at preferential interest rates, the actual loan amount received is recorded as the loan value, and the related borrowing costs are calculated based on the loan principal and the preferential interest rate.

(2) If the government provides interest subsidies directly to the Company, the corresponding subsidy is deducted from the related borrowing costs.

40. Deferred income tax assets / Deferred income tax liabilities

1. Deferred income tax assets and liabilities are recognized based on the temporary differences between the carrying amounts of assets and liabilities and their tax bases (including items that have not been recognized as assets or liabilities, but whose tax base can be determined according to tax law). These differences are calculated using the applicable tax rates expected to apply in the periods when the asset is recovered or the liability is settled.

2. Deferred income tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized. On the balance sheet date, if there is clear evidence that sufficient taxable income will be available in the future to offset the deductible temporary differences, the Company will recognize deferred income tax assets not previously recognized.

3. On the balance sheet date, the Company reviews the carrying amount of deferred income tax assets. If it is unlikely that sufficient taxable income will be available in the future to utilize the benefits of the deferred income tax assets, the carrying amount of these assets is reduced. Any reduction is reversed when it becomes likely that sufficient taxable income will be available in the future.

4. The current income tax and deferred income tax are recognized as income tax expense or benefit in the current profit or loss, except for the following situations where income tax is recognized directly in owners' equity: (1) Business combinations involving entities; (2) Transactions or events recognized directly in owners' equity.

5. The Company presents deferred income tax assets and deferred income tax liabilities on a net basis when: (1) the Company has a legally enforceable right to set off current income tax assets against current income tax liabilities; (2) the deferred income tax assets and deferred income tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity, or different taxable entities which intend either to settle current income tax assets and liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred income tax assets and liabilities are expected to be reversed.

41. Leases

(1) Accounting treatment with the Company as the lessee

At the lease commencement date, the Company classifies leases that have a lease term of 12 months or less, and that do not contain a purchase option, as short-term leases. Leases of individual assets with a low value are classified as low-value asset leases. If the Company subleases or anticipates subleasing leased assets, the original lease is not classified as a low-value asset lease.

For all short-term leases and low-value asset leases, the Company recognizes the lease payments as part of the cost of the related asset or as an expense in current profit or loss on a straight-line basis over the lease term.

For leases that are not classified as short-term or low-value asset leases, at the lease commencement date, the Company recognizes right-of-use assets and lease liabilities.

(1) Right-of-use assets

Right-of-use assets are initially measured at cost, which includes: 1) The initial amount of lease liabilities; 2) Lease payments made before or at the commencement date, less any lease incentives received; 3) Initial direct costs incurred by the lessee; 4) Estimated costs to be incurred to dismantle or remove the leased asset, restore the location, or return the leased asset to the condition specified in the lease agreement.

Right-of-use assets are depreciated using the straight-line method. If the lessee is reasonably certain of acquiring ownership of the leased asset at the end of the lease term, the asset is depreciated over its remaining useful life. If it is uncertain, the asset is depreciated over the shorter of the lease term or the remaining useful life of the leased asset.

(2) Lease liabilities

At the lease commencement date, the Company recognizes lease liabilities at the present value of lease payments not yet paid. The discount rate used is the lease's implicit rate, if it can be determined. If the implicit rate cannot be determined, the Company uses its incremental borrowing rate. The difference between the lease payment and its present value is treated as unrecognized financing costs, which are charged to current profit and loss over the lease term at the discount rate applied to the lease payments. For lease payments not included in the lease liabilities measurement, such as variable lease payments, these are recognized as current profit and loss in the period in which they are incurred.

After the commencement date of the lease term, when there are changes in in-substance fixed payments, changes in the amounts expected to be payable under residual value guarantees, changes in the index or rate used to determine lease payments, or changes in the assessment or actual exercise of purchase, extension, or termination options, the Company remeasures the lease liabilities at the present value of the revised lease payments and makes a corresponding adjustment to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets has been reduced to zero but the lease liabilities still require further reduction, the remaining amount is recognized as current profit or loss.

(2) Accounting treatment with the Company as the lessor

At the lease commencement date, the Company classifies leases that transfer substantially all risks and rewards of ownership of the leased asset as finance leases. All other leases are classified as operating leases.

1. Operating leases

For operating leases, the Company recognizes rental income on a straight-line basis over the lease term. Initial direct costs incurred are capitalized and amortized over the lease term and recognized as current profit or loss in alignment with the recognition of rental income. Variable lease payments not included in lease income are recognized as current profit or loss in the period incurred.

2. Finance leases

At the lease commencement date, the Company recognizes a receivable for the net investment in the lease (the sum of the discounted present value of the unguaranteed residual value and the lease payments due but not yet received). The leased asset is derecognized. Interest income is recognized over the lease term using the lease's implicit rate.

Variable lease payments not included in the net investment are recognized as current profit or loss when incurred.

3. Sale and leaseback transactions

(1) When the Company acts as a lessee

The Company assesses whether the transfer of the leased asset in a sale and leaseback transaction qualifies as a sale based on the *Accounting Standard for Business Enterprises No. 14 – Revenue*.

If the transfer of assets constitutes a sale, the Company measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained. Gains or losses are recognized only to the extent of the rights transferred to the lessor.

If the transfer of assets does not constitute a sale, the Company continues to recognize the transferred asset and recognizes a financial liability equal to the transfer proceeds, which is accounted for in accordance with *Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments*.

(2) When the Company acts as a lessor

The Company assesses whether the transfer of assets in a sale and leaseback transaction constitutes a sale in accordance with *Accounting Standard for Business Enterprises No. 14 - Revenue*.

If the transfer of assets constitutes a sale, the Company accounts for the purchase of the asset in accordance with other applicable accounting standards and accounts for the lease in accordance with *Accounting Standard for Business Enterprises No. 21 - Leases*.

If the transfer of assets does not constitute a sale, the Company does not recognize the transferred asset but recognizes a financial asset equal to the transfer proceeds, which is accounted for in accordance with *Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments*.

42. Other significant accounting policies and accounting estimates

i. Safety production fund

The safety production fund, which is extracted in accordance with the *Measures for the Management of Safety Production Fund Extraction and Use* issued by the Ministry of Finance and the Ministry of Emergency Management (C. Z. [2022] No. 136), is included in the cost of relevant products or current profit or loss, and is simultaneously recorded under the "Specific Reserve" account. When the extracted safety production fund is used for expense-related expenditures, it is directly deducted from the specific reserve. When it forms fixed assets, the expenditures are recorded under the "Construction in Progress" account. Upon completion of the safety project and achieving the predetermined usable state, the related amounts are recognized as fixed assets. At the same time, the cost of forming fixed assets is deducted from the specific reserve, and an equivalent amount of accumulated depreciation is recognized. No further depreciation will be recognized for the fixed asset in future periods.

ii. Segment reporting

The Company determines its operating segments based on internal organizational structure, management requirements, and internal reporting systems. An operating segment is defined as a component of the Company that meets all of the following conditions:

1. The component generates revenue and incurs expenses during its daily activities;
2. The management can regularly evaluate the segment's operating performance to determine the allocation of resources and assess its performance;
3. The financial position, operating results, and cash flows of the segment can be analyzed using accounting information.

iii. Other significant accounting policies and estimates

Accounting treatment related to repurchase of company shares

When the Company repurchases its own shares for reasons such as reducing registered capital or rewarding employees, it is treated as treasury shares at the actual payment amount, and a memorandum record is made. If the repurchased shares are canceled, the difference between the stock's nominal value and the repurchased amount is deducted from capital reserves, and if capital reserves are insufficient, the remaining balance is deducted from retained earnings. If the repurchased shares are granted to employees under equity-settled share-based payments, the treasury shares cost is derecognized when employees exercise their rights, and any accumulated capital reserves related to the waiting period are adjusted accordingly in the capital reserves.

43. Changes to significant accounting policies and estimates

(1) Changes in significant accounting policies

Applicable Not Applicable

Unit: RMB

Change in accounting policies and reasons	Affected financial statement items	Impact amount (RMB)
On October 25, 2023, the Ministry of Finance issued <i>Interpretation No. 17 of the Accounting Standards for Business Enterprises</i> (C. K. [2023] No. 21), which explains “the classification of current and non-current liabilities”, “disclosure of supplier financing arrangements”, and “accounting treatment of sale and leaseback transactions”, effective January 1, 2024.		
On December 6, 2024, the Ministry of Finance issued <i>Interpretation No. 18 of the Accounting Standards for Business Enterprises</i> (C. K. [2024] No. 24), which explains “the accounting treatment of warranty-related quality guarantees that are not part of performance obligations”, effective December 6, 2024.	Cost of sales, Selling expense	70,253,861.03

1. The Company implemented *Interpretation No. 17* on January 1, 2024 regarding “the classification of Current liabilities and non-current liabilities”, “disclosure of supplier financing arrangements”, and “accounting treatment of sale and leaseback transactions”. This change in accounting policy had no impact on the Company’s financial statements.

2. The Company will implement *Interpretation No. 18 of the Accounting Standards for Business Enterprises* issued by the Ministry of Finance on December 6, 2024, regarding “the accounting treatment of warranty-type quality guarantees that do not represent a separate performance obligation”, and will retrospectively adjust the information for comparable periods. The specific adjustments are as follows:

Affected financial statement item	Impact amount (RMB)	Remarks
2023 profit and loss statement		
Cost of sales	70,253,861.03	
Selling expense	-70,253,861.03	

(2) Changes in significant accounting estimates

Applicable Not Applicable

(3) First-time adoption of new accounting standards in 2024 and adjustments to the beginning balances of the related items

Applicable Not Applicable

Adjustment explanation

44. Other**VI. Taxes****1. Main tax types and rates**

Tax type	Tax base	Tax rate
Value-added Tax (VAT)	Output tax calculated based on the sales of goods and taxable services in accordance with tax laws, less the input tax deductible for the period, with the difference being the VAT payable	13%, 9%, 6%; Overseas subsidiaries are taxed according to the laws of their jurisdiction.
Urban maintenance and construction tax	Based on actual VAT paid.	7%
Corporate income tax	Taxable income	15%, 20%, 25%; Hong Kong and overseas subsidiaries are taxed according to local laws.
Land use tax	Land area	RMB3, RMB4, RMB5, RMB6 per square meter
Property tax	For taxation based on property value: 1.2% of the residual value after a one-time deduction of 30% from the original value of the property; For taxation based on rental: 12% of rental income	12%, 1.2%
Education surcharge	Actual turnover tax paid	3%
Local education surcharge	Actual turnover tax paid	2%

Disclosure of income tax rates for different taxable entities

Taxpayer name	Corporate tax rate
The Company, Guangdong Yizumi Precision Injection Molding and Die Casting Technology Co., Ltd. (hereinafter referred to as "YIZUMI Injection Molding and Die Casting"), Yizumi Precision Machinery (Suzhou) Co., Ltd. (hereinafter referred to as "YIZUMI Suzhou"), Guangdong Yizumi Precision Rubber and Plastic Equipment Technology Co., Ltd. (hereinafter referred to as "YIZUMI Rubber"), Yizumi Robot Automation Technology (Suzhou) Co., Ltd. (hereinafter referred to as "YIZUMI Robot")	15%
Foshan Shunde Ronggui Yige Sports Planning Co., Ltd. (hereinafter referred to as "Yige Sports")	20%
Yizumi Precision Machinery (HK) Co., Limited (hereinafter referred to as "YIZUMI HK") and other overseas companies	Taxed according to local laws
Other taxpaying entities not mentioned above	25%

2. Tax preferences

1. Value-added Tax (VAT)

(1) Export Tax refund

In accordance with the Ministry of Finance and the State Administration of Taxation's *Notice on VAT and Consumption Tax Policies for Exported Goods and Services* (C. S. [2012] No. 39), the Company, Yizumi Injection Molding and Die Casting, YIZUMI Suzhou, YIZUMI Rubber, Yizumi International Business Co., Ltd. (hereinafter referred to as "Yizumi Import and Export", formerly known as Guangdong Yizumi High-Speed Packaging System Co., Ltd.), and YIZUMI Robot enjoy the "exemption, credit, and refund" tax policy for exported goods, with an export tax rebate rate of 13%.

(2) Immediate refund of VAT on software product sales

In accordance with the Ministry of Finance and the State Administration of Taxation's *Notice on VAT Policy for Software Products* (C. S. [2011] No. 100), the Company, YIZUMI Injection Molding and Die Casting, YIZUMI Rubber, Yizumi Import and Export, and YIZUMI Robot are applicable for the immediate VAT refund policy for software products developed and manufactured by the Company, based on a VAT rate of 13%. The policy provides for a refund of VAT that exceeds 3% of the actual tax burden.

Additional VAT input tax deduction

According to the Ministry of Finance and the State Administration of Taxation's *Announcement on VAT Additional Deductions for Advanced Manufacturing Enterprises* (C. S. [2023] No. 43), from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct 5% of the current period's deductible input tax in addition to the VAT payable. The Company, YIZUMI Injection Molding and Die Casting, YIZUMI Suzhou, YIZUMI Rubber, YIZUMI Import and Export, and YIZUMI Robot benefit from this policy.

2. Corporate income tax

(1) High-tech enterprise income tax preference

In December 2023, the Company passed the high-tech enterprise certification and received the High-Tech Enterprise Certificate jointly issued by the Department of Science and Technology of Guangdong Province, the Department of Finance of Guangdong Province, and the Guangdong Provincial Tax Service of the State Taxation Administration, with certificate number GR202344007389, valid for three years. According to relevant tax incentive policies, the Company is subject to enterprise income tax at a rate of 15% for the year 2024.

In November 2024, YIZUMI Injection Molding and Die Casting passed the high-tech enterprise re-certification and received the High-Tech Enterprise Certificate jointly issued by the Department of Science and Technology of Guangdong Province, the Department of Finance of Guangdong Province, and the Guangdong Provincial Tax Service of the State Taxation Administration, with certificate number GR202444006741. According to relevant tax incentive policies, YIZUMI Injection Molding and Die Casting is subject to enterprise income tax at a rate of 15% for the year 2024.

In November 2022, YIZUMI Suzhou passed the high-tech enterprise certification and received the High-Tech Enterprise Certificate jointly issued by the Jiangsu Provincial Department of Science and Technology, the Department of Finance of Jiangsu Province, and the Jiangsu Provincial Tax Service of the State Taxation Administration, with certificate number GR202232006958, valid for three years. According to relevant tax incentive policies, YIZUMI Suzhou is subject to enterprise income tax at a rate of 15% for the year 2024.

In December 2023, YIZUMI Rubber passed the high-tech enterprise certification and received the High-Tech Enterprise Certificate jointly issued by the Department of Science and Technology of Guangdong Province, the Department of Finance of Guangdong Province, and the Guangdong Provincial Tax Service of the State Taxation Administration, with certificate number GR202344010492, valid for three years. According to relevant tax incentive policies, YIZUMI Rubber is subject to enterprise income tax at a rate of 15% for the year 2024.

In November 2023, YIZUMI Robot passed the high-tech enterprise certification and received the High-Tech Enterprise Certificate jointly issued by the Department of Finance of Jiangsu Province, and the Jiangsu Provincial Tax Service of the State

Taxation Administration, with certificate number GR202332006794, valid for three years. According to relevant tax incentive policies, YIZUMI Robot is subject to enterprise income tax at a rate of 15% for the year 2024.

(2) Other corporate income tax preferences

According to the Ministry of Finance and the State Administration of Taxation's *Announcement on Income Tax Preferential Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households* (C. S. [2023] No. 6) and *Announcement on Further Supporting Small and Micro Enterprises and Individual Industrial and Commercial Households with Tax and Fee Policies* (2023 No. 12), small and micro enterprises are allowed to reduce taxable income by 25% and pay corporate income tax at a rate of 20%, effective until December 31, 2027. Yige Sports enjoys this preferential policy.

According to the *Announcement of Ministry of Finance and State Taxation Administration on Further Improving R&D Expense Pre-tax Deduction Policies* (Ministry of Finance and State Taxation Administration Announcement [2023] No. 7), R&D expenses incurred by companies for research and development activities that do not form intangible assets are allowed to be deducted 100% pre-tax from January 1, 2023. For R&D expenses that form intangible assets, companies are allowed to amortize 200% of the cost of intangible assets pre-tax from January 1, 2023.

3. Other

According to the *Announcement of Ministry of Finance and the State Administration of Taxation on Further Supporting Small and Micro Enterprises and Individual Industrial and Commercial Households with Tax and Fee Policies* (2023 No. 12), from January 1, 2023 to December 31, 2027, the VAT small-scale taxpayers, small and micro enterprises, and individual industrial and commercial households will enjoy a halved resource tax (excluding water resource tax), urban maintenance construction tax, property tax, urban land use tax, stamp tax (excluding securities transaction stamp tax), arable land occupation tax, education surcharge, and local education surcharge. Yige Sports enjoys this preferential policy.

3. Other

VII Notes to the Consolidated Financial Statements

1. Monetary assets

Unit: RMB

Item	Closing balance	Opening balance
Cash on hand	15,039.61	13,583.24
Bank deposits	424,797,159.51	404,698,389.91
Other monetary assets	74,431,183.43	73,805,663.83
Total	499,243,382.55	478,517,636.98
Of which: total overseas funds	99,121,830.80	50,834,726.19

Other notes:

At the end of the period, the following amount is subject to the restriction of use: the time deposits of RUB90,791,622.22 (equivalent to RMB5,997,331.40), the time deposits of RUB7,635,919.00 (equivalent to RMB651,931.86) and the large negotiable certificates of deposit of RMB10,884,433.82 in the bank deposits, the guarantee deposits for bank acceptance bills of RMB70,647,758.27, the guarantee deposits for L/Gs of RMB2,226,954.72, the guarantee deposits for credit cards of EUR27,323.62 (equivalent to RMB205,629.37) and frozen account funds of RMB769,000.00 in other monetary assets; the following amount is not restricted: RMB2,761.03 in the stock repurchase account and RMB579,080.04 of the Alibaba overseas shop in other monetary assets.

2. Held-for-trading financial assets

Unit: RMB

Item	Closing balance	Opening balance
Of which:		
Of which:		

Other notes:

3. Derivative financial assets

Unit: RMB

Item	Closing balance	Opening balance
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Other notes:

4. Notes receivable**(1) Notes receivable presented by category**

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bill		34,228,585.11
Commercial acceptance bill	8,257,159.68	1,872,107.27
Finance company acceptance bill	2,548,914.75	
Total	10,806,074.43	36,100,692.38

(2) Notes receivable by method of establishing allowance for doubtful accounts

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful account		Carrying amount	Gross amount		Allowance for doubtful account		Carrying amount
	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount		Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount	
Of which:										
Notes receivable for which allowances for doubtful accounts are established on a grouping	11,458,071.31	100.00%	651,996.88	5.69%	10,806,074.43	36,100,692.38	100.00%			36,100,692.38

basis										
Of which:										
Bank acceptance bill						34,228,585.11	94.81%			34,228,585.11
Commercial acceptance bill	8,749,332.70	76.36%	492,173.02	5.63%	8,257,159.68	1,872,107.27	5.19%			1,872,107.27
Finance company acceptance bill	2,708,738.61	23.64%	159,823.86	5.90%	2,548,914.75					
Total	11,458,071.31	100.00%	651,996.88	5.69%	10,806,074.43	36,100,692.38	100.00%			36,100,692.38

Allowances for doubtful accounts are established on a grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance as % of the gross amount
Commercial acceptance bill portfolio	8,749,332.70	492,173.02	5.63%
Finance company acceptance bill portfolio	2,708,738.61	159,823.86	5.90%
Total	11,458,071.31	651,996.88	

A description of the basis for determining the portfolio:

Allowances for doubtful notes receivable established using the general model of expected credit loss:

Applicable Not applicable

(3) Allowances for doubtful accounts established, recovered or reversed in the period

Allowances for doubtful accounts established:

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Written off	Others	
Allowances for doubtful accounts are established on a grouping basis		651,996.88				651,996.88
Total		651,996.88				651,996.88

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Applicable Not applicable

(4) Notes receivable in pledge at the end of the period

Unit: RMB

Item	Amount pledged at the end of the period
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(5) Notes receivable endorsed or discounted by the Company at the end of the period and not expired yet on the balance sheet date

Unit: RMB

Item	Amount derecognized at the end of the period	Amount not yet derecognized at the end of the period
Commercial acceptance bill		33,800.00
Total		33,800.00

(6) Notes receivable actually written off in the period

Unit: RMB

Item	Amount written off
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Of which, significant notes receivable written off:

Unit: RMB

Entity	Nature of notes receivable	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions
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A description of notes receivable written off:

5. Accounts receivable**(1) Accounts receivable presented by aging**

Unit: RMB

Aging	Closing gross amount	Opening gross amount
Within 1 year (inclusive)	1,319,865,704.32	965,018,293.00
1 to 2 years	91,361,846.89	102,298,850.23
2 to 3 years	5,679,533.85	2,762,483.44
More than 3 years	1,789,051.47	1,673,407.53
3 to 4 years	588,529.41	888,135.35
4 to 5 years	548,836.77	121,200.73
More than 5 years	651,685.29	664,071.45
Total	1,418,696,136.53	1,071,753,034.20

(2) Accounts receivable by method of establishing allowance for doubtful accounts

Unit: RMB

Category	Closing balance			Opening balance		
	Gross amount	Allowance for	Carrying	Gross amount	Allowance for	Carrying

			doubtful account		amount			doubtful account		amount
	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount		Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount	
Accounts receivable for which allowances for doubtful accounts are established on an individual basis						965,230.09	0.09%	965,230.09	100.00%	
Of which:										
Allowances for doubtful accounts are established on an individual basis						965,230.09	0.09%	965,230.09	100.00%	
Accounts receivable for which allowances for doubtful accounts are established on a grouping basis	1,418,696,136.53	100.00%	77,368,039.24	5.45%	1,341,328,097.29	1,070,787,804.11	99.91%	59,928,800.02	5.60%	1,010,859,004.09
Of which:										
Aging portfolio	1,418,696,136.53	100.00%	77,368,039.24	5.45%	1,341,328,097.29	1,070,787,804.11	99.91%	59,928,800.02	5.60%	1,010,859,004.09
Total	1,418,696,136.53	100.00%	77,368,039.24	5.45%	1,341,328,097.29	1,071,753,034.20	100.00%	60,894,030.11	5.68%	1,010,859,004.09

Allowances for doubtful accounts are established on a grouping basis: aging portfolio

Unit: RMB

Item	Closing balance
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	Gross amount	Allowance for doubtful account	Allowance as % of the gross amount
Within 1 year	1,319,865,704.32	65,993,285.24	5.00%
1 to 2 years	91,361,846.89	9,136,184.74	10.00%
2 to 3 years	5,679,533.85	1,135,906.76	20.00%
3 to 4 years	588,529.41	176,558.82	30.00%
4 to 5 years	548,836.77	274,418.39	50.00%
More than 5 years	651,685.29	651,685.29	100.00%
Total	1,418,696,136.53	77,368,039.24	

A description of the basis for determining the portfolio:

Allowances for doubtful accounts receivable established using the general model of expected credit loss:

Applicable Not applicable

(3) Allowances for doubtful accounts established, recovered or reversed in the period

Allowances for doubtful accounts in the period:

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Written off	Others	
Allowances for doubtful accounts are established on an individual basis	965,230.09		965,230.09			
Allowances for doubtful accounts are established on a grouping basis	59,928,800.02	17,546,669.61		107,430.39		77,368,039.24
Total	60,894,030.11	17,546,669.61	965,230.09	107,430.39		77,368,039.24

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts

(4) Accounts receivable actually written off in the period

Unit: RMB

Item	Amount written off
Accounts receivable written off	107,430.39

Of which, significant accounts receivable written off:

Unit: RMB

Entity	Nature of accounts receivable	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions
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A description of accounts receivable written off:

(5) Top five entities with respect to accounts receivable and contract assets

Unit: RMB

Entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets combined	As % of the total closing balance of accounts receivable and contract assets	Closing balance of allowance for doubtful accounts receivable and impairment allowance for contract assets
Customer1	43,719,000.00	10,200,000.00	53,919,000.00	3.70%	2,695,950.00
Customer2	35,571,429.01		35,571,429.01	2.44%	1,780,664.15
Customer3	31,631,516.19		31,631,516.19	2.17%	1,581,575.81
Customer4	29,243,631.15		29,243,631.15	2.01%	1,546,139.79
Customer5	24,173,172.35		24,173,172.35	1.66%	1,208,658.62
Total	164,338,748.70	10,200,000.00	174,538,748.70	11.98%	8,812,988.37

6. Contract assets

(1) Contract assets

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Allowance for doubtful account	Carrying amount	Gross amount	Allowance for doubtful account	Carrying amount
Warranty receivables	39,339,012.86	2,159,563.74	37,179,449.12	27,771,148.05	1,543,992.40	26,227,155.65
Total	39,339,012.86	2,159,563.74	37,179,449.12	27,771,148.05	1,543,992.40	26,227,155.65

(2) Significant changes in the amount of carrying amount and the reason in the Reporting Period

Unit: RMB

Item	Changes in the amount	Reason
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(3) Contract assets by method of establishing allowance for doubtful accounts

Unit: RMB

Category	Closing balance			Opening balance		
	Gross amount	Allowance for doubtful account	Carrying amount	Gross amount	Allowance for doubtful account	Carrying amount

	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount		
Of which:										
Allowances for doubtful accounts are established on a grouping basis	39,339,012.86	100.00%	2,159,563.74	5.49%	37,179,449.12	27,771,148.05	100.00%	1,543,992.40	5.56%	26,227,155.65
Of which:										
Aging portfolio	39,339,012.86	100.00%	2,159,563.74	5.49%	37,179,449.12	27,771,148.05	100.00%	1,543,992.40	5.56%	26,227,155.65
Total	39,339,012.86	100.00%	2,159,563.74	5.49%	37,179,449.12	27,771,148.05	100.00%	1,543,992.40	5.56%	26,227,155.65

Allowances for doubtful accounts are established on a grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance as % of the gross amount
Aging portfolio	39,339,012.86	2,159,563.74	5.49%
Total	39,339,012.86	2,159,563.74	

A description of the basis for determining the portfolio:

Allowances for doubtful accounts established using the general model of expected credit loss:

Applicable Not applicable

(4) Allowances for doubtful accounts established, recovered or reversed in the period

Unit: RMB

Item	Established	Recovered or reversed	Charged off/Written off	Reason
Allowances for doubtful accounts are established on a grouping basis	615,571.34			
Total	615,571.34			—

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts

Other notes:

(5) Contract assets actually written off in the period

Unit: RMB

Item	Amount written off
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Of which, significant contract assets written off:

Unit: RMB

Entity	Nature of contract assets	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions
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A description of contract assets written off:

Other notes:

7. Receivables financing**(1) Receivables financing presented by category**

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bill	312,494,674.94	270,636,157.59
Commercial acceptance bill		4,960,578.58
Finance company acceptance bill	10,714,923.69	
Total	323,209,598.63	275,596,736.17

(2) Receivables financing by method of establishing allowance for doubtful accounts

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful account		Carrying amount	Gross amount		Allowance for doubtful account		Carrying amount
	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount		Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount	
Of which:										
Allowances for doubtful accounts are established on a grouping basis	323,209,598.63	100.00%			323,209,598.63	275,596,736.17	100.00%			275,596,736.17
Of which:										
Bank acceptance	312,494,674.94	96.68%			312,494,674.94	270,636,157.59	98.20%			270,636,157.59

ce bill										
Commercial acceptance bill						4,960,578.58	1.80%			4,960,578.58
Finance company acceptance bill	10,714,923.69	3.32%			10,714,923.69					
Total	323,209,598.63	100.00%			323,209,598.63	275,596,736.17	100.00%			275,596,736.17

Allowances for doubtful accounts are established on a grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance as % of the gross amount
Bank acceptance bill portfolio	312,494,674.94		
Commercial acceptance bill portfolio			
Finance company acceptance bill portfolio	10,714,923.69		
Total	323,209,598.63		

A description of the basis for determining the portfolio:

Allowances for doubtful accounts established using the general model of expected credit loss:

Unit: RMB

Allowances for doubtful accounts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2024 was in the period				

The basis for the division of each stage and the ratio of allowance for doubtful accounts:

Notes to significant changes in the carrying amount of receivables financing with amount changed of loss provision in the period:

(3) Allowances for doubtful accounts established, recovered or reversed in the period

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Charged off or written off	Others	

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or	Reason	Method	Basis and rationality of

	reversed			determining the ratio of the original allowance for doubtful accounts
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Other notes:

(4) Receivables financing in pledge at the end of the period

Unit: RMB

Item	Amount pledged at the end of the period
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(5) Receivables financing endorsed or discounted by the Company at the end of the period and not expired yet on the balance sheet date

Unit: RMB

Item	Amount derecognized at the end of the period	Amount not yet derecognized at the end of the period
Bank acceptance bill	371,921,937.34	
Finance company acceptance bill	98,400.00	
Total	372,020,337.34	

(6) Receivables financing actually written off in the period

Unit: RMB

Item	Amount written off
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Of which, significant receivables financing written off:

Unit: RMB

Entity	Nature of receivables financing	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions
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A description of receivables financing written off:

(7) The changes of receivables financing in the period and the changes in fair value

(8) Other notes

The acceptors of bank acceptance bills are commercial banks with high creditworthiness or finance companies with high creditworthiness filed with the China Banking and Insurance Regulatory Commission, and the probability of non-payment of bank acceptance bills accepted by them at maturity is relatively low, therefore, the Company will de-recognize those bank acceptance bills that have been endorsed or discounted. However, if the notes are not paid when due, the Company will still be jointly and severally liable to the bearer in accordance with the provisions of the *Negotiable Instruments Law of the People's Republic of China*.

8. Other receivables

Unit: RMB

Item	Closing balance	Opening balance
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Other receivables	23,665,551.99	23,102,115.06
Total	23,665,551.99	23,102,115.06

(1) Interest receivable**1) Interest receivable presented by category**

Unit: RMB

Item	Closing balance	Opening balance
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2) Significant overdue interest

Unit: RMB

Entity	Closing balance	Overdue time	Overdue reason	Whether occurred impairment and its judgment basis
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Other notes:

3) Interest receivable by method of establishing allowance for doubtful accounts Applicable Not applicable**4) Allowances for doubtful accounts established, recovered or reversed in the period**

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Charged off or written off	Others	

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts
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Other notes:

5) Interest receivable actually written off in the period

Unit: RMB

Item	Amount written off
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Of which, significant interest receivable written off:

Unit: RMB

Entity	Nature of interest receivable	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions
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A description of interest receivable written off:

Other notes:

(2) Dividends receivable**1) Dividends receivable presented by category**

Unit: RMB

Item (or investee)	Closing balance	Opening balance
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2) Significant dividends receivable aging over 1 year

Unit: RMB

Item (or investee)	Closing balance	Aging	Reason	Whether occurred impairment and its judgment basis
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3) Dividends receivable by method of establishing allowance for doubtful accounts
 Applicable Not applicable
4) Allowances for doubtful accounts established, recovered or reversed in the period

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Charged off or written off	Others	

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts
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Other notes:

5) Dividends receivable actually written off in the period

Unit: RMB

Item	Amount written off
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Of which, significant dividends receivable written off:

Unit: RMB

Entity	Nature of dividends receivable	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions
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A description of dividends receivable written off:

Other notes:

(3) Other receivables**1) Other receivables classified by nature**

Unit: RMB

Nature	Closing gross amount	Opening gross amount
Security deposit	13,494,805.38	14,149,516.53
Inter-bank loans	687,200.21	1,097,675.10
Suspense receivable	9,138,772.14	5,829,059.48
Petty cash	1,761,507.80	4,215,371.32
Total	25,082,285.53	25,291,622.43

2) Other receivables presented by aging

Unit: RMB

Aging	Closing gross amount	Opening gross amount
Within 1 year (inclusive)	21,806,142.62	19,676,365.62
1 to 2 years	799,297.01	2,857,971.04
2 to 3 years	1,379,411.77	1,126,659.12
More than 3 years	1,097,434.13	1,630,626.65
3 to 4 years	530,057.37	247,253.20
4 to 5 years	65,663.46	155,860.00
More than 5 years	501,713.30	1,227,513.45
Total	25,082,285.53	25,291,622.43

3) Other receivables by method of establishing allowance for doubtful accounts Applicable Not applicable

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful account		Carrying amount	Gross amount		Allowance for doubtful account		Carrying amount
	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount		Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount	
Of which:										
Allowances for doubtful accounts are established on a grouping basis	25,082,285.53	100.00%	1,416,733.54	5.65%	23,665,551.99	25,291,622.43	100.00%	2,189,507.37	8.66%	23,102,115.06
Of which:										

Aging portfolio	25,082,285.53	100.00%	1,416,733.54	5.65%	23,665,551.99	25,291,622.43	100.00%	2,189,507.37	8.66%	23,102,115.06
Total	25,082,285.53	100.00%	1,416,733.54	5.65%	23,665,551.99	25,291,622.43	100.00%	2,189,507.37	8.66%	23,102,115.06

Allowances for doubtful accounts are established on a grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance as % of the gross amount
Staff imprest receivables portfolio	1,761,507.80		
Suspense receivable portfolio	9,138,772.14		
Aging portfolio	14,182,005.59	1,416,733.54	9.99%
Of which: within 1 year	11,194,328.31	559,716.38	5.00%
1 to 2 years	737,100.32	73,710.03	10.00%
2 to 3 years	1,357,974.59	271,594.92	20.00%
3 to 4 years	530,057.37	159,017.21	30.00%
4 to 5 years	19,700.00	9,850.00	50.00%
More than 5 years	342,845.00	342,845.00	100.00%
Total	25,082,285.53	1,416,733.54	

A description of the basis for determining the portfolio:

Allowances for doubtful accounts established using the general model of expected credit loss:

Unit: RMB

Allowances for doubtful accounts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2024	503,396.40	269,801.42	1,416,309.55	2,189,507.37
Balance as at January 1, 2024 was in the period				
- Transferred to Stage 2	-36,855.02	36,855.02		
- Transferred to Stage 3		-135,797.46	135,797.46	
Established in the period	93,175.00	-97,148.95	-765,564.88	-769,538.83
Charged off in the period			3,235.00	3,235.00
Balance as at December 31, 2024	559,716.38	73,710.03	783,307.13	1,416,733.54

The basis for the division of each stage and the ratio of allowance for doubtful accounts:

Carrying amount with significant changes in loss allowances in the period:

Applicable Not applicable

4) Allowances for doubtful accounts established, recovered or reversed in the period

Allowances for doubtful accounts in the period:

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Charged off or written off	Others	
Allowances for doubtful accounts are established on a grouping basis	2,189,507.37	-769,538.83		3,235.00		1,416,733.54
Total	2,189,507.37	-769,538.83		3,235.00		1,416,733.54

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts

5) Other receivables actually written off in the period

Unit: RMB

Item	Amount written off
Other receivables actually written off	3,235.00

Of which, significant other receivables written off:

Unit: RMB

Entity	Nature of other receivables	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions

A description of other receivables written off:

6) Top five entities with respect to other receivables

Unit: RMB

Entity	Nature of account	Closing balance	Aging	As % of the closing balance of total other receivables	Closing balance of allowances for doubtful accounts
Shenzhen National Commercial Affairs Certification Center	Security deposit	2,968,937.00	Within 1 year	11.84%	148,446.85
Customer 1	Security deposit	930,000.00	Within 1 year	3.71%	46,500.00
Guangdong Council for the Promotion of International Trade - International	Security deposit	699,803.00	Within 1 year	2.79%	34,990.15

Commercial Affairs Certification Center					
Customer 2	Security deposit	698,000.00	Within 1 year	2.78%	34,900.00
China Council for the Promotion of International Trade Guangdong Shunde Committee	Security deposit	561,996.00	Within 1 year	2.24%	28,099.80
Total		5,858,736.00		23.36%	292,936.80

7) Presentation in other receivables due to centralized management of funds

Other notes:

9. Prepayments

(1) Prepayments presented by aging

Unit: RMB

Aging	Closing balance		Opening balance	
	Amount	As % of total prepayments	Amount	As % of total prepayments
Within 1 year	35,660,741.20	86.27%	73,971,257.76	88.11%
1 to 2 years	2,048,747.42	4.96%	8,569,554.35	10.21%
2 to 3 years	2,731,524.98	6.61%	424,881.04	0.51%
More than 3 years	894,870.36	2.16%	984,178.27	1.17%
Total	41,335,883.96		83,949,871.42	

Notes of the reasons of prepayments with significant amounts aged over 1 year but failed settled in time:

The Company had no prepayments with significant amounts aged over 1 year at the end of the period.

(2) Top five entities with respect to prepayments

Entity	Carrying amount	As % of the balance of prepayments
Supplier1	1,858,774.42	4.50
Supplier2	1,803,986.67	4.36
Supplier3	1,800,000.00	4.35
Supplier4	1,591,200.00	3.85
Supplier5	1,455,000.00	3.52
Subtotal	8,508,961.09	20.58

Other notes:

10. Inventories

Whether the Company needs to comply with the disclosure requirements for the real estate industry

No

(1) Classification of inventories

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Falling price reserves of inventories or impairment allowances for contract performance costs	Carrying amount	Gross amount	Falling price reserves of inventories or impairment allowances for contract performance costs	Carrying amount
Raw materials	642,833,185.42		642,833,185.42	635,277,185.47		635,277,185.47
Goods in process	289,306,510.91		289,306,510.91	185,008,573.03		185,008,573.03
Inventory of goods	379,906,470.48	10,432,276.85	369,474,193.63	361,878,600.40	9,383,754.96	352,494,845.44
Contract performance costs	15,403,829.08		15,403,829.08	13,991,190.47		13,991,190.47
Goods issued	513,237,953.71	15,133,915.21	498,104,038.50	337,141,556.85	7,607,773.39	329,533,783.46
Manufacturing consignment materials	35,355,094.27		35,355,094.27	31,825,799.67		31,825,799.67
Total	1,876,043,043.87	25,566,192.06	1,850,476,851.81	1,565,122,905.89	16,991,528.35	1,548,131,377.54

(2) Data resources recognized as inventories

Unit: RMB

Item	Inventories of purchased data resources	Inventories of self-processing data resources	Inventories of data resources obtained by other means	Total

(3) Falling price reserves of inventories and impairment allowances for contract performance costs

Unit: RMB

Item	Opening balance	Increase in the period		Decrease in the period		Closing balance
		Established	Others	Reversed or charged off	Others	
Inventory of goods	9,383,754.96	7,631,118.25		6,582,596.36		10,432,276.85
Goods issued	7,607,773.39	14,902,229.94		7,376,088.12		15,133,915.21
Total	16,991,528.35	22,533,348.19		13,958,684.48		25,566,192.06

Item	Specific basis for determining net realizable value	Reason for reversal of falling price reserves of inventories	Reason for charge off of falling price reserves of inventories
Inventory of goods	Net realizable value is determined as the selling price/estimated selling price of the relevant finished goods, minus estimated selling expense and related taxes	Increase in net realizable value of inventories for which provision for decline in value of inventories was made in prior periods	Consumption/sale of inventories for which provision for decline in value of inventories was made in the period
Goods issued	Net realizable value is determined as the selling price of the relevant finished goods, minus estimated selling expense and related taxes		

Falling price reserves of inventories on a grouping basis

Unit: RMB

Group	At the end of the period			At the beginning of the period		
	Closing balance	Falling price reserves	Provision rate for price decline	Opening balance	Falling price reserves	Provision rate for price decline

Provision criteria for falling price reserves of inventories on a grouping basis

(4) Note on closing balance of inventories containing the capitalized amount of borrowing costs

(5) Notes of the amount of contract performance costs amortized for the period

Item	At the beginning of the period	Increase in the period	Amortized in the period	Impairment allowance in the period	At the end of the period
Carriage charges	9,436,080.46	62,162,558.20	65,098,676.23		6,499,962.43
Engineering services	4,555,110.01	4,348,756.64			8,903,866.65
Subtotal	13,991,190.47	66,511,314.84	65,098,676.23		15,403,829.08

11. Assets held for sale

Unit: RMB

Item	Closing gross amount	Impairment allowance	Closing carrying amount	Fair value	Estimated disposal expense	Estimated disposal time

Other notes:

12. Current portion of non-current assets

Unit: RMB

Item	Closing balance	Opening balance
Current portion of long-term receivables	419,370,901.95	319,852,958.93
Total	419,370,901.95	319,852,958.93

(1) Current portion of debt investments

Applicable Not applicable

(2) Current portion of other debt investments

Applicable Not applicable

13. Other current assets

Unit: RMB

Item	Closing balance	Opening balance
VAT	108,844,386.52	119,348,297.49
Advance payment of corporate income tax	8,498,782.96	6,962,911.28
Total	117,343,169.48	126,311,208.77

Other notes:

14. Debt investments**(1) Debt investments**

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount

Changes in the impairment allowance for debt investments in the period

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
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(2) Significant debt investments at the end of the period

Unit: RMB

Item	Closing balance					Opening balance				
	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal

(3) Provision for impairment

Unit: RMB

Allowances for doubtful accounts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2024 in the period				

The basis for the division of each stage and the ratio of allowance for doubtful accounts:

(4) Debt investments actually written off in the period

Unit: RMB

Item	Amount written off
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Of which, significant debt investments written off:

A description of debt investments written off:

Carrying amount with significant changes in loss allowances in the period:

 Applicable Not applicable

Other notes:

15. Other debt investments**(1) Other debt investments**

Unit: RMB

Item	Opening balance	Accrued interest	Interest adjustment	Change in fair value in the period	Closing balance	Cost	Accumulated changes in fair value	Accumulated impairment allowance recognized in other comprehensive income	Remarks
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Changes in the impairment allowance for other debt investments in the period

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
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(2) Significant other debt investments at the end of the period

Unit: RMB

Item	Closing balance					Opening balance				
	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal

(3) Provision for impairment

Unit: RMB

Allowances for doubtful accounts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2024 in the period				

The basis for the division of each stage and the ratio of allowance for doubtful accounts:

(4) Other debt investments actually written off in the period

Unit: RMB

Item	Amount written off
------	--------------------

Of which, significant other debt investments written off:

Carrying amount with significant changes in loss allowances in the period:

 Applicable Not applicable

Other notes:

16. Other equity investments

Unit: RMB

Item	Closing balance	Opening balance	Gains recorded in other comprehensive income in the period	Losses recorded in other comprehensive income in the period	Accumulative gains recorded in other comprehensive income at the end of the period	Accumulative losses recorded in other comprehensive income at the end of the period	Dividend income recognized in the period	Reason for assigning to measure in fair value of which changes recorded in other comprehensive income
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There is derecognition in the period

Unit: RMB

Item	Accumulative gains transferred in retained earnings	Accumulative losses transferred in retained earnings	Reason for derecognition
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Non-trading equity investments in the period disclosed by items

Unit: RMB

Item	Dividend income recognized	Accumulative gains	Accumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for assigning to measure in fair value of which changes recorded in other comprehensive income	Reason for other comprehensive income transferred to retained earnings
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Other notes:

17. Long-term receivables**(1) Long-term receivables**

Unit: RMB

Item	Closing balance			Opening balance			Interval of discount rate
	Gross amount	Allowance for doubtful	Carrying amount	Gross amount	Allowance for doubtful	Carrying amount	

		account			account		
Financing lease accounts	195,681,548.57	1,217,080.84	194,464,467.73	133,784,824.10	993,637.82	132,791,186.28	
Of which: unrealized financing income	7,243,736.33		7,243,736.33	6,472,716.74		6,472,716.74	5.00%-19.08%
Total	195,681,548.57	1,217,080.84	194,464,467.73	133,784,824.10	993,637.82	132,791,186.28	

(2) Long-term receivables by method of establishing allowance for doubtful accounts

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful account		Carrying amount	Gross amount		Allowance for doubtful account		Carrying amount
	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount		Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount	
Of which:										
Allowances for doubtful accounts are established on a grouping basis	195,681,548.57	100.00%	1,217,080.84	0.62%	194,464,467.73	133,784,824.10	100.00%	993,637.82	0.74%	132,791,186.28
Of which:										
Allowances for doubtful accounts are established on a grouping basis	195,681,548.57	100.00%	1,217,080.84	0.62%	194,464,467.73	133,784,824.10	100.00%	993,637.82	0.74%	132,791,186.28
Total	195,681,548.57	100.00%	1,217,080.84	0.62%	194,464,467.73	133,784,824.10	100.00%	993,637.82	0.74%	132,791,186.28

Allowances for doubtful accounts are established on a grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance as % of the gross amount
Long-term receivables	195,681,548.57	1,217,080.84	0.62%
Total	195,681,548.57	1,217,080.84	

A description of the basis for determining the portfolio:

Allowances for doubtful accounts established using the general model of expected credit loss

Unit: RMB

Allowance for doubtful account	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2024 in the period				

The basis for the division of each stage and the ratio of allowance for doubtful accounts:

(3) Allowances for doubtful accounts established, recovered or reversed in the period

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Charged off or written off	Others	
Allowances for doubtful accounts are established on a grouping basis	993,637.82	1,000,158.31		776,715.29		1,217,080.84
Total	993,637.82	1,000,158.31		776,715.29		1,217,080.84

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts

Other notes:

(4) Long-term receivables actually written off in the period

Unit: RMB

Item	Amount written off
Long-term receivables written off	776,715.29

Of which, significant long-term receivables written off:

Unit: RMB

Entity	Nature of long-term receivables	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions

A description of long-term receivables written off:

18. Long-term equity investments

Unit: RMB

Investee	Opening balance (carrying amount)	Opening balance of impairment allowance	Increase/decrease in the period							Closing balance (carrying amount)	Closing balance of impairment allowance	
			Increase in investment	Decrease in investment	Return on investment recognized using the equity method	Adjustment to other comprehensive income	Other equity changes	Declared cash dividends or profit	Impairment allowance			Others
I Joint ventures												
II Associates												
Foshan Haisheing Financial Leasing Company Limited	339,396,194.51				44,524,135.44			9,000,000.00			374,920,329.95	
Foshan Shunde Yingfeng Zero One High-end Intelligent Equipment Industry Investment Fund Partnership (L.P.)	22,470,133.32			6,928,050.03	904,744.40						16,446,827.69	
Jiangxi Jiangong Precision Machinery Co., Ltd.	73,130,544.79				6,701,428.81						79,831,973.60	
Ningbo	5,994,				40,637						6,035,	

o Fengle Equity Investment Partnership (L.P.)	719.00				.00						356.00	
Hanyu (Ningbo) Intelligent Equipment Co., Ltd. (herein after referred to as "Ningbo Hanyu")			5,384,615.00		-1,707,162.57						3,677,452.43	
Sub-total	440,991,591.62		5,384,615.00	6,928,050.03	50,463,783.08			9,000,000.00			480,911,939.67	
Total	440,991,591.62		5,384,615.00	6,928,050.03	50,463,783.08			9,000,000.00			480,911,939.67	

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flow

Applicable Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

Other notes:

1) Haisheng Financial Leasing was registered and established with the Foshan Administration for Market Regulation on June 28, 2016, with a registered capital of RMB2 billion. The Company invested RMB180 million and currently holds a 9.00% equity interest in Haisheng Financial Leasing, with one director appointed by the Company. Haisheng Financial Leasing's 2024 financial statements have been audited by KPMG Huazhen LLP (Special General Partnership), which issued the Audit Report (B. M. W. H. Z. S. Z. No. 2500738).

2) Zero One Fund was registered with the Shunde Administration for Market Regulation, Foshan, Guangdong Province, on April 25, 2017. The overall scale of the industry merger and acquisition fund is RMB100 million, and the Company, as a limited partner, contributed RMB30 million, representing 30% of the subscribed capital. The registration was completed on March 5, 2018.

During the period, the Company recovered an investment of RMB6,928,050.03. Zero One Fund's 2024 financial statements have been audited by China Audit Asia Pacific Certified Public Accountants LLP, which issued the Audit Report (Z. S. Y. T. S. Z. [2025] No. 001353).

3) Jiangxi Jianggong was established as a limited liability company with the approval of the Yichun Administration for Market Regulation on December 22, 2008, with a registered capital of RMB30 million. The Company invested RMB70,060,606.06, with a subscribed and paid-in capital of RMB10.2 million. The Company holds a 34.00% equity interest in Jiangxi Jianggong. Jiangxi Jianggong's 2024 financial statements were audited by Yichun Junhao CPA Firm (General Partnership), which issued the Audit Report (Y. J. H. S. Z. [2025] No. 001).

4) Ningbo Fengle was registered with the Beilun Administration for Market Regulation, Ningbo, on September 9, 2021, with the approval date of July 1, 2022. The overall scale of the equity investment enterprise is RMB60.11 million, and the Company, as a limited partner, subscribed to RMB30 million, representing 49.91% of the subscribed capital. As of December 31, 2024, the Company has paid in RMB6 million. Ningbo Fengle's 2024 financial statements have been audited by Guangdong Jiafa CPA Firm (General Partnership), which issued the Audit Report (J. F. N. S. Z. [2025] No. 028).

5) Ningbo Hanyu was established as a limited liability company with the approval of the Ningbo Administration for Market Regulation, High-tech Zone Branch, on November 16, 2021, with a registered capital of RMB7,692,308.00. The Company invested RMB5,384,615.00, with a subscribed and paid-in capital of RMB2,692,307.50. The Company holds a 35% equity interest in Ningbo Hanyu. Ningbo Hanyu's 2024 financial statements were audited by Jiangsu Huaxing Certified Public Accountants Co., Ltd. Kunshan Branch, which issued the Audit Report (H. X. K. S. K Z. [2025] No. 0404).

19. Other non-current financial assets

Unit: RMB

Item	Closing balance	Opening balance
Those classified as financial assets at fair value through profit or loss	6,000,000.00	
Total	6,000,000.00	

Other notes:

In December 2024, the Company participated in the establishment of Meizhi Phase II (Guangdong) Venture Capital Partnership (L.P.) as a limited partner. The Company does not have control, joint control or significant influence over the investee unit. Furthermore, the investment does not meet the criteria for classification as a financial assets measured at fair value with changes recognized in other comprehensive income. Given the expected holding period exceeding one year, the Company accounts for this investment as non-current financial assets measured at fair value through profit or loss.

20. Investment properties

(1) Investment properties measured using the cost model

Applicable Not applicable

(2) Investment properties measured using the fair value model

Applicable Not applicable

(3) Projects converted to investment properties and measured at fair value

Unit: RMB

Item	Accounting item before conversion	Amount	Reason for conversion	Approval procedures	Impact on gain and loss	Impact on other comprehensive income
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(4) Investment properties without certificate of title

Unit: RMB

Item	Carrying amount	Reason for not obtaining certificate of title
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Other notes:

21. Fixed assets

Unit: RMB

Item	Closing balance	Opening balance
Fixed assets	1,161,614,710.37	1,126,898,653.61
Total	1,161,614,710.37	1,126,898,653.61

(1) Fixed assets

Unit: RMB

Item	Buildings and constructions	Machinery equipment	Transportation equipment	Electronic equipment	Other equipment	Total
I Gross amount:						
1. Opening balance	987,381,609.95	531,179,743.79	55,495,881.14	41,342,724.80	129,437,794.63	1,744,837,754.31
2. Increases in the period	137,979,446.31	30,534,612.15	5,861,918.67	7,245,930.18	21,118,937.26	202,740,844.57
(1) Acquisition	21,539,956.57	15,051,899.97	5,833,276.02	6,398,133.67	16,375,396.21	65,198,662.44
(2) Transferred from construction in progress	115,532,706.82	6,178,970.68		834,252.64	2,338,787.21	124,884,717.35
(3) Increase from business combination						
(4) Transferred from others (Note)		9,239,311.33			2,367,782.94	11,607,094.27
(5) Impact of change in exchange rate	906,782.92	64,430.17	28,642.65	13,543.87	36,970.90	1,050,370.51
3. Decreases in the period	31,442,405.42	60,491,088.63	2,139,175.19	1,961,155.92	7,959,772.46	103,993,597.62
(1) Disposed or scrapped	31,442,405.42	60,489,110.01	2,005,653.90	1,944,560.09	7,881,598.28	103,763,327.70

(2) Impact of change in exchange rate		1,978.62	133,521.29	16,595.83	78,174.18	230,269.92
4. Closing balance	1,093,918,650.84	501,223,267.31	59,218,624.62	46,627,499.06	142,596,959.43	1,843,585,001.26
II Accumulated depreciation						
1. Opening balance	215,481,341.59	245,605,968.42	39,031,108.09	27,831,153.61	68,257,038.95	596,206,610.66
2. Increases in the period	47,162,875.57	38,789,719.86	5,192,563.33	6,458,533.67	17,237,068.73	114,840,761.16
(1) Provisions	47,092,129.15	38,775,482.10	5,187,250.55	6,449,533.80	17,231,650.49	114,736,046.09
(2) Impact of change in exchange rate	70,746.42	14,237.76	5,312.78	8,999.87	5,418.24	104,715.07
3. Decreases in the period	4,462,951.41	16,188,035.50	2,058,905.22	1,803,392.85	4,563,795.95	29,077,080.93
(1) Disposed or scrapped	4,462,951.41	16,187,447.15	2,036,376.39	1,796,805.89	4,543,859.06	29,027,439.90
(2) Impact of change in exchange rate		588.35	22,528.83	6,586.96	19,936.89	49,641.03
4. Closing balance	258,181,265.75	268,207,652.78	42,164,766.20	32,486,294.43	80,930,311.73	681,970,290.89
III Impairment allowance						
1. Opening balance		21,732,490.04				21,732,490.04
2. Increases in the period						
(1) Provisions						
3. Decreases in the period		21,732,490.04				21,732,490.04
(1) Disposed or scrapped		21,732,490.04				21,732,490.04
4. Closing balance						
IV Carrying amount						
1. Closing carrying amount	835,737,385.09	233,015,614.53	17,053,858.42	14,141,204.63	61,666,647.70	1,161,614,710.37
2. Opening carrying amount	771,900,268.36	263,841,285.33	16,464,773.05	13,511,571.19	61,180,755.68	1,126,898,653.61

(2) Fixed assets that are temporarily idle

Unit: RMB

Item	Gross amount	Accumulated depreciation	Impairment allowance	Carrying amount	Remarks
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(3) Fixed assets leased out under operating leases

Unit: RMB

Item	Closing carrying amount
Buildings and constructions	69,588,798.43
Machinery equipment	1,326,740.77

(4) Fixed assets without certificate of title

Unit: RMB

Item	Carrying amount	Reason for not obtaining certificate of title
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Other notes:

[Note] “Transferred from others” refers to that the Company presented the exhibition equipment of inventories as fixed assets

(5) Impairment tests of fixed assets

Applicable Not applicable

(6) Disposal of fixed assets

Unit: RMB

Item	Closing balance	Opening balance
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Other notes:

22. Construction in progress

Unit: RMB

Item	Closing balance	Opening balance
Construction in progress	52,972,208.36	64,807,386.33
Total	52,972,208.36	64,807,386.33

(1) Construction in progress

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Allowance for doubtful account	Carrying amount	Gross amount	Allowance for doubtful account	Carrying amount

Equipment in the process of installation	2,143,569.61		2,143,569.61	29,242,763.94		29,242,763.94
Workshops and office buildings	50,828,638.75		50,828,638.75	35,564,622.39		35,564,622.39
Total	52,972,208.36		52,972,208.36	64,807,386.33		64,807,386.33

(2) Changes in important construction in progress in the period

Unit: RMB

Project	Budget	Opening balance	Increase in the period	Transferred to fixed assets in the period	Other decreases in the period	Closing balance	Cumulative project investment as % of the budget	Project progress	Cumulative capitalized interest	Of which: Capitalized interest in the period	Interest capitalization rate for the period	Funding source
Phase IV - Plant 2# Construction Project of Wujiang Factory	71,000,000.00	33,904,720.10	9,967,507.33	40,416,704.40	3,455,523.03		61.79%	100.00%				Other
HPM North America Building Expansion Project	75,855,717.00	23,656,606.06	52,863,393.20	76,519,999.26			100.88%	100.00%				Other
Phase I Project of East China Manufacturing Base	207,266,000.00		17,847,758.67			17,847,758.67	8.61%	9.00%				Other
YIZU MI Headquarters Building Project	291,498,836.00		7,344,790.11			7,344,790.11	2.52%	3.00%				Other
Total	645,620,553.00	57,561,326.16	88,023,449.31	116,936,703.66	3,455,523.03	25,192,548.78						

(3) Impairment allowance for construction in progress

Unit: RMB

Item	Opening balance	Increase in the period	Decreases in the period	Closing balance	Reason
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Other notes:

(4) Impairment tests of construction in progress Applicable Not applicable**(5) Engineering materials**

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Allowance for doubtful account	Carrying amount	Gross amount	Allowance for doubtful account	Carrying amount

Other notes:

23. Productive living assets**(1) Productive living assets measured using the cost model** Applicable Not applicable**(2) Impairment tests of productive living assets measured using the cost model** Applicable Not applicable**(3) Productive living assets measured using the fair value model** Applicable Not applicable**24. Oil and gas assets** Applicable Not applicable**25. Right-of-use assets****(1) Right-of-use assets**

Unit: RMB

Item	Buildings and constructions	Transport equipment	Total
I Gross amount:			
1. Opening balance	30,528,983.27	1,740,683.28	32,269,666.55
2. Increases in the period	11,972,223.28	937,305.13	12,909,528.41
(1) Leased in	11,894,676.73	937,305.13	12,831,981.86

(2) Impact of change in exchange rate	77,546.55		77,546.55
3. Decreases in the period	3,057,183.69	142,759.63	3,199,943.32
(1) Leased in	1,419,129.13		1,419,129.13
(2) Impact of change in exchange rate	1,638,054.56	142,759.63	1,780,814.19
4. Closing balance	39,444,022.86	2,535,228.78	41,979,251.64
II Accumulated depreciation			
1. Opening balance	13,431,417.63	578,881.48	14,010,299.11
2. Increases in the period	7,460,944.02	575,334.04	8,036,278.06
(1) Provisions	7,415,944.62	575,334.04	7,991,278.66
(2) Impact of change in exchange rate	44,999.40		44,999.40
3. Decreases in the period	1,372,904.89	42,755.08	1,415,659.97
(1) Disposed	733,216.79		733,216.79
(2) Impact of change in exchange rate	639,688.10	42,755.08	682,443.18
4. Closing balance	19,519,456.76	1,111,460.44	20,630,917.20
III Impairment allowance			
1. Opening balance			
2. Increases in the period			
(1) Provisions			
3. Decreases in the period			
(1) Disposed			
4. Closing balance			
IV Carrying amount			
1. Closing carrying amount	19,924,566.10	1,423,768.34	21,348,334.44
2. Opening carrying amount	17,097,565.64	1,161,801.80	18,259,367.44

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

Applicable Not applicable

Other notes:

26. Intangible assets

(1) Intangible assets

Unit: RMB

Item	Land use right	Patents	Non-patent technology	BOT franchise	Software	Trademark rights and other intellectual rights	Patent technology	Total
I Gross								

amount:								
1. Opening balance	367,416,85 0.47			32,844,979. 07	56,741,992. 93	3,173,081.6 0	3,986,629.0 0	464,163,533. 07
2. Increases in the period	70,744,214. 33				11,603,198. 98	82,838.71		82,430,252.0 2
(1) Acquisition	70,652,863. 01				3,195,965.4 3	32,736.08		73,881,564.5 2
(2) Internal research and developme nt								
(3) Increase from business combinatio n								
(4) Transferred from constructio n in progress					8,406,858.1 1			8,406,858.11
(5) Impact of change in exchange rate	91,351.32				375.44	50,102.63		141,829.39
3. Decreases in the period					1,044,571.7 8		3,986,629.0 0	5,031,200.78
(1) Disposed					1,015,729.3 8		3,986,629.0 0	5,002,358.38
(2) Impact of change in exchange rate					28,842.40			28,842.40
4. Closing balance	438,161,06 4.80			32,844,979. 07	67,300,620. 13	3,255,920.3 1		541,562,584. 31
II Accumulat ed amortizatio n								
1. Opening balance	49,455,059. 14			10,311,047. 49	36,268,958. 60	3,173,081.6 0	3,986,629.0 0	103,194,775. 83

2. Increases in the period	7,461,789.2 4			1,510,654.6 2	6,697,436.9 6	82,838.71		15,752,719.5 3
(1) Provisions	7,456,712.6 6			1,510,654.6 2	6,697,158.5 1	32,736.08		15,697,261.8 7
(2) Impact of change in exchange rate	5,076.58				278.45	50,102.63		55,457.66
3. Decreases in the period					908,940.72		3,986,629.0 0	4,895,569.72
(1) Disposed					880,331.15		3,986,629.0 0	4,866,960.15
(2) Impact of change in exchange rate					28,609.57			28,609.57
4. Closing balance	56,916,848. 38			11,821,702. 11	42,057,454. 84	3,255,920.3 1		114,051,925. 64
III Impairment allowance								
1. Opening balance								
2. Increases in the period								
(1) Provisions								
3. Decreases in the period								
(1) Disposed								
4. Closing balance								
IV Carrying amount								
1. Closing carrying amount	381,244,21 6.42			21,023,276. 96	25,243,165. 29			427,510,658. 67

2. Opening carrying amount	317,961,79 1.33			22,533,931. 58	20,473,034. 33			360,968,757. 24
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There were no intangible assets created by internal research and development of the Company at the end of the period.

(2) Data resources recognized as intangible assets

Applicable Not applicable

(3) Land use right without certificate of title

Unit: RMB

Item	Carrying amount	Reason for not obtaining certificate of title
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Other notes:

(4) Impairment tests of intangible assets

Applicable Not applicable

27. Goodwill

(1) Gross amounts of goodwill

Unit: RMB

Investee or item generating goodwill	Opening balance	Increase in the period		Decrease in the period		Closing balance
		Generated due to business combination		Disposal		
BIVOUAC ENGINEERING &SERVICE CO	3,864,287.42					3,864,287.42
Foshan Shunde Yiming Precision Mould Co., Ltd.	6,918,878.36					6,918,878.36
Total	10,783,165.78					10,783,165.78

(2) Impairment allowance for goodwill

Unit: RMB

Investee or item generating goodwill	Opening balance	Increase in the period		Decrease in the period		Closing balance
		Provisions		Disposal		
BIVOUAC ENGINEERING	3,864,287.42					3,864,287.42

&SERVICE CO						
Foshan Shunde Yiming Precision Mould Co., Ltd.	6,918,878.36					6,918,878.36
Total	10,783,165.78					10,783,165.78

(3) Information on the assets groups or combination of assets groups which goodwill belongs to

Name	Composition and basis of the asset group or combination of asset groups to which it belongs	Operating segment to which it belongs and basis	Whether it is consistent with that of the prior years
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Changes in the assets group or combination of assets groups

Name	Composition before the change	Composition after the change	Objective facts leading to the change and their basis
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Other notes

(4) Specific method of determining the recoverable amount

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flow

Applicable Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

(5) Completion of commitments to results and corresponding goodwill impairment

When goodwill is formed, there is a commitment to the results and the Reporting Period or the period preceding the Reporting Period is within the commitment period

Applicable Not applicable

Other notes:

28. Long-term prepaid expense

Unit: RMB

Item	Opening balance	Increase in the period	Amortization in the period	Other decreases	Closing balance
Decoration expenditure	65,179,138.65	10,799,774.79	20,266,590.50	5,332,578.93	50,379,744.01
Cutting tools	1,792,497.10	5,696,572.40	3,178,093.80		4,310,975.70
Total	66,971,635.75	16,496,347.19	23,444,684.30	5,332,578.93	54,690,719.71

Other notes:

“Other decreases” were attributable to the liquidation and deregistration of the subsidiary Foshan Huoshen Environmental Technology Co., Ltd. (hereinafter referred to as “Huoshen Environmental Technology”) in the period and the transfer of the remaining long-term prepaid expense of RMB5,332,578.93 to the non-operating expense.

29. Deferred income tax assets/Deferred income tax liabilities

(1) Deferred income tax assets which have not been offset

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Asset impairment allowances	76,246,062.03	12,770,226.13	53,091,604.02	8,781,552.26
Unrealized profit of internal transactions	70,308,055.07	10,546,208.26	80,224,578.15	12,033,686.72
Deferred income	48,015,028.52	7,202,254.27	42,632,753.30	6,394,913.00
Other current liabilities	70,528,330.02	10,579,249.50		
Provisions			57,141,796.25	8,571,269.44
Lease liabilities (inclusive of the current portion)	7,250,094.81	1,087,514.22	7,431,175.23	1,114,676.28
Share-based payment	16,702,560.00	2,684,340.00	18,352,897.20	2,902,564.23
Total	289,050,130.45	44,869,792.38	258,874,804.15	39,798,661.93

(2) Deferred income tax liabilities which have not been offset

Unit: RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Accelerated depreciation of fixed assets	44,982,804.63	6,747,420.69	54,424,266.60	8,163,639.99
Right-of-use assets	6,769,534.31	1,015,430.15	7,138,405.55	1,070,760.83
Total	51,752,338.94	7,762,850.84	61,562,672.15	9,234,400.82

(3) Deferred income tax assets or liabilities listed by net amount after off-set

Unit: RMB

Item	Offset amount of deferred income tax assets and liabilities at the end of the period	Closing balance of deferred income tax assets and liabilities after offset	Offset amount of deferred income tax assets and liabilities at the beginning of the period	Opening balance of deferred income tax assets and liabilities after offset
Deferred income tax assets	7,762,850.84	37,106,941.54		39,798,661.93
Deferred income tax	7,762,850.84			9,234,400.82

liabilities				
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(4) Details about deferred income tax assets which have not been recognized

Unit: RMB

Item	Closing balance	Opening balance
Deductible temporary differences	68,606,139.10	131,037,600.81
Deductible losses	114,793,292.10	78,458,925.28
Total	183,399,431.20	209,496,526.09

(5) Deductible losses of deferred income tax assets which have not been recognized will become due in the following years

Unit: RMB

Year	Closing amount	Opening amount	Remarks
2027		10,170.93	According to the Announcement on Extending the Loss Carryforward Period for High-tech Enterprises and Small and Medium-sized Enterprises in the Science and Technology Sector (State Taxation Administration Announcement No. 45 of 2018), the loss carryforward period for qualified high-tech enterprises has been extended to 10 years.
2028	5,756,554.84	6,017,391.42	
2029	6,249,965.16	6,048,239.90	
2030	18,362,997.64	20,388,985.44	
2031	11,899,701.86	24,595,712.17	
2032	1,714,099.06	8,903,173.25	
2033	2,159,699.48	12,495,252.17	
2034	68,650,274.06		
Total	114,793,292.10	78,458,925.28	

Other notes:

30. Other non-current assets

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount
Prepayments for long-term assets	9,532,766.19		9,532,766.19	8,568,383.78		8,568,383.78
Prepayments for equity investments				2,692,307.50		2,692,307.50
Total	9,532,766.19		9,532,766.19	11,260,691.28		11,260,691.28

Other notes:

31. Assets with restricted ownership or rights-of-use

Unit: RMB

Item	At the end of the period	At the beginning of the period
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	Gross amount	Carrying amount	Type of restriction	Restriction	Gross amount	Carrying amount	Type of restriction	Restriction
Monetary assets	91,383,039.44	91,383,039.44	Security deposit, time deposits, frozen accounts	Security deposits for bank acceptance bills, L/C and L/G; time deposits, frozen accounts	73,794,971.77	73,794,971.77	Security deposit	Security deposits for bank acceptance bills, L/C and L/G
Notes receivable	33,800.00	32,110.00	Transfer	Commercial acceptance bills endorsed but not derecognized	34,228,585.11	34,228,585.11	Pledge	Pledge of note pool
Fixed assets	329,046,214.63	300,499,318.87	Mortgage	Mortgaged for bank borrowings	325,340,366.43	312,368,638.33	Mortgage	Mortgaged for bank borrowings
Intangible assets	308,676,708.30	270,662,880.60	Mortgage	Mortgaged for bank borrowings	308,585,356.97	276,703,135.04	Mortgage	Mortgaged for bank borrowings
Long-term receivables	25,429,933.00	25,302,783.32	Pledge	Pledged for bank borrowings				
Total	754,569,695.37	687,880,132.23			741,949,280.28	697,095,330.25		

Other notes:

32. Short-term borrowings

(1) Classification of short-term borrowings

Unit: RMB

Item	Closing balance	Opening balance
Guaranteed borrowings	165,677,789.17	118,456,547.23
Credit borrowings	49,064,722.22	
Pledged and guaranteed borrowings		5,005,194.44
Total	214,742,511.39	123,461,741.67

A description of the classification of short-term borrowings:

Note 1: The aforementioned guaranteed borrowings are all secured by related parties within the consolidation scope.

Note 2: The collateral for the pledged and guaranteed borrowings at the beginning of the period consisted of 7 invention patents and 25 utility model patents. These pledges were released in the period upon maturity of the borrowings.

(2) Short-term borrowings overdue but not returned

The amount of the overdue unpaid short-term borrowings at the end of the period was RMB0.00, of which the significant overdue unpaid short-term borrowings are as follows:

Unit: RMB

Borrower	Closing balance	Interest rate	Overdue time	Overdue charge rate
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Other notes:

33. Held-for-trading financial liabilities

Unit: RMB

Item	Closing balance	Opening balance
Of which:		
Of which:		

Other notes:

34. Derivative financial liabilities

Unit: RMB

Item	Closing balance	Opening balance
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Other notes:

35. Notes payable

Unit: RMB

Category	Closing balance	Opening balance
Bank acceptance bill	743,715,809.23	573,966,408.01
Total	743,715,809.23	573,966,408.01

The total amount of notes payable that are due but unpaid amounted to RMB0.00 at the end of the period. And the reason why they are due but not paid was .

36. Accounts payable**(1) Presentation of accounts payable**

Unit: RMB

Item	Closing balance	Opening balance
Payment for materials	667,970,980.84	589,142,772.91
Long-term assets	37,906,696.01	41,960,774.46
Others	113,350,707.01	90,470,169.13
Total	819,228,383.86	721,573,716.50

(2) Significant accounts payable that are over one year or overdue

Unit: RMB

Item	Closing balance	Reason for unsettlement or carryforward
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Other notes:

37. Other payables

Unit: RMB

Item	Closing balance	Opening balance
Other payables	55,054,484.88	78,069,589.44
Total	55,054,484.88	78,069,589.44

(1) Interest payable

Unit: RMB

Item	Closing balance	Opening balance
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List of the significant overdue unpaid interest:

Unit: RMB

Borrower	Overdue amount	Overdue reason
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Other notes:

(2) Dividends payable

Unit: RMB

Item	Closing balance	Opening balance
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Other notes: including significant dividends payable unpaid for over one year, the unpaid reason shall be disclosed:

(3) Other payables**1) Presentation of other payables by nature**

Unit: RMB

Item	Closing balance	Opening balance
Security deposits	41,854,863.92	48,783,260.84
Temporary receipts payable	9,681,700.60	20,240,865.97
Restricted share repurchase obligations	3,517,920.36	9,045,462.63
Total	55,054,484.88	78,069,589.44

2) Significant other payables that are over one year or overdue

Unit: RMB

Item	Closing balance	Reason for unsettlement or carryforward
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Other notes:

38. Advances from customers**(1) Presentation of advances from customers**

Unit: RMB

Item	Closing balance	Opening balance
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(2) Significant advances from customers that are over one year or overdue

Unit: RMB

Item	Closing balance	Reason for unsettlement or carryforward
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Unit: RMB

Item	Change in amount	Reason
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39. Contract liabilities

Unit: RMB

Item	Closing balance	Opening balance
Advances from customers	568,220,500.70	511,327,471.44
Total	568,220,500.70	511,327,471.44

Significant contract liabilities aging over one year

Unit: RMB

Item	Closing balance	Reason for unsettlement or carryforward
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Significant changes in the amount of carrying amount and the reason in the Reporting Period

Unit: RMB

Item	Change in amount	Reason
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40. Employee benefits payable**(1) Presentation of employee benefits payable**

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
I Short-term remuneration	150,768,045.87	874,527,238.89	823,615,569.48	201,679,715.28
II Post-employment benefits - defined contribution plans		35,037,837.47	35,037,837.47	
III Dismissal benefits		1,855,273.16	1,855,273.16	
Total	150,768,045.87	911,420,349.52	860,508,680.11	201,679,715.28

(2) Presentation of short-term remuneration

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
1. Salaries, bonuses, allowances and subsidies	148,335,386.72	801,901,218.15	749,556,741.88	200,679,862.99
2. Employee benefits	1,264,226.94	39,382,886.91	40,629,359.38	17,754.47
3. Social insurance charges		16,872,129.42	16,872,129.42	
Of which: Medical insurance premium		15,129,670.54	15,129,670.54	
Industrial injury		1,445,520.73	1,445,520.73	

insurance premium				
Birth insurance premium		296,938.15	296,938.15	
4. Housing provident fund		12,837,760.15	12,837,760.15	
5. Labor union expenditure and personnel educational fund	1,168,432.21	3,533,244.26	3,719,578.65	982,097.82
Total	150,768,045.87	874,527,238.89	823,615,569.48	201,679,715.28

(3) Presentation of defined contribution plans

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
1. Basic pension insurance		31,503,434.15	31,503,434.15	
2. Unemployment insurance premium		3,442,878.90	3,442,878.90	
3. Corporate pension contribution		91,524.42	91,524.42	
Total		35,037,837.47	35,037,837.47	

Other notes:

41. Taxes and levies payable

Unit: RMB

Item	Closing balance	Opening balance
VAT	10,927,657.87	16,090,079.18
Corporate income tax	12,191,527.11	16,160,514.04
Individual income tax	2,844,195.63	2,616,652.67
Urban maintenance and construction tax	1,015,608.40	1,202,518.25
Stamp duty	1,080,154.18	786,232.07
Property tax	404,798.51	708,066.54
Education surcharge	438,153.61	518,233.60
Local education surcharge	292,102.38	340,708.00
Land use tax	95,051.93	24,671.77
Others	32,851.67	991.21
Total	29,322,101.29	38,448,667.33

Other notes:

42. Liabilities directly associated with assets held for sale

Unit: RMB

Item	Closing balance	Opening balance
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Other notes:

43. Current portion of non-current liabilities

Unit: RMB

Item	Closing balance	Opening balance
Current portion of long-term borrowings	317,593,331.48	170,294,420.07
Current portion of lease liabilities	7,673,998.69	5,724,235.97
Total	325,267,330.17	176,018,656.04

Other notes:

44. Other current liabilities

Unit: RMB

Item	Closing balance	Opening balance
Product quality guarantee deposits	85,014,857.12	
Output tax to be transferred	80,871,646.77	79,408,412.51
Total	165,886,503.89	79,408,412.51

Increase/decrease of the short-term bonds payable:

Unit: RMB

Bonds	Par value	Coupon rate	Issue date	Bond duration	Issue amount	Opening balance	Issued in the period	Interest accrued at par value	Amortization of premium and depreciation	Repaid in the period		Closing balance	Default or not
Total													

Other notes:

The Company provides a warranty for sold products for a specific period, commencing from the date of successful installation, debugging and customer acceptance. Given the future after-sales warranty expenses, the year-end product quality assurance liability balance is recognized at 1.5% of the total operating revenue generated over the past 12 months.

45. Long-term borrowings**(1) Classification of long-term borrowings**

Unit: RMB

Item	Closing balance	Opening balance
Pledged borrowings	24,000,000.00	
Guaranteed borrowings	324,968,000.00	428,741,840.00
Credit borrowings	158,432,000.00	103,956,610.00
Mortgaged and guaranteed borrowings	399,888,241.80	418,009,627.39
Total	907,288,241.80	950,708,077.39

A description of the classification of long-term borrowings:

Note: The above-mentioned guaranteed borrowings were all secured by the related parties within the consolidation scope.

Other notes, including interest rate range:

46. Bonds payable

(1) Bonds payable

Unit: RMB

Item	Closing balance	Opening balance
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(2) Changes of bonds payable (excluding the financial instruments divided as financial liabilities such as preference shares, perpetual bonds and other financial instruments)

Unit: RMB

Bonds	Par value	Coupon rate	Issue date	Bond duration	Issue amount	Opening balance	Issued in the period	Interest accrued at par value	Amortization of premium and depreciation	Repaid in the period		Closing balance	Default or not
Total													

(3) Notes to convertible corporate bonds

(4) Other financial instruments classified as financial liabilities

Basic information about other outstanding financial instruments such as preference shares and perpetual bonds at the end of the period

Changes of outstanding financial instruments such as preference shares and perpetual bonds at the end of the period

Unit: RMB

Outstanding financial instruments	At the beginning of the period		Increase in the period		Decrease in the period		At the end of the period	
	Number	Carrying amount	Number	Carrying amount	Number	Carrying amount	Number	Carrying amount

A description of the basis for the classification of other financial instruments as financial liabilities

Other notes:

47. Lease liabilities

Unit: RMB

Item	Closing balance	Opening balance
House rent	13,422,030.94	12,146,709.54
Transportation equipment lease	810,774.98	691,174.60
Total	14,232,805.92	12,837,884.14

Other notes:

48. Long-term payables

Unit: RMB

Item	Closing balance	Opening balance
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(1) Long-term payables presented by nature

Unit: RMB

Item	Closing balance	Opening balance
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Other notes:

(2) Specific payables

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance	Reason for formation
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Other notes:

49. Long-term employee benefits payable**(1) List of long-term employee benefits payable**

Unit: RMB

Item	Closing balance	Opening balance
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(2) Changes in defined benefit plans

Obligation present value of defined benefit plans:

Unit: RMB

Item	Amount of the period	Amount of the previous period
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Plan assets:

Unit: RMB

Item	Amount of the period	Amount of the previous period
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Net liabilities (net assets) of defined benefit plans:

Unit: RMB

Item	Amount of the period	Amount of the previous period
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Notes of influence of content of defined benefit plans and its relevant risks to the future cash flow, time and uncertainty of the Company:

A description of significant actuarial assumptions and the results of sensitivity analysis of defined benefit plans:

Other notes:

50. Provisions

Unit: RMB

Item	Closing balance	Opening balance	Reason for formation
Product quality assurance		67,537,703.73	The warranty liability is

			accrued based on sales of main operating revenue for the last 12 months
Subsequent renewal expenditure of BOT project	1,406,217.44	1,226,700.32	The subsequent renewal expenditure is provisioned based on estimated maintenance costs
Total	1,406,217.44	68,764,404.05	

Other notes, including notes to related significant assumptions and evaluation of significant provisions:

The Company's Yige Sports Park BOT project was completed and put into operation in 2017. The BOT contract stipulates conditions for the designated service levels required during the operation of Yige Sports Park and the requirements for asset transfer at the end of the operating period. To ensure that relevant infrastructure maintains a certain level of service or remains in a usable state before being transferred to the granting authority, the Company has made best estimates of related expenses during the Reporting Period for the obligations it is responsible for. The projected future cash outflows for equipment updates during the concession period are recognized in provisions on a periodic basis. The appropriate discount rate is applied to calculate the present value of the cash flows, which are then included in operating costs. Meanwhile, the difference between the projected future cash outflows and their present value is periodically recognized as finance costs. On each balance sheet date, the Company reviews the recognized provisions and adjusts the original book value based on the current best estimate.

51. Deferred income

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance	Reason for formation
Government grants	93,454,988.36	13,236,400.00	58,676,359.84	48,015,028.52	Gratuitous government grants
Total	93,454,988.36	13,236,400.00	58,676,359.84	48,015,028.52	

Other notes:

Refer to Note XI Government Grants of the financial statements for details.

52. Other non-current liabilities

Unit: RMB

Item	Closing balance	Opening balance
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Other notes:

53. Share capital

Unit: RMB

	Opening balance	Increase/decrease in the period (+/-)					Closing balance
		New issue	Bonus issue from profit	Bonus issue from capital reserves	Others	Subtotal	
Total shares	468,571,084.00				-9,000.00	-9,000.00	468,562,084.00

Other notes:

Under the Company's Phase III Restricted Stock Incentive Plan, one grantee failed to meet the individual performance assessment criteria, resulting in the forfeiture of 9,000 restricted shares that were not eligible for vesting. Consequently, the Company repurchased and canceled these 9,000 granted but unvested restricted shares.

Pursuant to the resolution of the First Extraordinary General Meeting of Shareholders in 2024 and the amended Articles of Association, the Company applied to reduce its registered capital by RMB9,000.00. The Company refunded the grantee a total of RMB31,410.00 at the original grant price in cash, with corresponding reductions of RMB9,000.00 in share capital and RMB22,410.00 in capital reserves-share capital premium. Following this adjustment, the Company's paid-in share capital stands at RMB468,562,084.00. This capital reduction was audited and verified by Pan-China Certified Public Accountants LLP, which issued the Capital Verification Report (Pan-China Verification [2024] No. 1-3).

54. Other equity instruments

(1) Basic information about other outstanding financial instruments such as preference shares and perpetual bonds at the end of the period

(2) Changes of other outstanding financial instruments such as preference shares and perpetual bonds at the end of the period

Unit: RMB

Outstanding financial instruments	At the beginning of the period		Increase in the period		Decrease in the period		At the end of the period	
	Amount	Carrying amount	Amount	Carrying amount	Amount	Carrying amount	Amount	Carrying amount

Changes of other equity instruments in the period, reasons thereof and basis of related accounting treatment:

Other notes:

55. Capital reserves

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Capital premium (share capital premium)	172,976,797.86	13,094,296.67	22,410.00	186,048,684.53
Other capital reserves	20,825,324.15	3,427,126.68	13,094,296.67	11,158,154.16
Total	193,802,122.01	16,521,423.35	13,116,706.67	197,206,838.69

Other notes, including a description of the increase or decrease for the period and the reasons for the change:

1) Equity-settled share-based payments recognized in individual company financial statements totaled RMB2,384,942.67, recorded in other capital reserves. The deferred income tax assets of RMB1,035,897.87 from share-based payments were also recorded in other capital reserves. In the consolidated financial statements, the portion attributable to owners of the parent company amounted to RMB3,427,126.68 in capital reserves-other capital reserves, with RMB-6,286.14 allocated to non-controlling interests. For details of share-based payments, refer to Note XV Share-based Payments in this financial statements.

2) In this year, the second restriction period expired for the Phase III Restricted Stock Incentive Plan, with 999,000 restricted shares becoming vested; the third restriction period expired for the Phase II Restricted Stock Incentive Plan, with 575,823 restricted shares becoming vested. The capital reserves-other capital reserves accumulated during the waiting period corresponding to the share-based payment expenses were transferred to share capital premium in the total amount of RMB13,094,296.67.

3) Details of changes in capital reduction and cancellation after share repurchases were presented in the Note VII-53. Share capital in this financial statements.

56. Treasury shares

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Repurchase obligation	9,045,462.27		5,527,542.27	3,517,920.00
Share repurchase	119,986,514.26	23,811,580.67		143,798,094.93
Total	129,031,976.53	23,811,580.67	5,527,542.27	147,316,014.93

Other notes, including a description of the increase or decrease for the period and the reasons for the change:

1) On January 12, 2024, the Company convened the 3rd Meeting of the 5th Board of Directors, which approved the *Proposal on the Fulfillment of Vesting Conditions for the Second Vesting Period under the Phase III Restricted Stock Incentive Plan* and the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares*. The Board of Directors determined that: the second restriction period under the Phase III Restricted Stock Incentive Plan had expired, all vesting conditions for the second vesting period had been satisfied, and the Company was agreed to carry out the corresponding procedures for lifting the restriction on sale in accordance with the relevant regulations. 111 grantees became eligible to vest 999,000 restricted shares. The Company's repurchase obligation was reduced by RMB3,486,510.00 (calculated at the exercise price of RMB3.49 per share). One grantee failed to meeting individual performance metrics, resulting in forfeiture of 9,000 restricted shares from the second vesting period. The Company repurchased and canceled these 9,000 restricted shares, which reduced the repurchase obligation by RMB31,410.00.

2) On July 4, 2024, the Company convened the 5th Meeting of the 5th Board of Directors, which approved the *Proposal on the Fulfillment of Vesting Conditions for the Third Vesting Period under the Phase II Restricted Stock Incentive Plan*. The Board of Directors determined that: the third restriction period under the Phase II Restricted Stock Incentive Plan had expired, all vesting conditions for the third vesting period had been satisfied, and the Company was agreed to carry out the corresponding procedures for lifting the restriction on sale in accordance with the relevant regulations. 48 grantees became eligible to vest 575,823 restricted shares. The Company's repurchase obligation was reduced by RMB2,009,622.27 (calculated at the exercise price of RMB3.49 per share).

3) On October 30, 2023, the Company convened the 1st Extraordinary Meeting of the 5th Board of Directors in 2023 and the 1st Extraordinary Meeting of the 5th Board of Supervisors in 2023, which approved the *Proposal on Share Repurchase Plan* that repurchasing the Company's unrestricted A-shares with its own funds via centralized bidding for future equity incentives or employee stock ownership plans. As of the balance sheet date, the Company cumulatively repurchased 8,000,167 shares via centralized bidding through the dedicated repurchase account. The total consideration was RMB143,790,576.28 (excluding transaction fees) with the maximum transaction price at RMB18.88 per share and the minimum transaction price at RMB15.18 per share. The total amount expended by the Company on share repurchases has exceeded the minimum threshold of RMB120 million specified in the repurchase plan, while remaining below the maximum authorized amount of RMB200 million.

57. Other comprehensive income

Unit: RMB

Item	Opening balance	Amount of the period						Closing balance
		Amount before deducting income tax for the period	Less: recorded in other comprehensive income in prior period	Less: recorded in other comprehensive income in prior period	Less: Income tax expense	Attributable to the parent company after tax	Attributable minority shareholders after tax	

			and transferred in profit or loss in the period	and transferred in retained earnings in the period				
II Other comprehensive income that will be reclassified to profit or loss	- 12,069,982.14	- 4,578,947.40				- 4,358,414.24	- 220,533.16	- 16,428,396.38
Differences arising from the translation of foreign currency-denominated financial statements	- 12,069,982.14	- 4,578,947.40				- 4,358,414.24	- 220,533.16	- 16,428,396.38
Total of other comprehensive income	- 12,069,982.14	- 4,578,947.40				- 4,358,414.24	- 220,533.16	- 16,428,396.38

Other notes, including the adjustment of the effective gain/loss on cash flow hedges to the initial recognized amount:

58. Specific reserve

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Special reserves for safety production	14,004,762.05	15,123,389.91	18,462,569.11	10,665,582.85
Total	14,004,762.05	15,123,389.91	18,462,569.11	10,665,582.85

Other notes, including a description of the increase or decrease for the period and the reasons for the change:

The Company accrued and utilized the special reserves for safety production in accordance with the *Measures for the Withdrawal and Use of the Enterprise Special Reserves for Safety Production* (Cai Zi [2022] No. 136) jointly issued by the Ministry of Finance and the Ministry of Emergency Management. The increase in the period was attributable to the accrual of RMB15,123,389.91 to special reserve in the period; the decrease in the period was attributable to the utilization of RMB12,752,753.08 for safety production expenditure, along with a one-time transfer of remaining safety funds (RMB5,709,816.03) to cost of sales following the change in business operations of Guangdong Yizumi Import and Export Co., Ltd.

59. Surplus reserves

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Statutory surplus	170,151,069.07	30,075,191.47		200,226,260.54

reserves				
Total	170,151,069.07	30,075,191.47		200,226,260.54

Other notes, including a description of the increase or decrease for the period and the reasons for the change:

The surplus reserves in 2024 increased by RMB30,075,191.47, which was attributable to the provisions for statutory surplus reserves at 10% of the net profit of the parent company.

60. Retained earnings

Unit: RMB

Item	2024	2023
Retained earnings at the end of the prior period before adjustment	1,855,790,427.49	1,557,244,051.68
Retained earnings at the beginning of the period after adjustment	1,855,790,427.49	1,557,244,051.68
Add: Net profit attributable to owners of the parent company in the period	607,895,384.28	477,089,898.56
Less: Appropriation to statutory surplus reserves	30,075,191.47	14,531,043.35
Dividends payable to ordinary shareholders	184,224,766.80	164,012,479.40
Retained earnings at the end of the period	2,249,385,853.50	1,855,790,427.49

Adjustments to the retained earnings at the beginning of the period:

- 1) The retained earnings at the beginning of the period are adjusted by RMB0.00 due to the retroactive adjustment according to the *Accounting Standards for Business Enterprises* and relevant new provisions.
- 2) The retained earnings at the beginning of the period are adjusted by RMB0.00 due to changes in accounting policies.
- 3) The retained earnings at the beginning of the period are adjusted by RMB0.00 due to correction of major accounting errors.
- 4) The retained earnings at the beginning of the period are adjusted by RMB0.00 due to changes in the combination scope arising from the same control.
- 5) The retained earnings at the beginning of the period are adjusted by RMB0.00 in total due to other adjustments.

61. Operating revenue and cost of sales

Unit: RMB

Item	2024		2023	
	Revenue	Costs	Revenue	Costs
Principal operations	4,748,487,715.41	3,275,735,062.20	3,825,538,226.60	2,615,571,240.53
Other operations	314,499,199.16	169,793,243.26	270,278,638.27	188,622,897.69
Total	5,062,986,914.57	3,445,528,305.46	4,095,816,864.87	2,804,194,138.22

Whether the lower of net profit before or after exceptional gains and losses is negative

Yes No

Breakdown of operating revenue and cost of sales:

Unit: RMB

Type of contract	Segment 1		Segment 2		Total			
	Operating	Cost of	Operating	Cost of	Operating	Cost of	Operating	Cost of sales

	revenue	sales	revenue	sales	revenue	sales	revenue	
Business Type								
Of which:								
By operating segment								
Of which:								
Market or customer type								
Of which:								
Contract type								
Of which:								
By time of commodity transfer								
Of which:								
By contract term								
Of which:								
By sales channel								
Of which:								
Total								

Information related to performance obligations:

Item	Timing of fulfillment of performance obligations	Important payment terms	Nature of goods that the Company is committed to transfer	Whether or not the person primarily responsible	Funds undertaken by the Company expected to be returned to customers	Type of quality assurance provided by the Company and related obligations

Other notes

Information related to the transaction price apportioned to the remaining performance obligation:

The amount of revenue corresponding to performance obligations that have been contracted but not yet performed or not completed at the end of the Reporting Period was RMB0.00, of which RMB was expected to be recognized as revenue in , RMB was expected to be recognized as revenue in and RMB was expected to be recognized as revenue in .

Information related to variable consideration in contracts:

Significant contract changes or significant transaction price adjustments

Unit: RMB

Item	Accounting treatment method	Amount of impacts on revenue
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Other notes:

(1) Details

Item	2024		2023	
	Revenue	Costs	Revenue	Costs
Principal operations revenue	4,748,487,715.41	3,275,735,062.20	3,825,538,226.60	2,615,571,240.53
Other operations revenue	314,499,199.16	169,793,243.26	270,278,638.27	188,622,897.69
Total	5,062,986,914.57	3,445,528,305.46	4,095,816,864.87	2,804,194,138.22
Of which: Revenue generated from contracts with customers	5,056,852,525.05	3,441,872,020.68	4,089,298,445.90	2,798,948,236.38

(2) Breakdown of revenue

1) Revenue generated by contracts with customers was broken down by type of goods or services

Item	2024		2023	
	Revenue	Costs	Revenue	Costs
Injection molding machine	3,555,203,855.08	2,425,202,598.11	2,760,273,521.36	1,893,096,347.40
Die casting machine	893,490,084.22	634,270,067.91	780,138,325.12	521,236,260.94
Rubber injection molding machine	221,957,811.82	132,615,790.92	182,805,812.99	112,404,181.79
Others	386,200,773.93	249,783,563.74	366,080,786.43	272,211,446.25
Subtotal	5,056,852,525.05	3,441,872,020.68	4,089,298,445.90	2,798,948,236.38

2) Revenue generated by contracts with customers was broken down by operating segment

Item	2024		2023	
	Revenue	Costs	Revenue	Costs
Domestic	3,662,293,490.27	2,608,536,639.32	2,995,067,033.03	2,138,735,940.86
Overseas	1,394,559,034.78	833,335,381.36	1,094,231,412.87	660,212,295.52
Subtotal	5,056,852,525.05	3,441,872,020.68	4,089,298,445.90	2,798,948,236.38

3) Revenue generated by contracts with customers was broken down by time of commodity or service transfer

Item	2024	2023
Recognized as revenue at a certain point	5,056,852,525.05	4,089,298,445.90

Item	2024	2023
Subtotal	5,056,852,525.05	4,089,298,445.90

4) Information related to performance obligations

Item	Timing of fulfillment of performance obligations	Important payment terms	Nature of goods that the Company is committed to transfer	Whether or not the person primarily responsible	Funds undertaken by the Company expected to be returned to customers	Type of quality assurance provided by the Company and related obligations
Sales of goods	When the installation and debugging is complete	According to contracts	Injection molding machine, die casting machine, rubber injection molding machine, etc.	Yes	None	Guaranteed quality assurance
Provision of services	When providing services	According to contracts	R&D services	Yes	None	None

(3) The revenue recognized in the period included in the opening carrying amount of contract liabilities was RMB475,035,669.17.

62. Taxes and levies

Unit: RMB

Item	2024	2023
Urban maintenance and construction tax	10,070,913.94	9,690,289.29
Education surcharge	4,417,112.27	4,135,636.63
Property tax	11,627,736.33	10,823,933.78
Land use tax	2,210,975.18	2,142,583.39
Stamp duty	3,624,767.32	2,662,968.97
Local education surcharge	2,944,741.48	2,784,817.61
Others	273,107.51	528,943.79
Total	35,169,354.03	32,769,173.46

Other notes:

63. Administrative expense

Unit: RMB

Item	2024	2023
Employee remuneration	147,392,746.19	111,447,541.45
Depreciation and amortization charge	41,402,012.37	31,174,235.84
Plant renovation cost	17,495,816.04	16,630,893.67
Consulting fees	26,998,429.23	25,215,091.81
Utilities	5,595,704.16	6,755,654.76
Entertainment expenses	5,128,336.68	6,359,177.05
Office expenses	5,797,730.03	4,450,715.77
Auto expenses	3,703,748.91	3,435,405.58
Travel expenses	5,842,279.12	3,908,383.99
Publicity expenses	1,342,466.54	1,607,430.63
Others	3,109,758.97	6,558,983.41
Total	263,809,028.24	217,543,513.96

Other notes:

64. Selling expense

Unit: RMB

Item	2024	2023
Employee remuneration	228,516,944.14	163,248,982.08
Agent fee	80,106,981.92	67,881,345.35
Advertising and promotion expenses	41,483,021.36	37,418,346.03
Travel expenses	28,124,711.04	26,226,367.05
Entertainment expenses	12,113,301.94	10,487,522.46
Consulting fees	7,374,756.68	5,706,751.67
Office expenses	5,264,024.55	4,017,412.93
Rental of sales outlets	3,595,976.07	4,564,152.47
Depreciation expenses	7,675,389.17	4,107,655.57
Auto expenses	5,828,571.23	4,247,491.09
Traffic expenses	3,545,290.39	1,916,514.39
Others	8,615,717.69	5,190,070.12
Total	432,244,686.18	335,012,611.21

Other notes:

65. R&D expense

Unit: RMB

Item	2024	2023
Employee remuneration	184,405,820.02	145,086,995.85
Materials and power	26,397,421.61	29,460,001.32
Outsourcing research and development services	3,977,206.93	9,676,062.25
Depreciation and amortization	13,031,904.73	8,144,841.01
Other expenses	18,049,732.68	19,990,041.13
Total	245,862,085.97	212,357,941.56

Other notes:

66. Finance costs

Unit: RMB

Item	2024	2023
Interest costs	44,230,999.41	38,644,936.08
Less: Interest income	6,036,815.36	10,918,707.50
Foreign exchange gains or losses	-4,286,432.27	-20,536,254.29
Service charge of banks	3,507,812.18	2,893,673.06
Others [Note]	-1,230,016.07	-2,126,454.13
Total	36,185,547.89	7,957,193.22

Other notes:

[Note] "Others" include the cash discounts given by suppliers to the Company for early payment of materials of RMB-1,322,893.15 and the interest costs of RMB92,877.08 measured on subsequent equipment renewal for BOT project of Yige Sports Park.

67. Other income

Unit: RMB

Sources of other income	2024	2023
Government grants related to assets	9,237,254.56	13,453,547.52
Government grants related to income	86,170,719.13	60,483,797.94
Refund of individual income tax withholding fee	627,017.28	757,979.89
Additional deduction of VAT	16,193,503.37	13,381,342.94
Others	54,750.00	72,000.00
Total	112,283,244.34	88,148,668.29

68. Net gain on exposure hedges

Unit: RMB

Item	2024	2023
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Other notes:

69. Gain on changes in fair value

Unit: RMB

Sources of gain on changes in fair value	2024	2023
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Other notes:

70. Return on investment

Unit: RMB

Item	2024	2023
Return on long-term equity investments measured using the equity method	50,463,783.08	52,673,309.83
Loss on discount of receivables financing	-1,583,599.71	-1,696,734.14
Return on investment from disposal of financial instruments		236,361.89
Total	48,880,183.37	51,212,937.58

Other notes:

71. Credit impairment loss

Unit: RMB

Item	2024	2023
Loss on uncollectible accounts	-18,595,698.91	-23,953,212.34
Total	-18,595,698.91	-23,953,212.34

Other notes:

72. Asset impairment loss

Unit: RMB

Item	2024	2023
I Inventories falling price loss and impairment allowance for contract performance costs	-22,533,348.19	-9,202,611.50
IV Impairment loss on fixed assets		-21,732,490.04
XI Impairment loss on contract assets	-615,571.34	-349,255.73
Total	-23,148,919.53	-31,284,357.27

Other notes:

73. Asset disposal income

Unit: RMB

Source of asset disposal income	2024	2023
Disposal of fixed assets	-1,099,995.67	332,214.67
Disposal of right-of-use assets	-116,843.74	
Total	-1,216,839.41	332,214.67

74. Non-operating income

Unit: RMB

Item	2024	2023	Amounts included in current exceptional profit or loss
Indemnity gain	193,450.62	282,904.60	193,450.62
Gains from damage and scrap of non-current assets	1,541,986.41	23,922.16	1,541,986.41
Others	309,184.17	429,887.11	309,184.17
Total	2,044,621.20	736,713.87	2,044,621.20

Other notes:

75. Non-operating expense

Unit: RMB

Item	2024	2023	Amounts included in current exceptional profit or loss
Donations	1,162,716.01	1,859,000.00	1,162,716.01
Loss on damage and scrap of non-current assets	570,003.15	660,030.52	570,003.15
Others [Note]	1,859,135.26	1,441,692.50	1,859,135.26
Total	3,591,854.42	3,960,723.02	3,591,854.42

Other notes:

“Others” in the non-operating expense include RMB1,025,101.86 of indemnity for damage, RMB438,289.77 of late payment penalty, RMB246,000.00 of sponsorship, RMB10,470.00 of default money and RMB139,273.63 of others.

76. Income tax expense

(1) List of income tax expense

Unit: RMB

Item	2024	2023
Current income tax expense	99,189,605.34	83,637,447.49
Deferred income tax expense	-6,595,818.41	-7,764,057.52
Total	92,593,786.93	75,873,389.97

(2) Reconciliation from accounting profit to income tax expense

Unit: RMB

Item	2024
Gross profit	720,842,643.44
Income tax expense based on the statutory/applicable tax rates	108,126,396.52
Effects of different tax rates of subsidiaries	4,463,553.55
Effects of adjustments to income tax of the prior period	1,172,655.20
Effects of non-taxable revenue	-7,569,567.46
Effects of non-deductible costs, expenses and losses	2,068,016.93
Effects of the utilization of deductible losses on which deferred income tax assets were unrecognized in the prior period	-3,336,947.01
Effects of deductible temporary differences or losses on which deferred income tax assets are unrecognized in the current period	6,792,486.03
Effects of the over-deduction in the calculation of the taxable amount in relation to R&D expense	-16,322,513.44
Changes in balance of deferred income tax assets/liabilities at the beginning of the period due to adjustments of tax rates	51,521.82
Others [Note]	-2,851,815.21
Income tax expense	92,593,786.93

Other notes:

“Others” in the period refers to effects of share-based payments.

77. Other comprehensive income

Refer to Note 57 for details.

78. Cash flow statement items

(1) Cash generated from/used in operating activities

Cash generated from other operating activities

Unit: RMB

Item	2024	2023
Government grants	24,648,020.72	12,484,560.04
Interest income	5,882,374.27	10,918,707.50
Security deposits	215,865,471.37	253,195,316.71
Current money	206,101.90	962,324.90
Others	7,145,455.85	5,841,478.77
Total	253,747,424.11	283,402,387.92

Notes:

Cash used in other operating activities

Unit: RMB

Item	2024	2023
Payments in cash for sales and management and R&D expense	289,551,912.31	300,466,709.13
Bank service charges	3,507,812.18	2,893,673.06
Security deposits, frozen accounts	222,569,105.22	265,560,281.85
Current money	6,928,396.92	3,174,106.06
Others	3,011,381.23	1,210,533.66
Total	525,568,607.86	573,305,303.76

Notes:

(2) Cash generated from/used in investing activities

Cash generated from other investing activities

Unit: RMB

Item	2024	2023
Structured deposits	18,004,660.27	
Total	18,004,660.27	

Cash generated from significant investing activities

Unit: RMB

Item	2024	2023

Notes:

Cash used in other investing activities

Unit: RMB

Item	2024	2023
Structured deposits	18,000,000.00	
Large negotiable certificates of deposit	10,734,653.00	
Total	28,734,653.00	

Cash used in significant investing activities

Unit: RMB

Item	2024	2023

Notes:

(3) Cash generated from/used in financing activities

Cash generated from other financing activities

Unit: RMB

Item	2024	2023

Notes:

Cash used in other financing activities

Unit: RMB

Item	2024	2023

Share repurchase	23,842,990.67	119,986,513.90
Payments for related rental due to new lease standards	9,692,944.19	7,590,851.35
Acquisition of interests of minority shareholders		26,950,000.00
Total	33,535,934.86	154,527,365.25

Notes:

Changes in liabilities as a result of financing activities

Applicable Not applicable

Unit: RMB

Item	Opening balance	Increase in the period		Decrease in the period		Closing balance
		Cash change	Non-cash change	Cash change	Non-cash change	
Short-term borrowings	123,461,741.67	156,064,722.22	4,703,639.24	69,487,591.74		214,742,511.39
Long-term borrowings (inclusive of the current portion)	1,121,002,497.46	331,000,000.00	38,423,644.10	265,544,568.28		1,224,881,573.28
Lease liabilities (inclusive of the current portion)	18,562,120.11		12,345,918.45	9,001,233.95		21,906,804.61
Total	1,263,026,359.24	487,064,722.22	55,473,201.79	344,033,393.97		1,461,530,889.28

(4) Description of cash flows presented on a net basis

Item	Relevant factual information	Basis for using net presentation	Financial impact
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(5) Significant activities and financial impact that do not involve current cash receipts and disbursements but affect the Company's financial position or may affect the Company's cash flows in the future

Item	2024	2023
Amount of commercial bills endorsed for transfer	446,802,248.62	151,319,868.92
Of which: Payments for goods	441,525,999.65	151,319,868.92
Payments for purchasing long-term assets such as fixed assets	5,276,248.97	

79. Supplementary information to the cash flow statement**(1) Supplementary information to the cash flow statement**

Unit: RMB

Supplementary information	2024	2023
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1. Reconciliation of net profit to net cash generated from/used in operating activities		
Net profit	628,248,856.51	491,341,145.05
Add: Asset impairment allowances	41,744,618.44	55,237,569.61
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive living assets	114,736,046.09	111,252,334.01
Depreciation of right-of-use assets	7,991,278.66	5,546,139.16
Amortization of intangible assets	15,619,943.20	16,306,834.25
Amortization of long-term prepaid expense	23,444,684.30	18,822,284.75
Loss on the disposal of fixed assets, intangible assets and other long-term assets (“-” for gain)	1,216,839.41	-332,214.67
Loss on the retirement of fixed assets (“-” for gain)	-971,983.26	636,108.36
Loss on changes in fair value (“-” for gain)		
Finance costs (“-” for income)	40,369,311.40	19,798,087.44
Loss on investment (“-” for income)	-50,463,783.08	-52,909,671.72
Decrease in deferred income tax assets (“-” for increase)	2,691,720.39	-352,869.07
Increase in deferred income tax liabilities (“-” for decrease)	-9,234,400.82	-6,111,972.51
Decrease in inventories (“-” for increase)	-338,168,245.44	-204,531,224.84
Decrease in operating receivables (“-” for increase)	-420,720,031.13	-536,661,669.07
Increase in operating payables (“-” for decrease)	301,453,305.24	244,762,410.76
Others	87,947.48	11,955,534.68
Net cash generated from/used in operating activities	358,046,107.39	174,758,826.19
2. Significant investing and financing activities that involve no cash proceeds or payments		
Conversion of debt to capital		
Current portion of convertible corporate bonds		
Fixed assets under finance leases		
3. Net changes in cash and cash equivalents:		
Closing balance of cash	407,860,343.11	404,722,665.21
Less: Opening balance of cash	404,722,665.21	510,037,801.15
Add: Closing balance of cash		

equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	3,137,677.90	-105,315,135.94

(2) Net cash paid for acquisition of subsidiaries

Unit: RMB

	Amount
Of which:	
Of which:	
Of which:	

Other notes:

(3) Net cash received from disposal of the subsidiaries

Unit: RMB

	Amount
Of which:	
Of which:	
Of which:	

Other notes:

(4) Composition of cash and cash equivalents

Unit: RMB

Item	Closing balance	Opening balance
I Cash	407,860,343.11	404,722,665.21
Of which: Cash on hand	15,039.61	13,583.24
Bank deposits that can be readily drawn on demand	407,263,462.43	404,698,389.91
Other monetary assets that can be readily drawn on demand	581,841.07	10,692.06
III Cash and cash equivalents, end of the period	407,860,343.11	404,722,665.21
Of which: Cash and cash equivalents of the parent company or the Group's subsidiaries with restrictions in use	92,266,938.17	50,622,525.75

(5) Presentation of cash and cash equivalents that are subject to certain restrictions on their usage

Unit: RMB

Item	2024	2023	Reason for classifying the item as cash and cash equivalents
Cash of overseas subsidiaries	92,266,938.17	50,622,525.75	Subject to exchange control

Total	92,266,938.17	50,622,525.75	
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(6) Monetary assets not classified as cash and cash equivalents

Unit: RMB

Item	2024	2023	Reason for not classifying the item as cash and cash equivalents
Security deposits for bank acceptance bills	70,647,758.27	58,436,905.64	Unavailability of funds due to pledge, freezing, etc.
Security deposits for L/G and L/C	2,226,954.72	15,145,865.69	
Security deposits for credit cards	205,629.37	212,200.44	
Frozen accounts	769,000.00		
Time deposits	6,649,263.26		
Large negotiable certificates of deposit	10,884,433.82		
Total	91,383,039.44	73,794,971.77	

Other notes:

(7) Notes on other significant activities**80. Notes to items of the statements of changes in owners' equity**

Notes to the name of "Other" of closing balance at the end of the previous year adjusted and the amount adjusted:

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

Unit: RMB

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Monetary assets			124,996,998.86
Of which: USD	8,314,765.84	7.1884	59,769,862.76
EUR	2,027,279.98	7.5257	15,256,700.95
HKD	2,682,691.15	0.9260	2,484,172.00
INR	373,092,119.46	0.0854	31,862,067.00
VDN	11,860,013,711.00	0.0003	3,558,004.11
BRL	938,115.52	1.1821	1,108,946.36
THB	3,417,780.62	0.2126	726,620.16
JPY	2.00	0.0462	0.09
RUB	102,400,165.65	0.0661	6,768,650.95
MXN	9,896,241.49	0.3498	3,461,705.27
GBP	29.66	9.0765	269.21
Accounts receivable			1,209,416,805.74
Of which: USD	116,533,057.36	7.1884	837,686,229.53

EUR	36,697,080.35	7.5257	276,171,217.59
HKD	3,537,707.94	0.9260	3,275,917.55
INR	661,350,022.44	0.0854	56,479,291.92
VDN	115,191,707,366.00	0.0003	34,557,512.21
BRL	109,900.65	1.1821	129,913.56
THB	2,884.99	0.2126	613.35
RUB	1,949,447.58	0.0661	128,858.49
MXN	2,822,331.44	0.3498	987,251.54
Long-term borrowings			7,014,843.65
Of which: USD			
EUR			
HKD			
INR	82,141,026.34	0.0854	7,014,843.65
Other receivables			194,071,614.87
Of which: USD	17,815,324.05	7.1884	128,063,675.40
EUR	7,986,335.41	7.5257	60,102,764.40
HKD	695.73	0.9260	644.25
INR	66,002,477.74	0.0854	5,636,611.60
VDN	98,500,000.00	0.0003	29,550.00
THB	608,254.00	0.2126	129,314.80
RUB	1,078,333.33	0.0661	71,277.83
MXN	107,994.83	0.3498	37,776.59
Short-term borrowings			73,268,823.50
Of which: HKD	64,829,183.05	0.9260	60,031,823.50
INR	155,000,000.00	0.0854	13,237,000.00
Accounts payable			826,865,731.56
Of which: USD	19,877,233.49	7.1884	142,885,505.22
EUR	11,643,878.00	7.5257	87,628,332.66
HKD	474,052,230.19	0.9260	438,972,365.16
INR	1,791,399,045.72	0.0854	152,985,478.50
VDN	1,385,272,546.00	0.0003	415,581.76
BRL	2,220,125.25	1.1821	2,624,410.06
THB	821,202.37	0.2126	174,587.62
RUB	17,832,984.19	0.0661	1,178,760.25
TRL	3,463.32	0.2051	710.33
Other payables			190,510,853.18
Of which: USD	4,914,584.98	7.1884	35,328,002.67
EUR	8,024,704.04	7.5257	60,391,515.19
HKD	1,406,006.67	0.9260	1,301,962.18
INR	1,092,269,387.31	0.0854	93,279,805.68
VDN	644,321,551.20	0.0003	193,296.47
RUB	31,000.00	0.0661	2,049.10
TRL	69,341.24	0.2051	14,221.89
Current portion of other non-current liabilities			9,324,982.43

Of which: USD	36,217.24	7.1884	260,344.01
EUR	334,251.24	7.5257	2,515,474.56
INR	42,500,000.00	0.0854	3,629,500.00
VDN	761,639,264.94	0.0003	228,491.78
BRL	100,218.10	1.1821	118,467.82
THB	1,880,999.55	0.2126	399,900.50
RUB	16,089,169.39	0.0661	1,063,494.10
MXN	3,171,268.33	0.3498	1,109,309.66
Long-term borrowings			7,014,843.65
Of which: INR	82,141,026.34	0.0854	7,014,843.65
Lease liabilities			8,996,435.58
Of which: USD	71,855.13	7.1884	516,523.42
EUR	406,469.74	7.5257	3,058,969.32
VDN	865,053,329.74	0.0003	259,516.00
THB	1,326,213.02	0.2126	281,952.89
RUB	56,101,571.65	0.0661	3,708,313.89
MXN	3,348,084.79	0.3498	1,171,160.06

Other notes:

(2) Overseas business entities (for substantial overseas business entities, the following information shall be disclosed: principal place of business, functional currency and basis for the choice, change of functional currency and reasons)

Applicable Not applicable

The business entities of the Company incorporated in Hong Kong and overseas were: YIZUMI-HPM CORPORATION (hereinafter referred to as “HPM North America”) in USA, YIZUMI GERMANY GMBH (hereinafter referred to as “Germany R&D Center”) and YIZUMI PRECISION MACHINERY(GERMANY)GMBH I.G (hereinafter referred to as “Germany Sales Center”) in Germany, YIZUMI HK in Hong Kong, , YIZUMI PRECISION MACHINERY(INDIA)PRIVATE LIMITED (hereinafter referred to as “India Factory”) and YIZUMI ADVANCED PROCESSING TECHNOLOGY PRIVATE LIMITED (hereinafter referred to as “India Advanced Processing”) in India and YIZUMI PRECISION MACHINERY (THAILAND) COMPANY LIMITED (hereinafter referred to as “YIZUMI Thailand”) in Thailand and others. The aforementioned companies respectively use the USD, EUR, HKD, INR, THB, and other foreign currencies as their functional currencies.

82. Leases

(1) The Company as the lessee

Applicable Not applicable

Variable lease payments not included in lease liabilities

Applicable Not applicable

Simplified expenses on short-term leases or leases of low-value assets

Applicable Not applicable

Item	2024	2023
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Expenses on short-term leases	3,290,899.74	2,663,216.19
Expenses on leases of low-value assets (exclusive of short-term leases)	1,689,950.22	875,712.80
Total	4,980,849.96	3,538,928.99

The current profit or loss and cash flows related to leases

Item	2024	2023
Interest expense of lease liabilities	845,073.51	610,373.91
Variable lease payments included in the current profit or loss but not included in lease liabilities for measurement		
Income from underlease of right-of-use assets		
Total cash outflows related to leases	15,081,306.79	11,448,283.93
Related profit or loss generated from sale and leaseback transactions		

Circumstances involving sale and leaseback transactions

(2) The Company as the lessor

Operating leases with the Company as the lessor

Applicable Not applicable

Unit: RMB

Item	Lease income	Of which: Income related to variable lease payments not included in lease receipts
Lease income	6,134,389.52	
Total	6,134,389.52	

Finance leases with the Company as the lessor

Applicable Not applicable

Undiscounted lease receipts for each of the next five years

Applicable Not applicable

Unit: RMB

Item	Undiscounted lease receipts per year	
	Amount at the end of the period	Amount at the beginning of the period
The 1 st year	4,216,682.76	2,858,127.00
The 2 nd year	1,552,271.00	2,981,276.00
The 3 rd year	1,595,148.00	2,317,779.00
The 4 th year	1,614,386.00	1,406,108.00
The 5 th year	1,659,396.00	1,425,346.00
Total undiscounted lease receipts after five years	4,642,328.00	2,558,924.00

Reconciliation of undiscounted lease receipts to net lease investments

(3) Recognition of gains and losses on sales under finance leases as a producer or distributor

Applicable Not applicable

83. Data resources**84. Others****VIII R&D Expenditures**

Unit: RMB

Item	2024	2023
Employee remuneration	184,405,820.02	145,086,995.85
Materials and power	26,397,421.61	29,460,001.32
Outsourcing research and development services	3,977,206.93	9,676,062.25
Depreciation and amortization	13,031,904.73	8,144,841.01
Others	18,049,732.68	19,990,041.13
Total	245,862,085.97	212,357,941.56
Of which: Expensed R&D expenditures	245,862,085.97	212,357,941.56

1. R&D projects eligible for capitalization

Unit: RMB

Item	Opening balance	Increase in the period			Decrease in the period			Closing balance
		Internal development costs	Others		Recognized as intangible assets	Transferred into the current profit or loss		
Total								

Significant capitalized R&D projects

Item	R&D progress	Estimated completion date	Expected manner of generation of economic benefits	Time of commencement of capitalization	Specific basis for commencement of capitalization

Provision for impairment of development costs

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance	Impairment testing

2. Significant outsourced R&D projects

Project name	Manner in which the economic benefits are expected to be generated	Judgment criteria and specific basis for capitalization or expensing

Other notes:

IX Changes to the Scope of the Consolidated Financial Statements

1. Business combinations involving entities not under common control

(1) Business combinations involving entities not under common control in the period

Unit: RMB

Name of acquiree	Time and place of gaining equity	Cost of gaining the equity	Proportion of equity	Way to gain equity	Purchase date	Recognition basis of purchase date	Income of acquiree from the purchase date to the end of the period	Net profit of acquiree from the purchase date to the end of the period	Cash flows of the acquiree from the purchase date to the end of the period

Other notes:

(2) Combination cost and goodwill

Unit: RMB

Combination cost	
-Cash	
-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 interests on the purchase date held before the purchase date	
--Other	
Total combination costs	
Less: share in the fair value of identifiable net assets acquired	
The amount of goodwill/combination cost less than the share in the fair value of identifiable net assets acquired	

Method of determining the fair value of the combination cost:

Notes to contingent consideration and changes therein

The main formation reason for the large goodwill:

Other notes:

(3) The identifiable assets and liabilities of acquiree on purchase date

Unit: RMB

	Fair value on purchase date	Carrying amount on purchase date
Assets:		
Monetary assets		
Accounts receivable		
Inventories		

Fixed assets		
Intangible assets		
Liabilities:		
Borrowings		
Accounts payable		
Deferred income tax liabilities		
Net assets		
Less: Non-controlling interests		
Net assets acquired		

The determination method of the fair value of identifiable assets and liabilities:

Contingent liability of acquiree undertaken in the business combination:

Other notes:

(4) Gains or losses from re-measurement of equity held before the purchase date at fair value

Whether there is a transaction that through multiple transaction step by step to realize business combination and gaining the control during the Reporting Period

Yes No

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

(6) Other notes

2. Business combinations involving entities under common control

(1) Business combinations involving entities under common control in the period

Unit: RMB

Combined party	Proportion of the equity	Basis	Combination date	Recognition basis of combination date	Income from the beginning of the period to the combination date of the acquiree	Net profit from the beginning of the period to the combination date of the acquiree	Income of the acquiree during the period of comparison	Net profits of the acquiree during the period of comparison

Other notes:

(2) Combination cost

Unit: RMB

Combination cost	
-Cash	
--Carrying amount of non-cash assets	
--Carrying amount of debt issued or assumed	

--Denomination value of equity securities issued	
--Contingent consideration	

Contingent liabilities and changes thereof:

Other notes:

(3) The carrying amount of assets and liabilities of the combined party on the combination date

Unit: RMB

	Combination date	The end of the previous period
Assets:		
Monetary assets		
Accounts receivable		
Inventories		
Fixed assets		
Intangible assets		
Liabilities:		
Borrowings		
Accounts payable		
Net assets		
Less: Non-controlling interests		
Net assets acquired		

Contingent liabilities of the combined party undertaken in the business combination:

Other notes:

3. Counter purchase

Basic information of trading, the basis of transactions constitute counter purchase, the retain assets , liabilities of the listed companies whether constituted a business and its basis, the determination of the combination costs, the amount and calculation of adjusted rights and interests in accordance with the equity transaction process:

4. Disposal of subsidiary

Whether there were any transactions or events during the period in which control of the subsidiary was lost

Yes No

Whether there was a step-by-step disposal of investment in a subsidiary through multiple transactions and loss of control during the period

Yes No

5. Changes in the consolidation scope for other reasons

Changes in the consolidation scope for other reasons (incorporation or liquidation of subsidiary, etc.):

1. Entities added to the consolidated financial statements

Name of entity	How the Company obtained equity interests in the entity	Date of obtaining the equity interests	Capital contribution	As % of total capital
YIZUMI Mexico	Incorporation	2024-1-26	1,032,500.00	100.00%
YIZUMI Turkey	Incorporation	2024-10-7	301,700.00	100.00%
YIZUMI Zhejiang	Incorporation	2024-5-24	10,000,000.00	100.00%

[Note] The Company's capital contributions to YIZUMI Mexico, YIZUMI Turkey, and YIZUMI Zhejiang are in USD, USD and RMB respectively.

2. Entities excluded from the consolidated financial statements

Name of entity	How the Company disposed of equity interests in the entity	Date of disposal of the equity interests	Equity at the date of disposal	Net profit from the period-begin to the date of disposal
Huoshen Environmental Technology	Liquidated and de-registered	2024-12-10		1,596,619.01
India Factory	M&A	2024-10-31	23,072,174.94	4,286,978.40

6. Others

X Interests in Other Entities

1. Interests in subsidiaries

(1) Compositions of the Group

Unit: RMB

Subsidiary	Registered capital	Principal place of business	Place of registration	Nature of business	The Company's interest		How the subsidiary was obtained
					Direct	Indirect	
YIZUMI HK	76,785,900.00	Hong Kong, China	Hong Kong, China	Trade	100.00%		Incorporated
YIZUMI Injection Molding and Die Casting	394,800,000.00	Guangdong, China	Guangdong, China	Machine manufacturing	100.00%		Incorporated
HPM North America	17,410,010.00	Ohio, USA	Ohio, USA	Technical service	100.00%		Incorporated
YIZUMI Suzhou	100,000,000.00	Suzhou, China	Suzhou, China	Machine manufacturing	100.00%		Business combination involving entities under common control
YIZUMI Rubber	20,000,000.00	Guangdong, China	Guangdong, China	Machine manufacturing	60.00%		Incorporated
India Advanced Processing	350,518,818.51	India	India	Machine manufact	9.00%	81.00%	Incorporated

				uring			
Jiaquanhao	200,000,000.00	Guangdong, China	Guangdong, China	Service	100.00%		Incorporated
YIZUMI Intelligent Manufacturing	100,000,000.00	Guangdong, China	Guangdong, China	Machine manufacturing	100.00%		Incorporated

Note on the difference between shareholding proportion and proportion of voting rights in subsidiary:

The basis of controlling the invested company even if holding half or less than half voting rights and not controlling the invested company even if holding more than half voting rights:

Basis of controlling significant structural entities incorporated in the scope of combination:

Basis of determining whether the Company is the agent or the mandatory:

Other notes:

[Note 1] The registered capital currencies of YIZUMI HK, HPM North America and India Advanced Processing are HKD, USD and INR respectively.

[Note 2] India Factory was absorbed and merged by India Advanced Processing in the period, and canceled after the completion of the consolidation by merger.

(2) Important non-wholly-owned subsidiaries

Unit: RMB

Subsidiary	Non-controlling interests	Net profit or loss attributable to non-controlling interests in the period	Declared dividends for non-controlling interests in the period	Closing balance of non-controlling interests
YIZUMI Rubber	40.00%	19,614,352.20	10,000,000.00	49,587,090.13
India Advanced Processing	10.00%	1,232,195.54		4,716,801.29

Holding proportion of non-controlling interests in subsidiary different from voting proportion:

Other notes:

Note: The opening balance of India Advanced Processing was based on the restated data following the absorption merger.

(3) Key financial information of important non-wholly-owned subsidiaries

Unit: 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
YIZUMI Rubber	213,711,532.82	5,287,646.92	218,999,179.74	91,540,423.54	3,331,407.15	94,871,830.69	171,860,986.41	3,778,571.80	175,639,558.21	71,320,990.64	4,896,035.55	76,217,026.19
India Advanced Processing	246,547,175.23	94,040,616.26	340,587,791.49	290,122,788.15	16,691,918.38	306,814,706.53	171,736,681.75	97,885,454.34	269,622,136.09	230,105,635.50	18,147,929.34	248,253,564.84

Unit: RMB

Subsidiary	2024				2023			
	Operating revenue	Net profit	Total comprehensive income	Net cash generated from/used in operating activities	Operating revenue	Net profit	Total comprehensive income	Net cash generated from/used in operating activities
YIZUMI Rubber	230,868,467.33	49,035,880.50	49,035,880.50	29,426,651.55	192,833,144.06	35,777,383.11	35,777,383.11	13,238,398.48
India Advanced Processing	178,154,809.21	12,321,955.44	12,404,513.71	16,478,350.44	204,419,396.46	6,543,171.14	6,870,849.82	-4,436,382.20

Other notes:

(4) Significant restrictions on leveraging the assets and liquidating the liabilities of the Company

(5) Financial support or other support provided to structural entities incorporated into the scope of consolidated financial statements

2. The transaction of the Company with its owner's equity share changing but the Company still controls the subsidiary

(1) Note to the owner's equity share changed in subsidiary

(2) The transaction's influence on non-controlling interests and the equity attributable to owners of the parent company

Unit: RMB

Purchase cost/disposal consideration	
-Cash	
-Fair value of non-cash assets	
Total purchase cost/disposal consideration	
Less: Share of net assets of subsidiaries based on percentage of equity acquired/disposed of	
Difference	
Of which: Adjusting capital reserves	
Adjusting surplus reserves	
Adjusting retained earnings	

Other notes:

3. Interests in joint ventures or associates

(1) Important joint ventures or associates

Joint venture or associate	Principal place of business	Place of registration	Nature of business	The Company's interest (%)		Accounting treatment of investment in the joint venture or associate
				Direct	Indirect	
Haisheng Financial	Guangdong, China	Guangdong, China	Finance	9.00%		Equity method

Leasing						
Jiangxi Jianggong	Jiangxi, China	Jiangxi, China	Manufacturing	34.00%		Equity method

Notes to holding proportion of joint venture or associated enterprise different from voting proportion:

Basis of holding less than 20% of the voting rights but has a significant impact or holding 20% or more voting rights but does not have a significant impact:

The Company holds 9% interest of Haisheng Financial Leasing and appoints a director, which has a significant impact on the production and operation decisions of Haisheng Financial Leasing.

(2) Key financial information of important joint ventures

Unit: RMB

	Closing balance/2024	Opening balance/2023
Current assets		
Of which: Cash and cash equivalents		
Non-current assets		
Total assets		
Current liabilities		
Non-current liabilities		
Total liabilities		
Non-controlling interests		
Equity attributable to shareholders of the parent company		
Net assets shares calculated at the shareholding proportion		
Adjusted items		
--Goodwill		
--Unrealized profit of intra-company transaction		
--Others		
Carrying amount of equity investment to joint ventures		
Fair values of equity investments of joint ventures with quoted prices		
Operating revenue		
Finance costs		
Income tax expense		
Net profit		
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income		
Dividends received from the joint venture in the period		

Other notes:

(3) Key financial information of important associates

Unit: RMB

	Closing balance/2024		Opening balance/2023	
	Haisheng Financial Leasing	Jiangxi Jianggong	Haisheng Financial Leasing	Jiangxi Jianggong
Current assets	32,370,228,731.31	115,853,331.52	31,588,522,177.88	111,284,196.02
Non-current assets	611,127,020.03	136,314,352.11	555,704,603.92	135,780,894.29
Total assets	32,981,355,751.34	252,167,683.63	32,144,226,781.80	247,065,090.31
Current liabilities	26,212,995,375.69	45,418,845.59	25,171,161,018.97	50,574,261.79
Non-current liabilities	2,602,078,988.79		3,201,496,991.92	9,000,000.00
Total liabilities	28,815,074,364.48	45,418,845.59	28,372,658,010.89	59,574,261.79
Non-controlling interests				
Equity attributable to shareholders of the parent company	4,166,281,386.86	206,748,838.04	3,771,568,770.91	187,490,828.52
Net assets shares calculated at the shareholding proportion	374,965,324.82	70,294,604.93	339,441,189.38	63,746,881.70
Adjusted items				
--Goodwill				
--Unrealized profit of intra-company transaction				
--Others				
Carrying amount of investment to associates	374,920,329.95	79,831,973.60	339,396,194.52	73,130,544.78
Fair value of equity investments in associates with publicly quoted prices				
Operating revenue	1,173,426,143.99	169,580,989.64	1,053,764,162.34	116,365,633.75
Net profit	494,712,615.95	19,710,084.73	551,297,784.05	8,655,271.36
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	494,712,615.95	19,710,084.73	551,297,784.05	8,655,271.36
Dividends received	9,000,000.00			

from the associates in the period				
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Other notes:

(4) Aggregate financial information of unimportant joint ventures and associates

Unit: RMB

	Closing balance/2024	Opening balance/2023
Joint ventures:		
Total carrying amount of investments	26,159,636.12	28,464,852.32
Aggregate amount in proportion to the Company's interests		
--Net profit	-761,781.17	113,717.01
--Total comprehensive income	-761,781.17	113,717.01
Associates:		
Aggregate amount in proportion to the Company's interests		

Other notes:

(5) Note to the significant restrictions on the ability of joint ventures or associates to transfer funds to the Company

(6) The excess loss of joint ventures or associates

Unit: RMB

Joint ventures or associates	The cumulative recognized losses in previous accumulatively derecognized	The derecognized losses (or the share of net profit) in current period	The accumulative unrecognized losses at the end of the period

Other notes:

(7) The unrecognized commitment related to investment to joint ventures

(8) Contingent liabilities related to investment to joint ventures or associates

4. Significant common operation

Common operation	Main operating place	Place of registration	Business nature	Proportion/Share portion	
				Direct	Indirect

Notes to holding proportion or share portion in common operation different from voting proportion:

For common operation as a single entity, basis of classifying as common operation

Other notes:

5. Equity in the structured entity excluded in the scope of consolidated financial statements

Notes to the structured entity excluded in the scope of consolidated financial statements:

1. Basic information on structured entities not included in the consolidated financial statements

As of December 31, 2024, structured entities associated with the Company but not included in the consolidated financial statements were industrial M&A funds and equity investment funds established with the Company's capital contributions. The industrial M&A funds are primarily engaged in investments in high-end equipment manufacturing and intelligent manufacturing industries. As of December 31, 2024, the total assets of these entities amounted to RMB54,983,550.71. The equity investment funds focus on investing in the high-end intelligent equipment industry and exploring new directions for industrial development. As of December 31, 2024, the total assets of these entities amounted to RMB61,093,954.96.

2. Carrying amount and maximum loss exposure of equity-related assets and liabilities

Item	Financial statement line item	Carrying amount		Maximum loss exposure	
		Closing balance	Opening balance	Closing balance	Opening balance
Industrial M&A fund	Long-term equity investments	16,446,827.69	RMB22,470,133.32	RMB16,446,827.69	RMB22,470,133.3
Equity investment fund	Long-term equity investments	6,035,356.00	RMB5,994,719.00	RMB6,035,356.00	RMB5,994,719.00
Equity investment fund	Other non-current financial assets	RMB6,000,000.00	—	RMB6,000,000.00	—

3. Method for determining maximum loss exposure

The maximum loss exposure is based on the carrying amount of the Company's investment in the industrial M&A fund as of the balance sheet date.

4. Differences between maximum loss exposure and the recognized assets and liabilities in the financial statements and the reasons

Zero One Fund mainly engages in investment activities in high-end equipment manufacturing and intelligent manufacturing industries. The total scale of this industrial M&A fund is RMB100 million. The Company, as a limited partner, contributed RMB30 million of its own funds. Investment returns received amounted to RMB7,386,000.00 in 2022, RMB6,292,337.21 in 2023, and RMB6,928,050.03 in 2024.

According to the partnership agreement, relevant activities of the fund are determined by the Investment Decision Committee, of which the Company nominates one of five members. Although this member holds a veto right, it is a protective right, only exercisable when decisions deviate significantly from the agreed investment direction. Furthermore, under the agreed risk-return allocation mechanism, the fund manager, as the general partner, receives administrative and excess returns while bearing unlimited liability. The Company and other limited partners share risk and returns equally, without senior or junior tranches. Therefore, the Company does not have the power to affect the returns of the industrial fund and does not exercise control over the fund. Therefore, the industrial fund is not included in the scope of consolidation.

Ningbo Fengle aims to explore strategic directions in high-end intelligent manufacturing. The Company seeks to leverage the experience, capabilities, and resources of professional investment institutions to drive industrial transformation and upgrading, enhance resource allocation and structural adjustment in the high-end intelligent equipment sector, and achieve long-term value growth of managed capital. This equity investment fund has a total size of RMB60.11 million, of which the Company, as a limited partner, committed RMB30 million and has contributed RMB6 million to date.

According to the partnership agreement, Ningbo Yingfeng Equity Investment Fund Management Co., Ltd. serves as the general partner and manages external investments, supervised by all partners. To enhance professionalism and decision-making quality, an Investment Decision Committee of three members—all appointed by the manager—was established. Decisions require the approval of at least two committee members. Given these governance structures, the Company does not have the power to influence the returns of the equity investment fund and does not exercise control over the fund. Accordingly, the fund is not included in the scope of consolidation.

MeizhiVenture is primarily engaged in venture capital, equity investment, and related activities, promoting the transformation of scientific and technological achievements, and integrating technology, finance, and industry while maximizing benefits for all partners. The total scale of this equity investment fund is RMB161.96 million, with the Company contributing RMB20 million as a limited partner, and RMB6 million has been paid in to date.

According to the partnership agreement, Midea Venture Capital Management Co., Ltd. is the general partner and was unanimously agreed upon by all partners to act as the executive partner. The executive partner is authorized to invest, manage, utilize, and dispose of the fund's assets, under the supervision of other general and limited partners. An Investment Decision Committee was established with final authority over investment and exit decisions, consisting of five members appointed by the executive partner. Resolutions require at least a four-fifths majority vote to pass. The Company does not have the power to influence the returns of the equity investment fund and has no significant influence over its financial or operational decision-making. Therefore, the fund is not included in the scope of consolidation.

6. Others

XI Government Grants

1. Government grants recognized at the end of the Reporting Period at the amount receivable

Applicable Not applicable

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

Applicable Not applicable

2. Liability items involving government grants

Applicable Not applicable

Unit: RMB

Accounting item	Opening balance	New grant in the period	Amount recorded in non-operating income in the period	Amount transferred to other income in the period	Other changes in the period	Closing balance	Related to assets/income
Deferred income	93,154,988.36	13,236,400.00		9,237,254.56	49,139,105.28	48,015,028.52	Related to assets
Deferred income	300,000.00			300,000.00			Related to income
Total	93,454,988.36	13,236,400.00		9,537,254.56	49,139,105.28	48,015,028.52	

3. Government grants through profit or loss

Applicable Not applicable

Unit: RMB

Accounting item	2024	2023
Amount recorded in other income	95,407,973.69	73,937,345.46
Amount of impact of the financial discount on gross profit	579,185.35	1,689,405.65
Total	95,987,159.04	75,626,751.11

Other notes

1. Other changes in liabilities related to government grants were as primarily attributed to: (1) Huoshen Environmental Technology was canceled in the period, and the remaining amount of asset-related government grants offset the non-operating expense of RMB47,472,767.19 arising from the disposal of the related assets and the non-operating income of RMB1,541,986.41; (2) Yizumi Import and Export disposed its assets in the period, and the remaining amount of asset-related government grants were recognized in full as asset disposal income of RMB124,351.68.

2. Government grants returned in the period

Item	Return amount	Return reason
2019 Support Fund Project for Promoting Enterprise Science and Technology Innovation	100,000.00	Business changes of Yizumi Import and Export and cancellation of high-tech enterprise certification
Total	100,000.00	

XII The Risk Related to Financial Instruments

1. Various types of risks arising from financial instruments

The Company is engaged in risk management to achieve balance between risks and returns, minimizing the negative effects of risks on its operation performance and maximizing the interests of its shareholders and other equity investors. Based on that risk management goal, the fundamental strategy of its risk management is to identify and analyze various risks facing the Company, establish an appropriate risk bottom line, carry out risk management and monitor various risks in a timely and reliable manner to control them within a restricted scope.

The Company faces various risks related to financial instruments in its routine activities, mainly including credit risk, liquidity risk and market risk. The management has reviewed and approved the policies of managing those risks, which are summarized as follows:

i. Credit risk

Credit risk means the risk of financial losses incurred to the other party when one party of a financial instrument is unable to fulfill its obligations.

1. Credit risk management practice

(1) Credit risk evaluation method

On each balance sheet date, the Company shall evaluate whether the credit risk of relevant financial instruments has increased significantly since the initial recognition. After determining whether the credit risk has increased significantly since the initial recognition, the Company shall consider obtaining reasonable and reliable information without paying unnecessary extra costs or efforts, including qualitative and quantitative analysis based on historical data, external credit risk rating and forward-looking information. On the basis of the single financial instrument or combination of financial instruments with similar credit risk characteristics, the Company compares the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date to determine the change of default risk of financial instruments during their expected duration.

When one or more of the following quantitative and qualitative criteria prevails, the Company shall believe the credit risk of financial instruments has increased significantly:

1) For the quantitative standard, it can be mainly analyzed from the probability of default for the remaining duration on the balance sheet date rises by more than a certain proportion compared with the initial confirmation.

2) For the qualitative standard, it can be mainly analyzed from the major adverse changes in the debtor's operation or financial situation, changes in existing or expected technology, market, economy or legal environment which shall have major adverse impacts on the debtor's repayment ability of the Company, etc.

(2) Definition of default and credit impairment-assets

When a financial instrument meets one or more of the following conditions, the Company shall define the financial asset as having defaulted, and its criteria are consistent with the definition of having incurred credit impairment:

- 1) The debtor has major financial difficulties;
- 2) The debtor violates the binding provisions on the debtor in the contract;
- 3) The debtor is likely to go bankrupt or carry out other financial restructurings;
- 4) The creditor shall give the debtor concessions that will not be made in any other circumstances due to the economic or contractual considerations related to the debtor's financial difficulties.

2. Measurement of expected credit loss

The key parameters for measuring expected credit loss included default probability, loss given default and exposure at default. The Company considers the quantitative analysis and forward-looking information of historical statistical data (such as counterparty rating, guarantee method, collateral type, repayment method, etc.) to establish exposure models of default probability, loss given default, and default risk.

3. Refer to Note VII-4, VII-5, VII-6, VII-7, VII-8, VII-12 and VII-17 of this financial statements for details of the Reconciliation Statements of Opening Balance and Closing Balance of Financial Instrument Loss Provision.

4. Credit risk exposure and credit risk concentration

The Company's credit risk mainly comes from monetary assets and accounts receivable. To control the aforementioned relevant risks, the Company has adopted the following measures.

(1) Monetary assets

The Company places its bank deposits and other monetary assets with financial institutions of high credit ratings. Thus, its credit risk is low.

(2) Accounts receivable and contract assets

The Company continuously conducts credit assessments on the customers trading in the mode of credit. Based on the credit assessment result, the Company chooses to trade with recognized customers with good credit and monitor the balance of the accounts receivable from them to ensure that the Company will not face any significant bad debt risk.

As the Company's accounts receivable exposure is spread over multiple partners and multiple customers, 11.98% (December 31, 2023: 12.57%) of the Company's accounts receivable and contract assets as at December 31, 2024 originated from the top five customers in terms of balance, and the Company is not exposed to any significant credit concentration risk.

The maximum credit risk exposure that the Company undertook shall be the carrying amount of each financial asset on balance sheet.

ii. Liquidity risk

Liquidity risk refers to the risk of fund shortage occurring when the Company fulfills the settlement obligation in the mode of cash delivery or other financial assets. Liquidity risk may originate from the failure to sell financial assets at fair value as soon as possible; or from the other party's failure to pay off its contractual debts; or from the earlier maturity of debts; or from the failure to generate the expected cash flow.

To control the risk, the Company comprehensively adopts clearing and bank loans as financing approach, appropriately combines long-term and short-term financing modes and optimizes the financing structure to maintain the balance between financing sustainability and flexibility. The Company has obtained the line of credit from a number of commercial banks to satisfy its operation fund needs and capital expenditure.

Financial liabilities classified by remaining maturity date

Item	Amount at the end of the period
------	---------------------------------

	Carrying amount	Undiscounted contract amount	Within 1 year	1-3 years	More than 3 years
Bank loans	1,439,624,084.67	1,481,695,948.56	548,561,830.72	604,080,122.07	329,053,995.77
Notes payable	743,715,809.23	743,715,809.23	743,715,809.23		
Accounts payable	819,228,383.86	819,228,383.86	819,228,383.86		
Other payables	55,054,484.88	55,054,484.88	55,054,484.88		
Lease liabilities (inclusive of the current portion)	21,906,804.61	23,614,220.38	8,345,015.11	11,155,441.64	4,113,763.63
Subtotal	3,079,529,567.25	3,123,308,846.91	2,174,905,523.80	615,235,563.71	333,167,759.40

(Continued)

Item	Amount at the end of the previous period				
	Carrying amount	Undiscounted contract amount	Within 1 year	1-3 years	More than 3 years
Bank loans	1,244,464,239.13	1,338,659,184.66	326,718,931.90	608,315,680.59	403,624,572.17
Notes payable	573,966,408.01	573,966,408.01	573,966,408.01		
Accounts payable	721,573,716.50	721,573,716.50	721,573,716.50		
Other payables	78,069,589.44	78,069,589.44	78,069,589.44		
Lease liabilities (inclusive of the current portion)	18,562,120.11	19,840,570.15	6,254,040.73	9,680,228.85	3,906,300.57
Subtotal	2,636,636,073.19	2,732,109,468.76	1,706,582,686.58	617,995,909.44	407,530,872.74

iii. Market risk

Market risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments arising from changes in market prices. Market risk mainly includes interest rate risk and foreign exchange risk.

1. Interest rate risk

Interest rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments arising from changes in market interest rates. Interest-bearing financial instruments with fixed interest rates may bring the fair value interest rate risk to the Company, while those with floating interest rate may bring the cash flow interest rate risk to the Company. The Company will determine the proportion between the financial instruments with fixed interest rate and those with floating interest rate in combination with market environment, and maintain an appropriate portfolio of financial instruments through regular review and monitoring. The interest rate risk of cash flows facing the Company is mainly related to the bank loans calculated by floating interest rate of the Company.

As of December 31, 2024, under the assumption of other fixed variables with 50 basis points changed in interest rate, the bank loan of RMB1,180,791,104.30 (RMB1,195,562,850.60 on December 31, 2023) calculated at floating rate would not result in significant influence on gross profit and shareholders' equity of the Company.

2. Foreign exchange risk

Foreign exchange risk refers to the risk that may lead to the changes of fair value of financial instruments or future cash flows due to fluctuation in exchange rate. The risk of changes of exchange rate facing the Company is mainly related to foreign currency

monetary assets and liabilities of the Company. For foreign currency assets and liabilities, in the event of short-term imbalances, the Company buys and sells foreign currencies at market exchange rates when necessary to ensure that the net exposure is maintained at an acceptable level.

For details of the Company's foreign currency monetary assets and liabilities at the end of the period, please refer to Note VII-81 in this financial statements.

2. Hedges

(1) The Company carries out hedging business for risk management

Applicable Not applicable

(2) The Company conducts eligible hedging operations and applies hedge accounting

Unit: RMB

Item	Carrying amount related to hedged items and hedging instruments	Cumulative fair value hedge adjustment of the hedged item included in the recognized carrying amount of the hedged item	Hedge effectiveness and hedge ineffectiveness partial sources	Impact of hedge accounting on the Company's financial statements
Types of hedge risk				
Types of hedge				

Other notes

(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

3. Financial assets

(1) Classification of transfer methods

Applicable Not applicable

Unit: RMB

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognized or not	Basis for derecognition
Discount of notes	Receivables financing	87,332,913.51	Yes	Almost all its risks and rewards have been transferred
Endorsement of notes	Receivables financing	284,687,423.83	Yes	Almost all its risks and rewards have been transferred
Endorsement of notes	Notes receivable	33,800.00	Not	Almost all its risks and rewards have been retained
Total		372,054,137.34		

(2) Financial assets derecognized due to transfer
 Applicable Not applicable

Unit: RMB

Item	Method of financial assets transfer	Amount of derecognized financial assets	Gains or losses related to derecognition
Receivables financing	Endorsement	284,687,423.83	
Receivables financing	Discount	87,332,913.51	618,621.51
Total		372,020,337.34	618,621.51

(3) Continued involvement in the transfer of assets financial assets
 Applicable Not applicable

Unit: RMB

Item	Method of assets transfer	Amount of assets resulting from continued involvement	Amount of liabilities resulting from continued involvement
Notes receivable	Endorsement	33,800.00	33,800.00
Total		33,800.00	33,800.00

Other notes

XIII Disclosure of Fair Value**1. Closing fair value of assets and liabilities measured at fair value**

Unit: RMB

Item	Closing fair value			
	Fair value measurement at level I	Fair value measurement at level II	Fair value measurement at level III	Total
I Consistent fair value measurement	--	--	--	--
1. Financial assets at fair value through profit or loss			6,000,000.00	6,000,000.00
(2) Equity instrument investment			6,000,000.00	6,000,000.00
Receivables financing			323,209,598.63	323,209,598.63
Total assets measured at fair value on an ongoing basis			329,209,598.63	329,209,598.63
II Fair value measurement on a non-ongoing basis	--	--	--	--

2. Basis for determining the market value of fair value measurement at level I on an ongoing and non-ongoing bases

3. For fair value measurement at level II on an ongoing and non-ongoing bases, qualitative and quantitative information on the valuation techniques used and significant parameters

4. For fair value measurement at level III on an ongoing and non-ongoing bases, qualitative and quantitative information on the valuation techniques used and significant parameters

The Company's receivables financing measured at fair value at level III are banker' acceptances receivable, which have low credit risk and short remaining maturities, and the Company determines the fair value of these receivables based on their face balances.

The Company's other non-current financial assets measured at fair value at level III are equity in unlisted companies. The Company considers a combination of market approach and discounted future cash flows to estimate the fair value of the unlisted equity instrument investments. For the investee's business environment and operating and financial conditions have not changed significantly, the Company measures the investment cost as a reasonable estimate of fair value.

5. For fair value measurement at level III on an ongoing basis, reconciliation information between beginning and closing carrying amounts and sensitivity analysis of unobservable parameters

6. For fair value measurement items on a continuous basis, if there is a conversion between different levels in the period, the reasons for the conversion and the policy for determining the conversion time point

7. Changes in valuation techniques occurring in the period and reasons for changes

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

9. Others

XIV Related Parties and Related-Party Transactions

1. Information on the parent company of the Company

Name of the parent company	Place of registration	Nature of business	Registered capital	The parent company's interest in the Company	The parent company's voting right percentage in the Company
Great Alpha Holdings Limited	Hong Kong, China	Investment	HKD10,000	29.32%	29.83%

Information on the parent company of the Company

The ultimate controllers of the Company are natural person Mr. Richard Yan, natural person Mr. Liang Jinghua and natural person Mr. Chen Liyao.

Other notes:

Mr. Liang Jiaming (son of Liang Jinghua), a natural person, is a party acting in concert with Liang Jinghua, and Ms. Peng Huiping (mother of Chen Liyao), a natural person, is a party acting in concert with Chen Liyao.

On September 29, 2022, Richard Yan, Liang Jinghua and Chen Liyao signed the *Concerted Action Agreement*, agreeing to act in concert when exercising their rights as directors and shareholders of the Company during the period of being a director of the Company, during the period of being a shareholder of Great Alpha Holdings Limited and during the period of being a direct shareholder of the Company. As a result, Richard Yan, Liang Jinghua and Chen Liyao became the joint de facto controllers of the Company.

Richard Yan indirectly holds 13.02% of the Company's shares, Liang Jinghua indirectly holds 8.15% of the Company's shares, Chen Liyao indirectly holds 8.15% of the Company's shares, and the three persons total indirectly hold 29.32% of the Company's shares. Richard Yan directly holds 7,859,917 shares of the Company, accounting for 1.68% of the total share capital of the Company; Liang Jinghua directly holds 7,140,396 shares of the Company, accounting for 1.52% of the total share capital of the Company; Chen Liyao directly holds 37,200 shares of the Company, accounting for 0.01% of the total share capital of the Company. Richard Yan, Liang Jinghua and Chen Liyao, who are the joint de facto controllers of the Company, directly and indirectly hold 152,403,452 shares of the Company, accounting for 32.53% of the Company's share capital. In addition, Peng Huiping, a party acting in concert with Chen Liyao, directly holds 16,161,291 shares of the Company, accounting for 3.45% of the total share capital of the Company.

The four persons, namely Richard Yan, Liang Jinghua, Chen Liyao and Peng Huiping, a party acting in concert with Chen Liyao, hold 168,564,743 shares of the Company through direct and indirect means in total, accounting for 35.97% of the Company's shares.

Liang Jiaming, a party acting in concert with Liang Jinghua, no longer holds any shares in the Company after the reduction of his shareholding during the period.

2. Subsidiaries of the Company

Refer to Note X for details.

3. Joint ventures and associates of the Company

Refer to the Note X for information about important joint ventures and associates of the Company.

Other joint ventures or associates that were involved in related-party transactions with the Company in the period, or that were involved in related-party transactions with the Company in prior periods with balances lasting into the current period:

Name of joint venture or associate	Relationship with the Company
Jiangxi Jianggong	Associate of the Company

Other notes:

4. Other related parties

Names of other related parties	Relationship between other related parties and the Company
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Other notes:

5. Related-party transactions

(1) Related-party transactions involving purchase and sale of goods, as well as receipt and rendering of services

Purchases of goods/receipt of services

Unit: RMB

Related party	Content of transaction	2024	Approved transaction amount	Over the approved transaction amount or not	2023
Jiangxi Jiangong Precision Machinery Co., Ltd.	Purchases of goods	130,531,007.19	200,000,000.00	Not	87,808,302.28

Sale of goods/rendering of services

Unit: RMB

Related party	Content of transaction	2024	2023
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Notes to related-party transactions involving purchase and sale of goods, as well as receipt and rendering of services

(2) Trusteeship/Contract between the Company and related parties

Lists of trusteeship/contract of the Company:

Unit: RMB

Name of the entruster/contractee	Name of the trustee/contractor	Type	Start date	Due date	Pricing basis	Income recognized in the period
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Notes:

Lists of entrust/contractee

Unit: RMB

Name of the entruster/contractee	Name of the trustee/contractor	Type	Start date	Due date	Pricing basis	Charge recognized in the period
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Notes:

(3) Leases between the Company and related parties

The Company as the lessor:

Unit: RMB

Lessee	Type of the leased asset	Lease income recognized in the period	Lease income recognized in the prior period
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The Company as the lessee:

Unit: RMB

Lessor	Type of the leased asset	Lease expense on short-term leases and leases of low-value assets accounted with a simplified approach (if applicable)		Variable lease payments not included in lease liabilities (if applicable)		Lease payments		Interest costs on lease liabilities		Addition of right-of-use assets	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023

Notes to the leases between the Company and related parties:

(4) Guarantees between the Company and related parties

The Company as the guarantor:

Unit: RMB

Secured party	Amount of guarantee	Start date	End date	Execution accomplished or not
Jiangxi Jianggong	10,000,000.00	May 6, 2024	May 9, 2025	Not

The Company was secured party

Unit: RMB

Guarantor:	Amount of guarantee	Start date	End date	Execution accomplished or not
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Notes to the guarantees between the Company and related parties:

Note: On April 17, 2024, the Company convened the 4th Meeting of the 5th Board of Directors and the 4th Meeting of the 5th Board of Supervisors, which approved the *Proposal on Providing Guarantee for the Participating Company*. The Company's participating company Jiangxi Jianggong intends to apply to financial institutions for a project loan for the project of Block 28, Chunyi Road, Yichun Economic Development Zone, with a loan principal not exceeding RMB200 million and a term of up to 5 years. In accordance with its actual 34% ownership percentage in Jiangxi Jianggong, the Company will provide a guarantee for the loan, with the maximum guarantee commitment capped at RMB68 million. Jiangxi Jianggong intends to apply for a comprehensive credit line from financial institutions, the principal amount of the financing is not more than RMB100 million, the term is not more than 3 years. In accordance with its actual 34% ownership percentage in Jiangxi Jianggong, the Company will provide a guarantee to financial institutions, with the maximum guarantee commitment capped at RMB34 million.

The Company actually provided joint guarantee responsibility of RMB10,000,000.00 for Jiangxi Jianggong in 2024. On April 3, 2025, Jiangxi Jianggong returned RMB9,900,000.00 principal amount of bank loan.

(5) Loans between the Company and related parties

Unit: RMB

Related parties	Amount	Start date	Maturity date	Note
Borrowing				
Lending				

(6) Asset transfers and debt restructuring involving related parties

Unit: RMB

Related parties	Content of the related-party transaction	2024	2023
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(7) Remuneration of key management

Unit: RMB

Item	2024	2023
Remuneration of key management	12,051,335.72	11,357,556.12

(8) Other related-party transactions**6. Amounts due from and to related parties****(1) Amounts due from related parties**

Unit: RMB

Item	Related party	Closing balance		Opening balance	
		Gross amount	Allowance for doubtful accounts	Gross amount	Allowance for doubtful accounts

(2) Amounts due to related parties

Unit: RMB

Item	Related party	Closing gross amount	Opening gross amount
Accounts payable	Jiangxi Jianggong	30,213,941.06	17,702,452.34

7. Commitments of related party**8. Others****XV Share-based Payment****1. The overall situation of share-based payments**
 Applicable Not applicable

Unit: RMB

Type of granted object	Granted in the period		Exercised in the period		Unlocked in the period		Expired in the period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Management					323,823.00	2,418,077.13		
R&D					579,000.00	4,693,650.00	9,000.00	89,910.00
Sales					417,000.00	3,075,270.00		
Production					255,000.00	2,274,810.00		
Total					1,574,823.00	12,461,807.13	9,000.00	89,910.00

Outstanding stock options or other equity instruments at the end of the period

 Applicable Not applicable

Other notes:

(1) The Second Restricted Share Incentive Plan

In accordance with the Proposal on the Second Restricted Share Incentive Plan (Draft) and its Summary approved at the 2019 Annual General Meeting of Shareholders held on May 20, 2020, and the Proposal on Granting Restricted Stocks to Awardees of the Second Restricted Stock Incentive Plan passed at the 16th meeting of the third Board of Directors on June 3, 2020, the Company agreed to grant a total of 1,999,410 restricted shares to 50 awardees. Each share has a par value of RMB1 and was granted at a price of RMB3.49 per share. The grant date was June 3, 2020, and the shares were repurchased by the Company on the secondary market using self-owned funds.

The validity period of this incentive plan is from the completion of the registration of the granted restricted shares until all granted restricted shares are either unlocked or repurchased and retired, not exceeding 60 months in total. The plan includes three unlocking periods, respectively at 24 months, 36 months, and 48 months from the grant registration date. For awardees meeting the unlocking conditions, the Company will proceed with unlocking; otherwise, the unqualified restricted shares will be repurchased and retired at the original grant price. Unlocking arrangements are detailed as follows:

Unlocking schedule	Unlocking time	Unlocking proportion (%)
First Unlocking Period	From the first trading day after 24 months from the registration date to the last trading day within 36 months	40
Second Unlocking Period	From the first trading day after 36 months from the registration date to the last trading day within 48 months	30
Third Unlocking Period	From the first trading day after 48 months from the registration date to the last trading day within 60 months	30

According to the draft plan, unlocking is conditional upon the achievement of corporate-level performance assessments, business unit performance evaluations, and individual performance assessments. The assessment years were from 2020 to 2023, with the following performance targets at the Company level:

Unlocking period	Performance target
First Unlocking Period	Taking 2018 as the base year: average growth rate of operating revenue for 2020 and 2021 not less than 26%, and average growth rate of net profit attributable to the parent company not less than 26%
Second Unlocking Period	Taking 2018 as the base year: average growth rate of operating revenue for 2021 and 2022 not less than 40%, and average growth rate of net profit attributable to the parent company not less than 40%
Third Unlocking Period	Taking 2018 as the base year: average growth rate of operating revenue for 2022 and 2023 not less than 52%, and average growth rate of net profit attributable to the parent company not less than 52%

(2) The Third Restricted Share Incentive Plan

Pursuant to the Proposal on the Third Restricted Share Incentive Plan (Draft) and its Summary passed at the Second Extraordinary General Meeting of Shareholders on November 17, 2020, and the Proposal on Granting Restricted Stocks to Awardees of the Second Restricted Stock Incentive Plan passed at the second extraordinary Board meeting on November 23, 2020, the Company agreed to grant 3.6 million restricted shares to 120 awardees, each with a par value of RMB1 and a grant price of RMB3.49 per share. The grant date was November 23, 2020, and the shares were issued as A-shares of the Company to the awardees.

The validity period of this incentive plan is from the completion of the registration of the granted restricted shares until all restricted shares granted to the awardees are either unlocked or repurchased and retired, not exceeding 60 months. The restricted shares will be unlocked in three stages within the next 36 months, starting from the 24th month from the grant date. During the unlocking period, the Company will handle the unlocking procedures for those who meet the conditions. For those who do not meet the unlocking conditions, the Company will repurchase and retire their restricted shares.

Unlocking schedule	Unlocking time	Unlocking proportion (%)
First Unlocking Period	From the first trading day after 24 months from the completion of restricted share grant registration to the last trading day within 36 months from the grant date	40
Second Unlocking Period	From the first trading day after 36 months from the completion of restricted share grant registration to the last trading day within 48 months from the grant date	30
Third Unlocking Period	From the first trading day after 48 months from the completion of restricted share grant registration to the last trading day within 60 months from the grant date	30

According to the incentive plan draft, awardees can unlock restricted shares according to the agreed percentage if they meet performance assessment targets at the Company level, business unit level, and individual level. The performance assessment years for this incentive plan are from 2020 to 2023, and the performance targets at the Company level for each year are as follows:

Unlocking schedule	Performance target
First Unlocking Period	Taking 2018 as the base year: average operating revenue growth rate for 2020 and 2021 not less than 26%, and average net profit growth rate for 2020 and 2021 not less than 26%
Second Unlocking Period	Taking 2018 as the base year: average operating revenue growth rate for 2021 and 2022 not less than 40%, and average net profit growth rate for 2021 and 2022 not less than 40%
Third Unlocking Period	Taking 2018 as the base year: average operating revenue growth rate for 2022 and 2023 not less than 52%, and average net profit growth rate for 2022 and 2023 not less than 52%

(3) Equity instruments exercised by the Company in the period

The equity instruments exercised in the period were the shares that satisfied the conditions for release from restricted sale upon the expiry of the third restriction period of the Phase II Restricted Share Incentive Plan and the second restriction period of the Phase III Restricted Share Incentive Plan.

(4) Equity instruments of the Company lapsed in the period

The equity instruments that lapsed in the period were shares repurchased and canceled under the Phase III Restricted Share Incentive Plan for failing to meet the performance assessment.

2. Equity-settled share-based payments

Applicable Not applicable

Unit: RMB

Method of determining the fair value of equity instruments at the date of grant	Stock trading prices on the secondary market
Significant parameters of fair value of equity instruments at grant date	Revising the number of exercisable shares based on subsequent information, such as changes in the number of people who can exercise their options and performance completion
Accumulated amount of equity-settled share-based payments included in capital reserves	48,978,037.10
Total expense recognized for equity-settled share-based payments in the period	2,384,942.67

Other notes:

3. Cash-settled share-based payments

Applicable Not applicable

4. Share-based payment expenses for the period

Applicable Not applicable

Unit: RMB

Type of granted object	Expenses for equity-settled share-based payments	Expenses for cash-settled share-based payments
Management	433,967.46	
R&D	882,378.01	
Sales	606,066.91	
Production	462,530.29	
Total	2,384,942.67	

Other notes:

5. Modification and termination of share-based payments**6. Others****XVI Undertakings and Contingencies****1. Significant undertakings**

Significant undertakings on the balance sheet date

As of December 31, 2024, the Company's outstanding L/Gs and L/Cs amounted to RMB10,455,114.72 and RMB50,000,000.00, respectively.

2. Contingencies**(1) Significant contingencies on the balance sheet date****(2) Explanation shall be given even if there is no significant contingency for the Company to disclose**

The Company had no significant contingency which needed to be disclosed.

3. Others**XVII Post-Balance Sheet Date Events****1. Important non-adjustment matters**

Unit: RMB

Item	Contents	Influence number to the financial position and operating results	Reason of inability to estimate influence number
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2. Profit distribution**3. Sales return****4. Note on other post-balance sheet date events****1. Routine Related-party Transactions for 2025**

On April 21, 2025, the Company convened the 9th Meeting of the 5th Board of Directors and the 9th Meeting of the 5th Board of Supervisors, at which the *Proposal on the Estimated Routine Related-party Transactions for 2025* was considered and approved. Due to daily business needs, the Company and its subsidiaries will have related-party transactions with Jiangxi Jianggong and its subsidiaries, including the business of the Company and its subsidiaries purchasing raw materials and processing services from Jiangxi Jianggong and its subsidiaries, and the Company and its subsidiaries selling products and providing processing services to Jiangxi Jianggong and its subsidiaries. It is expected that no more than RMB240 million of routine related-party transactions will be incurred in 2025. The price of each of the above related-party transactions will be determined by

negotiation between parties in accordance with the market price, and the Company will obtain the market price by way of quotation and tender and sign relevant agreements with the related parties as required by the actual situation.

2. Guarantees for participating companies

On April 21, 2025, the Company convened the 9th Meeting of the 5th Board of Directors and the 9th Meeting of the 5th Board of Supervisors, which approved the *Proposal on Providing Guarantee for the Participating Company*. The company's equity participation company, Jiangxi Jianggong, applied to the Yichun Branch of Bank of China Limited for a comprehensive credit line of 40 million yuan, with the credit period not exceeding 3 years. The company provided a joint and several liability guarantee of 13.6 million yuan based on its actual equity ratio of 34% in Jiangxi Jianggong. The guarantee period is: from the date of contract signing until three years after the expiration of the performance period of the last due creditor's rights and debts under the main contract. The scope of the guarantee is: all debts that the debtor should bear under the main contract, including but not limited to the principal of all debts, interest, compound interest, penalty interest, deposit, liquidated damages, damages, double interest on the delayed performance of effective legal documents, and all expenses incurred by the creditor in realizing the creditor's rights and the guarantee right.

3. India's final anti-dumping ruling on China's plastic processing machines

On March 27, 2025, India's Ministry of Commerce and Industry issued a notification to make a final affirmative anti-dumping determination on plastic processing machines originating from or imported from China and Taiwan, recommending the imposition of anti-dumping duty on the involved products for a period of five years. The products in question are all kinds of plastic processing machines or injection molding machines with a clamping force of not less than 40 tons and not more than 1,500 tons, SKD, CKD, or a combination of SKD and CKD. The anti-dumping duties imposed on YIZUMI Injection Molding and Die Casting, Yizumi Import and Export (listed as Guangdong Yizumi High-Speed Packaging System Co., Ltd. in the duty list), YIZUMI HK and YIZUMI Suzhou amount to 35% of the CIF price.

4. Profit distribution after the balance sheet date

Profit or dividend to be distributed	230,280,958.50
Profits or dividends declared to be distributed after consideration and approval	230,280,958.50

According to the *Proposal on the Company's Profit Distribution Plan for 2024* approved on the 9th Meeting of the 5th Board of Directors of the Company convened on April 21, 2025, the Company proposed to distribute a cash dividend of RMB5 (inclusive of tax) for every 10 shares to all shareholders on the basis of 460,561,917 shares. The aforesaid profit distribution plan is yet to be considered and approved by the annual general meeting of shareholders of the Company.

XVIII Other Significant Matters

1. The accounting errors correction in previous period

(1) Retrospective restatement

Unit: RMB

Content	Processing program	Name of the influenced report items during comparison period	Accumulative impact
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(2) Prospective application

Content	Processing program	Reason for adopting prospective application
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2. Debt restructuring**3. Assets replacement****(1) Non-monetary assets exchange****(2) Other assets replacement****4. Annuity plan****5. Discontinued operations**

Unit: RMB

Item	Revenue	Costs	Gross profit	Income tax expense	Net profit	Profit from discontinued operations attributable to owners of the parent company

Other notes:

6. Segment information**(1) Determination basis and accounting policies of reportable segment**

The Company's principal business is the manufacture and sale of molding equipment products. The Company implements management and evaluates operating results of this business as a whole. Therefore, the Company is not required to disclose segment information. Information on the Company's revenue breakdown is described in Note VII-61 of this financial Statements.

(2) The financial information of reportable segment

Unit: RMB

Item		Offset among segments	Total

(3) If there was no reportable segment, or the total amount of assets and liabilities of each reportable segment could not be reported, relevant reasons shall be clearly stated

(4) Other notes**7. Other significant transactions and events with influence on investors' decision-making****8. Others**

1. Net profit from discontinued operations

Item	Huoshen Environmental Technology
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	2024	2023
Operating revenue	2,928,706.80	9,692,960.24
Less: Cost of sales	1,726,401.77	11,630,053.05
Taxes and levies	16,333.87	5,472.13
Selling expense	30,064.21	238,268.81
Administrative expense	2,319,315.89	1,214,551.55
R&D expense		
Finance costs	503,569.84	1,389,093.50
Add: Other income	1,669,910.05	3,340,518.32
Return on investment		
Net gain on exposure hedges		
Gain on changes in fair value		
Credit impairment loss	1,701.38	7,997.12
Asset impairment loss		-21,732,490.04
Asset disposal income		0.25
Operating profit	4,632.65	-23,168,453.15
Add: Non-operating income	1,591,986.42	
Less: Non-operating expense	0.06	
Gross profit from discontinued operations	1,596,619.01	-23,168,453.15
Less: Income tax expense on discontinued operations		
Net profit from discontinued operations	1,596,619.01	-23,168,453.15
Add: Asset impairment loss recognized on the asset group classified as assets held for sale in the period (“—” for loss)		
Add: Net gain from disposal of discontinued operations (net of tax)		
Total net profit from discontinued operations	1,596,619.01	-23,168,453.15
Of which: Total net profit from discontinued operations attributable to owners of the parent company	1,596,619.01	-23,168,453.15

2. Cash flows from discontinued operations

Item	2024		
	Net cash generated from/used in operating activities	Net cash generated from/used in investing activities	Net cash generated from/used in financing activities
Huoshen Environmental Technology	-270,472.25	25,717,075.76	-26,168,311.81

(Continued)

Item	2023		
	Net cash generated from/used in operating activities	Net cash generated from/used in investing activities	Net cash generated from/used in financing activities
Huoshen Environmental Technology	16,901,234.62	2,169,900.11	-21,395,670.00

XIX Notes to Major Line Items in the Financial Statements of the Parent Company

1. Accounts receivable

(1) Accounts receivable presented by aging

Unit: RMB

Aging	Closing gross amount	Opening gross amount
Within 1 year (inclusive)	320,154,380.81	325,829,357.97
1 to 2 years	18,119,229.89	49,988,109.42
2 to 3 years	4,736,443.56	448,446.86
More than 3 years	177,952.10	29,505.24
3 to 4 years	148,446.86	
4 to 5 years		29,505.24
More than 5 years	29,505.24	
Total	343,188,006.36	376,295,419.49

(2) Accounts receivable by method of establishing allowance for doubtful accounts

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful accounts		Carrying amount	Gross amount		Allowance for doubtful accounts		Carrying amount
	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount		Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount	
Accounts receivable for which allowances for doubtful accounts are established						965,230.09	0.26%	965,230.09	100.00%	

ed on an individual basis										
Of which:										
Allowances for doubtful accounts are established on an individual basis						965,230.09	0.26%	965,230.09	100.00%	
Accounts receivable for which allowances for doubtful accounts are established on a grouping basis	343,188,006.36	100.00%	13,514,796.97	3.94%	329,673,209.39	375,330,189.40	99.74%	15,019,181.55	4.00%	360,311,078.85
Of which:										
Allowances for doubtful accounts are established on a grouping basis	343,188,006.36	100.00%	13,514,796.97	3.94%	329,673,209.39	375,330,189.40	99.74%	15,019,181.55	4.00%	360,311,078.85
Total	343,188,006.36	100.00%	13,514,796.97	3.94%	329,673,209.39	376,295,419.49	100.00%	15,984,411.64	4.25%	360,311,078.85

Allowances for doubtful accounts are established on an individual basis:

Unit: RMB

Item	Opening balance		Closing balance			
	Gross amount	Allowance for doubtful accounts	Gross amount	Allowance for doubtful accounts	Allowance as % of the gross amount	Reason for allowance
Allowances for doubtful accounts are established on an individual basis	965,230.09	965,230.09				
Total	965,230.09	965,230.09				

Allowances for doubtful accounts are established on a grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful accounts	Allowance as % of the gross amount
Aging portfolio	247,445,824.87	13,514,796.97	5.46%
Combination of related parties within the consolidation scope	95,742,181.49		
Total	343,188,006.36	13,514,796.97	

A description of the basis for determining the portfolio:

Allowances for doubtful accounts receivable established using the general model of expected credit loss:

Applicable Not applicable

(3) Allowances for doubtful accounts established, recovered or reversed in the period

Allowances for doubtful accounts in the period:

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Written off	Others	
Allowances for doubtful accounts are established on an individual basis	965,230.09		965,230.09			
Allowances for doubtful accounts are established on a grouping basis	15,019,181.55	-1,504,384.58				13,514,796.97
Total	15,984,411.64	-1,504,384.58	965,230.09			13,514,796.97

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts

(4) Accounts receivable actually written off in the period

Unit: RMB

Item	Amount written off

Of which, significant accounts receivable written off:

Unit: RMB

Entity	Nature of accounts receivable	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions

A description of accounts receivable written off:

(5) Top five entities with respect to accounts receivable and contract assets

Unit: RMB

Entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets combined	As % of the total closing balance of accounts receivable and contract assets	Closing balance of allowance for doubtful accounts of accounts receivable and impairment allowance for contract assets
Yizumi Precision Machinery (HK) Co., Limited	65,647,226.08		65,647,226.08	18.13%	
Customer1	43,719,000.00	10,200,000.00	53,919,000.00	14.89%	2,695,950.00
Customer2	35,571,429.01		35,571,429.01	9.83%	1,780,664.15
YIZUMI-HPM CORPORATION	24,197,080.96		24,197,080.96	6.68%	
Customer3	24,173,172.35		24,173,172.35	6.68%	1,208,658.62
Total	193,307,908.40	10,200,000.00	203,507,908.40	56.21%	5,685,272.77

2. Other receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	329,344,143.59	181,384,319.53
Total	329,344,143.59	181,384,319.53

(1) Interest receivable**1) Interest receivable presented by category**

Unit: RMB

Item	Closing balance	Opening balance

2) Significant overdue interest

Unit: RMB

Entity	Closing balance	Overdue time	Overdue reason	Whether occurred impairment and its judgment basis

Other notes:

3) Interest receivable by method of establishing allowance for doubtful accounts Applicable Not applicable**4) Allowances for doubtful accounts established, recovered or reversed in the period**

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Charged off or written off	Others	

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts
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Other notes:

5) Interest receivable actually written off in the period

Unit: RMB

Item	Amount written off
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Of which, significant interest receivable written off:

Unit: RMB

Entity	Nature of interest receivable	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions
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A description of interest receivable written off:

Other notes:

(2) Dividends receivable

1) Dividends receivable presented by category

Unit: RMB

Item (or investee)	Closing balance	Opening balance
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2) Significant dividends receivable aging over 1 year

Unit: RMB

Item (or investee)	Closing balance	Aging	Reason	Whether occurred impairment and its judgment basis
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3) Dividends receivable by method of establishing allowance for doubtful accounts

Applicable Not applicable

4) Allowances for doubtful accounts established, recovered or reversed in the period

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Charged off or written off	Others	

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts
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Other notes:

5) Dividends receivable actually written off in the period

Unit: RMB

Item	Amount written off
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Of which, significant dividends receivable written off:

Unit: RMB

Entity	Nature of dividends receivable	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions
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A description of dividends receivable written off:

Other notes:

(3) Other receivables**1) Other receivables classified by nature**

Unit: RMB

Nature	Closing gross amount	Opening gross amount
Security deposit	2,809,290.00	3,258,171.78
Inter-bank loans	326,125,465.59	177,837,228.48
Suspense receivable	790,998.00	732,608.83
Petty cash		249,460.00
Total	329,725,753.59	182,077,469.09

2) Other receivables presented by aging

Unit: RMB

Aging	Closing gross amount	Opening gross amount
Within 1 year (inclusive)	188,495,475.02	180,183,181.73
1 to 2 years	140,229,155.09	1,127,395.00
2 to 3 years	885,000.00	340,050.00
More than 3 years	116,123.48	426,842.36
3 to 4 years	22,000.00	21,680.15
4 to 5 years	18,680.15	7,500.00
More than 5 years	75,443.33	397,662.21
Total	329,725,753.59	182,077,469.09

3) Other receivables by method of establishing allowance for doubtful accounts

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful account		Carrying amount	Gross amount		Allowance for doubtful account		Carrying amount
	Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount		Amount	As % of the total gross amount	Amount	Allowance as % of the gross amount	
Of which:										
Allowances for doubtful accounts are established on a grouping basis	329,725,753.59	100.00%	381,610.00	0.12%	329,344,143.59	182,077,469.09	100.00%	693,149.56	0.38%	181,384,319.53
Of which:										
Allowances for doubtful accounts are established on a grouping basis	329,725,753.59	100.00%	381,610.00	0.12%	329,344,143.59	182,077,469.09	100.00%	693,149.56	0.38%	181,384,319.53
Total	329,725,753.59	100.00%	381,610.00	0.12%	329,344,143.59	182,077,469.09	100.00%	693,149.56	0.38%	181,384,319.53

Allowances for doubtful accounts are established on a grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance as % of the gross amount
Combination of related party receivables within the scope of consolidation	325,750,465.59		
Suspense receivable portfolio	790,998.00		
Aging portfolio	3,184,290.00	381,610.00	11.98%
Of which: within 1 year	1,981,400.00	99,070.00	5.00%
1 to 2 years	216,500.00	21,650.00	10.00%
2 to 3 years	885,000.00	177,000.00	20.00%
3 to 4 years	22,000.00	6,600.00	30.00%
4 to 5 years	4,200.00	2,100.00	50.00%
More than 5 years	75,190.00	75,190.00	100.00%
Total	329,725,753.59	381,610.00	

A description of the basis for determining the portfolio:

Allowances for doubtful accounts established using the general model of expected credit loss:

Unit: RMB

Allowances for	Stage 1	Stage 2	Stage 3	Total

doubtful accounts	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2024	110,676.63	106,800.00	475,672.93	693,149.56
Balance as at January 1, 2024 was in the period				
- Transferred to Stage 2	-10,825.00	10,825.00		
- Transferred to Stage 3		-88,500.00	88,500.00	
Established in the period	-781.63	-7,475.00	-303,282.93	-311,539.56
Balance as at December 31, 2024	99,070.00	21,650.00	260,890.00	381,610.00

The basis for the division of each stage and the ratio of allowance for doubtful accounts:

Carrying amount with significant changes in loss allowances in the period:

Applicable Not applicable

4) Allowances for doubtful accounts established, recovered or reversed in the period

Allowances for doubtful accounts in the period:

Unit: RMB

Category	Opening balance	Changes in the period				Closing balance
		Established	Recovered or reversed	Charged off or written off	Others	
Allowances for doubtful accounts	693,149.56	-311,539.56				381,610.00
Total	693,149.56	-311,539.56				381,610.00

Of which, the significant recovered or reversed allowances for doubtful accounts in the period:

Unit: RMB

Entity	Amount recovered or reversed	Reason	Method	Basis and rationality of determining the ratio of the original allowance for doubtful accounts

5) Other receivables actually written off in the period

Unit: RMB

Item	Amount written off

Of which, significant other receivables written off:

Unit: RMB

Entity	Nature of other receivables	Amount written off	Reason	Procedure	Whether occurred because of related-party transactions

A description of other receivables written off:

6) Top five entities with respect to other receivables

Unit: RMB

Entity	Nature of account	Closing balance	Aging	As % of the closing balance of total other receivables	Closing balance of allowances for doubtful accounts
YIZUMI HK	Inter-bank loans	189,999,698.09	Within 2 years	57.62%	
YIZUMI Zhejiang	Inter-bank loans	54,860,000.00	Within 1 year	16.64%	
YIZUMI Robot	Inter-bank loans	39,980,000.00	Within 1 year	12.13%	
Jiaquanhao	Inter-bank loans	25,809,895.13	Within 1 year	7.83%	
YIZUMI Intelligent Manufacturing	Inter-bank loans	14,987,227.42	Within 1 year	4.55%	
Total		325,636,820.64		98.77%	

7) Presentation in other receivables due to centralized management of funds

Other notes:

3. Long-term equity investments

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount
Investments in subsidiaries	1,136,323,591.37		1,136,323,591.37	1,074,848,290.16		1,074,848,290.16
Investments in associates and joint ventures	480,911,939.67		480,911,939.67	440,991,591.62		440,991,591.62
Total	1,617,235,531.04		1,617,235,531.04	1,515,839,881.78		1,515,839,881.78

(1) Investments in subsidiaries

Unit: RMB

Investee	Opening balance (carrying amount)	Opening balance of impairment allowance	Increase/decrease in the period				Closing balance (carrying amount)	Closing balance of impairment allowance
			Increase in investment	Decrease in investment	Impairment allowance	Others		
YIZUMI HK	69,746,415.00						69,746,415.00	
YIZUMI Injection Molding and Die Casting	418,956,863.55					1,020,834.81	419,977,698.36	

YIZUMI Rubber	4,072,325.27									-58,120.90	4,014,204.37	
YIZUMI Suzhou	102,945,423.54									443,303.64	103,388,727.18	
YIZUMI Yige Sports	3,000,000.00										3,000,000.00	
HPM North America	69,264,975.30			49,810,400.00							119,075,375.30	
YIZUMI Import and Export	41,315,100.00										41,315,100.00	
YIZUMI Robot	50,000,000.00										50,000,000.00	
India Factory	12,180,726.00									12,180,726.00		
India Advanced Processing	1,959,288.80									12,180,726.00	14,140,014.80	
Jiaquanhao	200,850,817.52									29,078.84	200,879,896.36	
YIZUMI Thailand	97,730.54										97,730.54	
YIZUMI Intelligent Manufacturing	100,458,624.64									229,804.82	100,688,429.46	
YIZUMI Zhejiang				10,000,000.00							10,000,000.00	
Total	1,074,848,290.16			59,810,400.00						1,664,901.21	1,136,323,591.37	

(2) Investment in associates and joint ventures

Unit: RMB

Investee	Opening balance (carrying amount)	Opening balance of impairment allowance	Increase/decrease in the period							Closing balance (carrying amount)	Closing balance of impairment allowance	
			Increase in investment	Decrease in investment	Return on investment recognized using the equity method	Adjustment to other comprehensive income	Other equity changes	Declared cash dividends or profit	Impairment allowance			Others
I Joint ventures												
II Associates												
Haishe Financial Leasing	339,396,194.51				44,524,135.44				9,000,000.00		374,920,329.95	

g												
Zero	22,470			6,928,	904,74					16,446		
One	,133.3			050.03	4.40					,827.6		
Fund	2									9		
Jiangxi	73,130				6,701,					79,831		
Jiangg	,544.7				428.81					,973.6		
ong	9									0		
Ningbo	5,994,				40,637					6,035,		
Fengle	719.00				.00					356.00		
Ningbo			5,384,		-					3,677,		
Hanyu			615.00		1,707,					452.43		
					162.57							
Sub-	440,99		5,384,	6,928,	50,463			9,000,		480,91		
total	1,591.		615.00	050.03	,783.0			000.00		1,939.		
	62				8					67		
Total	440,99		5,384,	6,928,	50,463			9,000,		480,91		
	1,591.		615.00	050.03	,783.0			000.00		1,939.		
	62				8					67		

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flow

Applicable Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

(3) Other notes

4. Operating revenue and cost of sales

Unit: RMB

Item	2024		2023	
	Revenue	Costs	Revenue	Costs
Principal operations	909,133,528.65	676,232,780.00	886,204,657.38	642,029,253.49
Other operations	116,820,535.47	67,769,729.10	109,391,942.73	67,340,691.68
Total	1,025,954,064.12	744,002,509.10	995,596,600.11	709,369,945.17

Breakdown of operating revenue and cost of sales:

Unit: RMB

Type of contract	Segment 1		Segment 2				Total	
	Operating revenue	Cost of sales	Operating revenue	Cost of sales	Operating revenue	Cost of sales	Operating revenue	Cost of sales
Business Type								
Of which:								
By								

operating segment								
Of which:								
Market or customer type								
Of which:								
Contract type								
Of which:								
By time of commodity transfer								
Of which:								
By contract term								
Of which:								
By sales channel								
Of which:								
Total								

Information related to performance obligations:

Item	Timing of fulfillment of performance obligations	Important payment terms	Nature of goods that the Company is committed to transfer	Whether or not the person primarily responsible	Funds undertaken by the Company expected to be returned to customers	Type of quality assurance provided by the Company and related obligations

Other notes

1) Revenue generated by contracts with customers was broken down by type of goods or services

Item	2024		2023	
	Revenue	Costs	Revenue	Costs
Injection molding machine	46,605,049.67	46,605,049.67	101,947,830.10	99,446,939.32
Die casting machine	861,735,112.60	629,275,135.82	784,256,827.30	542,582,314.20

Rubber injection molding machine	793,366.38	352,594.51	0.00	0.00
Others	110,317,023.00	62,466,290.95	109,082,208.20	66,953,702.51
Subtotal	1,019,450,551.65	738,699,070.95	995,286,865.60	708,982,956.03

2) Revenue generated by contracts with customers was broken down by operating segment

Item	2024		2023	
	Revenue	Costs	Revenue	Costs
Domestic	829,287,482.21	622,784,776.94	784,933,476.06	591,657,950.96
Overseas	190,163,069.44	115,914,294.01	210,353,389.54	117,325,005.07
Subtotal	1,019,450,551.65	738,699,070.95	995,286,865.60	708,982,956.03

Information related to the transaction price apportioned to the remaining performance obligation:

The amount of revenue corresponding to performance obligations that have been contracted but not yet performed or not completed at the end of the Reporting Period was RMB0.00, of which RMB was expected to be recognized as revenue in , RMB was expected to be recognized as revenue in and RMB was expected to be recognized as revenue in .

Significant contract changes or significant transaction price adjustments

Unit: RMB

Item	Accounting treatment method	Amount of impacts on revenue
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Other notes:

5. Return on investment

Unit: RMB

Item	2024	2023
Return on long-term equity investments measured using the cost method	275,000,000.00	42,438,657.63
Return on long-term equity investments measured using the equity method	50,463,783.08	52,673,309.83
Loss on discount of receivables financing	-471,275.13	-315,633.68
Total	324,992,507.95	94,796,333.78

6. Others

XX Supplementary Information

1. Schedule of current exceptional gains and losses

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets	-244,856.15	

Government grants recognized in profit or loss (exclusive of those that are closely related to the Company's normal business operations and given in accordance with defined criteria and in compliance with government policies, and have a continuing impact on the Company's profit or loss)	21,003,625.28	
Gain or loss on fair-value changes in financial assets and liabilities held by a non-financial enterprise, as well as on disposal of financial assets and liabilities (exclusive of the effective portion of hedges that is related to the Company's normal business operations)		
Gain or loss on entrusting others with investments or asset management	154,441.09	
Reversed portions of impairment allowances for receivables which are tested individually for impairment	965,230.09	
Non-operating income and expense other than the above	-2,519,216.48	
Less: Income tax effects	2,748,709.55	
Non-controlling interests effects (net of tax)	338,239.24	
Total	16,272,275.04	--

Particulars about other items that meet the definition of exceptional gain/loss:

Applicable Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

2. Return on equity (ROE) and earnings per share (EPS)

Profit in the Reporting Period	Weighted average ROE (%)	Earnings per share	
		Basic earnings per share (RMB/share)	Diluted earnings per share (RMB/share)
Net profit attributable to the Company's ordinary shareholders	22.08%	1.32	1.32
Net profit attributable to the Company's ordinary shareholders before exceptional gains and losses	21.49%	1.29	1.28

3. Accounting data differences under China's Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and foreign accounting standards

(1) Net profit and equity under CAS and IFRS

Applicable Not applicable

(2) Net profit and equity under CAS and foreign accounting standards

Applicable Not applicable

(3) Accounting data differences under CAS and IFRS and foreign accounting standards. Where any reconciliation is made to the data audited by an overseas independent auditor, the name of the overseas independent auditor shall be provided.

Applicable Not applicable

4. Others