

Zhejiang Dingli Machinery Co.



Important Reminder

I. The Board of Directors, the Supervisory Committee and the Directors, Supervisors and Senior Management of the Company guarantee the truthfulness, accuracy and completeness of the contents of the annual report, and that there are no false records, misleading statements or material omissions, and that they shall bear individual and joint legal liabilities.

II. All Directors of the Company attended the Board meeting.

III. Lixin Certified Public Accountants (Special General Partnership) has issued a standard unqualified audit report for the Company.

IV. Xu Shugen, the person in charge of the Company, Wang Meihua, the person in charge of accounting work, and Qin Jia, the person in charge of the accounting organisation (accounting officer in charge), declared that they guarantee the truthfulness, accuracy and completeness of the financial reports in the annual report.

V. Profit distribution proposal for the reporting period or proposal for capitalisation of provident fund adopted by resolution of the

Board of Directors

The Company's profit distribution proposal for the year 2024: based on the Company's existing total share capital of 506,347,879 shares, a cash dividend of RMB10.00 (inclusive of tax) per 10 shares will be paid to all shareholders, making a total cash dividend of RMB506,347,879 (inclusive of tax), with no capitalisation of capital by way of conversion of provident fund and no bonus shares will be distributed.

VI. Risk Disclosure of Forward-Looking Statements

☒ Applicable ☐ Not applicable

The forward-looking descriptions of future plans, development strategies and other forward-looking statements contained in this report do not constitute a material commitment by the Company to investors, and investors are advised to pay attention to the following

Investors are advised to pay attention to the risks of investment.

VII. Whether there is non-operational appropriation of funds by controlling shareholders and other related parties

No

VIII, Whether there is any violation of the prescribed decision-making procedures for the provision of external guarantees

No

Nine, Whether more than half of the directors are unable to guarantee the truthfulness, accuracy and completeness of the annual report disclosed by the company

No

Ten, Reminder of Material Risks

The Company has described the possible risks in detail in this report, please refer to Section III. VI.

(IV) Possible Risks.

XI. Others

☐ Applicable ☒ Not Applicable

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Catalogue of Documents for Inspection	Financial statements containing the signatures and seals of the person in charge of the company, the person in charge of accounting work, and the person in charge of the accounting organisation (the person in charge of accounting).
	Financial statements.
	The original audit report containing the seal of the accounting firm and the signature and seal of the certified public accountant.
	Original copies of all company documents and announcements publicly disclosed during the reporting period.

Section I Interpretation

I. Interpretation

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below:

Interpretation of commonly used terms		
Company, the Company, Zhejiang Dingli, Dingli	means	Zhejiang Dingli Machinery Co.
Reporting period	means	1 January 2024 - 31 December 2024
SSE	SSE	Shanghai Stock Exchange
SFC	SEC" the Securities and Futures Commission of China	China Securities Regulatory Commission
Dinze Leasing, Shanghai Dinze	Dinze	Shanghai Dinze Financial Leasing Co.
Green Power	means	Zhejiang Green Power Machinery Co.
Company Law	means	Company Law of the People's Republic of China
Securities Law	means	Securities Law of the People's Republic of China
Articles of Association	Articles of Association	Articles of Association of Zhejiang Dingli Machinery Co.
Magni	Magni	Magni Telescopic Handlers S.R.L
CMEC	CMEC" California Manufacturing and Engineering Co.	California Manufacturing and Engineering Co.
IAPA	means	International Awards for Powered Access (International Awards for Powered Access)
IPAF	IPAF	International Powered Access Federation (国际高空作業協會)

2024

Section II**Company Profile and Key Financial Indicators****I. Company Information**

Chinese name of the company	Zhejiang Dingli Machinery Co.
Chinese abbreviation of the company	Zhejiang Dingli
Company's foreign name	zhejiang dingli machinery co.
Abbreviation of the company's foreign name	ZHEJIANG DINGLI
Legal representative of the company	Xu Shugen

Contact Person and Contact Information

	Secretary of the Board of Directors	Securities Affairs Representative
Name: Liang Jin	Liang Jin	Wang Ting
Contact Address	No.188 Qihang Road, Deqing County, Huzhou City, Zhejiang Province, China	No.188 Qihang Road, Deqing County, Huzhou City, Zhejiang Province, China
Telephone number	0572-8681698	0572-8681698
Fax: 0572-8681623	0572-8681623	0572-8681623
E-Mail	dingli@cndingli.com	dingli@cndingli.com

III. Introduction to the basic situation

Company registered address	No.1255, Baiyun South Road, Leidian Town, Deqing County, Zhejiang Province, China.
Historical changes in the company's registered address	No
Company office address	No. 188, Qihang Road, Deqing County, Huzhou City, Zhejiang Province, China
Postal code of the company's office address	313219
Company website	www.cndingli.com
E-mail address	dingli@cndingli.com

IV. Information Disclosure and Place of Preparation

Name and website of the media where the Company discloses its annual report	Shanghai Securities News www.cnstock.com Securities Times www.stcn.com
Website of the stock exchange where the Company discloses the annual report	www.sse.com.cn
Place of filing the annual report of the Company	Securities Department of the Company

V. Brief information on the Company's shares

Company's stock profile				
Stock Types	Stock Exchange	Stock Abbreviation	Stock Code	Stock abbreviation before change
A Shares	Shanghai Stock Exchange	Zhejiang Dingli	603338	None

VI. Other relevant information

Accounting firm engaged by the Company (domestic)	Name: Lixin Accounting Firm (Special General Partnership)	Lixin Accounting Firm (Special General Partnership)
	Office address	Building 4, No. 61 Nanjing Road East, Shanghai
	Name of Signatory Accountants	Yang Jingxin, Wang Kanyu

VII. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS FOR THE PAST THREE YEARS (I) Major accounting data

Unit: RMB Currency: RMB

2024

Principal accounting data	2024	2023	Increase/decrease of the current period over the same period of the previous year (%)	2022
Operating revenue	7,798,913,979.04	6,311,963,849.93	23.56	5,445,152,632.63
Net profit attributable to shareholders of the listed company	1,628,805,154.01	1,867,145,468.85	-12.76	1,257,239,985.94
Profit				
Net profit attributable to shareholders of the listed company after	1,638,488,207.24	1,807,712,981.65	-9.36	1,233,091,494.05
Net profit attributable to shareholders of the listed company after extraordinary gains and losses				
Net cash flows from operating activities	1,916,547,999.11	2,227,397,039.34	-13.96	936,702,405.95
Amount				
	End of 2024	End of 2023	Increase at the end of the period over the end of the same period of the previous year Decrease (%)	End of 2022
Net assets attributable to shareholders of listed companies	10,035,295,812.29	8,965,233,890.65	11.94	7,065,182,675.51
assets				
Total assets	15,353,846,792.64	14,207,301,141.89	8.07	11,801,808,510.70

(ii) Major financial indicators

Key Financial Indicators	2024	2023	Increase/decrease in the current period over the same period of the previous year (%)	2022
Basic earnings per share (RMB/share)	3.22	3.69	-12.74	2.48
Diluted earnings per share (RMB/share)	3.22	3.69	-12.74	2.48
Basic earnings per share after extraordinary gains and losses (RMB/share)	3.24	3.24 3.57	-9.24	2.44
Weighted average return on net assets (%)	17.21	23.36	Decrease of 6.15 percentage points	19.32
Weighted average return on net assets after extraordinary gains/losses (%)	17.31	22.61	Decrease of 5.30 percentage points	18.95
Return on average net assets after extraordinary gains and losses (%)				

Explanation of major accounting data and financial indicators of the Company for the previous three years as at the end of the reporting period

☐ Applicable ☒ Not applicable**VIII. Differences in accounting data under domestic and foreign accounting standards****(i) Difference between net profit and net assets attributable to shareholders of the listed company in financial reports disclosed in accordance with both IAS and PRC accounting standards**☐ Applicable ☒ Not applicable**(ii) Difference in net profit and net assets attributable to shareholders of the listed company between financial reports disclosed in accordance with overseas accounting standards and those disclosed in accordance with PRC accounting standards at the same time**☐ Applicable ☒ Not applicable**(iii) Explanation of the differences between domestic and foreign accounting standards:**

☐Applicable ☒Not Applicable

2024

IX. Key Financial Data by Quarter **2024**

Unit: Yuan Currency: RMB

	First quarter (January to March)	Second Quarter (April to June)	Third quarter (July-September)	Fourth Quarter (October-December)
Operating Revenue	1,451,856,439.94	2,407,598,672.83	2,274,331,111.38	1,665,127,754.89

2024

Net profit attributable to shareholders of the listed company	302,213,574.31	522,163,382.73	636,064,840.15	168,363,356.82
Profit				
Net profit after extraordinary gains and losses attributable to shareholders of the listed company	377,183,312.99	485,446,415.36	619,511,377.24	156,347,101.65
Profit				
Cash flows from operating activities	117,600,536.48	759,689,544.95	589,957,303.34	449,300,614.34
Net				

Explanation of differences between quarterly data and data in disclosed periodic reports

☐ Applicable ☒ Not applicable**X. Items and amounts of non-recurring gains and losses**☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Non-recurring profit and loss items	Amount for 2024	Amount for 2023	2022 Amount
Gains and losses on disposal of non-current assets, including those accrued for	-4,993,624.43	42,124.20	80,970.70
Elimination of portion of provision for impairment			
Government grants recognised in profit or loss for the current period, except for government grants that are closely related to the Company's normal business operations, in line with national policies and in accordance with defined criteria, and have a continuing impact on the Company's profit or loss.	34,381,243.77	100,288,735.01	34,744,542.59
Except for government grants that are closely related to the Company's normal business operations, in line with national policies and in accordance with established standards, and have a continuing impact on the Company's profit and loss			
Except for the effective hedging business related to the Company's normal business operations, gains and losses from changes in the fair value of financial assets and liabilities held by non-financial enterprises and losses and gains and losses from the disposal of financial assets and liabilities were as follows	-52,177,913.42	29,320,805.88 - 6,148,720.88	-6,148,720.73
Gains and losses on disposal of financial assets and financial liabilities			
Items not listed in "Interpretative Announcement for Information Disclosure of Companies Issuing Public Securities No. 1 - Non-recurring Gains and Losses" are	2,623,382.30	-1,020,890.74	-65,390.85
Other non-operating income and expenses other than the recognised as non-recurring gains and losses by the Company.			
If the Company defines items not listed in "Interpretative Announcement for Information Disclosure of Companies Issuing Public Securities No. 1 - Non-recurring Gains and Losses" as non-recurring gains and losses and the amount of which is material, and if the Company defines non-recurring gains and losses listed in "Interpretative Announcement for Information Disclosure of Companies Issuing Public Securities No. 1 - Non-recurring Gains and Losses" as non-recurring gains and losses, the reasons thereof shall be explained.	10,140,321.71	10,582,179.97	4,505,844.00
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable			
Profit of non-recurring items (after tax)	-18,851.74		
Total	-9,683,053.23	59,432,487.20	24,148,491.89

XI, Items measured using fair value☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item Name	Opening balance	Closing balance	Change during the period	Effect on profit for the period Amount
Financial assets for trading	178,789,929.05	208,734,591.14	29,944,662.09	-123,465,433.23
Derivative financial assets	3,033,221.14	14,974,286.78	11,941,065.64	15,548,436.42
Receivables financing	10,156,840.13	18,315,265.15	8,158,425.02	
Other investments in equity instruments	617,689,455.01	40,867,997.27	-576,821,457.74	
Derivative financial liabilities	-9,904,207.26	-999,897.45	8,904,309.81	-261,336.88
Total	799,765,238.07	281,892,242.89	-517,872,995.18	-108,178,333.69

XII, Other☐ Applicable ☒ Not applicable

Section III Management Discussion and Analysis

I. Discussion and analysis of operating conditions

In 2024, the Company focused on its main business, adhered to the principle of seeking progress amidst stability, led by innovation, promoted the upward trend of product power, manufacturing power and brand power, and solidly promoted the implementation of various work deployments, and promoted the integration of resources and the enhancement of comprehensive competitiveness to achieve steady development.

In 2024, the Company focused on its main business, adhered to steady progress, led by innovation, promoted product power, manufacturing power and brand power, solidly promoted the implementation of various work deployments, promoted resource integration and comprehensive competitiveness enhancement, and realised steady development of the enterprise.

In 2024, the Company achieved operating revenue of RMB 7,798,914,000, representing a year-on-year growth of 23.56%, and net profit attributable to shareholders of listed companies of RMB 1,628,805,200, representing a year-on-year decrease of 12.76%. As of 31 December 2024, the total assets of the Company amounted to RMB1,535,384.68 million, representing a year-on-year increase of 8.07%, and the net assets attributable to shareholders of listed companies amounted to RMB1,003,529.58 million, representing a year-on-year increase of 11.94%.

In 2024, the Board of Directors of the Company mainly implemented and achieved the following initiatives and results around the established business plan:

1. Steady progress in global development and record high sales performance

In 2024, the Company will continue to implement its globalisation strategy, further improve the construction of overseas channels, optimise the operation of its overseas subsidiaries, blossom in multiple ways, and actively explore new fields and develop new customers. During the reporting period, the Company actively participated in global industry exhibitions and presented many electrified and differentiated innovative products, which attracted overseas customers to contact the Company. The Company also invited customers to visit Dinli's "Factory of the Future" to learn more about Dinli's leading level of intelligent manufacturing, innovative and excellent high-quality products, and energy-saving and carbon-reducing green development practices, and to experience the charm of Dinli's smart manufacturing in multiple dimensions, from intelligent innovation to green leadership. From intelligent innovation to green leadership, customers were able to experience the charm of Dinli's smart manufacturing in multiple dimensions. During the reporting period, the company flexibly adjusted its production capacity according to the demand of each market and the trade environment, and at the same time gave full play to its core competitiveness to orderly promote the introduction of different series of high value-added and differentiated products and market development, so as to further achieve a deeper and wider coverage of the global market. 2024, the company achieved the revenue from the main business of the overseas market of RMB 5,522,923,100 yuan, an increase of 43.83% over the same period last year. 43.83% year-on-year growth.

2. Ongoing optimisation of product structure and rich reserve of high-quality new products

As the main products promoted by the company in recent years, the boom series has become the main driving force for the company's growth. The company's full series of jib products provide three kinds of power source options, electric diesel hybrid with the platform, the working height covers 16-44 metres, suitable for a variety of application scenarios, all-round to meet the needs of customers. 2024, the company to increase the sales of jib products, jib product sales revenue increased by 20.84% year-on-year, accounting for the proportion of the main business income reached 41.2%. Overseas market boom product promotion is smooth, the growth rate is faster, overseas boom product sales revenue increased by 46.99% year-on-year. The company's product matrix is perfect, with rich reserves of high-end products, in addition to more than 200 general-purpose products of boom, scissor fork and mast, it also owns many differentiated and high-quality new products, such as ship spraying and descaling robots, tunnel drilling robots, large suction pure electric glass suction cup trucks, dual-purpose rail aerial vehicles, oil-free design of pure electric scissor forks, and template lifting trucks, etc., to meet the new needs of different customers and different applications effectively. The company focuses on product development and innovation, and constantly improves the quality of its products. The company focuses on product R&D and innovation, and constantly improves product and service power, with rich reserves of high-end high-quality products. In the future, the company will continue to launch more high value-added, differentiated, electrified and unmanned high-end new products to further optimise the product structure and promote the high-quality development of the enterprise.

3. Research and innovation breakthroughs, forging core competitiveness

The company's aerial work platforms have been in the industry's leading level in the research and development of similar products, strong innovation ability, high technical level, especially in the high-end, differentiated products market competitive advantage is obvious. The company has long been the first in the industry to complete the electrification of the whole series of products, and launched a 3-year warranty, of which the full-boom series adopting large load and modular design is even the first in the industry. The company is the only manufacturer in the world to realise the mass production of oil-free, fully electric and environmentally friendly shear fork series, with the maximum working height covering 51.6m, the maximum load covering 230-450kg, and the whole series without hydraulic system, which has the advantages of low energy consumption, safer, easier maintenance, more comfortable and more environmentally friendly.

Taking scientific research and innovation as the engine, the company continuously explores the latest cutting-edge technology integrating the development direction of electrification, greening, digitisation and unmanned development, expands the new aerial work application scenes and fields, and successively lays out the large-scale shipyards, rail transportation and other fields, and researches and develops many differentiated, intelligent and high-end new products in line with the market's new demands. For example, the company's ship spraying and descaling robot can break through the low efficiency, high danger, difficult to control quality and other problems faced by the traditional overhead descaling and spraying operations, and realise the functions of self-running control of spraying trajectory, maintaining vertical and constant distance between spray gun and working surface at all times, and no delay in spraying time for line change, etc., which ensures that the thickness of the paint film is standardized and uniform in the process of spraying, and that the rate of automatic continuous spraying is not less than 450 square metres per hour. In terms of rust removal, it can automatically adjust the pressure size and sanding strength according to the degree of rust corrosion on the surface, distance and other factors, so as to realise precise rust removal, avoid excessive

sanding and damage to the substrate, and ~~er~~~~2024~~ the quality of rust removal. The company attaches great importance to technology research and development. In 2024, the company will invest RMB 25,591.86 million in research and development, with a year-on-year growth of 16.32%.

The company has an overseas R&D centre and China Enterprise Research Institute, and currently has 280 patents, including 142 invention patents and 101 overseas patents.

The Company has 5 computer software copyright registration certificates, participated in the formulation of 12 national standards and 7 industry standards, and is a national intellectual property advantageous enterprise with strong comprehensive strength in core technology research and development, product innovation and intellectual property protection. During the reporting period, the company's "BT44ERT" was shortlisted for the "IAPA Innovative Technology Award", "IAPA Product of the Year" (Self-propelled Boom and Spider Aerial Work Platform), "JCPT16" and "JCPT16" were selected as finalists for the "IAPA Innovative Technology Award" and "IAPA Product of the Year" in 2024. The company's "BT44ERT" was shortlisted for the "IAPA Innovation and Technology Award" and "IAPA Product of the Year" (self-supporting boom and spider aerial work platforms) in 2024, and the "JCPT1612PA" was awarded the "IAPA Product of the Year" (pruning fork and vertical mast aerial work platforms). It realised the breakthrough of a Chinese enterprise in this award. As a "Manufacturing Single Champion Demonstration Enterprise", the company will continue to deepen and strengthen the development of electrification and differentiation, and continue to research and develop more green, intelligent and high-end products that meet the new market demand.

4. The fund-raising project climbs the slope smoothly, and intelligent manufacturing adds new kinetic energy.

The company has the most intelligent and automated aerial work platform manufacturing plant in the industry, widely applying big data, Internet of Things, artificial intelligence and other technologies to achieve the closed-loop production mode of the whole industrial chain, covering digital design of equipment, flexible production, intelligent management, green, energy-saving, environmentally friendly production process, significantly enhancing the company's manufacturing advantages of high-end intelligent products, and realising the digital empowerment of the product life cycle intelligent smart manufacturing mode. It has realised the intelligent manufacturing mode of digitally-enabled product life cycle, and the intelligent manufacturing technology has led the development of the industry.

During the reporting period, the company's fund-raising project "annual output of 4,000 sets of large-scale intelligent high-level aerial platform project" has been completed, and the boom production capacity has been climbing smoothly and gradually released. The products of this project have the characteristics of higher metres and larger load, which can further enrich the company's product line, enhance the differentiation advantage, improve the company's product structure, better enhance the company's technical level and production capacity, and provide more market-favoured high-quality new energy aerial working platform products, helping the company to build a more efficient, intelligent and coordinated "Future Factory". This will help the Company build a more efficient, intelligent and synergistic "factory of the future", further develop a green economy, provide a lasting impetus and a solid foundation for the cultivation and development of new productivity, and unleash new kinetic energy.

5. Actively practicing ESG, escorting the sustainable development of the enterprise

With ESG as a guideline, the company focuses on the five major aspects of green manufacturing, green products, green parks, green travelling and green recycling, and defines a long-term strategy to build a "green and sustainable" corporate ecology. With the "Factory of the Future" as the starting point, the Company will gradually increase the proportion of renewable energy and minimise the impact of the production process on the environment through energy saving, waste reduction, technological improvement and intelligent equipment upgrading, etc. By 2024, the Company's renewable energy power generation will increase by 47.15%. The Company invited an independent external third party to assist in conducting a plant-wide operational carbon inventory and assessment, in order to comprehensively map out the situation and further promote multi-dimensional carbon reduction. Meanwhile, the Company continued to plough into the electrification strategy of its products, and innovatively provided electric and hybrid models for customers to choose from on top of small-displacement diesel models, helping customers reduce greenhouse gas emissions and realise synergistic carbon reduction in the upstream and downstream of the value chain.

II. Industry situation of the Company during the reporting period

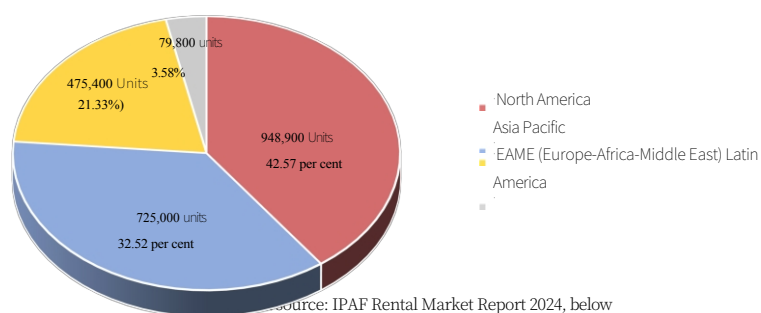
Aerial working platform equipment is widely recognised as one of the safest methods to achieve aerial work. As a manned aerial work platform, it can effectively ensure the safety of work at height and reduce the incidence of fall-at-height accidents. The downstream application fields of the aerial work platform industry are extensive and dispersed, and can be applied in the industrial, commercial and construction fields, with less influence from a single industry. In recent years, a number of large global rental companies have announced their green development strategies, and green, low-carbon and sustainable development has become a consensus. The demand for green and environmentally friendly new energy products from leasing companies is increasing. Dinli is committed to researching, developing and producing safer, more efficient and greener products to boost the development of the industry and achieve common growth.

(I) Overview of the global market

The global aerial work platform competition pattern is stable, the mature market has a large amount of equipment, stable growth rate, perfect product structure, the market demand mainly comes from the demand for renewal and replacement; the domestic market started late, in recent years, with the manufacturers, leasers, competition intensified, the industry has shown phased fluctuations, but in the long run the new and replacement demand is still persistent; the emerging market is in the early stage of development, the market size is small, the development potential.

According to "IPAF Rental Market Report 2024", the global aerial work platform rental market in 2023 retains about 2.23 million units. Among them, North America has about 948,900 units, accounting for 42.57%, Asia-Pacific has about 725,000 units, accounting for 32.52%, EAME has 475,400 units, accounting for 21.33%, and Latin America has 79,800 units, accounting for 3.58%.

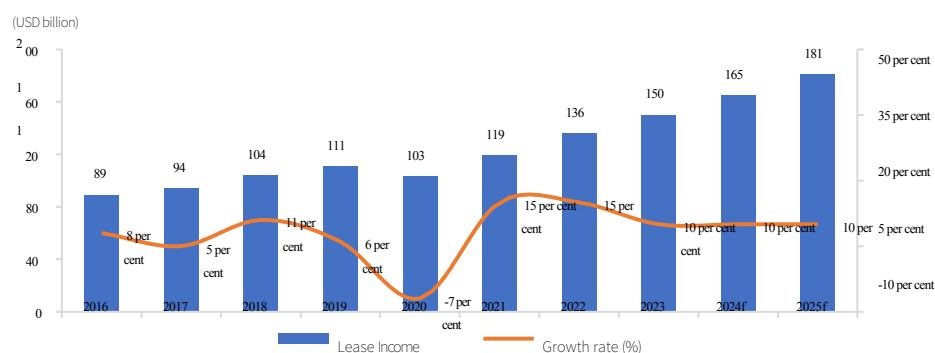
Global Aerial Work Platform Rental Market Equipment Ownership in 2023



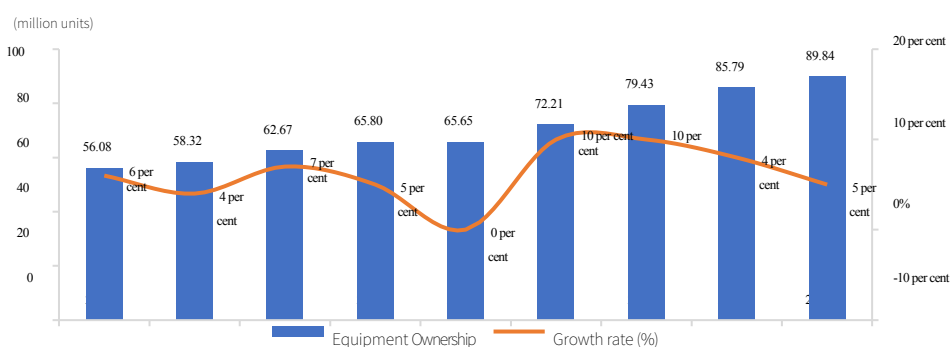
(1) Europe and the United States market demand for equipment renewal and replacement is stable, with a steady growth rate

According to IPAF Rental Market Report 2024, in 2023, the US aerial work platform rental market will continue to benefit from economic activities such as the growth of GDP and the increase of investment in the construction sector, and the US aerial work platform rental market will continue to show strong demand. 2023 aerial work platform rental revenue in the US rental market will be around USD 15 billion, up 10% year-on-year; the rental market will have 85.79 million units of ownership. In 2023, the rental revenue of aerial work platforms in the U.S. rental market will be about \$15 billion, an increase of 10% year-on-year. In terms of application scenarios, the U.S. aerial work platform rental market is still mainly oriented to construction applications, with the ratio of construction and non-construction applications at 76:24, which has been relatively stable in recent years.

U.S. Aerial Work Platform Rental Market Revenue and Growth Rate, 2016-2025f

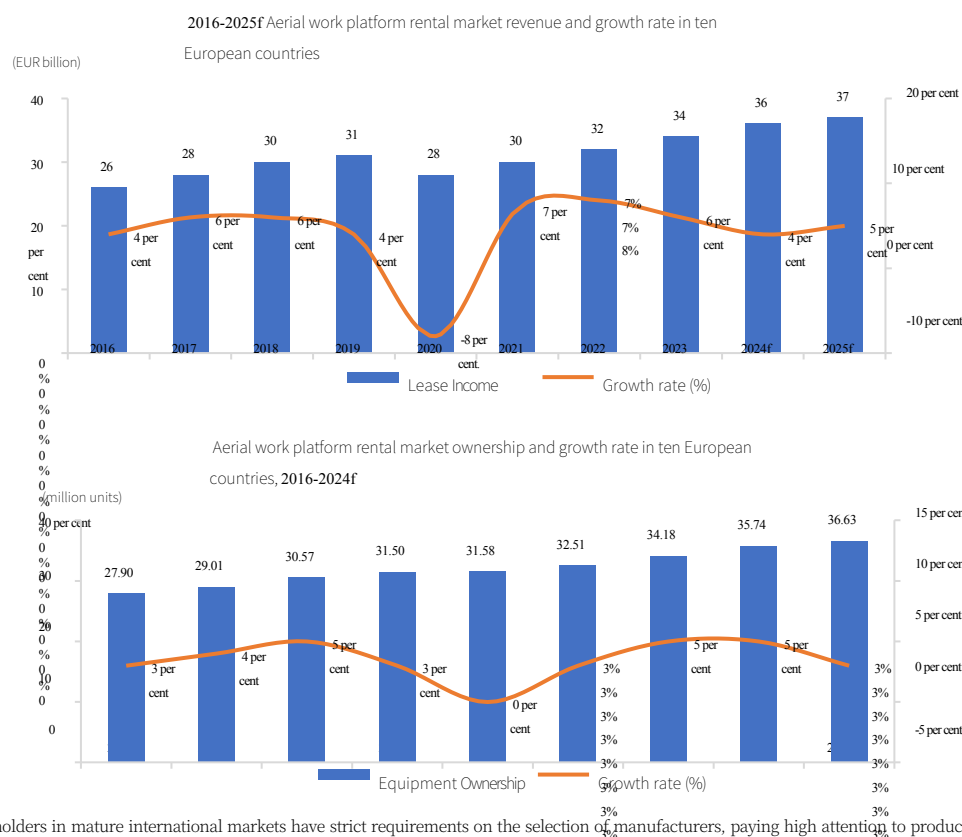


2016-2024f U.S. Aerial Work Platform Rental Market Volume and Growth Rate



2024

According to IPAF Rental Market Report 2024, the aerial work platform rental market in ten European countries (Denmark, Finland, France, Germany, Italy, the Netherlands, Norway, Spain, Sweden, and the UK) will generate revenues of approximately €3.4 billion in 2023, up 6% year-on-year, while the number of units owned will be 357,400, up 5% year-on-year. The European aerial work platform rental market continues to transition to green energy.



Leaseholders in mature international markets have strict requirements on the selection of manufacturers, paying high attention to product quality, failure rate, durability, residual value of equipment and circulation. In the era of green, low-carbon and sustainable development, manufacturers with excellent product quality, high brand awareness, large scale of production, rich product range and effective electrification strategy have more competitive advantages. Through years of layout, the company has formed a variety of series, modularity, differentiation of industry-leading new products, product line expansion and enrichment, and by virtue of excellent technological innovation, manufacturing advantages, stable quality and good after-sales service to obtain the favour of the international head of the leasing company, with high-quality and stable customer resources, the global influence of the brand of DINGLI continues to improve.

(2) China's market fluctuates in stages, but long-term opportunities are strong

Domestic aerial work platform manufacturers and leasing companies compete fiercely, bringing challenges to the development of the aerial machine industry. The market is under pressure in the short term, but looking up in the long term. As the leasing industry undergoes another round of reshuffle, leasers will pay more attention to brand selection and risk control to ensure their long-term sustainable and healthy operation. The company insists on providing domestic leasers with good products and services, and escorting customers in the whole life cycle of equipment.

(ii) The trend of greening, electrification and sustainability in the industry is becoming more and more obvious.

Based on various considerations such as the promotion of national policies, upgrading of emission standards, its own green transformation strategy, and lower comprehensive use costs, leasing companies are also increasingly inclined to green and electrified products in their equipment selection. The development of electrification not only reduces greenhouse gas emissions, but also helps leasing companies to reduce the use of fuel, reduce equipment maintenance, lower operating costs and improve profitability. With the development of electric technology, electrified products have become the mainstream products chosen by rental operators. The company's full range of products have been motorised, and it is the first manufacturer in the world to realise a series of products with high metreage, large load capacity and modular electric boom. With keen market insight and high foresight, the Company fully grasps the development trend of the industry's safety, health, green and sustainable development, and actively leverages its world-leading innovation and research and development advantages and the industry's first-class intelligent manufacturing advantages, and will further launch more high value-added, differentiated and new energy products.

Business situation of the Company during the reporting period

The Company is engaged in the research and development, manufacture, sales and service of various types of intelligent aerial work platforms, with the main products covering three series of boom, shear fork and mast, totalling more than 200 specifications. The boom type series includes straight boom type and curved boom type, and the whole series includes three kinds of power sources: electric, hybrid and diesel, with a maximum working height of 44 metres and a maximum load of 454kg; the shear fork type series has a maximum working height of 37 metres and a maximum load of 1,000kg; and the mast type series includes aerial working platforms of mast type and aerial reclaiming platforms. The company's products are mainly used in industrial, commercial and construction fields, covering construction engineering, building decoration and maintenance, warehousing and logistics, petrochemical industry, ship production and maintenance, as well as special working conditions such as the national power grid, nuclear power plants, high-speed railways, airports, tunnels and so on.



Figure: Product Overview

The company has taken the lead in realising the electrification of the whole series of products, and is the first manufacturer in the world to realise the high-meter, large-load, modular electric jib series products. The company's electric jib series products have many advantages such as energy-saving and environmentally friendly, no noise, safe and practical, strong power, convenient maintenance and easy to transport, long range and more economical, etc., and can meet the application in the national grid, nuclear power plants, Sinopec, PetroChina, high-speed railways, airports, tunnels, residential areas and other areas with strict requirements for environmental protection and emissions. Hybrid boom series products continue the advantages of electric models, equipped with range extender can be charged by themselves, effectively applied to no power supply conditions, solving the difficult problem of outdoor charging. Electric scissor fork series products are highly efficient, with excellent safety, stability and durability, among which the oil-free and environmentally friendly scissor fork aerial working platforms have no hydraulic system, and the electric actuator is used for lifting, lowering and steering instead of the traditional oil cylinder, which is oil-free, noiseless, zero-emission, and has a higher degree of environmental protection. Mast-type products are mainly used in warehousing, supermarkets, indoor decoration and maintenance, etc. with the characteristics of pure electric drive, light structure, flexible operation, no noise and no pollution. In addition, the company's differentiated products are also endless, in addition to the existing glass suction cup car, rail aerial vehicle, formwork lifting car and other products, and the latest launch of ship spraying and rust removal robots and tunnel drilling robots, which can effectively meet the market's new needs, the application scenarios can be covered in the field of ships, railway tunnels (laying cables, installation of lighting equipment), underground tunnels (laying tracks, installation of signalling systems), highway tunnels (installation of ventilation equipment, fire fighting facilities), road tunnels (installation of ventilation equipment, fire fighting facilities), and other applications. Installation of ventilation equipment, fire-fighting facilities), water conservancy tunnels (installation of drainage pipes, monitoring equipment) and so on.



Ship spraying and descaling robot



Tunnel drilling robot

The company adopts a production and operation mode combining independent and entrusted R&D, production, sales and service. In terms of manufacturing, the company implements a production model combining sales forecast and order-driven according to the different purchasing habits of domestic and overseas customers. In terms of product sales, the company's sales model is divided into direct sales and distribution model. Aerial work platforms are mainly acquired by end users through leasing due to characteristics such as a wide range of products and diverse downstream application scenarios. Renters are an important link between aerial work platform manufacturers and end users. Under the direct sales model, the Company's main customers are rental dealers. Under the distribution model, the Company sells its products to dealers, who in turn sell the products to downstream rental companies and other end-users.

The Company's product sales settlement mode is mainly credit sales and finance leasing. Among them, the operation mode of finance lease sales is that the customer signs a finance lease contract with the Company's own finance lease platform or a third-party finance leasing company, and after making the down payment, the finance leasing company will make payments for the equipment to the Company's account as agreed in the Sale and Purchase Contract, and the customer will pay the rent in instalments as agreed in the Finance Lease Contract, and the ownership of the products will be transferred to the customer after the rent is settled in full. During the reporting period, there was no significant change in the main business of the Company. The Company has industry-leading advantages in R&D and innovation, intelligent manufacturing, brand value and marketing service. With industry-leading advantages in R&D and innovation, intelligent manufacturing, brand value and marketing services, the Company has been ranked among the top 10 in "Top 20 Global Aerial Work Platform Manufacturers" published by Access International for consecutive years, and its product quality and brand value have been widely recognised by domestic and overseas customers.

Analysis of core competitiveness during the reporting period

√ Applicable ☐ Not Applicable

As a global leading enterprise of new energy aerial work platforms, the Company accelerates the development of new quality productivity, actively cultivates new kinetic energy for development, and actively conforms to the industry's electrification, greening and intelligentisation.

We are actively responding to the trend of electrification, greening and intelligence in the industry, seizing new opportunities in the market, and continuing to build upgrading DINGLI's unique and differentiated competitive advantages: **1. Sharp market insight and industry foresight advantage**

The company has precipitated the industry for many years, with keen market insight and a high degree of foresight, in the face of the complex and changing external environment and increasingly fierce market competition, can calmly respond to the layout in advance, seize the first opportunity to maintain the performance of sustained growth of the good situation. In terms of market structure, the company pays close attention to the global political pattern, economic situation, market situation, etc., and adjusts or flexibly switches the market centre of gravity at the right time to ensure the operation safety and profitability to the maximum extent, with a strong risk-resistant ability. In terms of product layout, the company continues to deepen the development of electrification, differentiation, intelligence and unmanned development, and continuously expands new application scenarios and fields such as national grid, large shipyards and rail transportation. At this stage, the company has made more adequate preparations in product research and development, capacity planning, manufacturing technology, market development, etc., in order to cope with the diversified needs of customers and fierce competition in the market, and to lead the industry in safe, healthy, rational and sustainable development.

2. Omni-directional and multi-level high quality specialisation advantages

As a global leading professional high-end equipment manufacturing enterprise, the company has always focused on the main industry, relying on scientific and technological research and development, guaranteeing craftsmanship products, and pivoting on dedicated service, and concentrating on aerial working platform market segments. The company through the fine design, exquisite R & D, lean manufacturing, sincere service, high-quality multi-dimensional system to create aerial working platforms of excellence. The company not only has professional production technology and advanced process, but also equipped with professional R & D team, high-quality sales team, strong execution of after-sales service team and efficient and stable management team, has achieved a series of all-round professional services from R & D to after-sales, effectively enhance customer satisfaction. The company subverts the traditional design concept, adopts modular design, product components, structural components, strong universality, not only can effectively shorten the new product development cycle, but also help to reduce the company's product life cycle of procurement, logistics, manufacturing and service costs, but also facilitates the leasing company to reduce the cost of maintenance and repair costs and spare parts purchasing and warehousing costs. The company has been ploughing into the industry for many years and has a deep understanding of market demand, and is able to quickly perceive and respond to changes in the market environment and customer demand. Energy-saving and environmental protection, electrification, intelligence and large load capacity have become the development trend of aerial work platforms. Aiming at the market demand, the company accurately grasps the development direction of the industry, and actively creates green products, and has taken the lead in launching the industry's leading full series of high-metre, large-loaded, modular electric boom and electric off-road scissor-type products, which have the advantages of energy saving and environmental protection, no noise, and convenient and low-cost maintenance, and have the characteristics of large load, strong power, and easy transportation. The company is the first enterprise in the industry to realise that high-metre boom products can enter the container in the form of the whole machine, and all the boom products (with the maximum working height of 16-44 metres) are suitable for container transport, which can effectively save the transport space, reduce the transport cost, improve the loading efficiency, and at the same time reduce the manpower, resources and carbon emission consumed by the transport.

Providing customers with more professional and high-quality products and services is the company's pursuit and continuous efforts to achieve the goal. The company is based on specialisation and highlights the competitive advantages of differentiation, and is able to provide a series of differentiated products and customised services to meet the needs of different customers.

3. Advantage of fine and strict quality control of the whole process

Aerial working platform with its safety, efficiency, environmental protection and other advantages to become the first choice of equipment for aerial work, and as a manned aerial work tool, the equipment safety operation requirements are extremely high. Therefore, product quality and equipment residual value are important factors for rental companies to consider when choosing equipment manufacturers. Since its inception, the company has always adhered to the concept of craftsmanship, adhering to strict quality management and efficient supply chain quality management, and has won a good reputation at home and abroad.

The company has established the business philosophy of "quality first, excellence", and set up a quality control system in accordance with international standards, strictly implement the quality responsibility and improve product quality. The company has a quality management team with the chairman as the core, forming a vertical management mode from top to bottom, so that quality problems can be solved in a more timely, effective and rapid manner. In the production process, the company follows the "three no's principle" of quality management to carry out on-site quality control, adopts the job responsibility system, the next process is the inspector of the previous process, and each process is controlled at each level, and establishes a comprehensive coverage of quality control mechanism and quality problem early warning mechanism, the implementation of the production supervisor is responsible for the system, and the quality problem is exposed in time, and tracked to the end. Tracking to the end. At the same time, in order to achieve precise control of the technical design, production process, equipment manufacturing, personnel quality and other aspects, the company has set up a responsibility traceability and technical reform verification mechanism, quality problems can be traced back to each process and the corresponding suppliers, to achieve the source of control. The company carries out monthly review and discussion on the key quality issues occurring in the finished product inspection side (manufacturing link) and after-sales service side (customer feedback link), forming dynamic tracking management.

In addition to internal control work, the company actively improve external quality information feedback mechanism to further improve product quality. On the one hand, the company regularly convenes supplier quality meetings to assist suppliers to establish and improve the quality management system, establish quality information communication and data sharing channels, assist suppliers to analyse quality data and formulate countermeasures for improvement, organise the relevant departments to review the production process and quality control of suppliers and provide improvement advice, stabilise the quality of supply of outsourced parts and components, and strictly control the quality from the source. On the other hand, the company actively visits customers. On the other hand, the company actively visits the customers, the first time to understand the status of product use, collect customer opinions, so as to accurately grasp the customer demand and product quality status. The company also set up a customer quality complaint database, customer quality complaint data and key complaints for the stage of statistics and summary analysis, multi-departmental linkage to find out the root causes of quality problems, and develop appropriate improvement measures to solve quality problems from the root.

4. Industry-leading R&D and Innovation Advantage

As a global leader in new energy aerial work platforms, the company takes electrification, modularisation and intelligence as the direction of technology research and development, and constantly devotes itself to exploring the most cutting-edge technology of global aerial work platforms and researching and developing globally leading intelligent aerial work platform products. The company has an overseas R&D centre and China Enterprise Research Institute, and currently owns 280 patents, including 142 invention patents, 101 overseas patents, and 5 computer software copyright registration certificates, which ranks first in the domestic aerial work platform industry.

The number of patents ranks the first in the domestic aerial working platform industry. The company has participated in the formulation of 12 national standards and 7 industry standards, and is a national intellectual property advantageous enterprise, one of the units of national standards and industry standards, which demonstrates the company's comprehensive strength in core technology research and development, product innovation and intellectual property protection.

The company was recognised by the Ministry of Industry and Information Technology as a "Model Enterprise of Manufacturing Individual Champion", and won the "IPAF Aerial Work Platform Pioneer of the Year Award", making the zero breakthrough of Made-in-China in this international award. President Xu Shugen was elected as a judge of the International Aerial Equipment Awards 2023 (IAPA 2023), becoming the first Chinese judge of the award. "BT44ERT" was shortlisted for "IAPA Innovative Technology Award" and "IAPA Product of the Year" (Self-supporting Boom and Spider Aerial Work Platform) in 2024. "JCPT1612PA" won the "IAPA Product of the Year" (Scissor and Vertical Mast Aerial Work Platforms) in 2024, realising the zero breakthrough of Chinese enterprises in this award.

The company actively practices green development and continuously leads the industry change, and has taken the lead in realising the electrification of the whole series of products, and become the first manufacturer in the world to realise the high-metre-count, large-load, modular electric jib series products. The company's electric jib series products have many advantages such as energy-saving and environmentally friendly, no noise, safe and practical, strong power, convenient maintenance and easy to transport, long range and more economical, etc., and can meet the application in the national grid, nuclear power plants, Sinopec, PetroChina, high-speed railways, airports, tunnels, residential areas and other areas with strict requirements for environmental protection and emissions. At present, the company's full series of boom products provide three power source options, electric-diesel hybrid with the same platform, the working height covers 16-44 metres, suitable for a variety of application scenarios, to meet the needs of customers in all aspects. The company is the only manufacturer in the world to realise the mass production of oil-free, all-electric and environmentally-friendly shear fork series, with the maximum working height of 5-16m and the maximum load of 230-450kg. The whole series of products have no hydraulic system, and the electric actuator is used to replace the traditional cylinder for lifting and lowering and steering, which has the advantages of low energy consumption, safer, easier maintenance, more comfortable, more environmentally friendly, etc. The company's aerial work platforms have the advantage of being the best among the same series of products.

The company's aerial work platforms have been in the industry's leading level in the research and development of similar products, with strong innovation ability and high technology level, especially in the high-end, differentiated products market with obvious competitive advantages, such as ship spraying and descaling robots, tunnel drilling robots, dual-purpose rail trucks, template lifting trucks with a max suction force of 500kg, and the upgraded model of the new product with a max. lifting height of 26.1 metres, 1500kg electric glass suction cups, etc. are favoured by customers. High

The high metre hybrid off-road forklift has also broken through the technical barriers, with a height of 37 m and a load capacity of 700 kg. The company continues to deepen and strengthen the development of electrification and differentiation, and will continue to research and develop more high-end products to meet the market's new needs in the future.

5. Intelligent Manufacturing Advantage of Continuous Leadership in Excellence

The company has the "Future Factory" project - "Large-scale Intelligent Aerial Work Platform Construction", which is the leading intelligent and automated factory in the global industry. The company continuously optimises and improves the production technology and process, and has been able to realise the automated assembly production line to roll out one scissor-type product every 7 minutes and one boom-type product every 30 minutes. The company's "Large-scale Intelligent Aerial Work Platform Construction Project" widely applies big data, Internet of Things, artificial intelligence and other technologies, and through the informatisation and intelligence of product design, production, testing, traceability, logistics and warehousing, it has realised digital design, flexibilisation of production and intelligent management, which has significantly improved the company's high-end intelligent aerial work platform intellectual manufacturing process. platform manufacturing process.

In line with the development trend of intelligence, the company integrates the world's leading manufacturing process advantages with the industry's first-class R & D and innovation technology and intelligent manufacturing capabilities, and through digital information technology, it has created an independent and controllable "Dingli Wisdom Cloud Big Data Visualisation Platform" covering the whole process of data collection, systematic analysis and intelligent application, and launched many online instantaneous, standardised and systematic intelligent services. Through digital information technology, Dingli has created the "Dingli Wisdom Cloud Big Data Visualisation Platform" covering data collection, system analysis and intelligent application, and launched many online instant, standardised and systematic intelligent services, realising the intelligent manufacturing mode of digitally-enabled product life cycle. Dingli's large-scale intelligent aerial working platform construction project was selected as one of the first batch of "Future Factory" in Zhejiang Province in 2020. Zhejiang Dingli's "Future Factory" was selected as a finalist for the 2024 IAPA "Sustainable Development Award", demonstrating the company's comprehensive strength in intelligent manufacturing, green low-carbon, energy saving and emission reduction.

The company continued to promote the construction of digital productivity, and the project of "4,000 sets of large-scale intelligent high-level aerial platforms per year" has been completed and put into production. The company makes every effort to improve the level of modern intelligent manufacturing, create more, better and stronger energy-saving and efficient new energy aerial work platforms with superior performance, and lead the industry in digital intelligent development.

6. Flexible and efficient first-class marketing service advantages

The company has a perfect domestic and international marketing network and rich experience in market development, flexible to promote the common development of domestic and international markets, and actively promote the globalisation strategy. International market, the company's products have been exported to more than 100 countries and regions around the world, at the same time, the company orderly layout, successively through equity co-operation, the timely establishment of branch/subsidiary and set up a local team and other forms of multi-flowering, to further expand overseas sales channels, efforts to increase non-trade friction in the development of overseas markets, and to strengthen the cooperative relationship with overseas large-scale leasing companies. As for the domestic market, the Company has been actively cultivating and developing new customers, continuously exploring potential high-quality customer groups, continuously enhancing the stickiness of old customers by virtue of high quality, numerous differentiated advantageous products and high-quality after-sales service, and continuously consolidating and deepening the strategic partnership with domestic high-quality leasing companies. Relying on the existing rich marketing network, the company is able to strongly respond to changes in the domestic and international market environment, flexibly adjust the sales strategy, and has a strong anti-risk ability.

The Company always takes the customer's point of view, always adheres to the guidance of "customer-centred, meet customer needs", optimises customer experience, provides pre-sale, sale and after-sale services through multi-channels, and continues to build a good customer service system.

(1) Customer Training Service: The company has passed the strict audit of IPAF, and is the training centre of IPAF in China, and the instructors are certified after strict examination. The company arranges high-quality theoretical tests and practical training for customers through a combination of online cloud live interactive training and offline face-to-face training, focusing on analysing the reasons for the occurrence of safety accidents and putting forward practical suggestions, so as to comprehensively improve the safety operation concepts, operation level and maintenance skills of domestic and foreign customers. The company continues to innovate the training mode, according to different working conditions, different countries and regions to use the actual situation, for domestic and foreign customers to provide personalised, diversified training courses, to meet the training needs of different customers, so that the service "soft power" to become a "hard support" for the development of the enterprise.

(2) After-sales maintenance service: the company has more than ten sales and service outlets around the world to meet localised service needs. The company is the first enterprise in China to raise the warranty period of all series of aerial working platforms to 3 years. Outside the warranty period, the company provides lifelong maintenance service and free technical support. At the same time, the company takes customers as the centre, implements 7×24-hour "nanny" service, ensures the visualisation of the whole process of all repair and maintenance services through CRM customer management system, and strictly achieves real-time order taking, real-time docking, progress disclosure, and synchronous online and offline services, so as to provide high-quality after-sales maintenance services in an all-round way.

7. Brand value advantage of increasing market recognition

After years of market development and cultivation, the company has won a good reputation in the domestic and international aerial work platform market for its strong R&D strength, advanced manufacturing process, excellent product quality and outstanding after-sales service. The company has been listed among the top ten global aerial work equipment manufacturers for consecutive years, and has been awarded as one of the top 100 enterprises of value of China's main board listed companies, one of the top 30 private listed companies in China in terms of investor confidence, one of the listed companies in the category of "Golden Quality Sustained Growth Award", "Evergreen", "Gold Quality Award" and "Gold Quality Award".

2024

The company was also recognised as one of the "National Intellectual Property Advantageous Enterprises" and "Manufacturing Single Champion". The company has also been recognised as a "National Intellectual Property Advantageous Enterprise" and a "Manufacturing Single Champion". Mr Xu Shugen, the chairman of the board of directors, was selected as the first Chinese judge for the International Aerial Equipment Awards Conference 2023 (IAPA 2023), and was awarded the "2022 Businessman of the Year in Zhejiang", "2023 China Construction Machinery Technology Innovation Award" and "2023 China Construction Machinery Technology Innovation Award". He was also honoured as the "2022 Businessman of the Year in Zhejiang" and "2023 China Construction Machinery Technology Innovator 50". Good brand image and market influence are also the basis for the company to win customers' trust and confidence. In recent years, the Company has been actively practicing ESG strategy by integrating ESG concepts with corporate development from the perspectives of compliance management, stakeholders' concerns, sustainable innovation, and employee care, which not only promotes the continuous improvement of the Company's overall internal management level, but also further enhances the Company's brand value and market position, strengthens the trust of customers and investors, and maintains long-term competitive advantages in the global market and promotes sustainable development. It also enhances the trust of customers and investors, maintains long-term competitive advantages in the global market, and promotes sustainable development.

8. Advantage of digital platform with efficient collaboration and precise ecology

Through digital information technology, the Company owns an autonomous and controllable digital platform covering the whole process of data collection, system analysis and intelligent application, including sales, after-sales service, spare parts service, logistics management, financial control and other aspects, and can achieve precise control over many overseas subsidiaries, efficiently integrate data resources, optimise business processes, reduce costs, improve operational efficiency and customer satisfaction, and better serve our global customers. global customers, accelerating the construction of a more complete Dinli digital ecosystem.

V. Major operating conditions during the reporting period

During the reporting period, the Company achieved an operating income of RMB7,798,914,000, representing a year-on-year growth of 23.56%, and a net profit attributable to shareholders of the listed company of RMB1,628,852,000, representing a year-on-year decrease of 12.76%.

(I) Main business analysis

1. Analysis of changes in relevant accounts in the income statement and cash flow statement

Unit: Yuan Currency: RMB

Accounts	Current period	Number for the same period of last year	Percentage change (%)
Operating revenue	7,798,913,979.04	6,311,963,849.93	23.56
Operating Costs	5,065,980,518.04	3,989,863,306.14	26.97
Cost of sales	253,881,041.19	125,038,482.83	103.04
Administrative expenses	224,833,897.80	141,225,030.79	59.20
Finance costs	-91,913,628.45	-244,764,622.51	Not applicable
R&D expenses	255,918,596.38	220,006,702.13	16.32
Net cash flows from operating activities	1,916,547,999.11	2,227,397,039.34	-13.96
Net cash flows from investing activities	-178,527,168.26	-862,617,775.37	Not applicable
Net cash flows from financing activities	-996,799,146.15	520,447,150.31	Not applicable

Reasons for the changes in selling expenses: Mainly attributable to the acquisition of CMEC by the Company during the reporting period and the increase in expenses after the merger. Explanation for the changes in administrative expenses:

mainly due to the acquisition of CMEC and the increase in expenses after the merger during the reporting period.

Explanation for the changes in finance costs: mainly due to the changes in exchange gains and losses.

Explanations for the changes in net cash flows from investing activities: mainly due to the increase in cash recovered from disposal of other equity instruments and other investments during the reporting period. Explanations for the changes in net cash flows from financing activities: mainly due to the increase in cash paid for dividend distribution and the decrease in cash received for borrowings in the reporting period.

Detailed description of significant changes in the type of business, profit composition or source of profit of the Company during the period

☐ Applicable ☒ Not applicable

2. Analysis of revenue and costs

☒ Applicable ☐ Not Applicable

2024

During the reporting period, the Company achieved an operating income of RMB 7,798,914.40 million, representing a year-on-year growth of 23.56%, of which the main business income was RMB 7,171,720.06 million, representing a year-on-year growth of 20.33%, which was attributable to the growth of sales in overseas markets; the operating cost was RMB 5,065,980.505 million, representing a year-on-year growth of 26.97%, of which the main business cost was RMB 4,756,145,300, representing a year-on-year growth of 22.28%. Year-on-year growth of 22.28%, mainly due to the increase in product sales revenue, resulting in the corresponding increase in the cost of sales.

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

Unit: Yuan Currency: RMB

Main business by industry						
Sub-industry	Operating income	Operating Cost	Gross Profit Rate (%)	Increase in operating income over the previous year Decrease (%)	Increase in operating costs over the previous year Decrease (%)	Gross profit margin over the previous year (%)
Industrial	7,171,720,598.85	4,756,145,300.85	33.68	20.33	22.28	-1.06
Total	7,171,720,598.85	4,756,145,300.85	33.68	20.33	22.28	-1.06
Main business by product						
Products	Revenue	Operating Cost	Gross Profit Rate (%)	Increase in operating income over the previous year Decrease (%)	Increase in operating costs over the previous year Decrease (%)	Gross profit margin over the previous year (%)
Boom type aerial working platform	2,955,688,241.79	2,063,034,902.73	30.20	20.84	18.33	1.48
Scissor-type aerial work platform Platform	3,444,009,255.80	2,220,708,481.58	35.52	14.41	19.91	-2.96
Mast-type aerial working platform Platform	772,023,101.26	472,401,916.54	38.81	53.14	60.62	-2.85
Total	7,171,720,598.85	4,756,145,300.85	33.68	20.33	22.28	-1.06
Main business by region						
By Region	Revenue	Operating Costs	Gross Profit Rate (%)	Increase in operating income over the previous year Decrease (%)	Increase in operating costs over the previous year Decrease (%)	Gross profit margin over the previous year (%)
In China	1,648,797,455.58	1,213,761,625.70	26.39	-22.23	-23.16	0.89
Outside China	5,522,923,143.27	3,542,383,675.15	35.86	43.83	53.36	-3.99
Total	7,171,720,598.85	4,756,145,300.85	33.68	20.33	22.28	-1.06
Main business by sales mode						
Sales Mode	Revenue	Operating Cost	Gross Profit Rate (%)	Increase in operating income over the previous year Decrease (%)	Increase in operating costs over the previous year Decrease (%)	Gross profit margin over the previous year (%)
Explanation of main business by industry, product, region and sales mode						
Direct sales	5,824,253,644.26	3,922,157,017.34	32.66	45.34	46.52	Decrease 0.54 percentage points
During the reporting period, the revenue of aerial working platforms of the Company increased by 20.33% over last year, and the gross profit margin decreased by 1.06 percentage points, remaining stable overall. Among them, the sales revenue of mast-type aerial work platforms increased by 53.14%, which was mainly due to the growth of overseas sales.						
Distribution	1,347,466,954.59	833,988,283.51	38.11	-31.00	-31.22	Increase 0.20 percentage points
During the reporting period, the Company's overseas revenue increased by 43.83%, which was mainly due to the Company's acquisition of CMEC and the development of other non-European and American markets.						
Total	7,171,720,598.85	4,756,145,300.85	33.68	20.33	22.28	Decrease 1.06 percentage points
During the reporting period, the Company's sales were mainly based on the direct sales model, with the revenue from main business increasing by 45.34% as compared with that of the previous year, while the revenue from main business of the distribution model decreased by 31.00% as compared with that of the previous year, which was mainly attributable to the increase in the purchasing demand from leasing agents and the inclusion of the distributor, CMEC, into the scope of consolidation by way of a merger under non-identical control.						

In accordance with the "Interpretation of Enterprise Accounting Standard No. 18" in 2024, the Company included warranty expenses in "Cost of main business" and no longer included them in "Selling expenses", and made retrospective adjustments to the comparable data of the previous period.

(2) . Analysis of production and sales volume

√ Applicable □Not applicable

Main products	Unit	Production volume	Sales volume	Inventory quantity	Increase/decrease in production over the previous year (%)	Increase/decrease in sales volume over the previous year (%)	Increase/decrease in inventory over the previous year (%)
Boom type aerial work platform	Unit(s)	6,038	6,516	1,969	0.75	18.65	-19.53
Scissor-type aerial work platform	Unit(s)	36,725	37,023	15,117	-13.04	-13.54	-1.93
During the reporting period, the Company adjusted its product structure in accordance with the market demand and increased the production and sales of boom-type aerial working platforms.							
Mast-type aerial working platform	Unit: 10,535	10,535	9,709	4,462	42.25	28.89	22.72

(3) . Fulfilment of material purchase contracts and material sales contracts

□ Applicable √ Not applicable

(4) . Cost analysis table

Sub-industry situation							
Sub-industry	Cost component items	Amount for the current period	Proportion of current period to total costs (%)	Amount for the same period last year	Percentage of total costs for the same period last year (%)	Percentage change of current period's amount over the same period of the previous year (%)	Description
Industrial	Direct Materials	4,144,552,102.94	87.14	3,341,798,772.93	85.92	24.02	Mainly attributable to the increase in sales volume of boom-type products. Mainly due to the increase in sales of jib products.
	Manufacturing costs	236,251,609.98	4.97	205,102,184.75	5.27	15.19	Mainly attributable to the increase in sales volume of boom-type products, depreciation expenses, leasing expenses and consumption of machinery and materials. Direct labour
	Direct labour	185,960,756.50	3.91	127,698,865.22	3.28	45.62	Mainly attributable to the increase in staff remuneration and the acquisition of CMEC during the reporting period, which resulted in the increase in staff remuneration. Power and fuel
	Power and fuel	45,828,950.09	0.96%	37,807,539.62	0.97	21.22	Mainly attributable to the increase in sales of boom products.
	Others	143,551,881.34	3.02	177,060,710.90	4.55	-18.93	Mainly attributable to the decrease in freight charges. Mainly due to the decrease in freight costs.
By product							
By product	Cost components	Amount for the current period	Percentage of total cost for the current period (%)	Amount for the same period last year	Percentage of total costs for the same period last year (%)	Percentage change of current period's amount over the same period of the previous year (%)	Description

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	Direct labour	78,385,280.11	3.80	57,511,796.66	3.30	36.29	Mainly attributable to the increase in staff remuneration and the acquisition of CMEC during the reporting period, which resulted in the increase in staff remuneration. Power and Fuel
	Power and fuel Power and fuels 16,211,571.90	16,211,571.90	0.79	14,234,040.02	0.82	13.89	Mainly attributable to the increase in power and fuel costs as a result of the increase in sales volume. Other than the above
	Other	67,628,206.07	3.28	72,661,578.96	4.17	-6.93	Mainly attributable to the decrease in freight charges Mainly due to the decrease in freight charges.
Scissor-type aerial work platforms	Direct Materials 1,968,932,463.88	1,968,932,463.88	88.66	1,611,999,720.64	87.04	22.14	Mainly attributable to the increase in sales volume of large-sized shear The increase was mainly due to the increase in the sales volume of large-sized shear forks.
	Manufacturing costs	93,457,952.45	4.21	82,268,133.75 4.44	4.44	13.60	Mainly attributable to the increase in sales of large-sized scissors and forks and the increase in depreciation expenses, rental expenses and consumption of machinery and materials. Direct labour
	Direct labour	73,563,568.69	3.31	50,190,176.46	2.71	46.57	Mainly attributable to the increase in staff remuneration and the acquisition of CMEC during the reporting period, which resulted in the increase in staff remuneration. Power and fuel
	Power and fuel	21,417,480.59	0.96	18,079,854.22	0.98	18.46	This was mainly due to the increase in sales of large-sized scissors and a slight increase in the proportion of power and fuel. Other
	Others: 63,337,015.97	63,337,015.97	2.85	89,422,649.96	4.83	-29.17	Mainly attributable to the decrease in freight charges The decrease was mainly attributable to the decrease in freight charges.
Mast-type aerial work platforms	Direct Materials	374,393,432.23	79.25	223,020,183.68	75.83	67.87	Mainly attributable to the increase in sales volume Manufacturing costs
	Manufacturing costs	43,210,019.71	9.15	30,626,143.76	10.41	41.09	Mainly attributable to the increase in sales volume, depreciation expenses, rental expenses and consumption of machinery and materials. Direct labour
	Direct labour	34,011,907.70	7.20	19,996,892.10	6.80	70.09	Mainly attributable to the increase in staff remuneration and the acquisition of CMEC during the reporting period, which led to the increase in staff remuneration. Power and Fuel
	Power and fuel Power and fuel	8,199,897.60	1.74	5,493,645.38	1.87	49.26	Mainly attributable to the increase in power and fuel as a result of higher sales volume. Other
	Others: 12,586,659.	12,586,659.30	2.66	14,976,481.98	5.09	-15.96	Mainly attributable to the decrease in freight charges Cost analysis

	30	2024					
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Cost analysis and other
explanations

(5) . Change in the scope of consolidation as a result of changes in the shareholdings of major subsidiaries during the reporting period

☒ Applicable ☐ Not applicable

For details, please refer to "IX. Changes in the scope of consolidation" in "Section X. Financial reporting" of this report.

(6) . Information relating to significant changes or adjustments in the Company's business, products or services during the reporting period

☐ Applicable ☒ Not applicable

(7) . Major sales customers and major suppliers
A. Major sales customers of the Company

☒ Applicable ☐ Not applicable

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The sales volume of the top five customers is RMB215,284.34 million, accounting for 27.60% of the total annual sales volume; of which the sales volume of the related parties among the sales volume of the top five customers is RMB0.00 million, accounting for 0.00% of the total annual sales volume.

accounting for 0.0% of the total annual sales.

During the reporting period, the proportion of sales to a single customer exceeded 50% of the total amount, there were new customers among the top 5 customers, or there were cases of heavy reliance on a few customers.

☐Applicable ☒Not applicable

B. Major suppliers of the Company

☒Applicable ☐Not Applicable

The procurement amount of the top five suppliers is RMB680,740,900, accounting for 20.10% of the total annual procurement amount; among the procurement amount of the top five suppliers, the procurement amount of the related parties is RMB0,000,000, accounting for 0% of the total annual procurement amount.

In the reporting period, the proportion of purchases from a single supplier exceeded 50% of the total amount, there were new suppliers among the top 5 suppliers, or there were cases of heavy reliance on a few suppliers.

☐Applicable ☒Not applicable

Other explanations:
None.

3. Expenses

☒Applicable ☐Not applicable

Unit: Yuan				
Section	Number of the current period	Number of the same period of the previous year	Percentage change (%)	Situation Description
Selling expenses	253,881,041.19	125,038,482.83	103.04	Mainly attributable to the acquisition of CMEC by the Company during the reporting period and the increase in expenses after the merger. The increase was mainly due to the acquisition of CMEC during the reporting period and the increase in expenses after the merger.
Administrative	224,833,897.80	141,225,030.79	59.20%	Mainly attributable to the acquisition of CMEC by the Company during the reporting period and the increase in post-consolidation expenses. The increase was mainly due to the acquisition of CMEC during the reporting period, and the increase of consolidation expenses.
4. Research and development investment				
(1). Research and development investment				
<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable				
Finance costs	-91,913,628.45	-244,764,622.51	Not applicable	Mainly attributable to changes in exchange gains and losses on Euro, Australian dollar and other currencies.
Expensed R&D investment for the period				255,918,596.38
Capitalised R&D investment for the period				0
Total R&D investment				255,918,596.38
Total R&D investment as a percentage of operating revenue (%)				3.28
Share of R&D investment capitalised (%)				0

(2). Table of information on R&D personnel

☒Applicable ☐Not applicable

Number of R&D personnel of the Company	349
Proportion of the number of R&D personnel to the total number of employees of the Company (%)	13.79
Academic structure of R&D personnel	
Category of academic structure	Number of academic structure
Doctoral students	0
Master's Degree	8
Bachelor's Degree	147
Speciality	194
High school and below	0

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Age structure of R&D personnel	
Age structure category	Age structure number
Below 30 years old (excluding 30 years old)	110
30-40 years old (including 30 years old, not including 40 years old)	162
40-50 years old (including 40 years old, not including 50 years old)	58
50-60 years old (including 50 years old, not including 60 years old)	17
60 and above	2

(3) . Description of the situation
☐ Applicable ☒ Not applicable
(4) . Reasons for significant changes in the composition of R&D personnel and impact on the Company's future development
☐ Applicable ☒ Not Applicable
5. Cash flow
☒ Applicable ☐ Not Applicable

Unit: Yuan

Item	Current period	Prior period	Percentage change (%)	Description
Purchase of goods and services Cash paid	4,782,348,283.51	3,614,572,052.27	32.31	Mainly attributable to the increase in payments for the purchase of raw materials. Mainly due to the increase in payments for the purchase of raw materials.
Cash paid to and for employees Cash paid to and for employees	615,605,676.23	341,064,678.56	80.50	Mainly attributable to the increase in employees' remuneration Mainly due to the increase in employee remuneration.
Taxes paid	559,108,448.54	378,298,555.30	47.80% Mainly due to the increase in payment of taxes and charges.	Mainly due to the increase in payment of taxes and fees Mainly due to the increase in the payment of taxes and fees.
Cash received from recovery of investments	2,325,814,654.27	849,420,891.55	173.81	Mainly as a result of the increase in cash received from disposal of investments such as other equity instruments. Cash received from investment income
Cash received from investment income	4,146,674.26 7,928,928.00	7,928,928.00 -47.70	47.70% -47.70% -47.70% -47.70% -47.70	Mainly attributable to the decrease in dividend income received from other equity instruments during the holding period. Mainly attributable to the decrease in dividends received from other equity instrument investments during the holding period
Disposal of fixed assets, intangible assets and other long-term assets	99,487.33	58,230.08	70.85	Mainly attributable to the increase in cash recovered from the disposal of fixed assets.
(ii) Explanation of significant changes in profit attributable to non-principal businesses				
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable Cash paid for investments	1,926,339,953.36	1,348,748,097.59	42.82	Mainly as a result of the decrease in expenditure on finance leasing assets of subsidiaries in the current period as compared with the previous period. The decrease was mainly due to the decrease in expenditure of subsidiaries on finance leasing assets in the current period compared with the previous period.
(iii) Analysis of assets and liabilities				
<input checked="" type="checkbox"/> Applicable <input checked="" type="checkbox"/> Applicable				
Net cash paid for acquisition of subsidiaries and other business units Net cash paid for acquisition of subsidiaries and other business units	225,905,070.88 -----	-N/A	Not applicable	Mainly attributable to the increase in acquisition of subsidiaries.
		24 / 240		
Distribution of dividends, profits or interest Cash paid for dividends, profits or interest payments	664,955,188.90	310,480,250.47	114.17	Mainly attributable to the increase in dividend distribution The main reason was the increase of dividend distribution by the Company.

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1. Assets and liabilities

Unit: Yuan

Item name	Amount at the end of the period	Percentage of total assets at the end of the period (%)	Closing balance of the previous period	Ratio of the closing amount of the previous period to total assets (%)	Proportion of change in the amount at the end of the current period over the end of the previous period (%)	Description of the situation
Derivative financial assets	14,974,286.78	0.10	3,033,221.14	0.02	393.68	Note 1
Receivables financing	18,315,265.15	0.12	10,156,840.13	0.07	80.32	Note 2
Prepayments	26,411,605.12	0.17	6,704,996.61	0.05	293.91	Note 3
Other receivables	122,722,445.83	0.80	19,868,931.72	0.14	517.66	Note 4
Long-term equity investments	-----	-	332,417,551.33	2.34	-100.00	Note 5
Other equity instruments	40,867,997.27	0.27	617,689,455.01	4.35	-93.38	Note 6
Investments						
Construction in progress	58,349,007.87	0.38	214,587,607.99	1.51	-72.81	Note 7
Right-of-use assets	51,120,522.33	0.33	13,425,279.58	0.09	280.78	Note 8
Intangible assets	783,590,440.46	5.10	388,703,577.50	2.74	101.59	Note 9
Goodwill	140,139,590.91	0.91	-----	-----	Not applicable	Note 10
Deferred tax assets	83,517,871.47	0.54	2,534,609.78	0.02	3,195.10	Note 11
Other non-current assets	10,844,760.00	0.07	10,844,760.00	0.07	Not applicable	Note 12
Other non-current assets						
Derivative financial liabilities	999,897.45	0.01	9,904,207.26	0.07	-89.90	Note 13
Contract liabilities	108,157,791.99	0.70	24,985,107.40	0.18	332.89	Note 14
Taxes payable	379,262,156.98	2.47	290,047,948.32	2.04	30.76	Note 15
Lease liabilities	14,959,206.21	0.10	150,332.42	0.05	547.49	Note 16

Note 8: Mainly as a result of the increase in operating leases of subsidiaries.

Note 9: Mainly as a result of the increase in the acquisition of land use rights and the increase in intangible assets transferred from CMEC merged under non-identical control. Note 10: Mainly as a result of the non-identical consolidation of CMEC.

Note 11: Mainly as a result of the increase in deductible

temporary differences. Note 12: Mainly as a result of the increase in prepayment for equipment purchases.

Note 13: Mainly as a result of the decrease in fair value of outstanding foreign exchange contracts at the end of the period. Note 14: Mainly as a result of the increase in advance receipts of goods.

Note 15: Mainly as a result of the increase in enterprise income tax payable.

Note 16: Mainly as a result of the increase in lease liabilities recognised under operating leases of subsidiaries.

2. Offshore assets

√ Applicable □ Not applicable

(1) Scale of assets

Of which: Overseas assets 3,042,613,118.39 (unit: RMB), accounting for 19.82% of the total assets.

(2) Explanation for the relatively high proportion of overseas assets

☐Applicable ☒Not applicable

3. Restrictions on major assets as at the end of the reporting period

☐Applicable ☒Not Applicable

4. Other explanations

☐Applicable ☒Not applicable

(IV) Analysis of industry operating information

☒Applicable ☐Not applicable

For details, please refer to the section headed "VI.

(v) Analysis of investment status**Overall analysis of external equity investment**

√ Applicable ☐ Not applicable

During the reporting period, the total amount of the Company's foreign equity investment was RMB334,848,900, which was mainly invested in overseas subsidiaries.

On 30 October 2023, the Company signed the Shareholders' Equity with Richard F. Spencer, the authorised representative of the shareholders of California Manufacturing and Engineering Co. ("CMEC") for \$46,854,170 to purchase 50.2% of CMEC. The transaction was completed on 22 April 2024, resulting in the acquisition of 49.697% of CMEC. Previously, the Company held 49.8% equity interest in CMEC, and after the completion of this transaction, the Company holds 99.497% equity interest in CMEC.

1. Significant equity investments

☐ Applicable ☒ Not applicable

2. Significant non-equity investments

☐ Applicable ☒ Not Applicable

3. Financial assets measured at fair value

√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Asset category	Number at the beginning of the period	Change in fair value during the period Gain or loss	Accumulated fair value changes recognised in equity Accumulated fair value changes included in equity	Provision made during the period Impairment	Purchases during the period	Amounts sold/redeemed during the period Amount	Other changes	Closing balance
Financing for trading Assets and liabilities	178,789,929.05	-123,465,433.23			1,163,519,560.00	1,010,000,000.00	-109,464.68	208,734,591.14
Derivative financial assets	3,033,221.14	15,548,436.42					-3,607,370.78	14,974,286.78
Receivables financing	10,156,840.13						8,158,425.02	18,315,265.15
Investment in securities Other investments Investment instruments Investments	617,689,455.01		-104,569,219.74			472,252,238.00		40,867,997.27
Total	809,669,445.33	-107,916,996.81	-104,569,219.74		1,163,519,560.00	1,482,252,238.00	4,441,589.56	282,892,140.34

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Unit: Yuan Currency: RMB

Type of securities	Securities Code	Abbreviation of securities	Initial investment cost	Source of funds	Carrying value at the beginning of the period	Gain or loss on fair value changes during the period	Cumulative fair value changes included in equity	Purchases during the period Amount	Sold during the period Amount	Gain or loss on investment for the period	Carrying value at the end of the period	Accounting Accounts
Shares	HK09930	Hongxin C&D	131,135,264.07	Own Funds	134,977,391.01		-94,109,393.74				40,867,997.27	Other equity instruments
Equity	HK09930	Winson C&D	175,000,000.00	Own Funds	178,789,929.05	-124,547,055.21				-109,464.68	54,133,409.16	Transaction financial
Explanation of investment in securities												Total
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable												
Investment in private equity funds												
Total			306,135,264.07	//	313,767,320.06	-124,547,055.21	-94,109,393.74			-109,464.68	95,001,406.43	/

☐Applicable ☒Not Applicable

Investment in derivatives

☒Applicable ☐Not Applicable

(1). Derivative investments for hedging purposes during the reporting period

☒Applicable ☐Not Applicable

Unit: RMB 10,000 Currency: RMB

Type of derivative investments	Initial investment amount	Carrying value at the beginning of the period	Gain or loss on fair value changes during the period	Accumulated fair value changes recognised in equity	Purchased during the reporting period	Amount sold during the reporting period	Carrying value at the end of the period	Carrying value at the end of the period as a percentage of the Company's net assets at the end of the reporting period (%)
Forward exchange contracts		-687.10	1,528.71		73,316.19	65,543.08	1,397.44	0.14
Total		-687.10	1,528.71		73,316.19	65,543.08	1,397.44	0.14
Accounting policies, specific principles of accounting for hedging operations during the reporting period, and whether there were any significant changes compared with the previous reporting period.		In accordance with Accounting Standard No. 22 - Recognition and Measurement of Financial Instruments, Accounting Standard No. 37 - Presentation of Financial Instruments, Accounting Standard No. 39 - Fair Value of Financial Instruments and Accounting Standards for Business Enterprises. Accounted for in accordance with the relevant provisions of "Accounting Standard No. 22 - Recognition and Measurement of Financial Instruments", "Accounting Standard No. 37 - Presentation of Financial Instruments", "Accounting Standard for Business Enterprises No. 39 - Fair Value Measurement" and other relevant regulations. There were no significant changes from the previous reporting period.						

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Explanation of actual gain or loss for the reporting period	During the reporting period, the actual gain or loss on derivative investments for hedging purposes was RMB5,558,300.
Explanation of hedging effect	In order to avoid the exchange rate risk brought by the substantial fluctuation of exchange rate price to the export of the company's products, to further lock the company's future cash flow as well as to carry out exchange rate management on the company's statement, the company carried out the relevant foreign currency hedging programme. management of the company's statements, the company conducted foreign exchange hedging business in relevant foreign currencies.
Source of Funds for Derivatives Investment	Company's own funds
Risk analysis and description of control measures for derivative positions during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p>Risk analysis:</p> <p>1. market risk: in the case of large exchange rate fluctuations, it will cause large fair value fluctuations in foreign exchange derivatives; if the exchange rate trend deviates from the company's locked price fluctuations, there is a risk of causing an increase in foreign exchange losses;</p> <p>2. liquidity risk: due to the company's business changes, market changes and other reasons need to close positions in advance or rollover forward settlement products, there is the risk of having to temporarily use its own funds to pay the difference to the bank;</p> <p>3. Operational risk: if the operator fails to follow the prescribed procedures for approval and operation, or fails to accurately, timely and completely record the information of financial derivatives business, it may lead to losses in forward settlement and sale of foreign exchange business or loss of trading opportunities; if the operator fails to fully understand the terms of the contract for forward settlement and sale of foreign exchange product transactions and business information, it will bring legal risks and trading losses to the Company.</p> <p>Control measures:</p> <p>1. System improvement: In order to strengthen the management of foreign exchange swap business, the Company has formulated the "Internal Management System for Foreign Exchange Swap Business", which provides detailed provisions on the operating principles, approval authority, management and internal operating procedures, risk handling procedures and information disclosure of the Company's foreign exchange swap business.</p> <p>2. Specialists in charge: the relevant professional departments of the company conduct risk assessment, analyse the feasibility and necessity of the transaction, and report changes in risk assessment and put forward feasible emergency stop-loss measures in a timely manner when major changes occur in the market;</p> <p>3. Trading counterparty management: carefully choose to conduct business with large commercial banks with better strength at home and abroad, and closely track the relevant laws and regulations to avoid the legal risks that may arise. If necessary, professional institutions can be hired to analyse and compare the trading mode and counterparties of financial derivatives business;</p> <p>4. Regular disclosure: Strictly in accordance with the requirements of the relevant regulations of the Shanghai Stock Exchange, the disclosure of information is completed in a timely manner.</p>
Market price or product fair value changes during the reporting period of invested derivatives, the analysis of the fair value of derivatives shall disclose the specific methods used and the setting of relevant assumptions and parameters	During the reporting period, the change in fair value of invested derivatives outstanding for hedging purposes amounted to RMB13,974,400, and the fair value of such products was determined on the basis of quoted prices of outstanding derivatives by financial institutions at the end of the reporting period.
Involvement in litigation (if applicable)	Not applicable
Derivatives Investment Approval Board Announcement Disclosure Date (if any)	25 April 2024
Derivative investment approval Shareholders' meeting announcement disclosure date (if any)	N/A

(2). Derivative investments for speculative purposes during the reporting period

☐ Applicable ☒ Not applicable

Other explanations:
None

4. Specific progress of major asset reorganisation and integration during the reporting period

☐Applicable ☒Not applicable

(vi) Sale of significant assets and equity interests

☒Applicable ☐Not applicable

At the Sixth Meeting of the Fifth Session of the Board of Directors of the Company held on 17 November 2023, the "Transfer of Magni Telescopic Handlers S.R." was considered and approved.

At the Sixth Meeting of the Fifth Session of the Board of Directors held on 17 November 2023, the Company considered and passed the "Resolution on the Transfer of 20% Equity Interests in Magni Telescopic Handlers S.R.L.", in which the Board of Directors agreed to the transfer of 20% equity interests in Magni to Magni Holding S.R.L. at a consideration of EUR 61,420,000.00. In April 2024, the transaction was completed. Upon completion of the transaction, the net amount of the premium from the transfer, net of income tax, will be recognised directly in the Company's retained earnings and will have a significant impact on the Company's profitability.

The net proceeds from the transfer of the shareholding, after deduction of income tax, will be credited directly to the retained earnings of the Company and will not have any impact on the net profit of the Company for 2024.

(vii) Analysis of major holding and participating companies

☒Applicable ☐Not applicable

Unit: RMB million

Name of the Company	Main products and services Services	Registered capital	Shareholding ratio Shareholding Ratio	Total Assets	Net Assets	Operating Income	Net Profit
Shanghai Dingze	Finance Leasing	30,000.00	100% of the total	190,682.47	55,568.52	15,166.58	4,532.78
CMEC	Aerial work platforms, industrial grade straight arm product design, Manufacturing and sales	250.00 (US\$)	99.497 per cent	25,761.60 (USD)	8,025.01 (USD)	50,750.37 (USD)	2,093.83 (USD)

(viii) Information on structured entities controlled by the Company

☒Applicable ☐Not applicable

For details, please refer to this report "Section X Financial Report No. 9, 5. Changes in the scope of consolidation for other reasons".

VI. DISCUSSION AND ANALYSIS OF THE FUTURE**DEVELOPMENT OF THE COMPANY (i) Industry****landscape and trends**

☒Applicable ☐Not applicable
1. Competitive landscape

The overall competitive landscape of the global aerial work platform industry is relatively stable with a high degree of industry concentration. Europe and the United States are the most important production bases and the largest consumer market for aerial work platforms in the world, with a mature market and high product penetration rate. In recent years, with the increase in carbon emission requirements, overseas customers have put forward higher requirements for products in terms of safety, energy saving and emission reduction, and electrification. The domestic aerial work platform industry is developing rapidly, and host factories have joined the market, accelerating the release of production capacity and white-hot market competition. Domestic aerial working platform rental market is also developing rapidly, with a certain scale of leasing companies, especially the head of the leasing company equipment scale growth rate is obvious, industry concentration. After the introduction of emission-related control policies for non-road mobile machinery, the demand for electric products from leasing companies has increased. The company accurately grasps the industry trend, and actively creates high-end, differentiated and electric products to effectively meet the new needs of customers, and help customers to increase competitiveness and improve profitability in the increasingly competitive environment.

2. Development trend

(1) The aerial work platform industry still maintains a long-term positive development trend. Safety, economy and efficiency are still the core driving forces for the rapid development of the aerial working platform industry. Safety driver: the safety awareness of constructors and users is constantly improving, and the safety guarantee system is also gradually improved and perfected, and the replacement of traditional scaffolding by aerial working platforms is an irreversible development trend. Economic driver: the number of labour force in China continues to decline, the trend of rising labour costs and labour tension is becoming more and more obvious, the use of aerial working platforms is more economical than the use of manual labour. Efficient driving force: compared with traditional aerial tools, aerial working platforms can significantly improve construction efficiency, shorten the construction period and reduce operating costs.

(2) The global trend of electrification, greening and intelligentisation of aerial work platforms is becoming more and more obvious. Based on the national policy, upgrading of emission standards, its own green transformation strategy, lower comprehensive use cost and other considerations, the leasing company is more and more inclined to green and electrified products in the choice of equipment. The company has achieved a full range of products electrified, the company's electric models of products of excellent quality, strong competitiveness, energy saving and environmental protection, no noise, easy maintenance, low cost and other advantages on the basis of both large load, strong power, easy to transport and other characteristics. The company is the first manufacturer in the world to realise the high metrage, large load and series of electric jib products. The company has further laid out the research and development of a new series of high metrage, large load, with differentiated performance of high electric aerial work platforms, to promote the development of the company's new kinetic energy.

(3) The application scenarios of aerial working platforms are developing in the direction of diversification and differentiation. With the development of the industry and diversified construction scenarios and complex working conditions, the aerial working platform application scenarios from the general-purpose scenarios to the specific differentiated scenarios, in some specific areas, the mode of operation is also gradually transformed to the unmanned, from the manned aerial work gradually transformed into aerial working platforms superimposed on the mode of robots to achieve the work at high altitude. The company's product matrix is perfect, with rich reserves of high-end products. In addition to general-purpose products, the company also owns many differentiated and intelligent high-end new products, such as ship spraying and descaling robots, tunnel drilling robots, glass suction cup trucks, rail aerial vehicles, formwork lifting trucks, etc., which can effectively meet the new needs of different customers and different application fields. The Company will continue to explore the latest cutting-edge technologies integrating the development direction of electrification, greening, digitisation and unmanned development, expand new differentiated aerial work application scenarios and fields, and has the ability and confidence to better meet the market demand.

(ii) Development strategy of the Company

☒ Applicable ☐ Not applicable

With the goal of becoming a leading enterprise in the global aerial working platform industry, the Company is committed to building DINGLI into an internationally renowned brand of aerial working platforms.

DINGLI" as an internationally renowned brand of aerial working platforms. In the future, the company will continue to devote itself to the research and development and production of intelligent aerial working platforms. By increasing R&D investment and shortening the development cycle of new products, the company will maintain its leading position in the technology of intelligent aerial working platforms in the world; by means of the project of large-scale intelligent aerial working platforms, the company will complete the layout of the production line of large-scale aerial working platforms, optimise the cost of production of jib-type products, and improve the efficiency of production; moreover, by means of a profound and comprehensive process design, the company will make green living and environmental protection a priority in the industry. In addition, the Company has integrated the green ecological concept into the management process, production process and marketing process through profound and comprehensive process design, and actively assumed the social responsibility of construction; the management will continue to vigorously promote the brand construction, achieve deeper and wider coverage of the global market, improve the layout of overseas marketing channels, strengthen the depth and breadth of the coverage of the domestic market, and enhance the visibility of the Company's brand globally on all fronts. The Company will actively and resolutely build an international brand and strive to create an international first-class aerial work platform R&D and production base.

(III) Business plan

☒ Applicable ☐ Not applicable

In 2025, the Company will continue to view changes in the external environment rationally and actively promote green, healthy and sustainable development of the enterprise.

1. Continuously promote R&D and innovation to continuously improve core competitiveness

The Company will continue to take greening, electrification and modularisation as the main direction of R&D, shorten the R&D cycle, rely on overseas R&D centres and the China Enterprise Research Institute, etc., and actively research and develop more high value-added, differentiated, electrified and unmanned new products with independent intellectual property rights in light of the market and customers' needs, so as to continue to enhance the Company's competitiveness and profitability, and to continue to meet new demands for more aerial work application scenarios and areas in a fast and efficient manner. The company continues to improve its competitiveness and profitability, and to meet the new demands of more aerial work applications and fields quickly and efficiently. At the same time, the company continues to promote the intelligent digital construction, with more efficient, intelligent, collaborative "future factory", through the closed-loop digital production model to promote lean production, accelerate the transformation of research and development results.

2. Rising to the occasion and seizing the opportunity, actively increasing the market development force

In 2025, the company will continue to implement the globalisation strategy, seize the opportunities, increase sales in overseas markets, actively explore emerging markets, flexibly promote the development of various markets, and blossom in multiple ways to achieve deeper and wider coverage of the global market. The company will continue to strengthen the cultivation of overseas local team, improve the overseas sales and service system, further accelerate the development of high-end products market, and through the research and development of new products to continuously meet the new market demand, by virtue of the provision of high-quality, differentiated products to build brand competitiveness, to help customers to enhance their competitiveness in the leasing market and profitability, and to enhance customer adhesion.

3. Continuously promote the digital construction, accelerate the development of new quality productivity

The company owns the leading intelligent, green and automated "Future Factory" in the global industry, which has realised the closed-loop production mode of the whole industrial chain, with automatic and digitalised production lines for unloading, cutting, welding, machining, spraying and intelligent digitalised final assembly. The company focuses on improving total productivity, developing new productivity, and actively advocating the concept of green production. At present, the company's "annual production capacity of 4,000 sets of large-scale intelligent high-level aerial platform project" has been put into production, and the new "annual production capacity of 20,000 sets of large-scale intelligent high-level aerial platform project" has been put into production.

The new "20,000 sets of new energy aerial working platforms per year" is also under construction, which will further enrich the company's product line, enhance the differentiation advantage, and better enhance the company's technical level and production capacity. The company will promote the reuse of advanced manufacturing technology and information management experience, and further strive to enhance the level of intelligent manufacturing upstream and downstream of the industrial chain and digital application capabilities, to achieve win-win development in the industry.

4. Continue to actively practice ESG concepts and escort the sustainable development of the enterprise.

The Company will consider various factors such as economic indicators, environmental protection, social responsibility and governance effectiveness to further promote the Company's multi-dimensional balanced development. Firstly, we will continue to improve the effectiveness of our governance, continuously improve our internal control and risk management systems, work with our partners to abide by business ethics, and at the same time, improve our ESG management system, improve the ESG evaluation and feedback mechanism, and refine performance incentives so as to enhance the overall competitiveness of the Company. Secondly, we will continue to strengthen clean production, focusing on the five major aspects of green manufacturing, green products, green parks, green travelling and green recycling, and minimise the impact of the production process on the environment through energy saving, waste reduction, technological improvement, intelligent equipment upgrading and other measures. Thirdly, we will continue to strengthen the construction of the talent team, provide employees with a safe and healthy working environment, an equal and inclusive working atmosphere, as well as strong remuneration and benefits, establish a multi-level, multi-channel and diversified talent training mechanism relying on the Redding Talent Project, fully tap the potential of employees, and open up internal promotion channels, so as to realise a harmonious unity between personal value and enterprise development. Harmonious unity of personal value and enterprise development. Fourthly, we will continue to actively participate in social welfare and take the initiative to participate in poverty alleviation, education and poverty alleviation, donate money to schools, and help farmers, etc., so as to contribute to employment promotion and local economic development.

(IV) Risks that may be faced

☒ Applicable ☐ Not Applicable

1. Risk of "double reverse" investigation

The United States and the European Union have initiated anti-dumping and countervailing investigations on aerial work platforms imported from China. The investigation and duty rate implementation stage may have certain impact on the market development and profitability of the US and EU.

Measures: The company and the lawyer team hired by the company are making efforts to cooperate with the company to respond to the "double anti-dumping" investigation. At the same time, the company will increase non-trade friction overseas market development efforts, accelerate the development of high value-added, differentiated new products, enhance product competitiveness, and develop new application scenarios, while continuing to increase cost control, and continuously optimise the supply chain, as far as possible, to reduce the impact of the European and American "Double Reverse" incident on the company.

2. international trade risk

The company's high proportion of exports, international trade, there are many unstable factors, the regional political environment, economic development, trade barriers, industry policy, shipping conditions have greater uncertainty. If the company's products encountered trade barriers or tight shipping conditions, etc., the company's product exports will be adversely affected.

Measures: (1) the company will correctly perceive the overseas market environment, improve the awareness of risk prevention, and establish a perfect risk management system; (2) the company to increase the diversified market strategy, the company's products have been sold to more than 100 countries and regions, as far as possible to reduce the risk of a single market; (3) the company to increase non-trade friction in overseas markets to develop, and actively explore new markets; (4) the company to speed up the development of new products with high added value and differentiation, and to develop new products with high added value and differentiation. (4) The company accelerates the research and development of high value-added and differentiated new products to enhance product competitiveness and reduce the risk of decline in foreign demand as much as possible.

3. Risk of exchange rate fluctuation

The company's overseas business export countries scattered, more foreign currency currency, exchange rate by the external political and economic impact of fluctuations, if the relevant currency exchange rate fluctuations, will have a certain impact on the company's financial position.

Measures: The company will carry out forward settlement and sale of foreign exchange business at the right time according to the exchange rate fluctuations to reduce the impact of exchange rate fluctuations on the company's performance.

4. Industry competition aggravation risk

Aerial working platform industry is developing rapidly in China, manufacturers and leasers to seize market share, competition intensifies, may adversely affect the company's sales and profitability; if the downstream customers do not pay back in time, can not pay on schedule, the company may face the risk of delayed collection or accounts receivable can not be recovered.

Measures: First, the company will continue to carry out independent innovation to enhance product quality and improve product services, and build brand competitiveness by providing high-quality and differentiated products. Secondly, the Company will take the initiative to strengthen market education so that customers can fully understand the importance of product life cycle costs and product residual value. Thirdly, we will continue to strengthen the strategic cooperative relationship with domestic and foreign high-quality customers to consolidate our market position, and at the same time, strengthen the credit management of customers.

5. Risk of price fluctuation of raw materials

The main raw material of the company's products is steel, if the cost of raw materials rises significantly in the future, resulting in an increase in the cost of the company's products, it will have an adverse impact on the company's profitability.

Measures: The company will strictly control costs and expenses through budget management to save costs; at the same time, the company will improve production efficiency through lean management, intelligent manufacturing and other ways to give play to the advantages of scale; the company actively optimise the supply chain, accelerate the localisation of parts and components, while the company will accelerate the research and development of new products to accelerate the promotion of high value-added differentiated new products to alleviate the pressure of rising costs.

6. Risk of bad debt of accounts receivable

The company's sales scale in overseas market is expanding and accounts receivable is increasing. Although the company attaches importance to the management of accounts receivable and maintains stable cooperative relationship with customers, if there are unfavourable factors and the customers are unable to make payment on schedule, the company will face the risk of delayed collection or uncollectible accounts receivable.

Measures: The Company will strengthen the credit management of its customers, formulate reasonable credit policies, improve the management of accounts receivable and increase the collection of accounts receivable.

(v) Others

☐ Applicable ☒ Not applicable

VII. Description of the circumstances and reasons why the Company has not disclosed in accordance with the Guidelines due to non-application of the provisions of the Guidelines or for special reasons such as state secrets or commercial secrets

☐ Applicable ☒ Not applicable

Section IV Corporate Governance

I. Explanation of information relating to corporate governance

☒ Applicable ☐ Not Applicable

During the reporting period, the Company strictly complied with the requirements of the Company Law, the Securities Law, the Code of Governance for

Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the relevant laws and regulations of the CSRC. the relevant laws and regulations of the CSRC, the Company has continuously improved its corporate governance structure, established and improved its internal control system and standardised its operation. At present, the actual situation of the Company's governance is in line with the requirements of the relevant regulatory documents on governance of listed companies. During the reporting period, the Company has not received any documents relating to administrative and supervisory measures of the regulatory authorities that require rectification within a certain period of time.

The Company has comprehensively regulated the basic management of the operation of the general meeting of shareholders, the Board of Directors and the Supervisory Committee to ensure that the authorisation and approval decision-making procedures for major decision-making matters of the Company are lawful and complete, and that the meetings are convened and held in strict accordance with the laws and regulations such as the Company Law and the Articles of Association of the Company.

1. Regarding shareholders and general meetings: The Company convenes and holds general meetings in strict accordance with the Rules for General Meetings of Shareholders of Listed Companies, the Articles of Association and the Rules of Procedure for General Meetings of Shareholders, and other regulations and requirements, and adopts a voting method combining on-site voting and internet voting to facilitate shareholders, especially small and medium-sized shareholders, to participate in the general meetings, and to ensure that each shareholder has the right to express his/her opinions and suggestions, and to exercise his/her voting rights fully. Voting rights of shareholders.

2. Regarding the Company and the controlling shareholders: the controlling shareholders of the Company are behaving in a standard manner, exercising their rights and assuming corresponding obligations in accordance with the law, and there is no direct or indirect interference in the Company's decision-making and business activities beyond the general meeting of shareholders of the Company. The Company is independent of the controlling shareholder in terms of business, personnel, assets, organisation, finance, etc. The Company has independent and complete business and independent operation capability. There is no phenomenon of controlling shareholders occupying funds in the Company, and the Company has not provided guarantees for controlling shareholders.

3. About Directors and Board of Directors: The Board of Directors of the Company consists of 9 directors, including 3 independent directors, and the number, composition and selection procedures of the Board of Directors are in compliance with the laws, regulations and the Articles of Association of the Company. During the reporting period, all directors of the Company were able to actively and strictly comply with the provisions of the Company Law, the Articles of Association and the Rules of Procedure of the Board of Directors, earnestly attend the meetings of the Board of Directors and the General Meeting of Shareholders, and actively participate in the training of relevant knowledge to improve their business knowledge, and diligently perform their duties. The convening, holding and voting procedures of the Board of Directors' meetings of the Company are standardised, and the daily operation is regulated with high management efficiency. The Board of Directors of the Company has set up four specialised committees, namely Strategy and ESG, Nomination, Audit and Remuneration and Evaluation, which provide scientific and professional advice to the Board of Directors in its decision-making.

4. Regarding the Supervisors and the Supervisory Committee: The Supervisory Committee of the Company consists of 3 Supervisors, including 1 employee Supervisor, and the number and composition of the Supervisory Committee are in compliance with the requirements of laws and regulations. All Supervisors are able to conscientiously perform their duties in accordance with the requirements of the Rules of Procedure of the Supervisory Committee, and supervise the Company's major matters, financial situation and the legality and compliance of the performance of duties by Directors and senior management.

5. Regarding information disclosure and transparency: The Company has set up a Securities Department with professional staff to disclose information in a truthful, accurate, timely and complete manner in strict accordance with relevant laws and regulations to ensure that all shareholders of the Company are able to obtain information with equal opportunities. The Company designates Shanghai Securities News, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn) as the designated newspapers and websites for information disclosure of the Company.

6. About relevant stakeholders: The Company fully respects and safeguards the legitimate rights and interests of relevant stakeholders, actively cooperates with relevant stakeholders, strengthens communication and exchanges with all parties, achieves a coordinated balance of the interests of shareholders, employees, society and other parties, and jointly promotes the Company's sustainable and healthy development.

Whether there are any material differences between the corporate governance and the laws, administrative regulations and CSRC's regulations on the governance of listed companies; if there are material differences, the reasons should be stated

☐ Applicable ☒ Not applicable

II. Specific measures taken by the Company's controlling shareholders and de facto controllers to ensure the independence of the Company's assets, personnel, finances, organisations and business, as well as the solutions adopted to affect the Company's independence, the progress of work and the follow-up work plan

☐ Applicable ☒ Not Applicable

The situation of controlling shareholders, de facto controllers and other units under their control engaging in the same or similar business as the Company, as well as the impact on the Company of competition in the same industry or significant changes in the situation of competition in the same industry, the measures taken to resolve the issue, the progress of the resolution, and the subsequent resolution plan

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☐ Applicable ☒ Not applicable

III. Briefing on the General Meeting of Shareholders

Meeting Session	Date of Meeting	Search of designated website on which resolutions are published Search index	Disclosure of Resolutions Date of Publication	Meeting Resolution
2023 Annual General Meeting Annual General Meeting	28 May 2024 28 May 2024	Shanghai Stock Exchange Website (http://www.sse.com.cn)	29 May 2024 29th May 2024	Consideration and adoption of the "Report on the Work of the Board of Directors of the Company for the Year 2023 Report on the Work of the Board of Directors of the Company for the Year 2023, Report on the Work of the Supervisory Committee of the Company for the Year 2023 Report of the Board of Directors of the Company for the year 2023, Report of the Supervisory Board of the Company for the year 2023, Annual Report of the Company for the year 2023 and its summary, Financial Resolution of the Company for the year 2023 Annual Report of the Company for the year 2023 and its Summary", "Annual Financial Report of the Company for the year 2023 告》、《公司 2023 年年度利润分配预案》、《关于续聘会计师事务所的议案》、《关于确认 2023 年度董事、高级管理人员薪酬的议案》、《关于确认 2023 年度监事薪酬的议案》、《关于公司及公司合并报表范围内的下属企业为客户提供担保的议案》、《关于公司对公司合并报表范围 Proposal on the Estimation of the Amount of Guarantees to be Provided by the Company to the Subsidiaries within the Scope of the Company's Consolidated Statement of Accounts", "Proposal on the Application for Credit Line from Financial Institutions by the Company and Wholly-Owned Subsidiaries", "Proposal on the Amendment of the Articles of Association", "Proposal on the Amendment of the Rules of Procedure for the General Meeting of Shareholders of the Company", "Proposal on the Amendment of the System for the Management of Connected Transactions of the Company", "Proposal on the Amendment of the & the Management System of External Guarantees of the Company", "the Proposal on the Amendment of the System for the Management and Use of the Company's Proceeds", "the Proposal on the Amendment of the System for the Work of the Independent Directors of the Company", and "the Proposal on the Formulation of the System for the Selection and Engagement of the Company's Accounting Firms". of the Company's Accounting Firm
2024 First Extraord inary General Meeting General Meeting of Shareholder s	12 July 2024 12 July 2024	Shanghai Stock Exchange Website (http://www.sse.com.cn)	13 July 2024 July 13, 2024	Consideration and adoption of the "Proposal on the completion of fund raising projects of the Company and permanent replenishment of liquidity with the surplus proceeds", "Proposal on the re-election of Mr Qiu Baoyin as an independent director of the Company" and "Proposal on the re-election of Mr Qiu Baoyin as an independent director of the Company Proposal for the re-election of Mr Qiu Baoyin as an independent director of the Company

Request for convening an extraordinary shareholders' meeting by preferred shareholders whose voting rights have been restored

☐ Applicable ☒ Not Applicable

Description of the General Meeting of Shareholders

☐ Applicable ☒ Not Applicable

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IV. Directors, Supervisors and Senior Management

(i) Changes in shareholdings and remuneration of incumbent and outgoing Directors, Supervisors and senior management during the reporting period

√ Applicable □ Not applicable

Unit: shares

Name	Position	Sex	Age	Date of commencement of term of office	Term End Date	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Increase/decrease in shares during the year	Reasons for increase/decrease	Total pre-tax remuneration received from the Company during the reporting period Amount (RMB)	Whether remuneration was received from related parties of the Company
Xu Shugen	Chairman of the Board	Mr. Xu Shugen	59	2011-8-20	2026-5-30	230,564,600	230,564,600	0	--	85	No
Xu Zhong	Director, General Manager	Male	36	2020-5-22	2026-5-30	0	0	0	--	70	No
Wang Meihua	Director, Treasurer	Female	54	2011-8-20	2026-5-30	0	0	0	--	75	No
Liang Jin	Director, Secretary of the Board of Directors	Female	38	2016-1-25	2026-5-30	212,900	285,500	72,600	Secondary Market Increase in holdings	75	No
Yu Yutang	Director	Male	56	2011-8-20	2026-5-30	0	0	0	--	75	No
Xu Ronggen	Director	Male	52	2011-8-20	2026-5-30	0	0	0	--	60	No
Qiu Baoyin	Independent Director	Male	42	2024-7-12	2026-5-30	0	0	0	--	3.27	No
Wang Baoqing	Independent Director	Male	61	2020-5-22	2026-5-30	0	0	0	--	6.55	No
Qu Danming	Independent Director	Female	53	2020-5-22	2026-5-30	0	0	0	--	6.55	No
Fu Jianzhong	Independent Director	Male	57	2020-5-22	2024-7-12	0	0	0	--	3.28	No
	Main Work Experience										
Xiang Cunyun	University degree, engineer, founder of the company, served as Hangzhou Forklift General Factory Shiqiao Branch Purchasing Section Chief, Hangzhou Dingli Machinery Co. Ltd, executive director and manager of Zhejiang Green Power Machinery Co. Ltd, executive director of Deqing Liguang Machinery Trading Co., executive director and general manager of Zhejiang Dingli Technology Trading Co.										
Xu Shugen	Chairman of the Board	Male	54	2020-5-22	2026-5-30	0	0	0	--	48	No
Gao Qineng	Supervisor	Male	36	2011-8-16	2026-5-30	0	0	0	--	48	No
Xu Zhong	Bachelor's Degree, Manager of Sales Department and Assistant General Manager of Zhejiang Dingli Machinery Co.	Male	36	2020-5-22	2026-5-30	0	0	0	--	40	No
Wang Meihua	University degree, accountant, certified tax accountant, has been the accounting supervisor of Zhejiang Dingli Machinery Co. Ltd. and is now a director and financial officer of Zhejiang Dingli Machinery Co.										
Liang Jin	Postgraduate degree, was the sales manager of export sales department and securities affairs representative of Zhejiang Dingli Machinery Co.										

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Yu Yutang	University degree, senior engineer. He used to work in Nanyang Automobile Manufacturing Plant of China Heavy Duty Automobile Group Corporation, the Second Petroleum Machinery Plant of China National Petroleum Corporation, and served as the manager of the technical department of Langfang New Saipu Petroleum Equipment Co. He is now the director and director of research institute of Zhejiang Dingli Machinery Co.
Xu Ronggen	University degree, was the manager of the outsourcing department of Zhejiang Dingli Machinery Co., Ltd. and is now the supervisor of Deqing Zhongding Equity Investment Management Co.
Qiu Baoyin	D. in Accounting, engaged in post-doctoral research in Business Administration at Shanghai University of Finance and Economics from May 2018 to May 2020, and engaged in teaching and research at Hangzhou University of Electronic Science and Technology (HUST) from May 2020 to present. Currently, he is an associate professor of accounting at Hangzhou University of Electronic Science and Technology and a tutor of master's degree students. He is also an independent director of Zhejiang Dingli Machinery Company Limited, an independent director of Hangzhou Silan Microelectronics Company Limited, and an independent director of Zhejiang Kang'enbai Pharmaceutical Company Limited.
Wang Baoqing	Master of Economics (Accounting Major). Professor and master's tutor of Zhejiang Gongshang University. Non-practising member of Chinese Certified Public Accountants, executive director of Zhejiang Internal Audit Association, independent director of Zhejiang Benli Technology Co. Ltd., independent director of Zhejiang Dingli Machinery Co., Ltd. and independent director of Shanghai Gepai Nickel and Cobalt Materials Co.
Qu Danming	Bachelor's degree, director of Zhejiang Changyi Law Firm, and independent director of Zhejiang Dingli Machinery Co.
Fu Jianzhong	Doctoral degree, professor, doctoral tutor, engaged in teaching and scientific research of CNC technology and equipment automation in Zhejiang University since September 1996, now director of Institute of Manufacturing Technology and Equipment Automation of Zhejiang University, also independent director of Hangzhou Hetai Machinery Co. He is currently the director of the Institute of Manufacturing Technology and Equipment Automation of Zhejiang University. He is also an independent director of Hangzhou Hetai Electromechanical Co., Ltd. and an independent director of Terui Machinery Co.
Xiang Cunyun	University Degree, CPC Member, former Deputy Manager of Domestic Sales Department of Zhejiang Dingli Machinery Company Limited, currently Manager of Domestic Sales Department and Chairman of Supervisory Committee of Zhejiang Dingli Machinery Company Limited.
Gao Qineng	He used to work in Zhejiang Dingli Machinery Co., Ltd. and is now the employee supervisor and head of the engine assembly team of Zhejiang Dingli Machinery Co.
Zhou Min	He was a purchaser of Hangzhou Textile Machinery Co., Ltd. and a purchaser of Zhejiang Dingli Machinery Co., Ltd. and is now a supervisor and the deputy manager of the external cooperation department of Zhejiang Dingli Machinery Co.

Other information description

√ Applicable □ Not applicable

As at the end of the reporting period, Zhongding Investment held 54,589,180 shares of the Company, representing a shareholding ratio of 10.78%. The shares of the Company indirectly held by the Directors, Supervisors and senior management of the

No. Company through	Name Zhongding Investment are as follows:	Position	Percentage of shareholding in Zhongding Investment	Indirect shareholding in the Company at the beginning of the reporting period (shares)	Indirect shareholding at the end of the reporting period (shares)	Increase/decrease in shares during the reporting period Reasons for change
1	Xu Shugen	Chairman of the Board	39.69 per cent	23,254,046	21,666,445	Reduction of shareholding in the secondary market
2	Yu Yutang	Director	3.14 per cent	1,839,700	1,714,100	
3	Wang Meihua	Director, Treasurer	2.66 per cent	1,558,472	1,452,072	
4	Xu Ronggen	Director	2.66 per cent	1,558,472	1,452,072	
5	Zhou Min	Supervisor	1.43 per cent	837,825	780,625	
6	Xiang Cunyun	Supervisor	2.66 per cent	1,558,472	1,452,072	

(ii) Occupation of Directors, Supervisors and senior management currently in office and those who left office during the reporting period 1. Occupation in shareholders' organisations

√ Applicable □ Not applicable

Name of the incumbent	Name of shareholder unit	Name of shareholder unit Position held	Date of commencement of the term of office Term	Term expiry date
Xu Shugen	Deqing Zhongding Equity Investment Management Co.	Executive Director	2011-6-9	—
Xu Ronggen	Deqing Zhongding Equity Investment Management Co.	Supervisor	2011-6-9	—

2. Employment in other units

Shareholders' Units

√ Applicable □ Not applicable

Explanation of the situation

Name of employee	Name of other units	In other units Position held	Beginning of the term of office Date	End of term of office Date of termination
Xu Shugen	Zhejiang Green Power Machinery Co.	Executive Director and Manager	2011-4-8	
Xu Shugen	Shanghai Dingze Financial Leasing Co.	Chairman of the Board	2016-6-21	
Xu Shugen	Deqing Liguang Machinery Trading Co.	Executive Director	2018-3-14	
Xu Shugen	Zhejiang Dingli Technology Trading Co.	Executive Director and General Manager	2021-8-30	
Xu Zhong	Zhejiang Global Run Electric Wheelchair Co.	Executive Director and General Manager	2015-4-29	
Xu Zhong	Zhejiang Hongding Interconnection Technology Co.	Executive Director and General Manager	2021-2-22	
Xu Zhong	Zhejiang Xinhang Intelligent Machinery Co.	Executive Director and General Manager	2021-8-20	
Zhou Min	Zhejiang Green Power Machinery Co.	Supervisor	2019-9-30	
Fu Jianzhong	Zhejiang University	Manufacturing Technology and Equipment Automation Director of Institute of Automation	1996-8-30	
Fu Jianzhong	Suzhou Intelligent Manufacturing Research Institute Co.	Director	2017-3-27	
Fu Jianzhong	Ningbo Intelligent Manufacturing Technology Research Institute Co.	Supervisor	2017-2-10	
Fu Jianzhong	Zhejiang Zhaofeng Mechanical & Electrical Co.	Independent Director	2019-1-10	2024-4-22
Fu Jianzhong	Hangzhou Hetai Electromechanical Co.	Independent Director	2020-11-9	
Fu Jianzhong	Terra Machinery Co.	Independent Director	2021-5-20	
Fu Jianzhong	Ningbo Intelligent Forming Technology Innovation Centre Co.	Supervisor	2018-9-18	
Fu Jianzhong	Zhejiang apex CNC machine tool technology innovation centre Co.	Manager, Director	2023-3-7	

(iii) Remuneration of Directors, Supervisors and Senior Management

Company Manager, Director

√ Applicable □ Not applicable

Wang Baoqing	Zhejiang Publishing Media Co.	Independent Director	2019-5-10	2024-9-20
Decision-making procedures for the remuneration of Directors, Supervisors and Senior Management	The remuneration of Directors and senior management shall be formulated by the Remuneration and Evaluation Committee of the Board of Directors and submitted to the Board of Directors of the Company for consideration and decision, of which the remuneration of Directors shall be submitted to the shareholders' general meeting for consideration and decision; the remuneration of Supervisors shall be submitted to the shareholders' general meeting for consideration and decision after being reviewed and approved by the Supervisory Committee.			
Wang Baoqing	Zhejiang Benli Technology Co.	Independent Director	2024-6-29	
Qu Danming	Zhejiang Changyi Law Firm	Independent Director	2019-5-10	
Qiu Baoyin	Hangzhou University of Electronic Science and Technology	Professor	2020-5-1	
Qiu Baoyin	Hangzhou Silan Microelectronics Co.	Independent Director	2024-5-29	
at the Board of Directors' Meeting	Zhejiang Kang Enbei Pharmaceutical Co.	Independent Director	2024-8-16	
Do you protect yourself?	No			
Details of the recommendations made by the Remuneration and Evaluation Committee or the Special Meeting of Independent Directors in respect of remuneration matters of Directors, Supervisors and Senior Management	The Remuneration and Evaluation Committee of the Board of Directors is of the view that the remuneration of the Directors and senior management of the Company for the year 2024 is in line with the remuneration level of the industry in which the Company operates and the actual operating conditions of the Company, and that the procedures for the granting of the remuneration are in compliance with the relevant regulations.			
Details of the recommendations made by the Remuneration and Evaluation Committee of the Board of Directors or the Special Meeting of Independent Directors in respect of the remuneration of Directors, Supervisors and senior management	The procedures for the granting of remuneration are in accordance with the relevant regulations and are in compliance with the relevant laws, regulations and the Articles of Association of the Company, and there is no damage to the remuneration of Directors, Supervisors and senior management.			

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Circumstances	There are no circumstances that may prejudice the interests of the Company and its shareholders.
Basis for determining the remuneration of Directors, Supervisors and senior management personnel	The Company determines the annual remuneration of Directors, Supervisors and senior management on the basis of the industry remuneration level, regional development conditions, job requirements, etc., and on the premise of full consultation, and the actual amount of remuneration is determined on the basis of the actual performance of duties and business performance. The actual amount of remuneration is linked to the performance of their duties and business performance.
Remuneration of Directors, Supervisors and Senior Management Actual payment of remuneration to Directors, Supervisors and senior management	During the reporting period, the remuneration of Directors, Supervisors and senior management of the Company was in compliance with the Company's salary and performance appraisal regulations and was paid in accordance with the regulations. The remuneration paid to the Directors, Supervisors and senior management of the Company during the reporting period was in compliance with the Company's salary and performance appraisal regulations and was paid in accordance with the regulations.
The total remuneration actually received by all Directors, Supervisors and senior management at the end of the reporting period was as follows Total remuneration actually received by all Directors, Supervisors and senior management at the end of the reporting period	5,956,500 Yuan

(IV) Changes in Directors, Supervisors and senior management of the Company√ Applicable ☐ Not applicable

Name and surname	Position held	Circumstances of change	Reason for change
Fu Jianzhong	Independent Director	Departure	Resigned for personal reasons.
Qiu Baoyin	Independent Director	Elected	Elected at the First Extraordinary General Meeting of 2024 of the Company

(V) Description of penalties imposed by securities regulatory authorities in the past three years☐ Applicable ☒ Not applicable**(vi) Others**☐ Applicable ☒ Not Applicable**V. Information on the Board of Directors' meetings held during the reporting period**

Session of meeting	Date of meeting	Resolution of the meeting
The Fifth Session of the Board of Directors Seventh Meeting	9 January 2024	Consideration and adoption of the "Proposal on Continuing to Use Part of the Idle Proceeds to Temporarily Supplement Liquidity Resolution
The Fifth Board of Directors Eighth Meeting	11 March 2024	Having considered and adopted the "Action Plan for Improving Quality, Increasing Efficiency and Re-returning for the Year 2024".
The Fifth Board of Directors Ninth meeting	22 March 2024	Considering and adopting the proposal of investing in a new project with an annual output of 20,000 new energy aerial work platforms. Motion

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Tenth Meeting of the Fifth Board of Directors	23rd April 2024	<p>Having considered and adopted the "2023 Annual Report of the Board of Directors of the Company", the "2023 Annual Report of the General Manager of the Company", the "2023 Annual Report of the Company and its Summary".</p> <p>经理工作报告》、《公司 2023 年年度报告及其摘要》、《公司 2023 年</p> <p>Annual Financial Accounts Report of the Company for 2023, Annual Profit Distribution Proposal of the Company for 2023, Annual Internal Control Evaluation Report of the Company for 2023, Proposal on Renewal of Appointment of Accounting Firm, Report on the Performance of the Audit Committee of the Board of Directors of the Company for 2023, Proposal on Confirmation of Remuneration of Directors and Senior Management for 2023</p> <p>Proposal on Confirmation of Remuneration of Directors and Senior Management Personnel for the Year 2023", "Special Report on the Deposit and Actual Use of Proceeds of the Company for the Year 2023", "Environmental, Social and Corporate Governance</p> <p>(ESG) Report for the year 2023", "Proposal on the Development of Foreign Exchange Derivative Products Business including Forward Settlement and Sale of Foreign Exchange",</p> <p><P roposal on the Provision of Guarantees for Customers by the Company and its Subsidiaries within the Scope of the Company's Consolidated Financial Statements", "Proposal on the Estimation of the Amount of Guarantees to be Provided by the Company to its Subsidiaries within the Scope of the Company's Consolidated Financial Statements", "Proposal on Application by the Company and its Subsidiaries for Credit Line from Financial Institutions", "Proposal on Purchased Wealth Management Products with the Idle Own Funds of the Company and Wholly Owned Subsidiaries", "Proposal on the Amendment of < > ", and "Proposal on the Amendment of Motion", "Motion on Amending the Rules of Procedure for the General Meeting of Shareholders of < > ", "Motion on Amending the System for the Administration of Connected Transactions of < > ", "Motion on Amending the System for the Administration of External Guarantees of < > ", "Motion on Amending the System for the Administration and Utilisation of the Fund Raised by < > ", "Motion on Amending the System for the Work of the Independent Directors of < > ", "Motion on Amending the Working Rules of the Audit Committee of the Board of Directors of < > ". The Resolution on the Amendment of the Working Rules of the Nomination Committee of the Board of Directors of < > , the Resolution on the Amendment of the Working Rules of the Remuneration and Evaluation Committee of the Board of Directors of < > , the Resolution on the Amendment of the Working Rules of the Strategy and ESG Committee of the Board of Directors of < > , the Resolution on the Formulation of the Working System for the Specialised Meetings of Independent Directors of < > , the Resolution on the Formulation of the System for the Selection and Appointment of Accounting Firms of < > , the Resolution on the Adjustment of the Members of the Audit Committee of the Fifth Session of the Board of Directors. Adjustment of the Members of the Audit Committee of the Fifth Session of the Board of Directors, "Proposal for Adjustment of the Company's Organisational Structure", "Report of the Audit Committee of the Board of Directors on the Supervisory Duties Performed by the Accounting Firm for the Year 2023</p> <p>Report of the Audit Committee of the Board of Directors on the Supervision Performed by the Accounting Firm for the Year 2023</p> <p>Proposal", "Special Report of the Board of Directors on the Self-examination of the Independence of Independent Directors</p>
		<p>Report of the Board of Directors on the Self-examination of the Independence of Independent Directors", "Proposal for Changes in Accounting Policies of the Company", "Proposal for Convening the 2023 Annual General Meeting of Shareholders</p> <p>Resolution on the convening of the 2023 Annual General Meeting</p>
Eleventh Meeting of the Fifth Session of the Board of Directors	26 June 2024	<p>Considered and passed the "Proposal on the Completion of the Company's Fund Raising Project and Permanent Supplementation of Liquidity with the Unsaved Fund Raising Funds", "Proposal on the Re-election of Mr Qiu Baoyin as an Independent Director of the Company", "Proposal on the Convening of the First Extraordinary Shareholders' Meeting in 2024</p> <p>Resolution on the convening of the First Extraordinary General Meeting of 2024".</p>
The Fifth Session of the Board of Directors Twelfth Meeting	26 August 2024	<p>Considered and approved the "Half-yearly Report and Summary of the Company for 2024", "Proposal on the Deposit of Proceeds and Actual Use of Proceeds for the Half-yearly Report of the Company for 2024</p> <p>Special Report on the Deposit and Actual Use of Proceeds of the Company for the Half-year of 2024".</p>
The Fifth Session of the Board of Directors Thirteenth Meeting	29 October 2024	<p>Consideration and adoption of the Third Quarterly Report of the Company for the year 2024</p>

VI. Performance of duties by Directors

(I) Participation of Directors in the Board of Directors' Meetings and Shareholders' Meetings

Name of Director	Independent Director	Participation in the Board of Directors						Attendance at shareholder s' meetings
		Attendance at Board meetings during the year Number of times	Attended in person	Number of times to attend by correspondence Number of times	Attended by proxy	Number of absences	Failure to attend in person for two consecutive meetings Attendance	Number of times attending the general meeting
Xu Shugen	No	7	7	1	0	0	No	2
Xu Zhong	No	7	7	1	0	0	No	2
Wang Meihua	No	7	7	0	0	0	No	2
Liang Jin	No	7	7	1	0	0	No	2
Yu Yutang	No	7	7	77	0	0	No	2
Xu Ronggen	No	7	7	77	0	0	No	2
YAU PO YIN	Yau Po Yin	2	2	1	0	0	No	1
Wang Baoqing	Yes	7	7	6	0	0	No	1

Explanation for not attending two consecutive Board meetings in person

☐ Applicable ☒ Not Applicable

Number of Board meetings held during the year	7
Of which: Number of on-site meetings	1
Number of meetings held by correspondence	0
Number of meetings held on-site and by means of communication	6

(ii) Objections raised by directors to matters relating to the Company

☐ Applicable ☒ Not applicable

(iii) Others

☐ Applicable ☒ Not Applicable

VII. Specialised committees under the Board of Directors

☒ Applicable ☐ Not applicable

(i) Membership of specialised committees under the Board of Directors

Category of specialised committees	Name of member
Audit Committee	Wang Baoqing, Qiu Baoyin, Qu Danming
Nomination Committee	Qiu Baoyin, Wang Baoqing, Xu Shugen
Remuneration and Evaluation Committee	Qu Danming, Wang Baoqing, Wang Meihua
Strategy and ESG Committee	Xu Shugen, Qiu Baoyin, Qu Danming

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(II) The Audit Committee held 7 meetings during the reporting period

Date of meeting	Contents of meetings	Important opinions and recommendations	Other performance of duties
2024-1-3	Communicate with the Company's auditor-accountant and the Company's management on the 2023 annual report Communication on matters such as the timing of the audit.	—	None
2024-1-9	Consideration and approval of the "Resolution on Continuing to Use Part of the Idle Proceeds to Temporarily Supplementing Liquid Funds"	Consideration and adoption of the motion No objection.	None
2024-4-15	Communication with the Company's auditor and accountant and the Company's management on the 2023 financial report audit.	—	None
2024-4-23	Consideration and approval of the Annual Report of the Company for the year 2023 and its summary Report on the Financial Accounts of the Company for the Year of 2023, Report on the Evaluation of Internal Control of the Company for the Year of 2023, Proposal on the Renewal of the Appointment of the Accounting Firm, Report on the Performance of the Audit Committee of the Board of Directors of the Company for the Year of 2023 Report of the Audit Committee of the Board of Directors of the Company for the Year 2023" "Report of the Audit Committee of the Board of Directors of the Company on the Report of the Audit Committee of the Board of Directors of the Company on the Performance of its Duties for the Year 2023 Report of the Audit Committee of the Board of Directors on the Supervision Duties Performed by the Accounting Firm for the Year 2023 First Quarterly Report 2024	The motion was passed with no objection.	No objections
2024-8-26	Consideration and adoption of the Half-yearly Report of the Company for the Year 2024 and its Summary Special Report on the Deposit and Actual Utilisation of Proceeds of the Company for the Half-Year of 2024 Special Report on the Deposit and Actual Use of the Company's Proceeds for the Half-Year of 2024	Considered and passed the motion without objection.	No objection.
2024-10-28	Consideration and adoption of the Third Quarterly Report of the Company for the year 2024	Consideration and adoption of the motion. No objections.	None
2024-12-18	Communicate with the Company's audit accountant and the Company's management regarding the 2024 annual report Audit scheduling and other matters.	—	None

(III) The Nomination Committee held 1 meeting during the reporting period

Date of meeting	Contents of the meeting	Important opinions and recommendations	Other performance of duties
2024-6-26	Consideration and adoption of the "Resolution on the re-election of Mr Qiu Baoyin as an independent director of the Company Motion for the re-election of Mr Qiu Baoyin as an independent director of the Company	Consideration and adoption of the motion No objection.	No objection.

(iv) One meeting of the Remuneration and Evaluation Committee was held during the reporting period

Date of meeting	Content of the meeting	Important Observations and Recommendations	Other fulfilment of duties
2024-4-23	Consideration and adoption of the "Proposal to confirm the remuneration of directors and senior management for the year 2023 Remuneration of Directors and Senior Executives for 2023	Consideration and adoption of the motion No objections.	No objections.

(E) The Strategy and ESG Committee held three meetings during the reporting period.

Date of meeting	Contents of meetings	Important opinions and recommendations	Other performance of duties
2024-3-22	Consideration and adoption of the "Resolution on Investment in a New Project with an Annual Production Capacity of 20,000 New Energy Aerial	Consideration and adoption of the	No objection.

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	Work Platforms". Aerial Work Platform Project	motion No objection.	
2024-4-23	Consideration and adoption of the "2023 Annual Environmental, Social Responsibility and Corporate Governance (ESG) Report" "Motion to adjust the organisational structure of the company	Consideration and adoption of motions. No objections.	None
2024-4-30	Consideration and adoption of the Motion on Updating ESG-related Policies	Consideration of the adoption of the motion. No objections.	None

(VI) Details of matters with objections
☐Applicable ☒ Not applicable
(viii) Explanation of risks identified by the Supervisory Committee in respect of the Company
☐Applicable ☒ Not applicable

The Supervisory Committee had no objection to the supervisory matters during the reporting period.

IX. Employees of the parent company and major subsidiaries at the end of the reporting period**(I) Employees**

Number of employees in service of the Parent Company	2,150
Number of employees in service at major subsidiaries	381
Total number of employees	2,531
Number of retired employees subject to expenses of the Parent Company and major subsidiaries	2
Professional Composition	
Category of professional composition	Number of professional staff
Production staff	1,635
Sales staff	207
Technical staff	349
Finance staff	43
Administrative staff	297
TOTAL	2,531
Educational level	
Type of educational attainment	Number (persons)
Bachelor's degree and above	338
College	347
High school and below	1,846
Total	2,531

(ii) Remuneration policy

☒ Applicable ☐ Not applicable

The Company continuously improves the remuneration distribution system in accordance with national laws and regulations, industry characteristics and the actual situation of the enterprise, and formulates the remuneration management system in accordance with the overall strategy.

Remuneration policy The remuneration policy is based on the principles of "distribution according to work, combination of incentives and constraints, linkage of remuneration with the Company's operating efficiency, focus on long-term development, and openness, fairness and transparency of the annual remuneration standard", which links the remuneration of the employees to the Company's operating results and individual performance, forming a scientific and effective incentive and constraint mechanism, which not only ensures the avoidance of talent loss but also attracts new talents to join the Company, and provides a good opportunity for the Company to attract new talents to join the Company. This not only ensures the avoidance of talent loss, but also attracts new talents to join the company and provides a guarantee for the sustainable development of the company.

(iii) Training programmes

☒ Applicable ☐ Not Applicable

In 2025, with the changes in the global political and economic pattern and the many contradictions arising from the process of global economic integration, the international trade friction will be aggravated and diversified, and every step of enterprise development will be on thin ice. In 2025, with the changes in the global political and economic landscape and many contradictions arising from the process of global economic integration, international trade frictions will be intensified and diversified, and the enterprise will be walking on thin ice in every step of its development. In 2025, the international market will still be the target market for the enterprise to focus on expanding, so that international integration will become the tendency of the enterprise's internal management work in 2025.

Talent recruitment and personnel training will be centred around this core.

Company training continues to be divided into new employee training and staff training, new employee training in the company level popularisation of factory rules and regulations, welfare and safety education, in the workshop / department level by the workshop / department supervisor to arrange for one-on-one help to learn the job operation skills of the old staff, after the probationary period of learning and practical exercises, to meet the job operation entry level standards will be corrected.

Employee training is the focus of annual human resources work, but also the focus of the company's training work, in 2025 with the development of international business, the ESG evaluation standards to focus on the environment and resources, employee rights and interests and social welfare, risk management and optimisation of governance and other aspects of the training system, focusing on the economic benefits of the same time, pay attention to the community and the environment, to improve the employees' awareness of the law and risk, and to focus on the sustainable development to the enterprise, more than in the past. More attention has been paid to the importance of sustainable development for the company to establish itself in the industry and develop in the long run. Specifically, training on diversity, equality and inclusion; business ethics (anti-corruption and anti-unfair competition); environmental protection, energy conservation and emission reduction; sustainable procurement; data and information security; risk management and internal control; and occupational health and development has been added.

The training content of ESG standards is taken as the training content to be upgraded in 2025, while the four aspects of system standards, safe production,

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professional skills of jobs and management capacity improvement remain the basis of corporate training work, and most of the training programmes are still centred on improving the professionalism of the workforce, and the management capacity of the managers,

Most of the training programmes still focus on improving the professional level of the workforce, the management ability of the managers, and the safety awareness of all the employees, which are still the most important points of the company's quality requirements for the entire workforce. Training methods mainly include internal training, external training, external training, workshop practice, operation drills, outdoor group building and so on.

Continuing for many years of the three systems to promote training to ensure the standardisation of the company's system has a popular theoretical basis for standardised operation, regardless of staff turnover, can ensure that all work in the system track normal operation. Safety training is the implementation of "professional things by professionals to do", safety training work implemented to the Department of Safety Supervision, basically every month in each workshop to take turns to carry out special safety training, including safety awareness, prevention and treatment of occupational diseases, the correct use of labour protective equipment, fire safety, special equipment and special environmental operating precautions, etc., to prevent problems before they occur. etc., so as to prevent problems before they occur and to minimise safety issues to a manageable extent.

In addition, the professional level of staff is also an important factor affecting the quality of enterprise products, from the professional and technical threshold of the entry interview, to the post training, to the daily operation of the high standards and strict requirements, the professional ability of the staff team to slowly improve, so as to ensure that the quality and efficiency of the team's work, and at the same time, this is the process of improving the ability of the staff, so that the enterprise and the individual during this period of mutual benefit and mutual benefit. Individuals during this period of mutual benefit, two-way enhancement.

(IV) Outsourcing of labour services

☐Applicable ☒ Not applicable

X. Profit distribution or capitalisation of capital reserves

(i) Formulation, implementation or adjustment of cash dividend policy

☒ Applicable ☐ Not Applicable

The Company has formulated the cash dividend policy in the Articles of Association, which sets out the principles and forms of profit distribution, the conditions and proportion of cash dividends, the period interval, the decision-making procedures of the profit distribution plan and the criteria for the distribution of profits.

intervals, the decision-making procedures of the profit distribution plan and the adjustment of the profit distribution policy. During the reporting period, the implementation of the profit distribution policy of the Company was in compliance with the provisions of the Articles of Association and the deliberation procedures, and was able to fully protect the legitimate rights and interests of small and medium-sized investors, and no adjustment was made to the profit distribution policy.

During the reporting period, the Company implemented the profit distribution plan for the year 2023, with cash dividend of 1.00% per share based on the total share capital of the Company of 506,347,879 shares before the implementation of the plan.

Based on the total share capital of the Company of 506,347,879 shares prior to the implementation of the plan, a cash dividend of RMB1.00 per share (inclusive of tax) was paid, totalling a cash dividend of RMB506,347,879 (inclusive of tax).

(ii) Special explanation on cash dividend policy

☒ Applicable ☐ Not applicable

Compliance with the provisions of the Articles of Association or the requirements of the resolutions of the general meeting of shareholders	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the criteria and proportion of dividend distribution are clear and unambiguous	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanisms are complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the independent directors have performed their duties and played their due role	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the small and medium-sized shareholders have sufficient opportunities to express their opinions and	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

(iii) If the reporting period is profitable and the parent company has positive profit available for distribution to shareholders but has not put forward a proposal for a cash profit distribution plan, the Company shall disclose in detail the reasons therefor as well as the use of the undistributed profit and the plan for its use

☐ Applicable ☒ Not applicable

(iv) Proposals for profit distribution and capitalisation of capital reserve for the reporting period

☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Number of bonus shares per 10 shares (shares)	0
Dividend per 10 shares (RMB) (including tax)	10.00
Number of shares transferred per 10 shares (shares)	46 / 240 0
Cash dividend amount (including tax)	506,347,879

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Net profit attributable to ordinary shareholders of the listed company in the consolidated statements of income	1,628,805,154.01
Cash dividends as a percentage of net profit attributable to ordinary shareholders of the listed company in the consolidated statement of accounts (%)	31.09
Net profit attributable to ordinary shareholders of the listed company in the consolidated statement (%)	
Amount of shares repurchased for cash included in cash dividends 1,628,805,154.01	0
Total dividend amount (including tax)	506,347,879
Ratio of total dividend amount to net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)	31.09
Net profit attributable to ordinary shareholders of the listed company in the consolidated statement of accounts (%)	

(v) Cash dividends for the last three financial years√ Applicable ☐ Not applicable

Unit: RMB Currency: RMB

Accumulated cash dividends for the last three financial years (including tax)(1)	1,265,869,697.50
Cumulative amount of repurchase and cancellation in the last three fiscal years(2)	0
Cumulative amount of cash dividends and repurchase and cancellation in the last three fiscal years (3)=(1)+(2)	1,265,869,697.50
Amount of average annual net profit for the last three fiscal years (4)	1,584,396,869.60
Cash dividend ratio (%) for the last three fiscal years(5)=(3)/(4)	79.90
Attributable to ordinary shareholders of the listed company in the consolidated statement of accounts for the most recent fiscal year Net profit	1,628,805,154.01
XI. Status of the Company's share incentive scheme, employee share ownership scheme or other employee incentives and their impact (i) Where the relevant incentive matters have been disclosed in the Interim Announcement and there has been no progress or change in subsequent implementation	6,920,716,858.19

☐ Applicable ☒ Not applicable**(ii) Incentive situations not disclosed in the interim announcement or with subsequent progress**

Share incentives

☐ Applicable ☒ Not applicable

Other description:

☐ Applicable ☒ Not Applicable

Employee Share Ownership Plan

☐ Applicable ☒ Not Applicable

Other incentives

☐ Applicable ☒ Not Applicable**(iii) Share incentives granted to Directors and senior management during the reporting period**☐ Applicable ☒ Not Applicable

(iv) Evaluation mechanism for senior management personnel and the establishment and implementation of incentive mechanism during the reporting period

☒ Applicable ☐ Not applicable

The senior management of the Company is directly responsible to the Board of Directors and is subject to the assessment, rewards and punishments of the Board of Directors. The Company has clearly defined the appraisal and incentive mechanism for senior management personnel. The Board of Directors has set up the Remuneration and Evaluation Committee under the Board of Directors. The Remuneration and Evaluation Committee has been set up under the Board of Directors, which is responsible for the relevant appraisal system and performance appraisal of senior management. The Company has established an appraisal and incentive system for senior management.

The Company has established an appraisal and incentive system for senior management and a relevant reward system. In recent years, the Company has set up ESG performance objectives with clear measurability and incorporated ESG performance into the remuneration assessment system, which has achieved good results.

XII. Construction and implementation of internal control system during the reporting period

☒ Applicable ☐ Not Applicable

In accordance with the standardised system for internal control of enterprises, the Company has now established a sound and effective internal control system. Among them, the Supervisory Committee supervises the establishment and implementation of internal control, the management is responsible for organising and leading the day-to-day operation of the enterprise's internal control, so that the true and fairness of the financial statements can be reasonably ensured, the healthy operation of the Company's business activities and the implementation of relevant national laws and regulations and the Company's internal rules and regulations can be carried out and the safety and integrity of the Company's assets can be protected.

Explanation of significant deficiencies in internal control during the reporting period

☐ Applicable ☒ Not applicable

XIII. Management control over subsidiaries during the reporting period

☒ Applicable ☐ Not Applicable

The Company has established a comprehensive and effective internal control system covering all business areas, departments, positions and subsidiaries at all levels in accordance with various internal control guidelines and internal management requirements. The Company has established a comprehensive and effective internal control system covering all business areas, departments, positions and subsidiaries at all levels in accordance with various internal control guidelines and internal management requirements. During the reporting period, the Audit Department of the Company conducted supervision and inspection of the design and implementation of processes in high-risk areas of the subsidiaries through a combination of daily supervision and special supervision based on the risk-oriented principle, and subsidiaries at all levels had maintained effective internal control in all material aspects in accordance with the Company's control requirements, and no material and significant deficiencies were found, and rectification was strengthened in respect of the management problems identified to continuously facilitate the Company's optimisation of the internal control system and improve the level of operation and management.

XIV. Explanation of the relevant information of the internal control audit report

☒ Applicable ☐ Not applicable

Lixin Certified Public Accountants (Special General Partnership) has audited the effectiveness of the Company's internal control over financial reporting as at 31 December 2024 and issued the Internal Control Audit Report (Xinxin). Lixin Certified Public Accountants (Special General Partnership) has audited the effectiveness of the Company's internal control over financial reporting as at 31 December 2024 and issued an internal control audit report (Xinhui Shi Zi [2025] No. ZA10999), which concludes that the Company has maintained, in all material respects, effective internal control over financial reporting as at 31 December 2024 in accordance with the "Basic Standard for Internal Control of Enterprises" and the relevant regulations.

Disclosure of internal control audit report: Yes

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

XV. Self-inspection and rectification of issues in the special action on governance of listed companies

The Company has now established a sound system of Board of Directors, Supervisory Committee and General Meeting of Shareholders in order to promote scientific and effective decision-making of the Company and to supervise its compliance with the development strategy of the Company and the law of social development. The Company pays close attention to securities laws and regulations, changes in national policies and the dynamics of the capital market, and continuously improves and perfects corporate governance to effectively protect the rights and interests of the Company and investors. After the special self-inspection of corporate governance, at present, the construction and implementation of the company's various systems, the operation of organisational structure and decision-making, the construction of internal control system, information disclosure mechanism, etc. are all scientifically standardised and healthy operation, and no rectification issues have been found to be required.

XVI. Others

☐ Applicable ☒ Not Applicable

Section V Environment and Social Responsibility

I. Environmental Information

Whether to establish mechanisms for environmental protection	Yes
Investment in environmental protection during the reporting period (in RMB)	807.65

(i) Environmental information of the Company and its major subsidiaries which are key emission units announced by the

environmental protection department

√ Applicable ☐ Not applicable

1. Information on sewage discharge

√ Applicable ☐ Not applicable

Main pollutants	Characteristic pollutant name	Discharge method	Number of outlets Quantity	Emission concentration	Pollutant emission standard	Compliance
Wastewater	pH, chemical oxygen demand, ammonia nitrogen, phosphate	Part of the production wastewater is reused, part of the production wastewater is treated by the company's wastewater treatment station to meet the standards and domestic wastewater discharged through the pipe.	4	pH (dimensionless) 6~9; Chemical Oxygen Demand (COD) Concentration: ≤500mg/L; Ammonia Nitrogen Concentration: ≤35mg/L; Concentration of ammonia nitrogen ≤35mg/L; total phosphorus Concentration ≤8mg/L	Standard for Comprehensive Emission of Sewage GB8978-1996 third grade Standard DB33/887-2013 Indirect Emission Limits for Nitrogen and Phosphorus Pollutants in Wastewater from Industrial Enterprises Indirect Emission Limits of Nitrogen and Phosphorus Pollutants in Wastewater of Industrial Enterprises Value	Achieve the standard
Waste gas	Benzene, particulate matter, sulphuric acid mist, acetic acid esters, volatile organic compounds.	Emission after treatment	18	Total volatile organic compounds (TVOC) concentration ≤120mg/m ³ ; benzene concentration ≤50mg/m ³ ; benzene Concentration ≤20mg/m ³ ; sulfuric acid mist concentration of sulphuric acid mist ≤45mg/m ³ , particulate matter ≤20mg/m ³ . Particulate matter ≤20mg/m ³	Comprehensive Emission Standards for Air Pollutants GB16297-1996 Second Level Standard DB33/2146-2018 DB33/2146-2018 Emission Standards for Air Pollutants from Industrial Painting Processes	Achievement
Noise	Plant noise	Sound insulation, vibration damping	Each plant Boundary Perimeter	Category 3: Daytime 65dB(A) at daytime, 55dB(A) at nighttime 55dB(A)	GB12348-2008 《Industrial GB12348-2008 Environmental Noise Standard for Factory Boundaries of Industrial Enterprises GB12348-2008 Environmental Noise Emission Standards for Industrial Enterprises at Factory Boundaries	Achieved

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Solid waste	Metal dust, sludge, floating oil, waste activated carbon, paint sludge, waste paint drums, domestic waste, etc.	Entrusted to the third party qualified units to deal with	0	No	No emission concentration standard	Reach the standard
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2. Construction and operation of pollution prevention and control facilities

√ Applicable ☐ Not applicable

(1) Wastewater management

The company strictly implements "rain and sewage diversion, clean and sewage diversion", each production area supporting the construction of necessary production wastewater, domestic sewage or rainwater collection pipeline network, pipelines made of corrosion-resistant, abrasion-resistant, impact-resistant materials, the environmental protection department of the pipeline network for timely maintenance, repair, to fully avoid the potential negative impacts of production wastewater seepage on the soil and groundwater. Negative impacts on soil and groundwater are fully avoided.

The company's domestic wastewater is connected to the municipal sewage network and sent to the sewage plant for unified treatment after preliminary treatment to meet the take-over standards. For production wastewater, part of it is treated by the wastewater treatment station in the plant to meet the discharge standard and then discharged into the municipal sewage network for further treatment in the sewage plant, and part of it is reused for workshop flushing.

During the reporting period, the company commissioned qualified units to test the production wastewater and rainwater discharge outlets, and the production wastewater discharge was in line with the "Comprehensive Wastewater Emission Standards" (GB8978-1996).

(GB8978-1996).

(2) Waste gas management

In the environmental impact assessment stage of the project, the company comprehensively identifies the organised and unorganised exhaust gas emission points. Combining the experience of in-house engineers and external experts, the company selects efficient and feasible exhaust gas collection and treatment technologies and devices. At the same time, we actively explore the enhancement of clean production and the adoption of environmentally friendly material substitution, and endeavour to reduce emissions from production at source.

For organised waste gas, the company is equipped with highly efficient waste gas collection devices in the main process links that generate waste gas, such as shot blasting, plastic spraying, sanding, painting and gas combustion. Through filtration, adsorption, catalytic combustion and other methods, targeted treatment of particles, volatile organic compounds and other pollutants, the pollutant removal effect is remarkable. During the reporting period, all the waste gas treatment facilities operated stably, and all kinds of pollutants were treated and discharged in compliance with the standards.

We avoided and reduced the generation of unorganised exhaust gas by optimising process design, airtight operation and enhancing the efficiency of exhaust gas collection devices. During the reporting period, the Company commissioned qualified units to test the emissions of organised and unorganised waste gas, and the emission concentrations of various pollutants were in line with the Comprehensive Emission Standards for Air Pollution (GB 16297-1996), Emission Standards for Air Pollutants from Industrial Painting Processes (DB33/ 2146-2018), Emission Standards for Air Pollutants from Industrial Furnaces (GB 9078- 1996), and the limit value requirements specified in the Standard for Control of Unorganised Emission of Volatile Organic Compounds (GB 37822-2019).

(3) Noise Management

The company takes reasonable layout to reduce noise impact into consideration at the early stage of the construction of production plants, and puts forward specific requirements on noise value as a technical indicator to suppliers at the stage of equipment bidding and purchasing, and tries to select low-noise or no-noise equipment. For the equipment that may generate large noise, the company adopts anechoic, acoustic absorption, sound insulation and other measures to reduce noise as far as possible. During the reporting period, the company commissioned qualified units to carry out noise testing, and the noise at the factory boundaries of each production plant complied with the limits stipulated in the Environmental Noise Emission Standards for Factory Boundaries of Industrial Enterprises (GB 12348-2008).

(4) Waste treatment

The company builds a whole-chain waste management system covering production and office through classification and disposal, source control, compliant storage and technology empowerment to ensure environmental compliance and efficient use of resources.

For non-hazardous wastes, recyclable wastes such as metal dust, waste steel pellets and waste packaging materials are collected and regularly sold to waste material recyclers, while the rest of the domestic wastes are transported by the municipal sanitation department according to the regulations on the management of municipal solid wastes.

For hazardous waste, the company through the process of upgrading, reducing waste, saving measures to reduce surface treatment waste, tank slag liquid, waste activated carbon and other ways to control the generation of hazardous waste from the source; at the same time, the company has built a hazardous waste storage warehouse, to meet the "Hazardous Waste Storage Pollution Control Standards" (GB 18597-2023) windproof, rainproof, sunproof, leakage-proof and other requirements; according to the category, form, physical and chemical properties of the According to the category, form, physical and chemical properties of the district classification storage, regularly entrusted to a third party company with hazardous waste disposal qualification compliant disposal.

Environmental impact assessment of construction projects and other environmental protection administrative licences

☒ Applicable ☐ Not applicable

The company carries out environmental impact assessment before construction and handles environmental protection acceptance after the completion of construction. The company has applied for the sewage discharge licence in the local environmental protection department.

During the reporting period, the company discharged pollutants in compliance with the standards.

Contingency plan for environmental emergencies

☒ Applicable ☐ Not applicable

In order to prevent, early warning and emergency disposal of environmental emergencies or all kinds of environmental emergencies secondary to or derived from safe production, the company has formulated the "Zhejiang Dingli Machinery Co.

Emergency Response Plan for Environmental Emergencies of Zhejiang Dingli Machinery Co. According to the degree of environmental hazards, the scope of influence, the ability to control the situation and the need to mobilise emergency resources, the environmental pollution accident will be divided into off-plant level, plant level two, and the corresponding response measures. The Emergency Response Command is set up, with the chairman of the board of directors as the chief commander, and the emergency organisational structure and emergency response expert group are established to carry out unified command and coordination for the prevention, disposal and rescue of environmental emergencies.

5、 Environmental self-monitoring programme√ Applicable ☐ Not applicable

The Company strictly monitors the operation of environmental protection equipment and facilities for the treatment of wastewater and waste gas to ensure that all environmental protection equipment and facilities can operate normally. The company strictly complies with the environmental protection laws, regulations and relevant provisions of the state and local governments, specifies the types of pollutants and sampling locations of wastewater, waste gas and solid waste, etc., and entrusts qualified units to carry out testing and prepare environmental protection testing programmes. According to the data of self-testing, commissioned monitoring and law enforcement monitoring of wastewater and waste gas emissions, all of them meet the corresponding standards.

6、 Administrative penalties imposed on environmental issues during the reporting period☐ Applicable √ Not applicable**7、 Other environmental information that should be disclosed**☐ Applicable √ Not Applicable**(II) Explanation of environmental protection situation of companies other than key emission units**☐ Applicable √ Not applicable**(iii) Relevant information conducive to the protection of ecology, prevention and control of pollution and fulfilment of environmental responsibility**√ Applicable ☐ Not applicable

Green and low-carbon is a key proposition for the high-quality transformation of enterprises. The Company focuses on the five key areas of green manufacturing, green products, green parks, green travelling and green recycling.

The company has been actively building a first-class green and intelligent manufacturing base for aerial work platforms by deeply integrating the concept of green and sustainable development into the whole process of enterprise development. The company takes the "Future Factory" as the key to gradually increase the proportion of renewable energy, and reduce the impact of the production process on the environment as much as possible through energy saving, waste reduction, technology improvement, intelligent equipment upgrading and other means. The "Future Factory" creates a closed-loop model of the whole production chain, realising automatic internal distribution of AGV logistics to each workstation according to specific routes in the factory, reducing vehicle emissions from delivery, and upgrading the automation of equipments to enhance the company's advantages in green, high-end and intelligent manufacturing. 2024, the company's renewable energy power generation will increase by 47.15 percent. 47.15%. In order to promote clean production and optimise the coating process, the company has upgraded the original paint production line to an electrostatic powder spraying line, which generates no hazardous wastes such as paint residue and paint drums, and reduces the emission of VOCs and other waste gases from the source. The company adopts an integrated energy-saving programme, covering large-scale natural lighting, large-area vegetation coverage, roof gardens, insulated walls, photovoltaic systems, LED energy-saving lighting, HVLS energy-saving fans, BMS smart meters, heat recovery, rainwater collection, wastewater reuse, packaging recycling, inductive faucets, installation of charging piles, and recycling of office supplies, etc., to reduce the consumption of resources and practise the concept of low carbon.

The company continues to plough into the strategy of product electrification, and has taken the lead in realising the electrification of the whole series of products. The new electric arm-type and shear fork-type products have the advantages of energy saving, environmental protection, no noise, convenient maintenance, low cost, safety, practicality and strong power, etc. They can meet the requirements of high-speed railway and airport, old district renovation, urban construction, dust-free workshop and other fields with high requirements for environmental protection emissions, helping customers to reduce greenhouse gas emissions, and realising the synergistic carbon reduction in the upstream and downstream of the value chain. The company gradually promotes the green supply chain management system to enhance the company's sustainable development capability. The Company gives priority to the procurement of energy-saving and environmentally friendly products that have passed the environmental labeling product certification, energy-saving product certification or other certifications recognised by the state, prohibits the procurement of products with "high pollution and high environmental risks", and eliminates outdated production equipment and products and products that are restricted or banned by the state in terms of high energy consumption and high pollution. The Company requires suppliers to sign the Supplier Code of Conduct and comply with the international community's guidelines on business ethics, employee rights and interests, occupational health and safety, and environmental management, so as to reduce ESG risks in the supply chain and achieve sound business development. 2024, the Company's new suppliers that have signed contracts with clauses on the environment, labour and human rights requirements will amount to 100%, and the rate of signing by existing suppliers will reach 100%.

(iv) Measures taken to reduce its carbon emissions during the reporting period and their effects

Whether to take measures to reduce carbon emissions	Yes
Reduction of carbon dioxide equivalent emissions (in tonnes)	8,675.92

2024

Type of carbon reduction measures (e.g. use of clean energy for power generation, use of clean energy for power generation, use of clean energy for power generation, use of clean energy for power generation in the production process)	Use of clean energy for power generation, use of carbon-reducing technologies in the production process, R&D and production to help reduce carbon emissions (in tonnes)
(e.g. use of clean energy to generate electricity, use of clean energy to generate electricity, use of carbon-reducing technologies in the production process, R&D and production of new products that help reduce carbon dioxide emissions) (e.g. use of clean energy for power generation, use of carbon-reducing technologies in production processes, development and production of new products that contribute to carbon reduction)	New products that contribute to carbon reduction.

Specific description

√ Applicable ☐ Not applicable

1. The Company has installed solar photovoltaic systems, with a total photovoltaic power generation capacity of 16,836.64MWh in 2024, reducing carbon dioxide emissions by about 8,675.92 tonnes;
2. The company carries out equipment automation upgrading and transformation projects, and uses carbon reduction technology to technically improve the main production process. For example, the company improves the technology of paint spraying process to powder spraying process, which generates no hazardous wastes such as paint residue and paint drums, and significantly reduces the emission of VOCs, particles and other hazardous waste gases, and at the same time, the utilisation rate of powder reaches 95%, which reduces the consumption of materials;
3. The company has increased the R&D, production and sales of electrified products to help the upstream and downstream of the value chain to reduce carbon in a coordinated manner.

II. Social Responsibility

(I) Whether to disclose social responsibility report, sustainable development report or ESG report separately

√ Applicable ☐ Not applicable

The Company discloses its social responsibility report separately. For details, please refer to the "2024 Environmental, Social Responsibility and Corporate Governance Report" disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn).

For details, please refer to the "2024 Environmental, Social Responsibility and Corporate Governance (ESG) Report" disclosed by the Company on the website of Shanghai Stock Exchange ().

(ii) Details of social responsibility work

√ Applicable ☐ Not applicable

External donations and public welfare projects	Number/content	Description of situation
Total input (RMB million)	97.63	Charitable donations, charity grants, etc.
Of which: Funding (RMB 10,000)	97.63	Charitable donations, charity grants, etc.
Material discount (yuan)	0	
Number of people benefited (persons)	Not applicable	

Specific description

√ Applicable ☐ Not Applicable

The Company has always actively advocated and fulfilled its corporate social responsibilities and endeavoured to return to the society with the fruits of corporate development. During the reporting period, the Company participated in the Education Co-enrichment Project and donated money to the Red Cross Society of Leidian Town for teachers in need.

During the reporting period, the Company participated in the education co-enrichment project and donated funds to the Red Cross Society of Leidian Township for the relief of teachers and students in difficulty, improvement of school conditions and recognition of outstanding teachers and students, etc.; it also participated in the "Donation for Charity" activity of Deqing County and donated funds to the Charity Co-enrichment Fund to promote the construction of local charitable undertakings.

C. Consolidation and expansion of the results of poverty alleviation, rural revitalisation and other specifics

☐ Applicable ☒ Not applicable

2024

Specific description

☐Applicable ☒ Not Applicable

Section VI Important Matters

I. Implementation of commitments

(I) Commitment matters of the Company's actual controllers, shareholders, connected parties, acquirers and commitment-related parties such as the Company during the reporting period or continuing into the reporting period

√ Applicable □ Not applicable

Background of commitments	Type of commitment	Committed parties	Commitment content	Commitment time	Whether there is a period of fulfillment Period of fulfillment	Commitment period	Whether it is strictly fulfilled in a timely manner
Commitments related to the initial public offering	Other	Company	The prospectus of the Company's initial public offering and listing does not contain any false records, misleading statements or material omissions, and the Company assumes legal responsibility for its truthfulness, accuracy and completeness. In the event that the prospectus for the Company's initial public offering and listing contains false records, misleading statements or material omissions that materially or substantially affect the judgement of whether or not the Company meets the conditions for issuance as stipulated by the law, the Company will convene a meeting of the Board of Directors to consider and adopt a specific plan for the compensation of investor losses within 10 trading days from the date on which such unlawful facts are determined by the CSRC, the stock exchanges or the judiciary and other authoritative authorities. The Company will convene a meeting of the Board of Directors within 10 trading days from the date on which such illegal facts are determined by the CSRC, stock exchange or judicial authorities to consider and adopt a specific plan for compensating investors for their losses (such plan shall be submitted to the shareholders' general meeting for approval, and shall be implemented only after fulfilling the procedures and obtaining the approvals required by relevant laws and regulations). If such authorised authority determines that the Company will refund the investors who have paid the subscription price for the new shares issued by the Company for the initial public offering in accordance with the subscription price for the shares paid by the investors plus the interest on the deposits of the same period of time of the banks during the period after the payment of the subscription price for the shares by the investors and before the shares have been listed and circulated; if such authorised authority determines that the Company will repurchase all the new shares issued by the Company for the initial public offering after the shares are listed and circulated, the Company will repurchase all the new shares issued by the Company. The Company will repurchase all the new shares issued by the Company in its initial public offering at a price not less than the issue price of the Company's shares plus interest on deposits of the same period at the bank during the period after the issue of the shares and up to the time of the repurchase. In the event of ex-rights and ex-dividend actions after the listing of the Company, the above issue price shall be the price after ex-rights and ex-dividend. If the prospectus of the Company's initial public offering and listing contains any false records, misleading statements or material omissions that may cause investors to suffer losses in securities transactions, the Company will, upon determination of such facts by the China Securities Regulatory Commission, the Stock Exchange or the judicial authorities and other authoritative bodies, comply with the laws and regulations of the PRC. The Company will compensate investors for their losses in accordance with the law.	28th July 2014 28th July 2014	Yes	Long-term	Yes
	Resolution of interbank competition	Xu Shugen	1, the promisor is not currently in China or abroad, alone or with other natural persons, legal persons, partnerships or organisations, in any form, directly or indirectly engaged in or involved in any business and activities that constitute competition to the company, or have any economic entities, institutions, economic organisations, which have a competitive relationship with Zhejiang Dingli Machinery Co. Ltd.	15 March 2012 March 15, 2012	Yes	During the period of holding more than 5% of the Company's equity Continuously valid	Yes

			<p>In the future business, the promisor and other enterprises under its control will not compete with the business of Zhejiang Dingli Machinery Company Limited and its subsidiaries, i.e., the promisor and other enterprises under its control (including wholly-owned and holding companies of the promisor and other enterprises under its control and companies over which the promisor and other enterprises under its control have actual control) will not engage in the same or similar business with the business of Zhejiang Dingli Machinery Company Limited and its subsidiaries, either directly or indirectly, in any way. Ltd. and its subsidiaries will not in any way, directly or indirectly, engage in the same or similar business with the business of Zhejiang Dingli Machinery Company Limited and its subsidiaries. 3, if Zhejiang Dingli Machinery Company Limited or its subsidiaries determine that the promisor and other enterprises under its control of the existing business or future business and Zhejiang Dingli Machinery Company Limited and its subsidiaries business of the existence of inter-industry competition, the promisor and its control of the other enterprises will be Zhejiang Dingli Machinery Company Limited or its subsidiaries objected to the timely transfer or termination of the promise Ltd. or its subsidiaries raise objections to the timely transfer or termination of the business. 4. At the board of directors' or shareholders' meeting of Zhejiang Dingli Machinery Co., Ltd. or its subsidiaries to determine whether or not there is inter-industry competition with the undertakings and other enterprises under their control, the undertakings undertake that the directors and shareholders' representatives related to the undertakings and other enterprises under their control will recuse themselves from the voting in accordance with the provisions of the Articles of Association of the Company. 5. The undertakings and other enterprises under their control Enterprises to ensure strict compliance with the provisions of the Articles of Association, not to use the position of shareholders, de facto controllers, directors, supervisors, senior management to seek undue benefits, and not to harm the legitimate rights and interests of Zhejiang Dingli Machinery Company Limited and other shareholders. 6, this letter of commitment from the date of issuance of the letter of legal effect, constituting a legally binding on the undertaker and other enterprises under his control of the legal documents, if there is a violation and to the Zhejiang Dingli Machinery Co., Ltd. or its subsidiaries caused losses, the promisor and other enterprises under its control</p> <p>Commitment will bear the corresponding legal responsibility.</p>				
	Others	Xu Shugen	<p>If Zhejiang Dingli Machinery Co., Ltd. and its subsidiaries are required by the social security department or other competent authorities to make up for the payment of social insurance premiums of previous years, or Zhejiang Dingli Machinery Co., Ltd. and its subsidiaries are required to pay late fees or suffer other penalties because of failure to pay the full amount of social insurance premiums of previous years, I am willing to make up for the payment of such social insurance premiums, pay late fees or bear the responsibility for penalties on behalf of Zhejiang Dingli Machinery Co. I am willing to pay the social insurance premiums, late fees or penalties on behalf of Zhejiang Dingli Machinery Co. and its subsidiaries.</p>	<p>15 March 2012</p> <p>15 March 2012</p>	<p>Yes, I am willing to pay the social insurance premiums on behalf of Zhejiang Dingli Machinery Co.</p>	Long-term	Yes

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	Settlement of connected transactions	Xu Shugen	As of the date of this commitment letter, I and the enterprises and other economic organisations under my control do not occupy the funds of Zhejiang Dingli Machinery Company Limited and its controlling subsidiaries; I and the enterprises and other economic organisations under my control will not occupy the funds of Zhejiang Dingli Machinery Company Limited and its controlling subsidiaries by way of borrowing, repayment of debts, advancement of funds or in any other manner from the date of the letter of commitment and will strictly comply with the relevant provisions of the CSRC on corporate governance of listed companies. Ltd. and its controlling subsidiaries, and will strictly abide by the relevant provisions of the China Securities Regulatory Commission on corporate governance of listed companies, to avoid the occurrence of any conflict between me, the enterprises and other economic organisations under my control and Zhejiang Dingli Machinery Co. Ltd. and Zhejiang Dingli Machinery Co.	10th April 2012 10th April 2012	Long-term	Long-term	Yes
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2024

	Restricted shares	Xu Shugen	<p>Except for the part of shares issued during the Company's initial public offering, within 36 months from the date of listing of the Company's shares, I will not transfer or entrust others to manage the shares held by me prior to the Company's public offering, nor will the Company repurchase the shares held by me prior to the Company's public offering; after expiry of the lock-up period mentioned above, I will not transfer or entrust others to manage the shares held by me prior to the Company's public offering. 2years</p> <p>If my shares issued before the public offering are reduced within 2 years after the expiry of the lock-up period, the price of the shares shall not be lower than the issue price; if the closing price of the shares of the Company is lower than the issue price for 20 consecutive trading days within 6 months after the listing of the Company, or if the closing price of the Company's shares is lower than the issue price at the end of the 6 months after the listing of the Company, the shares held by me shall be reduced by 2 years after the expiry of the lock-up period</p> <p>The lock-up period of the Company will be automatically extended for 6 months; during my tenure as a Director, Supervisor and Senior Management Personnel of the Company, the number of shares to be transferred annually shall not exceed 25% of the total number of shares of the Company held by me; and I shall not transfer the shares of the Company held by me within half a year of my departure from the Company. The number of shares of the Company to be sold through listed transactions on the stock exchange within 12 months after leaving office shall not exceed 50% of the total number of shares of the Company held by me; in the event of ex-rights and ex-dividend matters, the above issue price shall be adjusted accordingly. I will not give up the above commitment due to change of position or</p> <p>I will not waive the fulfilment of the above undertakings due to change of position or separation from service.</p>	28th July 2014 28th July 2014	Yes	Long-term	Yes
	Other	Xu Shugen	<p>The prospectus of the initial public offering and listing of Zhejiang Dingli does not contain any false records, misleading statements or material omissions, and I assume individual and joint legal responsibility for its truthfulness, accuracy and completeness. If the prospectus of the initial public offering and listing of Zhejiang Dingli contains false records, misleading statements or material omissions, which have a material and substantial impact on the judgement of whether Zhejiang Dingli complies with the conditions of issuance stipulated by the law, and such illegal facts are determined by the competent authorities such as the China Securities Regulatory Commission, the stock exchange or the judicial authorities, if such determination is made after the investor has paid the subscription money for the shares and before the shares are listed and in circulation, for the If such determination is made after the investors have paid the subscription money for the shares and before the shares have been listed and circulated, I will refund the investors who have paid the subscription money for the shares according to the subscription money for the shares paid by the investors plus the interest on the deposits made by the banks for the same period of time within the same period of time; if such determination is made after the shares in the initial public offering have been listed and circulated, I will repurchase all of the shares in the initial public offering, and the price of the repurchase will be no less than the price at which the shares are offered for sale by the investors plus the interest on the deposits made by the banks for the same period of time within the same period of time between the issuance of the shares and the time of repurchase. The repurchase price shall not be less than the price at which my shares were issued plus the interest on bank deposits for the same period between the issue of shares and the time of repurchase. If the ex-rights and ex-dividend behaviour occurs after the listing of Zhejiang Dingli, the above offer price is the price after ex-rights and ex-dividend. If there is any false record, misleading statement or material omission in the prospectus of the initial public offering and listing of Zhejiang Dingli, which causes investors to suffer losses in securities transactions, I will compensate them according to the law after the fact is recognised by the China Securities Regulatory Commission, the stock exchange or the judicial organs and other authoritative organs.</p> <p>If such fact is recognised by the China Securities Regulatory Commission, the stock exchange or the judicial authorities or other competent authorities, I will</p>	28th July 2014 28th July 2014	Yes	Long-term	Yes

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			compensate the investors for their losses in accordance with law.				
	Settlement of land and other property rights defects	Xu Shugen	<p>The Company has not received any notice of litigation for infringement of its patented intellectual property rights, nor has it received any notice of acceptance from the Patent Re-examination Committee of the State Intellectual Property Office in respect of objections raised by a third party in respect of the aforesaid patented intellectual property rights of the Issuer. The patented intellectual property rights owned by the Company are legal and valid.</p> <p>The patents and intellectual property rights owned by the Company are legal and valid, and there are no disputes or potential disputes. If the acquisition of the aforesaid patents is declared</p>	<p>26th January, 2015</p> <p>26th January 2015</p>	Yes	Long-term	Long-term

			<p>In the event that the patent infringement lawsuit is invalidated or the competent authority determines that the infringement is substantiated, I undertake that I shall be irrevocably liable to reimburse the Company for the costs of participation in the lawsuit and any compensation for patent infringement that may be incurred against the Company.</p> <p>I undertake that I shall be irrevocably liable to reimburse the expenses payable by the Company for participation in the litigation and any subsequent compensation for patent infringement that may arise against the Company.</p>				
	Settlement of competition in the same industry	Deqing Zhongding Equity Investment Management Co.	<p>1. The undertaker is not currently engaged in or involved in any business or activity that constitutes competition with the Company in any form, directly or indirectly, within or outside China, either alone or with other natural persons, legal persons, partnerships or organisations, or owns any interest in any economic entity, institution or economic organisation that is in competition with Zhejiang Dingli Machinery Company Limited. 2. In the future, the undertaker and other enterprises under its control will not compete with Zhejiang Dingli Machinery Company Limited. 3. Ltd. and its subsidiaries, that is, the promisor and its control of other enterprises (including the promisor and its control of other enterprises wholly-owned, holding companies and the promisor and its control of other enterprises have effective control over the company) will not be in any form, directly or indirectly engaged in the same or similar business with the business of Zhejiang Dingli Machinery Co. 3, if zhejiang dingli machinery co., ltd or its subsidiaries determine that the undertaker and other enterprises under its control existing business or future business and zhejiang dingli machinery co., ltd and its subsidiaries business competition, the undertaker and other enterprises under its control will be zhejiang dingli machinery co., ltd or its subsidiaries object to the transfer of the business or terminate the business in time. 4, in the Zhejiang Dingli Machinery Co., Ltd. or its subsidiaries to determine whether there is interbank competition with the promisor and other enterprises under its control of the board of directors or shareholders' meeting, the promisor undertakes that the promisor and other enterprises under its control of the relevant directors and shareholders' representatives will be shunned in accordance with the provisions of the articles of association of the company and will not participate in the vote. 5. The promisor and other enterprises under its control undertakes to strictly comply with the provisions of the articles of association of the company, and not to take advantage of the shareholders, Actual controller, directors, supervisors, senior management position to seek undue benefits, and not to harm the legitimate rights and interests of Zhejiang Dingli Machinery Co. 6, this letter of commitment from the date of issuance has the force of law, constituting a legally binding legal documents on the promisor and other enterprises under its control, if there is a violation and cause losses to Zhejiang Dingli Machinery Co. The undertaker and other enterprises under its control Commitment will bear the corresponding legal responsibility.</p>	15 March 2012 15 March 2012	Yes	Valid for the period of holding more than 5 per cent of the Company's equity.	Yes

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	Settlement of connected transactions	Deqing Zhongding Equity Investment Management Co.	<p>As of the date of this commitment letter, the Company does not occupy the funds of Zhejiang Dingli Machinery Company Limited and its holding subsidiaries; the Company will not occupy the funds of Zhejiang Dingli Machinery Company Limited and its holding subsidiaries by way of borrowing, repayment of debts, advancement of funds or in other ways as of the date of the commitment letter, and will strictly comply with the relevant provisions of the CSRC on corporate governance of listed companies, and avoid the occurrence of any transactions between the Company, the enterprises and other economic organisations controlled by the Company and Zhejiang Dingli Machinery Company Limited. The Company, enterprises and other economic organisations controlled by the Company and Zhejiang Dingli Machinery Co.</p> <p>Ltd. and its controlling subsidiaries, and will strictly comply with the regulations of the China Securities Regulatory Commission on corporate governance of listed companies, and will avoid the Company, enterprises controlled by the Company and other economic organisations from engaging in all financial transactions with Zhejiang Dingli Machinery Co.</p>	<p>10 April 2012</p> <p>10th April 2012</p>	Yes	Long-term	Yes
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2024

			<p>Machinery Co., Ltd. and its controlled subsidiaries have been penalised for the historical existence of financial transactions with the Company</p> <p>The Company shall be liable for any penalties imposed as a result of its historical financial transactions with the Company.</p>				
Commitments related to refinancing	Others	Xu Shugen	<p>1. not to transfer benefits to other units or individuals without compensation or on unfair terms, and not to use other means to harm the interests of the Company; 2. to exercise restraints on my consumption behaviour in my official capacity; 3. not to use the Company's assets to engage in investment and consumption activities unrelated to the performance of my duties; 4. to make every effort, within the scope of his own duties and authority, to promote the linking of the remuneration system formulated by the Board of Directors of the Company or the Remuneration and Evaluation Committee of the Company to the Company's Within the scope of my duties and authority, I undertake to fully urge the Board of Directors or the Remuneration and Evaluation Committee of the Company to formulate a remuneration system that is linked to the implementation of the Company's measures to fill in the returns and to vote in favour of the relevant motions considered by the Board of Directors and the General Meeting of Shareholders of the Company (if I have the right to do so). Vote in favour of the relevant motions to be considered by the Board of Directors and the general meeting of the Company (if any); 6. Faithfully and diligently perform my duties to safeguard the legitimate rights and interests of the Company and all shareholders; 7. After the date of issuance of this Undertaking, if the CSRC makes any other regulatory provisions on the fill-in measures for diluted immediate returns and its undertakings, and the above undertakings cannot satisfy such provisions of the CSRC, I undertake to issue an undertaking in accordance with the latest provisions of the CSRC at that time.</p> <p>CSRC's latest regulations, I undertake to issue supplementary undertakings at that time.</p>	<p>1 August 2016</p> <p>1 August 2016</p>	Yes	Long-term	Yes
	Other	Xu Shugen	<p>1. Never intervene in the operation and management activities of the Company in the capacity of a controlling shareholder or de facto controller, and never encroach on the interests of the Company; 2. If, after the date of issuance of this Undertaking, the China Securities Regulatory Commission ("CSRC") makes any other regulatory provisions relating to the fill-in measures for the dilution of the spot returns and its undertakings, and the above undertakings fail to satisfy such provisions of the CSRC, I undertake to I undertake to issue supplementary undertakings in accordance with the latest regulations of the CSRC at that time.</p>	<p>1 August 2016</p> <p>1 August 2016</p>	Yes	Long-term	Yes
	Other	Xu Shugen	<p>1. I undertake not to intervene in the Company's operation and management activities beyond my authority and not to encroach on the interests of the Company;</p> <p>2, after the date of issuance of this commitment until the completion of the implementation of this non-public offering, if the China Securities Regulatory Commission and other securities regulators to make measures to fill the return and its commitment to other new regulatory requirements, and the relevant content of this commitment can not meet the China Securities Regulatory Commission and other securities regulators of the provisions of this commitment, I undertake to be in accordance with the latest provisions of the China Securities Regulatory Commission and other securities regulators to issue additional commitments; 3, I undertake to effectively implement the company to develop measures to fill the return and I made in this regard. I undertake to effectively fulfil the relevant measures formulated by the Company to fill in the returns and any commitments I have made in relation to the measures to fill in the returns, and if I violate such commitments and cause losses to the Company or investors, I am willing to bear the losses to the Company or investors in accordance with the law.</p> <p>If I violate such undertakings and cause losses to the Company or investors, I am willing to bear the compensation responsibility to the Company or investors in</p>	<p>28th May 2021</p> <p>28th May 2021</p>	Long-term	Long-term	Yes

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			accordance with the law.				
	Other	Xu Shugen	1. I undertake not to transfer benefits to other units or individuals without compensation or on unfair terms, nor to use other means to harm the interests of the Company; 2. I undertake to exercise restraint on my consumption behaviour in my official capacity; 3. I undertake not to use the Company's assets to engage in investment and consumption activities unrelated to the performance of my duties; 4. I undertake to exercise restraint on my own	2021 5 28th May 2021	Yes	Long-term	Long-term

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			<p>Within the scope of my duties and authority, I shall endeavour to ensure that the remuneration system formulated by the Board of Directors or the Remuneration and Evaluation Committee is linked to the implementation of the Company's measures to fill in the return; 5. If the Company implements equity incentives in the future, I undertake to endeavour to ensure that the conditions for exercising the equity incentives are linked to the implementation of the Company's measures to fill in the return, within the scope of my duties and authority; 6. Before the completion of this commitment, if the China Securities Regulatory Commission and other securities regulators make other new regulatory provisions on measures to fill the return and its commitment, and the relevant content of this commitment can not meet the China Securities Regulatory Commission and other securities regulators of the provisions, I undertake to then in accordance with the China Securities Regulatory Commission and other securities regulators of the latest provisions of the supplement issued by the company's shareholders.</p> <p>I promise that I will issue additional commitments in accordance with the latest regulations of the China Securities Regulatory Commission and other securities regulatory bodies.</p>				
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(ii) If there is a profit forecast for the Company's assets or projects and the reporting period is still in the profit forecast period, the Company shall explain whether the assets or projects have reached the original profit forecast and the reasons thereof.

☐ Achieved ☐ Not achieved ☒ Not applicable

(iii) Completion of performance commitments and its impact on the impairment test of goodwill

☐ Applicable ☒ Not applicable

II. Non-operational occupation of funds by controlling shareholders and other related parties during the reporting period

☐Applicable ☒Not applicable

Violation of guarantees

☐Applicable ☒Not Applicable

Fourth, the board of directors of the company on the accounting firm "non-standard opinion audit report" explanation

☐Applicable ☒Not Applicable

V. Explanation of the Company's analysis of the reasons for and impact of changes in accounting policies, accounting estimates or correction of material accounting errors**(I) Explanation of the Company's analysis of the reasons for and impact of the changes in accounting policies and accounting estimates**

☒ Applicable ☐Not applicable

For details, please refer to "Section X Financial Reporting" under "V. Significant Accounting Policies and Accounting Estimates" under "40.

Changes in Significant Accounting Policies and Accounting Estimates" in this report.

Changes in Significant Accounting Policies and Accounting Estimates" in this report.

(ii) Explanation of the Company's analysis of the reasons for and impact of the correction of significant accounting errors

☐Applicable ☒Not applicable

(iii) Communication with the former accounting firm

☐Applicable ☒Not applicable

(iv) Approval procedures and other explanations

☐Applicable ☒Not Applicable

Appointment and dismissal of accounting firms

Unit: RMB 10,000 Currency: RMB

Current Appointment		
Name of domestic accounting firm	Lixin Certified Public Accountants (Special General Partnership)	
Remuneration of domestic accounting firm	130	
Years of audit experience of domestic accounting firm	14	
Name of certified public accountants of the domestic accounting firm	Yang Jingxin, Wang Kanyu	
Cumulative years of audit service of the certified public accountant of the domestic accounting firm	2	
	Name	Remuneration
Internal control audit accounting firm	Lixin Certified Public Accountants (Special General Partnership)	25

Description of the appointment and dismissal of the accounting firm

☒ Applicable ☐Not applicable

The annual general meeting of the Company for 2023 renewed the appointment of Lixin Certified Public Accountants (Special General Partnership) as the Company's auditor for 2024.

Explanation on the change of the accounting firm during the audit period

☐Applicable ☒Not Applicable

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

☐Applicable ☒Not Applicable

VII. Situations facing the risk of delisting**(I) Reasons for delisting risk warning**

☐Applicable ☒Not Applicable

(II) Countermeasures to be taken by the Company

☐Applicable ☒Not Applicable

(III) Circumstances and reasons for termination of listing

☐Applicable ☒Not Applicable

VIII. Matters relating to bankruptcy and reorganisation

☐Applicable ☒Not Applicable

Significant Litigation and Arbitration Matters

☐Major litigation and arbitration matters in the current year ☒No major litigation and arbitration matters in the current year

X. Suspected violations of laws and regulations, penalties and rectifications by listed companies, their directors, supervisors, senior management, controlling shareholders and de facto controllers

☐Applicable ☒Not Applicable

XI. Explanation on the integrity status of the Company and its controlling shareholders and de facto controllers during the reporting period

☒Applicable ☐Not Applicable

During the reporting period, the Company and its controlling shareholders and de facto controllers did not fail to fulfil the court's effective judgement, and did not fail to repay debts of large amount when due.

There was no adverse integrity status such as debts of a large amount not being repaid when due.

XII. Significant connected transactions**(I) Connected transactions relating to daily operations****(1) Matters disclosed in the interim announcement and with no progress or change in subsequent implementation**

☐Applicable ☒Not applicable

(2) Matters disclosed in the interim announcement but with progress or changes in subsequent implementation

☐Applicable ☒Not applicable

3. Matters not disclosed in the interim announcement

☐Applicable ☒Not Applicable

(II) Connected transactions arising from the acquisition or disposal of assets or equity interests**1. Matters disclosed in the interim announcement with no progress or changes in subsequent implementation**

☐Applicable ☒Not applicable

Matters that have been disclosed in the interim announcement but with progress or changes in subsequent implementation

☐Applicable ☒Not applicable

3. Matters not disclosed in the interim announcement

☐Applicable ☒Not applicable

4. If performance agreement is involved, the performance realisation during the reporting period shall be disclosed.☐Applicable ☒Not Applicable**(III) Significant connected transactions involving joint foreign investments****1. Matters that have been disclosed in the interim announcement and no progress or change in subsequent implementation**☐Applicable ☒Not applicable**Matters that have been disclosed in the interim announcement but with progress or changes in subsequent implementation**☐Applicable ☒Not applicable**3. Matters not disclosed in the interim announcement**☐Applicable ☒Not applicable**(IV) Related debt transactions****(1) Matters disclosed in the interim announcement with no progress or change in subsequent implementation**☐Applicable ☒Not applicable**Matters that have been disclosed in the interim announcement but with progress or changes in subsequent implementation**☐Applicable ☒Not applicable**3. Matters not disclosed in the interim announcement**☐Applicable ☒Not Applicable**(E) Financial business between the Company and finance companies with which it has a connected relationship, and between the Company's holding company and connected parties**☐Applicable ☒Not applicable**(VI) Others**☐Applicable ☒Not Applicable**XIII. Material contracts and their performance (I) Hosting, contracting and leasing matters 1. Hosting situation**☐Applicable ☒Not applicable**2. Contracting**☐Applicable ☒Not applicable**3. Leasing**☐Applicable ☒Not applicable

2024

(ii) Guarantees

√ Applicable ☐ Not applicable

Unit: RMB Currency: RMB

External guarantees of the Company (excluding guarantees to subsidiaries)														
Guarantor	Guarantor and listed company Relationship with the listed company	Guaranteed party	Amount of guarantee	Date of guarantee (date of agreement) Date of signing)	Guarantee commencement date	Guarantee expiry date	Type of guarantee	Collateral (if any)	Whether the guarantee has been fulfilled Completed	Whether the guarantee is overdue	Amount of overdue guarantee	Counter-guarantee	Whether the guarantee is for a related party	Affiliated Relationship
CMEC	Controlled subsidiary Company	Leasing customer	7,245,118.42				General guarantee			No			No	
Total amount of guarantee incurred during the reporting period (excluding guarantees to subsidiaries)						0								
Total guarantee balance at the end of the reporting period (A) (excluding guarantees to subsidiaries)						7,245,118.42								
Guarantees given by the Company and its subsidiaries to subsidiaries														
Total amount of guarantee incurred in respect of subsidiaries during the reporting period						614,000,000.00								
Total balance of guarantees to subsidiaries at the end of the reporting period (B)						914,923,139.82								
Status of total corporate guarantees (including guarantees to subsidiaries)														
Total amount of guarantees (A+B)						922,168,258.24								
Ratio of total guarantees to net assets of the Company (%)						9.19								
Among them:														
Amount of guarantees in favour of shareholders, de facto controllers and their connected parties (C)														
Amount of debt guarantees provided directly or indirectly in favour of guaranteed parties with gearing ratios exceeding 70% (D)						922,168,258.24								
Amount of the portion of total guarantees exceeding 50% of net assets (E)														
Total amount of the above three guarantees (C+D+E)						922,168,258.24								
Explanation of possible joint and several liability for outstanding guarantees						None								
Description of guarantees						1. Starting from 1 May 2024, CMEC became a consolidated subsidiary of the Company.CMEC cooperates with third-party financial leasing companies to provide customers with financial leasing services for the purchase of its equipment by providing finance leasing services.The CMEC subsidiary assumes 30% of the guarantee liability for the customer's financing. As at 31 December 2024, the guarantee exposure under this financial leasing business was RMB7,245,118.42, and there was no customer overdue situation. 2. On 28 May 2024, the Company held the 2023 annual general meeting to consider and approve the "Report on the Company's guarantees to customers under the scope of the Company's consolidated statement of accounts".								

2024

	<p>The total amount of daily guarantees to be provided by the Company to its subsidiaries within the scope of the consolidated statements in 2024 is expected to be no more than RMB2.8 billion.</p> <p>The total amount of guarantees is expected to be no more than RMB2.8 billion (or equivalent in foreign currency), and the expected total amount of guarantees will be valid from the date of consideration and approval by the shareholders' general meeting to the date of the annual general meeting of 2024, and the shareholders' general meeting will authorise the Board of Directors or the persons authorised by the Board of Directors to deal with the specific guarantee matters. As at 31 December 2024, the balance of such guarantee borne by the Company was RMB914,923,139.82 yuan.</p>
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(iii) Entrusted cash asset management 1.

Entrusted financial management

(1) Overall situation of entrusted financial management

√ Applicable ☐ Not applicable

Unit: RMB 10,000 Currency: RMB				
Type	Source of funds	Amount incurred	Outstanding balance	Overdue amount not recovered
Bank financial products	Own Funds	43,000.00	10,000.00	0

Others

☐ Applicable ☒ Not applicable

(2) Individual entrusted financial management

☐ Applicable ☒ Not Applicable

Others

☐ Applicable ☒ Not Applicable

(3) Provision for impairment of entrusted finance

☐ Applicable ☒ Not applicable

2. Entrusted loans**(1) Overall situation of entrusted loans**

☐Applicable ☒Not applicable

Others

☐Applicable ☒Not Applicable

(2) Individual entrusted loans

Applicable ☒Not Applicable

Other cases

☐Applicable ☒Not Applicable

(3) Provision for impairment of entrusted loans

☐Applicable ☒Not applicable

3. Other

☐Applicable ☒Not applicable

(iv) Other significant contracts

☐Applicable ☒Not applicable

Explanation on the progress of the use of proceeds

☒Applicable ☐Not applicable

(I) Overall utilisation of issue proceeds

☒Applicable ☐Not applicable

Unit: RMB 10,000

2024

Source of issue proceeds	Time of availability of issue proceeds	Total amount of issue proceeds	Net proceeds (1)	Total committed investment of proceeds in the prospectus or offering memorandum (2)	Total amount of over-raised funds (3) = (1) - (2)	Total accumulated investment of proceeds as at the end of the reporting period (4)	Of which: Cumulative total amount of overprovided funds invested as of the end of the reporting period (5)	Progress of cumulative investment of proceeds as at the end of the reporting period (%) (6) = (4)/(1)	Progress of cumulative investment of overprovided funds as at the end of the reporting period (%) (7) = (5)/(3)	Amount invested in the current year (8)	Percentage of amount invested in the current year (%) (9) = (8)/(1)	Total amount of proceeds from change of use
Issue of shares to specific recipients Stocks for the year	2021 December 23rd December	149,999.99	148,0 79.21	148,0 79.21	79.21	114,284.12	0	77.18	0	18,343.37	12.39	0
Total	/	149,999.99	148,0 79.21	148,0 79.21	79.21	114,284.12	0	/	/	18,343.37	/ /	0

Other notes

□Applicable √ Not applicable

(ii) Details of the issue and investment projects

√ Applicable □Not Applicable

1、Detailed use of issue proceeds

√ Applicable □Not applicable

Unit: RMB 10,000

Source of issue proceeds	Project name	Nature of project	Whether it is a committed investment project in the prospectus or offering memorandum	Whether it involves change of investment direction	Total planned investment of proceeds (1)	Amount invested this year	Cumulative total amount of proceeds invested as at the end of the reporting period (2)	Progress of cumulative investment as at the end of the reporting period (%) (3) = (2)/(1)	Date when the project reaches its intended useable state	Whether the project has been completed	Whether the input progress is in line with the planned progress	Specific reasons for input progress falling short of plan	Benefits realised in the current year	Benefits or R&D results realised by the project	Has there been a significant change in the feasibility of the project, and if so, what are the details? If yes, please provide details	Amount of savings
Amount of savings Please specify the amount of savings to	Annual production capacity 4,000	production production	Yes	No	148,0 79.21	18,343.37	114,284.12	77.18 62 / 240	2024-6	Yes	Yes	Not applicable	9,557.75	Not applicable	No	30,380.15

2024

Equity issuan ce	Large Intelli gent High- level Aerial Platfor m Projec t Project	Co nst ruc tio n														
Total	////// ////// ////// //////	/	//	///	148,079.21	18,343.37	114,284.12	///	/	//	///	////	9,557.75	////	///	30,380.15

2. Detailed use of over-provisioned funds

☐Applicable ☒Not applicable

(III) Changes in or termination of fund-raising investments during the reporting period

☐Applicable ☒Not applicable

(IV) Other use of proceeds during the reporting period

1、 Advance investment and replacement of issue proceeds investment projects

☐Applicable ☒ Not applicable

2. Temporarily supplementing liquid funds with idle proceeds

☒ Applicable ☐ Not Applicable

At the Seventh Meeting of the Fifth Session of the Board of Directors of the Company held on 9 January 2024, the "Proposal on Continuing to Use Part of Idle Proceeds to Temporarily Supplement Liquid Funds" was considered and passed.

The "Proposal on Continuing to Use Part of the Idle Proceeds to Temporarily Supplement the Working Capital" was considered and passed, and it was agreed that the Company would continue to use RMB200 million of idle proceeds to temporarily supplement the working capital for a period not exceeding 6 months from the date of approval by the Board of Directors.

On 24 June 2024, the Company had returned the idle fund-raising capital of RMB200 million temporarily supplementing the working capital to the special account for fund-raising capital of the Company.

Cash management of idle proceeds and investment in related products

☐Applicable ☒ Not applicable

4、 Other

☐Applicable ☒ Not Applicable**XV. Explanation of other significant matters that have a significant impact on investors' value judgement and investment decisions**☐Applicable ☒ Not Applicable

Section VII Changes in share capital and shareholders

I. Changes in share capital

(I) Statement of

changes in shares 1.

Statement of changes in shares

During the reporting period, there was no change in the total number of shares and share capital structure of the Company.

2. Description of changes in shares

☐Applicable ☒ Not applicable

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

☐Applicable ☐Applicable ☒ Not applicable

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

☐Applicable ☒ Not applicable

(ii) Changes in restricted shares

☐Applicable ☒ Not Applicable

ii. issuance and listing of securities

(I) Issuance of securities up to the reporting period

☐Applicable ☒ Not applicable

Explanation of securities issuance as of the reporting period (for bonds with different interest rates during the subsistence period, please explain separately)

☐Applicable ☒ Not applicable

(ii) Changes in the total number of shares and shareholder structure of the Company and changes in the Company's asset and liability structure

☐ Applicable ☒ Not applicable

(iii) Existing internal employee shares

☐Applicable ☒ Not applicable

III. SHAREHOLDERS AND ACTUAL

CONTROLLERS (i) Total number of shareholders

Total number of ordinary shareholders as at the end of the reporting period (households)	19,174
Total number of ordinary shareholders at the end of the previous month before the annual report disclosure date (households)	25,512

2024

Total number of preferred shareholders with voting rights restored as of the end of the reporting period (households)	0
Preference shareholders with voting rights restored at the end of the previous month prior to the annual report disclosure date	0
Total number of shareholders (households)	

(ii) Shareholdings of top ten shareholders and top ten outstanding shareholders (or shareholders with unlimited sales conditions) as at the end of the reporting period

Shareholdings of the top ten shareholders (excluding shares lent through the transfer facility)							Unit: shares
Name of shareholders (full name)	Increase/ decrease during the reporting period	Number of shares held at the end of the period	Proportion (%)	Number of shares held with limited selling conditions Number of shares	Pledged, marked or Frozen		Nature of shareholders
					Shares Status	Number of Shares	
Xu Shugen	0	230,564,600	45.53	0	None		Domestic natural persons
Deqing Zhongding Equity Investment Management Co. Zhongding Equity Investment Management Co.	-4,000,000	54,589,180	10.78	10.78	None		Domestic non-state legal person
Hong Kong Securities Clearing Company Limited	-33,202,310	16,480,536	3.25	0	Unknown		Overseas Legal Entity
Agricultural Bank of China Limited - CSI 500 Traded Open-ended Index Fund Unknown	2,114,613	3,521,413	0.70	0.70	Unknown		Other
Wells Fargo Funds - China Life Insurance Company Limited - Participating Insurance - Wells Fargo Funds China Life Equity Balanced Equity Portfolio Single Asset Management Plan (Available for Sale) Asset Management Plan (available-for-sale)	-1,762,804	2,627,204	0.52	0	Unknown		Other
Bank of Communications Co. -Hua An Strategic Preferred Mixed Securities Investment Fund	-144,160	2,603,174	0.51	0.51	Unknown		Other
National Social Security Fund Group 502 Other	2,500,000	2,500,000	0.49	0	Unknown		Other
China Merchants Bank Co. -Prosperity Rising Three-Year Holding Mixed Securities Investment Fund	-1,441,474	2,238,808	0.44	0	Unknown		Other
National Social Security Fund Group 108 Other Unknowns	2,215,789	2,215,789	0.44	0	Unknown		Unknown
National Social Security Fund (NSSF) Group 101 Total	-1,915,400	2,192,747	0.43	0.43	Unknown		Others
Shareholdings of the top ten shareholders with unlimited sales conditions (excluding shares lent through the transfer facility)							
Name of shareholders	Number of shares held in circulation with unlimited selling conditions			Type and number of shares			
				Type	Number		
Xu Shugen	230,564,600			RMB ordinary shares	230,564,600		
Deqing Zhongding Equity Investment Management Co.	54,589,180			RMB ordinary shares	54,589,180		
Hong Kong Securities Clearing Company Limited	16,480,536			RMB ordinary shares	16,480,536		
Agricultural Bank of China Limited - CSI 500 Traded Open-ended Index Securities Investment Fund	3,521,413			RMB ordinary shares	3,521,413		
Wells Fargo Funds - China Life Insurance Company Limited - Participating Insurance - Wells Fargo Funds China Life Equity Balanced Portfolio Single Asset Management Plan (available-for-sale) Sale)	2,627,204			RMB ordinary shares	2,627,204		
Bank of Communications Co. Selection Mixed Securities Investment Fund	2,603,174			RMB ordinary shares	2,603,174		
National Social Security Fund 502 Portfolio	2,500,000			RMB ordinary shares	2,500,000		
China Merchants Bank Co.	2,238,808			RMB Ordinary	2,238,808		

2024

Preference shareholders whose voting rights have been restored and number of shares held	None
Description	

Shareholders holding more than 5% of the shares, the top ten shareholders and the top ten shareholders with unlimited shares in circulation participating in the lending of shares in the transfer and financing business

☒ Applicable ☐ Not applicable

Unit: shares

Shares lent by shareholders holding more than 5% of the shares, top ten shareholders and top ten shareholders with unlimited shares in circulation to participate in the conversion and financing business								
Name of shareholders (full name)	Ordinary account and credit account at the beginning of the period Shares held in ordinary accounts and credit accounts at the beginning of the period		Shares lent under transfer facility at the beginning of the period and not yet returned		Shares held in general account and credit account at the end of the period Shares held in ordinary account and credit account at the end of the period		Shares lent on credit facilities at the end of the period and not yet returned	
	Total	Proportion (%)	Total number of shares	Proportion (%)	Total Quantity	Proportion (%)	Total Quantity	Proportion (%)
Agricultural Bank of China Limited								
Top ten shareholders and 300 Traded Open-ended Index Securities Fund Investment	46,800		1,284,400		8,521,410			
Number of shares held by the top ten shareholders with limited selling conditions and the conditions of selling restrictions								

☐ Applicable ☒ Not applicable

(iii) Strategic investors or general corporations becoming top 10 shareholders as a result of placing of new shares

☐ Applicable ☒ Not applicable

IV. Controlling shareholders and de facto controllers (I) Controlling shareholders

1. Legal persons

☐ Applicable ☒ Not Applicable

2. Natural persons

☒ Applicable ☐ Not applicable

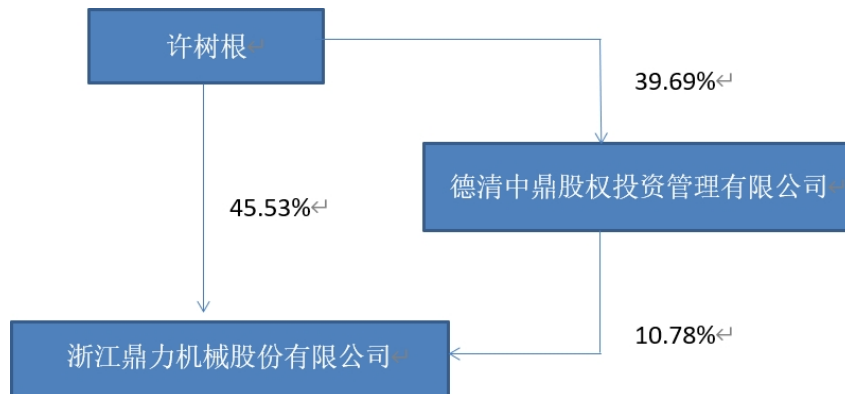
Name: Xu Shugen	Xu Shugen
Nationality	China
Whether obtaining the right of abode in other countries or regions	No
Main Occupation and Position	Chairman, Zhejiang Dingli Machinery Co.

3. Special explanation on the non-existence of controlling shareholders of the Company

☐ Applicable ☒ Not applicable

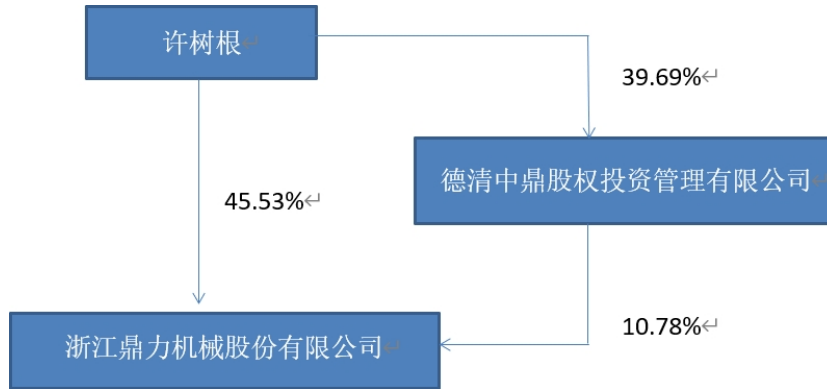
4. Explanation on the change of controlling shareholders during the reporting period

☐ Applicable ☐ Applicable ☒ Not applicable

5. Block diagram of the ownership and control relationship between the Company and the controlling shareholders√ Applicable ☐ Applicable ☐ Not applicable**(II) Situation of de facto****controllers 1. Legal****persons**☐ Applicable ☒ Not applicable**2. Natural person**√ Applicable ☐ Not applicable

Name: Xu Shugen	Xu Shugen
Nationality	China
Whether obtaining the right of abode in other countries or regions	No
Main Occupation and Position	Chairman of Zhejiang Dingli Machinery Co.
Domestic and overseas listed companies in which the Company had a controlling interest in the past 10 years	No

3. The company does not exist in the actual control of the situation of the special instructions☐ Applicable ☒ Not applicable**4. Explanation on the change of control of the Company during the reporting period**☐ Applicable ☒ Not applicable**5. Block diagram of the ownership and control relationship between the Company and the de facto controller**√ Applicable ☐ Not applicable



6. The actual controller controls the company through trust or other asset management methods

☐ Applicable ☒ Not applicable

(III) Other information of controlling shareholders and de facto controllers

☐ Applicable ☒ Not applicable

V. The ratio of the cumulative number of shares pledged by the controlling shareholder or the largest shareholder of the Company and persons acting in concert with them to the number of shares held by them reaches 80% or more

☐ Applicable ☒ Not Applicable

VI. Other corporate shareholders holding more than 10 per cent of shares

☒ Applicable ☐ Not applicable

Unit: RMB 10,000 Currency: RMB					
Name of legal person shareholder	Person in charge of the organisation or legal representative Person	Date of establishment	Organisation Code	Registered capital	Main business or management activities
Deqing Zhongding Equity Investment Capital Management Co.	Xu Shugen	9 June 2011	91330521576521722B	1,745.4832	Equity investment management and related advisory services
VII. Description of restrictions on reduction of shareholdings					
Information note	None				

☐ Applicable ☒ Not Applicable

VIII. Specific implementation of share buyback during the reporting period

☐ Applicable ☒ Not Applicable

Section VIII Preference Shares

☐Applicable ☒Not Applicable

Section IX Bonds

I. Corporate bonds (including enterprise bonds) and debt financing instruments for non-financial enterprises

☐Applicable ☒Not applicable

Convertible bonds

☐Applicable ☒Not applicable

Section X Financial Reports

I. Audit Report

√ Applicable □ Not Applicable

All shareholders of Zhejiang Dingli Machinery Co:

I. Audit opinion

We have audited the financial statements of Zhejiang Dingli Machinery Company Limited (hereinafter referred to as Zhejiang Dingli), which comprise the consolidated and parent company balance sheets as at 31 December 2024 and the related notes to the financial statements. (hereinafter referred to as Zhejiang Dingli), which comprise the consolidated and parent company balance sheets as at 31 December 2024, the consolidated and parent company income statements, the consolidated and parent company cash flow statements, the consolidated and parent company statements of changes in equity, and the related notes to the financial statements.

In our opinion, the accompanying financial statements have been prepared in all material respects in accordance with the provisions of the Accounting Standards for Business Enterprises and present fairly the consolidated and parent company financial statements of Zhejiang Dingli as of 31 December 2024, and the related notes to the financial statements.

We are of the opinion that the accompanying financial statements present fairly the financial position of Zhejiang Dingli as at 31 December 2024 and the results of operations and cash flows of Zhejiang Dingli as at 31 December 2024, in all material respects, in accordance with the provisions of ASBE.

II. Basis for Forming the Audit Opinion

We have performed our audit in accordance with the provisions of the Chinese Standards on Auditing for Certified Public Accountants. The "Responsibility of Certified Public Accountants for the Audit of Financial Statements" section of the audit report further describes our audit in accordance with those standards. section of the audit report further describes our responsibilities under those standards. In accordance with the Code of Ethics for Certified Public Accountants in China, we are independent of Zhejiang Dingli and have fulfilled our other responsibilities in respect of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, are of most significance to the audit of the current financial statements. These matters are addressed in the context of the audit of the financial statements as a whole and the formation of an audit opinion. We do not express an opinion on these matters separately. The key audit matters identified in our audit are summarised below:

Key audit matters	How the matter was addressed in the audit
(i) Revenue recognition	

2024

<p>As shown in Note III, (XXI) and Note V, (XLIV) to the accompanying consolidated financial statements, Zhejiang Dingli's revenue for the year 2024 was 779,891.40 million Yuan, an increase of 23.56% over 2023.</p> <p>23.56%. As revenue is an important indicator of the company's operating performance and has a significant impact on the financial statements, and operating revenue has inherent risks, we identified revenue recognition as a key audit matter.</p>	<p>The key audit procedures we performed on Zhejiang Dingli's operating revenue included:</p> <ol style="list-style-type: none"> (1) Understanding and evaluating the design and operating effectiveness of management's key internal controls relating to revenue recognition; (2) Selecting samples to examine sales contracts, identifying contractual terms and conditions related to the transfer of risks and rewards on the ownership of goods, and evaluating whether the point in time of revenue recognition complies with the requirements of ASBE; (3) Performing an analysis of revenue as well as gross profit in relation to product type to determine whether there were any unusual fluctuations in the amount of revenue during the period; (4) Selecting samples of revenue transactions recorded during the year, checking invoices, sales contracts, sales orders, export declarations, freight bills of lading, signed delivery notes, etc., and evaluating whether the relevant revenue recognition is in compliance with the Company's accounting policy on revenue recognition; (5) Implementing correspondence procedures and reconciling the results of the correspondence with the amounts recorded by management; (6) For revenue transactions recorded before and after the balance sheet date, select a sample and reconcile signed delivery notes and other supporting documentation to evaluate whether the revenue has been recorded in the proper accounting period.
<p>(ii) Collectability of accounts receivable and long-term receivables</p>	
<p>As disclosed in Note III, (ix) to the accompanying consolidated financial statements and Notes V, (v), (x) and (xii), as at 31 December 2024, zhe</p>	<p>Our audit procedures performed on the recoverability of receivables consisted primarily of the following:</p> <ol style="list-style-type: none"> ① Understanding, evaluating and testing management's internal controls related to the aging analysis of accounts receivable and the determination of the allowance for bad debts on accounts receivable;
Key Audit Matters	How the matter was addressed in the audit
<p>The balance of Jiang Dingli's accounts receivable was 239,288.96 million, with provision for impairment of RMB83,759,800, and long-term receivables and long-term receivables due within one year of RMB2,227,296,600, with provision for impairment of RMB55,396,300. As the amount of receivables is significant and the provision for bad debts involves significant accounting estimates and judgements, we identified the provision for bad debts of receivables as a key audit matter.</p>	<ol style="list-style-type: none"> ② Review management's considerations and objective evidence related to impairment testing of accounts receivable, with attention to whether management has adequately identified items that are impaired; ③ For accounts receivable for which management has made provision for bad debts in accordance with a combination of credit risk characteristics, evaluate the reasonableness of the percentage of provision for bad debts determined by management; ④ Implementing correspondence procedures and reconciling the results of the correspondence to the amounts recorded by management; ⑤ Evaluating the reasonableness of management's provision for bad debts in conjunction with post-period checking of returns.

IV. Other information

The management of Zhejiang Dingli (hereinafter referred to as the management) is responsible for other information. Other information includes the information covered in the annual report of Zhejiang Dingli 2024, but does not include the financial statements and our report.

information covered in the annual report of Zhejiang Dingli for the year 2024, but does not include the financial statements and our audit report.

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

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

Based on the work we have performed, if we determine that other information is materially misstated, we should report that fact. In this regard, we have no matters to report.

V. Management's and governance's responsibility for the financial statements

The management is responsible for the preparation of the financial statements in accordance with the provisions of the Accounting Standards for Business Enterprises (ASBEs), for giving a fair view thereof and for designing, implementing and maintaining internal control necessary to enable the preparation of financial statements that are free from material misstatement due to fraud.

The management is responsible for the preparation of financial statements that present fairly, in accordance with the provisions of the Accounting Standards and for designing, implementing and maintaining internal control 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, management is responsible for assessing Zhejiang Dingli's ability to continue as a going concern, disclosing matters related to going concern, as applicable, and applying the going concern assumptions, unless there is a plan for liquidation, termination of operations or no realistic alternative.

Governance is responsible for overseeing the financial reporting process of Zhejiang Dingli.

VI. CPA's Responsibility for the 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 audit report containing our opinion.

Our objective is 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 audit report containing our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit performed in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements may result from fraud or error and are generally considered to be material if they could reasonably be expected, individually or in the aggregate, to affect the economic decisions of users of financial statements based on the financial statements.

In performing the audit in accordance with auditing standards, we use professional judgement and maintain professional scepticism. Also, we perform the following:

(i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures to address those risks, and obtain audit evidence that is sufficient and appropriate to form the basis of an audit opinion. The risk of failing to detect a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement due to error because fraud may involve collusion, forgery, intentional omissions, misrepresentation or overriding internal controls.

(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 management's selection of accounting policies and the reasonableness of accounting estimates and related disclosures.

(iv) Conclude on the appropriateness of management's use of the going concern assumption. At the same time, based on the audit evidence obtained, we conclude whether there is a material uncertainty regarding the matters or circumstances that may cast significant doubt on the ability of Zhejiang Dingli to continue as a going concern. If we conclude that a material uncertainty exists, the auditing standards require us to draw the attention of the users of the statements to the relevant disclosures in the financial statements in the auditor's report; if the disclosures are not sufficient, we should

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express an unqualified opinion. Our conclusions are based on the information available to us as of the date of the audit report. However, future events or circumstances may cause Zhejiang Dingli to be unable to continue as a going concern.

(v) Evaluating the overall presentation (including disclosure), structure and content of the financial statements, and evaluating whether the financial statements fairly reflect the relevant transactions and events.

(vi) Obtain sufficient and appropriate audit evidence about the financial information of the entities or business activities in Zhejiang Dingli to express an audit opinion on the consolidated financial statements. We are responsible for directing, supervising and performing the Group's audit, and we take full responsibility for the audit opinion.

We communicate with governance on matters such as the scope, timing and significant findings of planned audits, including communicating internal control deficiencies of concern identified in our audits.

We also provide governance with a statement that we have complied with ethical requirements related to independence and communicate with governance all relationships and other matters that may reasonably be perceived to affect our independence, as well as related precautions, if applicable.

From the matters communicated with governance, we determine which matters are most significant to the audit of the current financial statements and therefore constitute key audit matters. We describe these matters in our audit report except where laws or regulations prohibit public disclosure of these matters or, in rare circumstances, we determine that a matter should not be communicated in the audit report if the negative consequences of communicating the matter in the audit report could reasonably be expected to outweigh the benefits in the public interest.

Lixin Certified Public Accountants
(Special General Partnership)

Certified Public Accountant in the PRC: Yang Jingxin
(Project Partner)

Certified Public Accountant in China: Wang Kanyu

China - Shanghai

16th April, 2025

ii. financial statements

Consolidated balance sheet

Prepared by: Zhejiang Dingli Machinery Co.

31 December 2024

Unit: RMB Currency: RMB

Item	Notes	31 December 2024	31 December 2023
Current assets:			
Monetary funds: 5,078,017,354.46		5,078,017,354.46	4,396,602,661.50
Provision for settlement			
Funds on Demand			
Financial assets for trading		208,734,591.14	178,789,929.05
Derivative financial assets		14,974,286.78	3,033,221.14
Notes receivable		20,196,142.69	20,493,656.30
Accounts receivable		2,309,129,845.46	2,370,778,024.24
Receivables financing		18,315,265.15	10,156,840.13
Prepayments		26,411,605.12	6,704,996.61
Premiums receivable			
Reinsurance receivables			
Reserve for reinsurance contracts receivable			
Other receivables		122,722,445.83	19,868,931.72
Of which: Interest receivable			
Dividends receivable			
Financial assets purchased for resale			
Inventories		2,342,136,338.93	1,921,374,942.24
Of which: Data resources			
Contract assets			
Assets held for sale			

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Non-current assets due within one year		1,154,749,077.73	1,117,889,021.00
Other current assets		69,993,040.32	94,380,109.17
Total current assets		11,365,379,993.61	10,140,072,333.10
Non-current assets:			
Loans and advances issued			
Debt investments			
Other debt investments			
Long-term receivables		1,017,151,265.93	882,731,888.67
Long-term equity investments			332,417,551.33
Other investments in equity instruments		40,867,997.27	617,689,455.01
Other non-current financial assets			
Investment property			
Fixed assets		1,799,948,914.00	1,612,784,196.69
Construction in progress		58,349,007.87	214,587,607.99
Productive biological assets			
Oil and gas assets			
Right-of-use assets		51,120,522.33	13,425,279.58
Intangible assets		783,590,440.46	388,703,577.50
Of which: Data resources			
Development expenditure			
Of which: Data resources			
Goodwill		140,139,590.91	
Long-term amortised expenses		2,936,428.79	2,354,642.24
Deferred income tax assets		83,517,871.47	2,534,609.78
Other non-current assets		10,844,760.00	
Total non-current assets		3,988,466,799.03	4,067,228,808.79
Total assets		15,353,846,792.64	14,207,301,141.89
Current liabilities:			
Short-term borrowings		110,070,694.45	107,750,341.82
Borrowings from the Central Bank			
Demand for funds			
Financial liabilities for trading			
Derivative financial liabilities		999,897.45	9,904,207.26
Notes payable		1,547,679,212.07	1,339,204,963.35
Accounts payable		1,528,348,196.89	1,631,804,033.66
Receipts in advance			
Contract liabilities		108,157,791.99	24,985,107.40
Amounts for sale and repurchase of financial assets			
Deposit-taking and interbank deposits			
Securities trading agency			
Underwriting of securities			
Employee remuneration payable		83,157,176.36	84,290,139.58
Taxes payable		379,262,156.98	290,047,948.32
Other payables		183,549,659.49	210,848,043.99
Of which: Interest payable			
Dividends payable			
Fees and commissions payable			
Sub-insurance payable			
Liabilities held for sale			
Non-current liabilities due within one year		563,992,896.88	718,622,947.44
Other current liabilities		17,488,625.91	18,028,186.85
Total current liabilities		4,522,706,308.47	4,435,485,919.67
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings		378,055,365.97	493,103,668.81

Zhejiang Dingli Machinery Company Limited Annual Report			
Bonds payable	2024		
Of which: Preferred shares			
Perpetual bonds			
Lease liabilities		44,355,236.24	6,850,332.42
Long-term payables			
Long-term employee compensation payable			
Projected liabilities		110,032,461.43	99,021,842.89
Deferred income		246,799,631.07	191,120,111.38
Deferred income tax liabilities		13,700,323.55	16,485,376.07
Other non-current liabilities			
Total non-current liabilities		792,943,018.26	806,581,331.57
Total liabilities		5,315,649,326.73	5,242,067,251.24
Owners' equity (or shareholders' equity)			
Paid-in capital (or share capital)		506,347,879.00	506,347,879.00
Other equity instruments			
Of which: Preference shares			
Perpetual bonds			
Capital surplus		2,390,315,639.40	2,354,200,438.45
Less: Treasury stock			
Other comprehensive income		-66,393,449.16	300,951,416.61
Earmarked reserves		7,723,837.21	6,590,159.57
Surplus reserves		261,714,343.13	261,714,343.13
Provision for general risks			
Undistributed profits		6,935,587,562.71	5,535,429,653.89
Total equity attributable to owners of the parent company (or shareholders' equity)		10,035,295,812.29	8,965,233,890.65
Total equity (or shareholders' equity) attributable to the parent company			
Minority interests		2,901,653.62	
Total owner's equity (or shareholders' equity)		10,038,197,465.91	8,965,233,890.65
Total liabilities and owners' equity (or shareholders' equity)	Head of the Company: Xu Shugao	Person in charge of accounting work: Wang Meihua	Head of accounting organisation: 14,207,801,841.89
Total liabilities and owners' equity (or shareholders' equity)		15,353,846,792.64	
Total liabilities and owners' equity (or shareholders' equity)			

**Balance Sheet of the
Parent Company 31**

December 2024

Prepared by: Zhejiang Dingli Machinery Co.

Unit: RMB Currency: RMB

Item	Notes	31 December 2024	31 December 2023
Current assets:			
Monetary funds		4,544,464,682.33	4,076,432,537.92
Financial assets for trading		155,544,200.57	179,624,351.74
Derivative financial assets		14,974,286.78	3,033,221.14
Bills receivable		20,196,142.69	20,493,656.30
Accounts receivable		3,409,197,700.11	2,840,827,423.08
Receivables financing		18,315,265.15	10,156,840.13
Prepayments		5,963,929.26	4,836,387.74
Other receivables		254,616,891.32	202,092,274.25
Of which: Interest receivable			
Dividends receivable			
Inventories		1,475,643,502.86	1,674,770,191.78
Of which: Data resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year		228,730,882.33	234,643,348.97
Other current assets		38,979,860.18	49,113,025.71

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Total current assets		10,166,627,343.58	9,296,023,258.76
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables		250,224,687.17	72,120,461.64
Long-term equity investments		974,633,987.42	727,023,620.85
Other investments in equity instruments		40,867,997.27	617,689,455.01
Other non-current financial assets			
Investment property			
Fixed assets		1,723,774,288.69	1,596,844,212.39
Construction in progress		52,147,993.34	214,587,607.99
Productive biological assets			
Oil and gas assets			
Right-of-use assets		248,240.42	426,668.89
Intangible assets		560,851,422.73	381,126,114.73
Of which: Data resources			
Development expenditure			
Of which: Data resources			
Goodwill			
Long-term amortisation			
Deferred income tax assets		75,265,858.20	
Other non-current assets		10,844,760.00	
Total non-current assets		3,688,859,235.24	3,609,818,141.50
Total assets		13,855,486,578.82	12,905,841,400.26
Current liabilities:			
Short-term borrowings		110,070,694.45	107,750,341.82
Transaction financial liabilities			
Derivative financial liabilities		999,897.45	9,904,207.26
Notes payable		1,547,679,212.07	1,339,204,963.35
Accounts payable		1,445,379,783.74	1,631,968,497.93
Receipts in advance			
Contract liabilities		10,364,392.03	23,975,880.65
Employee remuneration payable		68,937,463.22	74,306,497.83
Taxes payable		299,396,508.75	279,318,317.26
Other payables		23,337,544.05	26,457,070.25
Of which: Interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities due within one year		180,719.33	158,935,057.34
Other current liabilities		17,398,808.65	17,945,497.16
Total current liabilities		3,523,745,023.74	3,669,766,330.85
Non-current liabilities:			
Long-term borrowings			
Bonds payable			
Of which: Preferred shares			
Perpetual bonds			
Lease liabilities		70,733.86	109,797.77
Long-term accounts payable			
Long-term employee compensation payable			
Projected liabilities		105,864,219.22	98,907,249.77
Deferred income		246,799,631.07	191,120,111.38
Deferred income tax liabilities			16,415,778.79
Other non-current liabilities			
Total non-current liabilities		352,734,584.15	306,552,937.71
Total liabilities		3,876,479,607.89	3,976,319,268.56

2024			
Owners' equity (or shareholders' equity)			
Paid-in capital (or share capital)		506,347,879.00	506,347,879.00
Other equity instruments			
Of which: Preference shares			
Perpetual bonds			
Capital surplus		2,353,717,247.59	2,353,734,192.60
Less: Treasury stock			
Other comprehensive income		-71,213,194.19	298,864,464.52
Earmarked reserves		7,723,837.21	6,590,159.57
Surplus reserves		261,714,343.13	261,714,343.13
Undistributed profit		6,920,716,858.19	5,502,271,092.88
Owners' equity (or shareholders' equity)		9,979,006,970.93	8,929,522,131.70
Total			
Total liabilities and owners' equity (or shareholders' equity)		13,855,486,578.82	12,905,841,400.26
Head of the Company: Xu Shugen Total liabilities and owners' equity (or shareholders' equity)	Person in charge of accounting work: Wang Meihua		Head of accounting organisation: Qin

Consolidated
Income Statement
January-December 2024

Unit: Yuan Currency: RMB

Item	Notes	Year 2024	Fiscal year 2023
I. Total operating revenue		7,798,913,979.04	6,311,963,849.93
Of which: Operating income		7,798,913,979.04	6,311,963,849.93
Interest Income			
Earned premiums			
Fee and commission income			
II. Total operating costs		5,757,047,784.89	4,264,748,921.44
Of which: Operating costs		5,065,980,518.04	3,989,863,306.14
Interest expenses			
Handling fee and commission expenses			
Surrender premiums			
Net claims expenses			
Net withdrawal of insurance liability reserve			
Policy dividend expenses			
Reinsurance expenses			
Taxes and surcharges		48,347,359.93	33,380,022.06
Sales Expenses		253,881,041.19	125,038,482.83
Administrative expenses		224,833,897.80	141,225,030.79
R&D expenses		255,918,596.38	220,006,702.13
Finance costs		-91,913,628.45	-244,764,622.51
Of which: Interest expense		10,773,913.31	19,213,222.32
Interest income		156,551,393.95	159,297,475.82
Add: Other gains		45,433,101.18	98,220,739.72
Investment income (loss is marked with "-") (Columns)		-17,586,789.46	91,852,961.80
Of which: For associates and joint ventures		-70,283,968.92	76,220,632.02
Investment income			
Financial assets measured at amortised cost			
Gain on derecognition			
Exchange gains (losses are shown with a "-" sign) (Losses are presented as "-")			
Gain on net exposure to hedging (Loss is represented by a "-" sign)			
Gain on fair value changes (losses are recognised as "-")			
Gain (loss represented by a "-" sign) on changes in fair value	80 / 240	108,178,333.69 - 37,024,207.66	-37,024,207.66
Gain on changes in fair value (loss denoted by "-")			

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Credit impairment loss (Loss is represented by a "-" sign) (Losses are shown with a "-" sign)		-18,579,669.54	-25,135,369.54
Impairment losses on assets (Losses are recognised with a "-" sign) (Losses are shown with a "-" sign)		-7,123,887.50	
Gain on disposal of assets (Loss is represented by a "-" sign)		-10,966.53 2,564.11	2,564.11
Operating profit (Loss is shown with a "-" sign)		1,935,819,648.61 2,175,131,648.61	2,175,131,616.92
Add: Non-operating income		3,749,804.27	951,900.57
Less: Non-operating expenses		1,326,682.61	1,933,231.22
Total profit (total loss is with "-" sign) column)		1,938,242,770.27 2,174,150,286.27	2,174,150,286.27
Less: Income tax expense		309,204,387.10	307,004,817.42
V. Net profit (net loss is presented with a "-" sign)		1,629,038,383.17	1,867,145,468.85
(i) Classification by continuity of operations			
1. Net profit from continuing operations (net loss is presented with a "-" sign) "-" sign)		1,629,038,383.17	1,867,145,468.85
2. Net profit from discontinued operations (net loss is shown with a "-" sign) "-" sign)			
(ii) Classification by ownership attribution			
1. Net profit attributable to equity holders of the parent company (net loss is represented by a "-" sign) loss is represented by a "-" sign)		1,628,805,154.01	1,867,145,468.85
2. Gains and losses of minority shareholders (net loss is presented with a "-" sign) "-" sign) (net loss is shown with a "-" sign)		233,229.16	
Other comprehensive income, net of tax		-89,661,176.97	298,350,266.31
(i) Other comprehensive income attributable to owners of the parent company (i) Other comprehensive income attributable to owners of the parent company, net of tax		-89,661,176.97	298,350,266.31
(1) Other comprehensive income not reclassifiable to profit or loss Other comprehensive income that cannot be reclassified to profit or loss		-94,067,073.29	294,067,073.29 295,023,585.31
(1) Remeasurement of changes in defined benefit plans			
(2) Other comprehensive income that cannot be reclassified to profit or loss under the equity method Gain or loss under the equity method			
(3) Changes in fair value of investments in other equity instruments		-94,067,073.29	295,023,585.31
(4) Changes in fair value of own credit risk			
2) Other comprehensive income to be reclassified to profit or loss		4,405,896.32	3,326,681.00
(1) Other comprehensive income available for reclassification to profit or loss under equity method Profit and loss		-4,006,468.39	897,674.34
(2) Changes in fair value of other debt investments			
(3) Reclassification of financial assets to other comprehensive income (4) Provision for credit impairment of other debt investments			
(4) Provision for credit impairment of other debt			

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investments			
(5) Cash flow hedge reserve			
(6) Translation difference of foreign currency financial statements		8,412,364.71	2,429,006.66
(7) Others			
(ii) Other comprehensive income attributable to minority shareholders			
Net income after tax			
VII. Total comprehensive income		1,539,377,206.20	2,165,495,735.16
(i) Comprehensive income attributable to owners of the parent company		1,539,143,977.04	2,165,495,735.16
Total comprehensive income			
(ii) Total comprehensive income attributable to minority interests		233,229.16	
Amount			
VIII. Earnings per share:			
(i) Basic earnings per share (RMB/share)		3.22	3.69
(ii) Diluted earnings per share (RMB/share)		3.22	3.69

In the event of a business combination under the same control during the current period, the net profit realised by the party to be combined before the combination was: RMB0, and the net profit realised by the party to be combined during the previous period was: RMB0.

Head of the Company: Xu Shugen

Person in charge of accounting work: Wang Meihua

Head of accounting organisation: Qin

Jia

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**Income Statement
of the Parent
Company** January-
December 2024

Item	Notes	FY2024	Unit: RMB Fiscal year 2023 RMB
I. Operating income		6,309,249,972.79	6,158,988,887.55
Less: Operating costs		3,951,085,201.71	3,907,891,614.41
Taxes and surcharges		45,755,577.04	31,277,675.83
Selling expenses		76,895,172.77	67,441,662.54
Administrative expenses		104,195,284.50	110,576,397.36
R&D expenses		237,730,050.88	221,110,243.82
Finance costs		-124,552,182.70	-233,177,637.11
Of which: Interest expense		2,298,253.80	18,590,352.11
Interest income		148,110,529.28	155,791,163.18
Add: Other gains		43,570,575.75	97,535,414.75
Investment income (loss is shown as "-") (Losses are shown as "-")		-51,144,621.15 74,443,253.22	74,443,253.22
Of which: Income from investments in associates and joint ventures Income from investments in associates and joint ventures		-49,555,078.98	57,045,729.33
Financial assets carried at amortised cost Gain on derecognition			
Gain (loss) on net exposure to hedging (shown with a "-" sign) Gain on fair value changes (losses are recognised as "-")			
Gains (losses) on changes in fair value ("-" sign)		-108,793,051.63	-36,048,678.61
Credit Impairment Losses (Losses are represented by a "-" sign) (Losses are shown with a "-" sign)		5,027,565.96 -11,013,601.98	-11,013,601.98
Impairment loss on assets (Losses are shown with a "-" sign) (Losses are shown with a "-" sign)			
Gain on disposal of assets (Loss is represented by a "-" sign) Gain on disposal of assets (Losses are shown as "-")		2,496.96 -304,489.51	Gain on disposal of assets (loss shown as "-") 2,496.96 - 304,489.51
Operating profit (Loss is shown with a "-" sign)		1,906,803,834.48 2,178,480,834.48	2,178,480,828.57
Add: Non-operating income		438,081.32	927,182.22
Less: Non-operating expenses		862,207.95	1,918,669.39
Total profit (total loss is filled in with "-" sign) Total profit (total loss filled with "-" sign)		1,906,379,707.85 2,177,489,707.85	2,177,489,341.40
Less: Income tax expense		259,286,697.35 285,032,421.4	285,032,421.00
IV. Net profit (net loss is presented with a "-" sign)		1,647,093,010.50	1,892,456,920.40
(i) Net profit from continuing operations (net loss is presented with a "-" sign) ("-" sign)		1,647,093,010.50	1,892,456,920.40
(ii) Net profit from discontinued operations (net loss is represented by a "-" sign) ("-" sign)			
V. Other comprehensive income, net of tax		-92,393,969.91	295,971,131.21
(i) Other comprehensive income that cannot be reclassified to profit or loss Income		-94,067,073.29	295,023,585.31
1. Remeasurement of changes in defined benefit plans			
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method Income	83 / 240		
3. Changes in fair value of investments in other equity instruments		-94,067,073.29	295,023,585.31
4. Changes in fair value of the enterprise's own credit risk			

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4. Provision for credit impairment of other debt investments			
5. Cash flow hedge reserve			
6. Translation difference of foreign currency financial statements		535,531.26	49,871.56
7. Others			
VI. Total comprehensive income		1,554,699,040.59	2,188,428,051.61
VII. Earnings per share:			
(i) Basic earnings per share (RMB/share)			
(ii) Diluted earnings per share (RMB/share)			

Head of the Company: Xu Shugen

Person in charge of accounting work: Wang Meihua

Head of accounting organisation:

Qin Jia

**Consolidated Cash
Flow Statement**
January-December 2024

Unit: RMB Currency: RMB

Item	Notes	FY2024	FY2023
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of labour		7,662,855,938.63	6,351,305,945.08
Net increase in customer deposits and interbank deposits			
Net increase in borrowings from the Central Bank			
Net increase in borrowings from other financial institutions			
Cash received from premiums on primary insurance contracts			
Net cash received from reinsurance business			
Net increase in policyholders' deposits and investment funds			
Cash received from interest, fees and commissions			
Net increase in inward remittance of funds			
Net increase in funds from repurchase operations			
Net cash received from securities trading agency			
Tax refund received		279,112,968.56	269,146,518.35
Other cash received related to operating activities		271,829,976.13	288,157,312.23
Subtotal of cash inflow from operating activities		8,213,798,883.32	6,908,609,775.66
Cash paid for goods and services		4,782,348,283.51	3,614,572,052.27
Net increase in loans and advances to customers			
Net increase in deposits with central banks and interbank			
Cash paid for original insurance contract claims			
Net increase in funds withdrawn			
Cash paid for interest, fees and commissions			
Cash paid for policy dividends			
Cash paid to and for employees		615,605,676.23	341,064,678.56
Various taxes paid		559,108,448.54	378,298,555.30
Cash paid for other operating activities		340,188,475.93	347,277,450.19
Subtotal of cash outflow from operating activities		6,297,250,884.21	4,681,212,736.32
Net cash flows from operating activities	84 / 240	1,916,547,999.11	2,227,397,039.34
II. Cash flows from investing activities:			
Cash received from recovery of investments		2,325,814,654.27	849,420,891.55
Cash received from investment income		4,146,674.26	7,928,928.00
Disposal of fixed assets, intangible assets and		99,487.33	58,230.08

2024

Purchase and construction of property, plant and equipment, intangible assets and other assets Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets		356,342,959.88	371,277,727.41
Cash paid for investments		1,926,339,953.36	1,348,748,097.59
Net increase in pledged loans			
Acquisition of subsidiaries and other operating units Net cash paid to subsidiaries and other operating units		225,905,070.88	
Cash paid for other investing activities			
Subtotal of cash outflow from investing activities		2,508,587,984.12	1,720,025,825.00
Net cash flows from investing activities		-178,527,168.26	-862,617,775.37
III. Cash flows from financing activities:			
Cash received from absorption of investment			
Of which: Subsidiaries absorbing investments from minority shareholders Cash received			
Cash received from obtaining loans		1,174,000,000.00	1,588,235,241.60
Cash received from other financing activities			
Subtotal of cash inflow from financing activities		1,174,000,000.00	1,588,235,241.60
Cash paid for debt repayment		1,491,522,332.87	1,790,855,576.94
Distribution of dividends, profits or interest payments Cash paid for distribution of dividends, profits or repayment of interest		664,955,188.90	310,480,250.47
Of which: Payment to minority shareholders by subsidiaries Dividends, profits			
Payment of other cash related to financing activities		14,321,624.38	7,346,564.50
Subtotal of cash outflow from financing activities		2,170,799,146.15	2,108,682,391.91
Net cash flows from financing activities		-996,799,146.15	-520,447,150.31
iv. impact of exchange rate changes on cash and cash equivalents Effect of exchange rate changes on cash and cash equivalents		-5,699,250.80	32,065,961.53
V. Net increase in cash and cash equivalents		735,522,433.90	876,398,075.19
Add: Cash and cash equivalents balance at the beginning of the period		4,396,602,661.50	3,520,204,586.31
VI. Cash and cash equivalents balance at the end of the period		5,132,125,095.40	4,396,602,661.50

Head of the Company: Xu Shugen

Person in charge of accounting work: Wang Meihua

Head of accounting organisation: Qin

Jia

**Cash Flow Statement of the
Parent Company** January-
December 2024

Unit: RMB Currency: RMB

Item	Notes	FY2024	FY2023
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of labour		5,635,515,563.84	5,852,045,667.27
Tax refunds received		262,209,168.02	256,651,393.06
Other cash received relating to operating activities		244,079,774.33	262,223,324.29
Subtotal of cash inflow from operating activities	85 / 240	6,141,804,506.19	6,370,920,384.62
Cash paid for purchases of goods and services		3,775,312,178.53	3,514,202,954.89
Cash paid to and for employees		296,227,067.25	263,085,738.13
Taxes paid		370,833,134.96	255,006,943.73
Cash paid for other operating activities		232,935,519.47	296,823,298.88
Subtotal of cash outflow from operating		4,675,307,900.21	4,329,118,935.63

2024

Purchase and construction of property, plant and equipment, intangible assets and other assets Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		343,297,120.39	366,028,918.30
Cash paid for investments		1,500,446,042.93	512,190,376.05
Acquisition of subsidiaries and other operating units Net cash paid for acquisition of subsidiaries and other operating units			
Cash paid for other investing activities			
Subtotal of cash outflow from investing activities		1,843,743,163.32	878,219,294.35
Net cash flows from investing activities		-327,591,668.37	-537,102,726.18
III. Cash flows from financing activities:			
Cash received from absorption of investment			
Cash received from obtaining loans		110,000,000.00	521,095,900.00
Cash received from other financing activities			
Subtotal of cash inflow from financing activities		110,000,000.00	521,095,900.00
Cash paid for debt repayment		264,739,500.00	999,855,400.00
Distribution of dividends, profits or interest payments Cash paid for distribution of dividends, profits or repayment of interest		512,254,565.12	272,919,473.34
Cash paid for other financing activities		329,039.43	6,958,972.69
Subtotal of cash outflow from financing activities		777,323,104.55	1,279,733,846.03
Net cash flows from financing activities		-667,323,104.55	-758,637,946.03
iv. impact of exchange rate changes on cash and cash equivalents Effect of exchange rate changes on cash and cash equivalents		-3,549,688.65	21,837,147.91
V. Net increase in cash and cash equivalents		468,032,144.41	767,897,924.69
Add: Cash and cash equivalents balance at the beginning of the period		4,076,432,537.92	3,308,534,613.23
VI. Cash and cash equivalents balance at the end of the period		4,544,464,682.33	4,076,432,537.92

Head of the Company: Xu Shugen

Person in charge of accounting work: Wang Meihua

Head of accounting organisation: Qin

Jia

Consolidated Statement of Changes
in Owners' Equity January-
December 2024

Unit: RMB Currency: RMB

Item	Year 2024													Minority interests	Total owners' equity
	Owners' equity attributable to the parent company														
	Paid-in capital (or share capital)	Other equity Instruments			Capital surplus	Less : Treasury stock	Other comprehensive income	Earmarked reserves	Surplus reserves	- General risk allowance Provisions	Undistributed profit	Undistributed profit	Subtotal		
		Preference shares	Perpetual bonds	Other											
I. Prior year-end Balance	506,347,87 9.00				2,354,200,43 8.45		300,951,41 6.61	6,590,159 .57	261,714,34 3.13		5,535,429,65 3.89		8,965,233,89 0.65		8,965,233,89 0.65
Add: Accounting policies Change															
Prior period error correction															
Other															
Others															
II. Beginning of the year Balance	506,347,87 9.00				2,354,200,43 8.45		300,951,41 6.61	6,590,159 .57	261,714,34 3.13		5,535,429,65 3.89		8,965,233,89 0.65		8,965,233,89 0.65
III. Increase/decrease during the period Amount					36,115,200.9 5		- 367,344,86 5.77	1,133,687.24 .64			1,400,157,90 8.82		1,070,061,92 1.64	2,901,653 .62	1,072,963,57 5.26

(Decrease is denoted by “-” symbol column)						2024								
(I) (i) Total comprehensive income Amount						89,661,176 (a) Total comprehensive income				1,628,805.15 4.01		1,539,143.97 7.04	233,229.16	1,539,377.20 6.20
(II) (ii) Inputs from owners and reductions in capital (ii) Owners' contributions and reduction of capital														
(I) Owners' contributions to ordinary shares														

(2) Contribution from holders of other equity instruments							2024								
Capitalisation of share-based payments															
3) Share-based payments are recognised as Owners' equity															
equity Amount															
4. Others															
(iii) (iii) Distribution of profits											506,347,879. 506,347,879.		506,347,879. 0		506,347,879. 0
Distribution of profit															
1. Withdrawal of surplus															
Surplus															

Capita lisatio n (or shares) capital)							2024								
2. Transf er of surplu s to capital (or share capital) (or share capital)															
(3) Surplu s surplu ses to make up for Losses															
4) Transf er of chang es in define d benefi t plans to retain ed earmin gs (c) Transfer of changes in defined benefit plans to retained earnings															

5) Other compr ehensi ve incom e carrie d forwar d to retain ed earnin gs Income from other compreh ensive income						2024	- 277,683.68 8.80				277,683,688. 8.80				
6. Others					-16,945.01						16,945.01				
(V) (v) Specia l reserv e Special reserve							1,133,677.64 (v) Special reserves 1,133,677.64					1,133,677.64			1,133,677.64
1. Curre nt period Withdra wal							8,200,026 .00					8,200,026.00			8,200,026.00
2. Curre nt period Utilisatio n during the current period							7,066,348 .36					7,066,348.36			7,066,348.36

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(VI)					36,132,145.9		2024					36,132,145.9	2,668,424	38,800,570.4
(vi) Other					6							6	.46	2
Others														
iv.														
end of	506,347,87				2,390,315,63		66,393,449	7,723,837	261,714,34	6,935,587,56	10,035,295,8	2,901,653	10,038,197,4	
the					9.40		.16	.21	3.13	2.71	12.29	.62	65.91	
period	9.00													
Balance														

Project	Year 2023													
	Equity attributable to owners of the parent company												Mi nor ity int ere sts	Total owners' equity
	Paid-in capital (or share capital)	Other equity Instruments			Capital surplus	Less Tre asu ry sto ck	Other compreh ensive income	Earmarked reserves	Surplus reserves	- Ge ner al risk allo wa nce Prov ision s	Undistributed profit	Un dist rib ute d pro fit		
Pre fer enc e sha res		Per pet ual bo nds	Oth er											
I. Prior year- end Balance	506,347,879 .00				2,367,784,898 .94 .94		2,601,150.3 0	5,276,279 .60	261,714,343 .13		3,921,458,124 .54		7,065,182,675 .51	7,065,182,675 .51
Add: Accou nting policie s Change														
Prior period error correction Correction														
Other Others														

II. Begin ning of the year Balance	506,347,879 .00				2,367,784,898 .94 .94		2024 2,601,150.3 0	5,276,279 .60	261,714,343 .13		3,921,458,124 .54		7,065,182,675 .51		7,065,182,675 .51
III. Amou nt of increa se or decrea se during the period (Decre ase is denote d by [†] ▼▼ symp bol) column)					13,584,460.49 -		298,350,266 .31 .31	1,313,879 .97 .97			1,613,971,529 .35 .35		1,900,051,215 .14		1,900,051,215 .14
(I) (i) Total compr ehensi ve incom e Amount							298,350,266 .31 .31				1,867,145,468 .85 .85		2,165,495,735 .16		2,165,495,735 .16
(ii) (ii) Inputs from owner s and reduct ions in capital capital (i.e., the amount of money invested by the owner)															
1. Owner s' contri bution s Inputs															

from owners							2024								
Common shares															
2) Contri bution from holder s of other equity instru ments capital															
(3) Share- based payme nts recogn ised in equity Amount															
4. Others															
(iii) (iii) Profit distrib ution Distributio n											253,173,939.5 0%0%0%0%0		253,173,939.5 0 253,173,939.5 0		253,173,939.5 1. Withdrawal of surplus
1. Withd rawal of surplu s Surplus															

2. Provisi on for genera l risk Provision							2024								
3. To owner s (or											253,173,939.5 0		253,173,939.5 0		253,173,939.5 0
Share holder s' share of the Comp any's net assets Sharehold ers															
4. Other Others															
(IV) (iv) Carry- over within owner' s equity Carry- over															
1) Capita l surplu s to capital (or shares) capital)															

2) Surplu s reserv es to capital (or share capital) (or share capital)							2024								
(3) Surplu s surplu ses to make up for Losses															
4) Define d benefi t plan Plan															
Carry forwar d of chang es in retain ed earnin gs Other comprehe nsive income to retained earnings															
5) Other compr ehensi ve incom e carrie d forwar d to retain ed earnin gs income															
6. Others															

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(v) Special reserve (v) Earmarked reserves Special reserve						2024	1,313,879.97					1,313,879.97		1,313,879.97
1. Current period Withdrawal							7,860,097.36					7,860,097.36		7,860,097.36
2. Current period Utilisation during the current period							6,546,217.39					6,546,217.39		6,546,217.39
(VI) (vi) Others Others					13,584,460.49	-						13,584,460.49	-	13,584,460.49
IV. End of the period Balance	506,347,879.00				2,354,200,438.45	300,951,416.61	6,590,159.57	261,714,343.13		5,535,429,653.89		8,965,233,890.65		8,965,233,890.65

Head of the Company: Xu Shugen

Person in charge of accounting work: Wang Meihua

Head of accounting organisation: Qin Jia

2024

**Statement of changes in owners'
equity of the parent company**
January-December 2024

Unit: Yuan Currency: RMB

Item	Year 2024										
	Paid-in capital (or share capital)	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Earmarked reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preferred shares	Perpetual debt	Other							
I. Balance at the end of the previous year	506,347,879.00				2,353,734,192.60		298,864,464.52	6,590,159.57	261,714,343.13	5,502,271,092.88	8,929,522,131.70
Add: Change in accounting policy											
Correction of prior period errors											
Others											
II. Opening balance for the year	506,347,879.00				2,353,734,192.60		298,864,464.52	6,590,159.57	261,714,343.13	5,502,271,092.88	8,929,522,131.70
III. Amount of increase or decrease during the period (Decrease is shown with “—” sign)					16,945.01	-	370,077,658.71	1,133,677.64		1,418,445,765.31	1,049,484,839.23
(i) Total comprehensive income							92,393,969.91			1,647,093,010.50	1,554,699,040.59
(ii) Owners' input and reduction of capital											
(ii) Inputs and reductions in capital by owners											
(1) Ordinary shares invested by owners											
(2) Contributions by holders of other equity instruments											
Capital contribution											
(3) Share-based payments recognised in owners' equity											
Amounts included in owners' equity											
4. Other											
(iii) Distribution of profits										-506,347,879.00	-506,347,879.00
1. Withdrawal of surplus reserves											
2) Distribution to owners (or shareholders)										-506,347,879.00	-506,347,879.00
											506,347,879.00
3. Other											

(iv) Internal transfer of owners' equity			2024		16,945.01	-	277,683.688.80			277,700.633.81	
1. Capitalisation of capital surplus to capital (or share capital)											
2. Transfer of surplus to capital (or share capital)											
3) Surplus reserves to cover losses											
4) Transfer of changes in defined benefit plans											
Transfer to retained earnings											
5) Transfer of retained earnings from other comprehensive income							277,683.688.80 (1) Transfer of retained earnings from other comprehensive income			277,683,688.80 688.80	
6. Others					----- ----- -- 16,945.01					16,945.01	
(v) Earmarked reserves								1,133,677.64			1,133,677.64
1. Withdrawal during the period								8,200,026.00			8,200,026.00
2) Used during the period								7,066,348.36			7,066,348.36
(vi) Others											
IV. Ending balance for the period	506,347,879.00				2,353,717,247.59		71,213,194.19	7,723,837.21	261,714.343.13	6,920,716,858.19	9,979,006,970.93

Year 2023

Zhejiang Dingli Machinery Company Limited Annual Report

	Paid-in capital (or share capital)	2024 Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Earmarked reserves	Surplus reserves	Undistributed profit	Total owners' equity
		Preferred shares	Perpetual debt	Other							
I. Balance at the end of the previous year	506,347,879.00				2,367,318,653.09		2,893,333.31	5,276,279.60	261,714.343.13	3,868,577,166.58	7,012,127,654.71
Add: Change in accounting policy											
Correction of prior period errors											
Other											
II. Opening balance for the year	506,347,879.00				2,367,318,653.09		2,893,333.31	5,276,279.60	261,714.343.13	3,868,577,166.58	7,012,127,654.71
III. Amount of increase or decrease during the period (Decrease is shown with "—" sign)					-13,584,460.49		295,971.131.21	1,313,879.97		1,633,693,926.30	1,917,394,476.99
(i) Total comprehensive income							295,971.131.21			1,892,456,920.40	2,188,428,051.61
(ii) Owners' input and reduction of capital											
(ii) Owners' contributions and reduction of capital											
(1) Ordinary shares invested by owners											
(2) Contributions by holders of other equity instruments Capital contribution											
(3) Share-based payments recognised in owners' equity Amounts recognised in equity											
(4) Others											
(iii) Profit distribution										-253,173,939.50	-253,173,939.50
(1) Withdrawal of surplus reserves											
2) Distribution to owners (or shareholders)										-253,173,939.50	-253,173,939.50

Zhejiang Dingli Machinery Company Limited Annual Report

3. Others			2024								
(iv) Internal transfer of owners' equity										5,589,054.60	5,589,054.60
1. Capitalisation of capital surplus to capital (or share capital)											
2. Transfer of surplus to capital (or share capital)											
3) Surplus reserves to cover losses											
4) Transfer of changes in defined benefit plans											
Transfer to retained earnings											
5) Transfer of retained earnings from other comprehensive income											
other comprehensive income to retained earnings											
6. Others										5,589,054.60	5,589,054.60
(v) Earmarked reserves								1,313,879.97			1,313,879.97
1. Withdrawal during the period								7,860,097.36			7,860,097.36
2. Used during the period								6,546,217.39			6,546,217.39
(vi) Other						13,584,460.49					13,584,460.49
IV. Closing balance for the period	506,347,879.00				2,353,734,192.60		298,864.464.52	6,590,159.57	261,714.343.13	5,502,271,092.88	8,929,522,131.70

Head of the Company: Xu Shugen

Person in charge of accounting work: Wang Meihua

Head of accounting organisation:

Qin Jia

III. Basic information**of the Company 1.****Company profile**

☒ Applicable ☐ Not applicable

(hereinafter referred to as "the Company" or "the Company"), the predecessor of Zhejiang Dingli Machinery Co.

(hereinafter referred to as "the Company" or "the Company"), formerly known as Zhejiang Dingli Machinery Company Limited, was established on 16 May 2005

with the approval of Deqing County Administration for Industry and Commerce. The company's unified social credit code:

913300007743880298.

As of 31 December 2024, the Company has issued a total of 506,347,879 shares, with a registered capital of RMB506,347,879.00, registered office: Leidian District,

Deqing County.

Registered office: No. 1255, Baiyun South Road, Leidian Town, Deqing County; headquarter business address: No. 188, Qihang Road, Leidian Town, Deqing County, Huzhou City, Zhejiang Province; the Company is actually engaged in the main business activities of research and development, production and sales of various types of intelligent aerial work platforms, the main products include boom, scissor and fork, mast, and differentiated aerial work platforms. The actual controller of the Company is Mr Xu Shugen.

These financial statements were approved for issue on 16 April 2025 by the Board of Directors of the Company.

Basis of preparation of the**financial statements 1. Basis of****preparation**

The financial statements have been prepared in accordance with the "Accounting Standards for Business Enterprises (ASBE) - Basic Standards" issued by the Ministry of Finance (MOF) and the specific accounting standards, ASBE Application Guidelines, ASBE Interpretations and other relevant guidelines. The financial statements have been prepared in accordance with the "Enterprise Accounting Standards - Basic Standards", specific accounting standards, application guidelines of Enterprise Accounting Standards, interpretations of Enterprise Accounting Standards and other relevant regulations (hereinafter collectively referred to as "Enterprise Accounting Standards") issued by the Ministry of Finance, as well as relevant provisions of the "No. 15 Rules for the Preparation of Information Disclosure of Publicly-Owned Stocks - General Provisions on Financial Reporting" issued by the China Securities Regulatory Commission. Prepared in accordance with the relevant regulations.

2. Going concern

☒ Applicable ☐ Not applicable

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

The Company is of the opinion that it has the ability to continue as a going concern for at least 12 months from 31 December 2024, taking into account factors such as macro-policy risk, market operation risk, current or long-term profitability, solvency and financial flexibility.

V. Significant Accounting Policies and Accounting Estimates

Reminder of specific accounting policies and accounting estimates:

☒ Applicable ☐ Not applicable

The following disclosures have covered the specific accounting policies and accounting estimates formulated by the Company in accordance with the actual production and operation characteristics:

1. Statement of compliance with enterprise accounting standards

The financial statements comply with the requirements of the Enterprise Accounting Standards issued by the Ministry of Finance and give a true and complete account of the consolidated and parent company's financial position as at 31 December 2024 and the consolidated and parent company's results of operations and cash flows for the year 2024

The financial statements truly and completely reflect the Company's consolidated and parent company financial position as at 31 December 2024 and the consolidated and parent company operating results and cash flows for the year 2024.

2024

2. Accounting period

The Company's fiscal year begins on 1 January and ends on 31 December.

3. Business cycle

√ Applicable √ Applicable

The Company's business cycle is 12 months.

4. Currency of account

The Company adopts RMB as the local currency of account. The subsidiaries of the Company determine their local currency of account in accordance with the major economic environments in which they operate. The financial statements are presented in RMB.

5. Methods of determining materiality criteria and basis of selection

√ Applicable ☐ Not applicable

Item	Materiality criteria
Important Provision for bad debts by individual item	Provision for bad debts by individual item accounts for more than 10% of the total bad debt provision for all types of receivables and the amount is greater than or equal to RMB50.00 million. Greater than or equal to RMB50,000.00 million
Recovery, reversal and write-off of significant bad debt provisions	Individual recoveries, reversals and write-offs of more than 0.5% of the total amount of each type of receivables and the amount is greater than or equal to RMB1,000.00 million or equal to RMB10.00 million
Significant transactions aged over one year	Individual transactions with an age of more than one year accounted for more than 10% of the total amount of each type of transaction and the amount was greater than or equal to RMB100 million. Amount greater than or equal to RMB100 million
Significant construction projects in progress	The amount of a single item of construction in progress accounted for more than 5% of the total assets and the amount was greater than or equal to RMB50 million. 50,000.00 million yuan
Significant joint ventures or associates	The year-end balance of the long-term equity investment in the enterprise accounted for more than 5% of the Group's total consolidated assets, or the investment income recognised under the equity method of accounting for the reporting period (in case of loss in absolute terms) accounted for more than 5% of the Group's total consolidated profit. More than 5% of the Group's total consolidated profit
Accounting treatment of business combination under the same control and non-same control	5% or more of the total assets.
Significant foreign operating entities √ Applicable <input checked="" type="checkbox"/> Not applicable	The operating revenue of this operating entity for the reporting period accounted for more than 15% of the Group's consolidated operating revenue, or the net profit of this operating entity accounted for more than 5% of the Group's consolidated net profit.
Business combination under the same control: assets and liabilities acquired by the merging parties in a business combination (including goodwill formed as a result of the acquisition of the merged party by the ultimate controlling party)	More than 5% of the Group's consolidated net profit
Material contingencies	Amount greater than or equal to RMB50,000.00 million

Measured on the basis of the book value of the assets and liabilities of the party being consolidated in the consolidated financial statements of the party ultimately in control at the date of consolidation. The difference between the book value of net assets acquired in a merger and the book value of the merger consideration paid (or the total nominal value of shares issued) is adjusted to the equity premium in capital surplus, and if the equity premium in capital surplus is not sufficient to be eliminated, it is adjusted to retained earnings.

Business combination not under common control: The cost of combination is the fair value of assets given, liabilities incurred or assumed, and equity securities issued by the purchaser at the date of purchase for the purpose of obtaining control of the acquiree. The difference between the cost of the combination and the fair value of the share of the acquiree's identifiable net assets acquired in the combination is recognised as goodwill; the difference between the cost of the combination and the fair value of the share of the acquiree's identifiable net assets acquired in the combination is recognised in profit or loss for the current period. Each of the identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a merger that meets the conditions for recognition is measured at fair value at the date of purchase.

Directly related expenses incurred for a business combination are recognised in profit or loss when incurred. Transaction costs incurred for the issuance of equity or debt securities for the purpose of a business combination are included in the initial recognition amount of the equity or debt securities.

7. Criteria for judging control and preparation of consolidated financial statements

√ Applicable ☐ Not applicable

1. Criteria for judging control

The scope of consolidation of the consolidated financial statements is determined on the basis of control, and the scope of consolidation includes the Company and all subsidiaries. Control means that the Company has power over an investee, enjoys variable returns through participation in the investee's related activities, and has the ability to use its power over the investee to affect the amount of its returns.

2. Consolidation process

The Company considers the entire enterprise group as one accounting entity and prepares consolidated financial statements in accordance with uniform accounting policies to reflect the financial position, results of operations and cash flows of the enterprise group as a whole. The effects of internal transactions between the Company and its subsidiaries and between subsidiaries are eliminated. If an internal transaction indicates that an impairment loss on the related asset has been incurred, the full amount of such loss is recognised. If the accounting policies and accounting periods adopted by subsidiaries are different from those of the Company, necessary adjustments are made to the consolidated financial statements in accordance with the Company's accounting policies and accounting periods.

Subsidiaries' share of owners' equity, net profit or loss for the period and current comprehensive income attributable to minority shareholders are presented separately in the consolidated balance sheet under the item of owners' equity, in the consolidated income statement under the item of net profit and in the consolidated income statement under the item of total comprehensive income, respectively. The balance resulting from the excess of the minority shareholders' share of the current loss of a subsidiary over the minority shareholders' share of the subsidiary's opening equity is eliminated to reduce the minority shareholders' equity.

(1) Increase in subsidiaries or operations

If a subsidiary or business is added as a result of a business combination under the same control during the reporting period, the results of operations and cash flows from the beginning to the end of the period in which the subsidiary or business is consolidated are included in the consolidated financial statements, and adjustments are made to the opening balance of the consolidated financial statements and the related items in the comparative statements, and the consolidated reporting entity is deemed to have existed from the point at which the party ultimately controlling the subsidiary or business began to exercise control.

If the Company is able to exercise control over the investee under the same control due to additional investment or other reasons, the equity investment held prior to the acquisition of control over the consolidated entity is eliminated from the beginning of the comparative statement period by reducing the opening retained earnings or the current profit or loss, respectively, for the period from the later of the date of acquisition of the original equity interest and the date on which the consolidating party and the consolidated entity are under the same control to the date of the consolidation.

During the reporting period, the addition of subsidiaries or businesses as a result of a business combination not under the same control is included in the consolidated financial statements from the date of purchase on the basis of the fair value of each identifiable asset, liability and contingent liability determined at the date of purchase.

If the Company is able to exercise control over a non-identically controlled investee as a result of additional investment, etc., the equity interest in the investee held prior to the date of purchase is remeasured at the fair value of such equity interest at the date of purchase, and the difference between the fair value and its carrying amount is included in investment income for the current period. Other comprehensive income that can be reclassified to profit or loss and other changes in equity under the equity method in respect of the equity interest in the acquiree held prior to the date of purchase are transferred to investment income for the period in which the purchase date occurs.

(2) Disposal of subsidiaries

(i) General treatment

When control over an investee is lost as a result of the disposal of a portion of an equity investment or for other reasons, the remaining equity investment after disposal is remeasured at its fair value at the date of loss of control. The difference between the sum of the consideration received for the disposal and the fair value of the remaining equity interest, less the sum of the share of the original subsidiary's net assets continuously measured from the date of purchase or consolidation based on the original shareholding ratio and goodwill, is included in investment income in the period in which control is lost. Other comprehensive income and other changes in equity under the equity method of accounting related to equity investments in subsidiaries that can be reclassified to profit or loss in the future are transferred to investment income in the period when control is lost.

② Step-by-step disposal of subsidiaries

If an equity investment in a subsidiary is disposed of in stages through multiple transactions until the loss of control, the terms, conditions, and economic effects of each transaction to dispose of the equity investment in the subsidiary are in accordance with one or more of the following circumstances, which generally indicate that the multiple transactions are a package deal:

- i. The transactions are entered into at the same time or after taking into account the effects of each other;
- ii. The transactions, taken as a whole, achieve a complete business result;
- iii. -the occurrence of one transaction is dependent on the occurrence of at least one other transaction;
- iv. -a transaction is uneconomical when viewed in isolation, but is economical when considered together with other transactions.

If each transaction is a package transaction, each transaction is accounted for as a disposal of a subsidiary and loss of control; the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the investment disposed of in each case before the loss of control is recognised in the consolidated financial statements as other comprehensive income, and is transferred to profit or loss for the period in which the loss of control occurs when the loss of control occurs.

If each transaction is not a package deal, prior to the loss of control, partial disposal of equity investments in subsidiaries is accounted for as partial disposal of equity investments in subsidiaries without the loss of control; upon the loss of control, the accounting treatment is based on the general treatment of disposal of subsidiaries.

(3) Purchase of minority interests in subsidiaries

The difference between the newly acquired long-term equity investment as a result of the purchase of a minority interest and the share of the subsidiary's net assets calculated on the basis of the newly acquired shareholding in accordance with the shareholding ratio on an ongoing basis from the date of purchase or the date of consolidation is adjusted to the equity premium in the capital surplus in the consolidated balance sheet, and the retained earnings are adjusted to the extent the equity premium in the capital surplus is insufficient to eliminate the difference.

(4) Partial disposal of equity investments in subsidiaries without loss of control

The difference between the disposal price and the disposal long-term equity investment's corresponding share of the subsidiary's net assets calculated on an ongoing basis from the date of purchase or the date of consolidation is adjusted to the equity premium in capital surplus in the consolidated balance sheet, and the retained earnings are adjusted to the extent that the equity premium in capital surplus is not sufficient to eliminate the difference.

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

☐ Applicable ☒ Not applicable

9. Criteria for determining cash and cash equivalents

Cash refers to the Company's cash on hand and deposits readily available for payment. Cash equivalents are investments held by the Company that have short maturities, are highly liquid, can be easily converted to known amounts of cash, and are subject to an insignificant risk of changes in value.

10. Foreign currency operations and translation of foreign currency statements

☒ Applicable ☐ Not applicable

1. Foreign currency operations

Foreign currency operations are recorded using the spot exchange rate of the first business day of the month in which the transaction occurs as the translation rate to convert foreign currency amounts into RMB.

Balances of monetary items denominated in foreign currencies as at the balance sheet date are translated at the spot exchange rate as at the balance sheet date, and exchange differences arising therefrom are recognized in profit or loss for the current period, except for those arising from special borrowings in foreign currencies that are related to the acquisition and construction of assets eligible for capitalisation and are dealt with in accordance with the principle of capitalisation of borrowing costs.

2. Translation of foreign currency financial statements

Assets and liabilities in the balance sheet are translated using the spot exchange rate at the balance sheet date; items in equity, except for "undistributed profits", are translated using the spot exchange rate at the beginning of the month in which they occur. Income and expense items in the income statement are translated using the annual average of month-end spot rates.

Upon disposal of a foreign operation, the difference in the translation of the financial statements of the foreign currency related to the foreign operation shall be transferred from owner's equity to profit or loss in the period of disposal.

11. Financial instruments

☒ Applicable ☐ Not applicable

The Company recognises a financial asset, a financial liability or an equity instrument when it becomes a party to a financial instrument contract.

1. Classification of financial instruments

Based on the Company's business model for managing financial assets and the contractual cash flow characteristics of financial assets, financial assets are classified on initial recognition as follows: financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss.

The Company classifies financial assets that meet both of the following conditions and are not designated as at fair value through profit or loss as financial assets carried at amortised cost:

- The business model is geared towards collecting contractual cash flows;
- Contractual cash flows consist solely of payments of principal and interest based on the amount of principal outstanding.

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The Company classifies financial assets that meet both of the following conditions and are not designated as at fair value through profit or loss as financial assets at fair value through other comprehensive income (debt instruments):

- The business model has as its objective both the collection of contractual cash flows and the sale of the financial asset;
- The contractual cash flows consist solely of payments of principal and interest based on the amount of principal outstanding.

For investments in non-trading equity instruments, the Company may irrevocably designate them as financial assets at fair value through other comprehensive income (equity instruments) on initial recognition. This designation is made on an individual investment basis and the underlying investment meets the definition of an equity instrument from the issuer's perspective.

Except for the above financial assets measured at amortised cost and financial assets at fair value through other comprehensive income, the Company classifies all remaining financial assets as financial assets at fair value through profit or loss. On initial recognition, the Company may irrevocably designate financial assets that would otherwise be classified as financial assets at amortised cost or at fair value through other comprehensive income as financial assets at fair value through profit or loss if the accounting mismatch can be eliminated or significantly reduced.

Financial liabilities are classified on initial recognition as: financial liabilities at fair value through profit or loss and financial liabilities at amortised cost.

Financial liabilities may be designated as financial liabilities at fair value through profit or loss at initial measurement if one of the following conditions is met: 1) the designation eliminates or significantly reduces accounting mismatches.

② A portfolio of financial liabilities or a portfolio of financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis in accordance with the enterprise's risk management or investment strategy as set out in a formal written document and reported on this basis within the enterprise to key management personnel.

③ The financial liabilities contain embedded derivatives that are subject to separate spin-off.

2. Basis of recognition and measurement of financial instruments

(1) Financial assets measured at amortised cost

Financial assets measured at amortised cost, including notes receivable, accounts receivable, other receivables, long-term receivables and debt investments, are initially measured at fair value, with the related transaction costs included in the amount initially recognised; accounts receivable that do not contain a significant financing component, and those for which the Company has decided to disregard a financing component of no more than one year, are initially measured at the contractual transaction price.

Interest calculated using the effective interest method during the holding period is recognised in profit or loss.

Upon collection or disposal, the difference between the price obtained and the carrying amount of the financial asset is recognised in profit or loss.

(2) Financial assets at fair value through other comprehensive income (debt instruments)

Financial assets (debt instruments) at fair value through other comprehensive income, including receivables financing and other debt investments, are initially measured at fair value, and the related transaction costs are included in the initial recognition amount. The financial assets are subsequently measured at fair value, and changes in fair value are recognised in other comprehensive income, except for interest, impairment losses or gains and exchange gains or losses calculated using the effective interest method.

Upon derecognition, the cumulative gain or loss previously recognised in other comprehensive income is transferred out of other comprehensive income and recognised in profit or loss for the period.

(3) Financial assets at fair value through other comprehensive income (equity instruments)

Financial assets (equity instruments) at fair value through other comprehensive income, including investments in other equity instruments, are initially measured at fair value, with the related transaction costs included in the initial recognition amount. The financial assets are subsequently measured at fair value, with changes in fair value recognised in other comprehensive income. Dividends received are recognised in profit or loss.

Upon derecognition, the cumulative gain or loss previously recognised in other comprehensive income is transferred from other comprehensive income to retained earnings.

(4) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include trading financial assets, derivative financial assets and other non-current financial assets, etc. Financial assets at fair value through profit or loss are initially measured at fair value, and the related transaction costs are included in profit or loss for the current period. The financial assets are subsequently measured at fair value, with changes in fair value recognised in profit or loss for the current period.

(5) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and derivative financial liabilities, etc., which are initially measured at fair value, with related transaction costs recognised in profit or loss. The financial liabilities are subsequently measured at fair value, with changes in fair value recognised in profit or loss.

Upon derecognition, the difference between its carrying amount and the consideration paid is recognised in profit or loss.

(6) Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost, including short-term loans, notes payable, accounts payable, other payables, long-term loans, bonds payable and long-term payables, are initially measured at fair value, with the related transaction costs included in the initial recognition amount.

Interest calculated using the effective interest method during the holding period is recognised in profit or loss.

Upon derecognition, the difference between the consideration paid and the carrying amount of the financial liability is recognised in profit or loss.

3. The Company derecognises a financial asset when one of the following conditions is met: (a) The basis for recognition and measurement of financial assets derecognition and financial assets transfer:

- The contractual right to receive cash flows from the financial assets is terminated;
- The financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred to the transferor;
- The financial asset has been transferred and the Company has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, but retained control over the financial asset.

When the Company modifies or renegotiates a contract with a counterparty and the modification constitutes a material change, the original financial asset is derecognised and a new financial asset is recognised in accordance with the modified terms.

A transfer of a financial asset does not result in derecognition of the financial asset if substantially all the risks and rewards of ownership of the financial asset are retained. The principle of substance over form is used in determining whether a transfer of financial assets meets the above conditions for derecognition of financial assets.

The Company distinguishes between transfers of financial assets as a whole and partial transfers of financial assets. If the transfer of financial assets as a whole meets the conditions for derecognition, the difference between the following two amounts is recognised in profit or loss for the current period:

- (1) The carrying amount of the transferred financial assets;
- (2) The sum of the consideration received as a result of the transfer and the cumulative change in fair value that would have been recognised directly in owners' equity (in cases where the transferred financial assets are financial assets (debt instruments) at fair value through other comprehensive income).

If a partial transfer of a financial asset meets the conditions for derecognition, the carrying amount of the transferred financial asset as a whole is apportioned between the derecognised portion and the non-derecognised portion in accordance with their respective relative fair values, and the difference between the following two amounts is recognized in profit or loss for the current period:

- (1) the carrying value of the derecognised portion;
- (2) The sum of the consideration for the derecognised portion and the amount corresponding to the derecognised portion of the cumulative amount of changes in fair value that was previously recognized directly in owners' equity (in cases where the transferred financial asset is a financial asset (debt instrument) measured at fair value through other comprehensive income).

If the transfer of a financial asset does not meet the conditions for derecognition, the financial asset continues to be recognised and the consideration received is recognised as a financial liability.

4. Derecognition of financial liabilities

A financial liability or a portion of a financial liability is derecognised when the present obligation of the financial liability has been discharged in whole or in part. If the Company enters into an agreement with a creditor to replace an existing financial liability by assuming a new financial liability, and the contractual terms of the new financial liability are substantially different from those of the existing financial liability, the Company derecognises the existing financial liability and recognises the new financial liability at the same time.

If the contractual terms of an existing financial liability are substantially modified in whole or in part, the existing financial liability or a portion of it is derecognised, and the modified financial liability is recognised as a new financial liability.

When a financial liability is derecognised in whole or in part, the difference between the carrying amount of the financial liability derecognised and the consideration paid (including non-cash assets transferred out or new financial liabilities assumed) is recognised in profit or loss.

If the Company repurchases a portion of a financial liability, the Company allocates the carrying amount of the financial liability as a whole on the repurchase date based on the relative fair values of the portion that continues to be recognised and the portion that is derecognised. The difference between the carrying amount allocated to the derecognised portion and the consideration paid, including non-cash assets transferred or new financial liabilities assumed, is recognised in profit or loss.

5. Methods of determining fair values of financial assets and financial liabilities

The fair value of financial instruments for which an active market exists is determined using quoted prices in an active market. For financial instruments for which no active market exists, the fair value is determined using valuation techniques. At the time of valuation, the Company selects inputs that are consistent with the characteristics of the asset or liability that would be considered by a market participant in a transaction for the underlying asset or liability, using valuation techniques that are appropriate in the circumstances and are supported by sufficient available data and other information, and gives preference to the use of relevant observable inputs. Unobservable inputs are used only if the relevant observable inputs are not available or practicable to obtain.

6. Tests and accounting treatment for impairment of financial instruments

The Company accounts for impairment of financial assets carried at amortised cost, financial assets at fair value through other comprehensive income (debt instruments) and financial guarantee contracts on the basis of expected credit losses.

The Company recognises expected credit losses by calculating the probability-weighted amount of the present value of the difference between the cash flows receivable and the cash flows expected to be received from a contract, taking into account information that is reasonable and supportable, such as information about past events, current conditions, and forecasts of future economic conditions, and weighted by the risk of default. For receivables and contract assets resulting from transactions regulated by ASBE No. 14 - Revenue, regardless of whether they contain significant financing components or not, the Company always recognises an expected credit loss at an amount equal to the entire amount of the receivable or contract asset, regardless of whether they contain significant financing components.

For receivables and contract assets resulting from transactions governed by ASBE No. 14 - Revenue, the Company always measures the allowance for losses at an amount equal to the expected credit losses over the life of the asset, regardless of whether there are significant financing components.

For lease receivables resulting from transactions governed by ASBE No. 21 "Leases", the Company has elected to always measure its allowance for losses at an amount equal to the expected credit losses over the entire duration.

For other financial instruments, the Company assesses at each balance sheet date the changes in credit risk of the relevant financial instruments since initial recognition. The Company determines the risk of default of a financial instrument at the balance sheet date by comparing the risk of default of the financial instrument at the balance sheet date with the risk of default at the date of initial recognition in order to determine the financial instrument's

The Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the relative change in the risk of default over the expected life of the financial instrument with the risk of default at the date of initial recognition. Generally, the Company considers that the credit risk of a financial instrument has increased significantly when the instrument is past due for more than 30 days, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since initial recognition.

If the credit risk of a financial instrument is low at the balance sheet date, the Company considers that the credit risk of the financial instrument has not increased significantly since initial recognition.

If the credit risk of a financial instrument has increased significantly since initial recognition, the Company measures the allowance for losses at an amount equal to the expected credit losses over the entire life of the financial instrument; if the credit risk of a financial instrument has not increased significantly since initial recognition, the Company measures the allowance for losses at an amount equal to the expected credit losses over the next 12 months.

The resulting increase or reversal of the allowance for losses is recognised as an impairment loss or gain in profit or loss. For financial assets (debt instruments) carried at fair value through other comprehensive income, the allowance for losses is recognised in other comprehensive income and the impairment loss or gain is recognised in profit or loss for the current period and does not reduce the carrying amount of the financial asset as stated in the balance sheet. If there is objective evidence that a receivable is impaired for credit purposes, the Company makes an allowance for impairment of that receivable on an individual basis.

In addition to the above receivables that are individually provided for bad debts, the Company classifies the remaining financial instruments into portfolios based on credit risk characteristics and determines the expected credit losses on a portfolio basis. The categories of portfolio and the basis for determining expected credit losses for notes receivable, accounts receivable, accounts receivable financing, other receivables and long-term receivables are as follows:

Item	Portfolio category	Basis of Determination
Notes receivable	Bank acceptances	The portfolio consists of commercial bills of exchange with lower credit risk banks as acceptors.
Accounts receivable	Ageing portfolio	The portfolio consists of accounts receivable with aging as the credit risk characteristic, and the aging is determined by the date of completion of the corresponding transaction. The aging is determined by the completion date of the corresponding transaction.
Receivables financing	Bank acceptances	The portfolio consists of commercial bills of exchange with banks with higher credit risk ratings as acceptors.
Other receivables	Credit risk portfolio	The portfolio comprises deposits or earnest money, payments on behalf of others and other current receivables
	Export tax refund portfolio	The portfolio consists of export tax refund receivables
Long-term receivables	Ageing portfolio	This portfolio consists of long-term receivables arising from sales of goods by instalments, with ageing as the credit risk characteristic. The aging is determined by the completion date of the corresponding transaction.

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Item	Portfolio category	Determination basis
Notes receivable	Bank acceptances	The portfolio consists of commercial bills of exchange with lower credit risk banks as acceptors.
If the Company no longer has a reasonable expectation that the portfolio represents long-term receivables as it will be recovered as a whole, the carrying amount of the financial asset portfolio is written down directly.		

12. Bills receivable

√ Applicable ☐ Not applicable

Categories of portfolios for which bad debt provision is made in accordance with credit risk characteristics and the basis of determination

√ Applicable ☐ Not applicable

Category of portfolio	Determination basis
Banker's acceptances	The portfolio consists of commercial bills of exchange with lower credit risk grade banks as acceptors.

Ageing calculation method for the portfolio of credit risk characteristics based on age recognition

☐ Applicable √ Not applicable

Judgement criteria for individual provisioning of bad debt according to individual items

☐ Applicable √ Not applicable

13. Accounts receivable

√ Applicable ☐ Not applicable

Categories of bad debt provision according to credit risk characteristics and the basis for determining them

√ Applicable ☐ Not applicable

Category of portfolio	Determination basis
Ageing portfolio	The portfolio consists of accounts receivable with ageing as the credit risk characteristic, and the ageing is determined based on the completion date of the corresponding transaction.

Calculation method of ageing for the portfolio of credit risk characteristics recognised based on ageing

√ Applicable ☐ Not applicable

Ageing is determined by the completion date of the corresponding transaction.

Determination of bad debt provisioning according to individual items Individual provisioning judgement criteria

√ Applicable ☐ Not applicable

If there is objective evidence that a receivable has suffered credit impairment, the Company makes provision for impairment of the receivable on an individual basis.

14. Receivables financing

√ Applicable ☐ Not applicable

Categories of portfolio and basis of determination of bad debt provision according to the combination of credit risk characteristics

√ Applicable ☐ Not applicable

Category of portfolio	Determination basis
Banker's acceptances	The portfolio consists of commercial bills of exchange with banks with higher credit risk ratings as acceptors.

Ageing calculation method for the portfolio of credit risk characteristics based on age recognition

☐Applicable ☒Not applicable

Judgement criteria for individual provisioning of bad debt according to individual items

☐Applicable ☒ Not applicable

15. Other receivables

☒ Applicable ☐ Not applicable

Categories of bad debt provisioning according to credit risk characteristics and the basis for determining the combination

☒ Applicable ☐ Not applicable

Category of portfolio	Determination basis
Credit risk portfolio	The portfolio includes deposits or earnest money, payments on behalf of others and other current accounts.
Export tax refund portfolio	This portfolio represents export tax refund receivables

Ageing method for recognising credit risk characteristic portfolio based on ageing

☐Applicable ☒ Not applicable

Individual provisioning judgement criteria for bad debt provisioning based on individual items

☐Applicable ☒ Not applicable

16. Inventories

☒ Applicable ☐ Not applicable

Inventory category, issue valuation method, inventory system, amortisation method for low-value consumables and packaging materials

☒ Applicable ☐ Not applicable

1. Classification and cost of inventories

Inventories are classified as materials in transit, raw materials, working capital materials, goods in stock, products in process, and goods issued.

Inventories are initially measured at cost. The cost of inventories includes purchase cost, processing cost and other expenditures incurred to bring inventories to their present location and condition.

2. Valuation Methods of Inventories Issued

Inventories are valued on the basis of the weighted average method when issued.

3. The inventory system

for inventories is based on the perpetual inventory system.

4. Amortisation method for low-value consumables and packages

- (1) Low-value consumable goods are amortised using the -transfer method;
- (2) Packaging adopts the -transfer method.

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

☒ Applicable ☐ Not applicable

At the balance sheet date, inventories should be measured at the lower of cost and net realisable value. If the cost of inventories is higher than their net realisable value, provision for inventory decline should be made.

Provision for decline in value should be made. Net realisable value is the estimated selling price of inventories in the ordinary course of activities, less the estimated costs to be incurred to completion, estimated selling expenses and related taxes.

The net realisable value of inventories of goods directly for sale, such as finished goods, inventories of goods in stock and materials for sale, is determined in the ordinary course of production and operation by the estimated selling price of the inventories, less the estimated selling expenses and related taxes; inventories of materials that need to be processed are determined in the ordinary course of production and operation by the estimated selling price of the finished goods produced, less the costs estimated to be incurred up to the time of completion, estimated selling expenses and related taxes to completion.

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The net realizable value of inventories held for the purpose of executing sales contracts or labour contracts is calculated on the basis of the contract price. If the quantity of inventories held exceeds the quantity ordered under the sales contract, the net realizable value of the excess inventory is calculated on the basis of the normal selling price.

If the factors affecting the write-down of inventories have disappeared, resulting in the net realisable value of inventories being higher than their book value, the reversal of the provision for inventory write-downs will be made within the amount of the original provision for inventory write-downs, and the reversal will be recognised in profit or loss for the current period.

Categories and basis for determining the provision for decline in value of inventories based on combinations, and basis for determining the net realisable value of different categories of inventories

☐Applicable ☒Not applicable

Calculation method and basis for determining the net realisable value of inventories by age group for recognition of net realisable value of inventories based on the age of inventories

☐Applicable ☒Not applicable

17. Contract assets

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

Recognition criteria and presentation of discontinued operations

☐Applicable ☒Not applicable

19. Long-term equity investments

☒Applicable ☐Not applicable

1. Criteria for determining joint control and significant influence

Joint control refers to the control over an arrangement that is shared in accordance with the relevant agreement and the relevant activities of the arrangement must be unanimously agreed upon by the participants sharing the control before decisions can be made. Where the Company, together with other joint venturers, exercises joint control over an investee and has rights to the net assets of the investee, the investee is a joint venture of the Company.

Significant influence means having the power to participate in decision-making with respect to the financial and operating decisions of the investee unit, but not being able to control, or to exercise joint control with other parties over, the formulation of those policies. Where the Company is able to exercise significant influence over an investee, the investee is an associate of the Company.

2. Determination of initial investment cost

(1) Long-term equity investments resulting from business combinations

For long-term equity investments in subsidiaries resulting from business combinations under the same control, the initial investment cost of a long-term equity investment is determined at the date of the combination on the basis of the acquisition of a share of the carrying value of the equity interests in the consolidated financial statements of the party whose ownership interest is being combined in the consolidated financial statements of the party ultimately in control. The difference between the initial investment cost of the long-term equity investment and the carrying value of the consideration paid is adjusted to the equity premium in capital surplus; if the equity premium in capital surplus is insufficient for offsetting, it is adjusted to retained earnings. If the investee unit under the same control can be controlled due to additional investment, etc., the difference between the initial investment cost of the long-term equity investment recognised in accordance with the above principles and the sum of the book value of the long-term equity investment before the merger and the book value of the new consideration paid for the further acquisition of shares at the date of the merger shall be adjusted to the equity premium, and the equity premium, if insufficient to be eliminated, shall be reduced to retained earnings.

For long-term equity investments in subsidiaries resulting from business combinations not under the same control, the initial investment cost of the long-term equity investment is based on the cost of the combination determined at the date of purchase. If control over an investee that is not under the same control can be exercised due to additional investment, the initial investment cost shall be the sum of the carrying value of the original equity investment plus the cost of the additional investment.

(2) Long-term equity investments acquired by means other than business combinations

Long-term equity investments acquired by means of cash payment are recognised at initial investment cost based on the actual purchase price paid.

Long-term equity investments acquired by issuing equity securities are initially recognised at the fair value of the equity securities issued.

3. Subsequent measurement and profit and loss recognition methods

(1) Long-term equity investments accounted for under the cost method

The Company's long-term equity investments in subsidiaries are accounted for using the cost method, unless the investment qualifies as held for sale. Except for cash dividends or profits declared but not yet paid that are included in the price or consideration actually paid when the investment is acquired, the Company recognises current investment income based on its entitlement to cash dividends or profits declared by the investee.

(2) Long-term equity investments accounted for under the equity method

Long-term equity investments in associates and joint ventures are accounted for using the equity method. The initial investment cost of long-term equity investments is not adjusted if the initial investment cost is greater than the share of the fair value of the identifiable net assets of the investee at the time of investment; the difference between the initial investment cost and the share of the fair value of the identifiable net assets of the investee at the time of investment is recognised in profit or loss of the current period, and the cost of long-term equity investments is adjusted at the same time.

The Company recognises investment income and other comprehensive income in accordance with its share of net profit or loss and other comprehensive income realised by the investee unit and adjusts the carrying value of the long-term equity investment at the same time; the carrying value of the long-term equity investment is reduced accordingly by the portion of profit or cash dividends declared by the investee unit for which the Company is entitled; for the investee unit other than net profit or loss, other comprehensive income and Changes in equity other than net profit or loss, other comprehensive income and profit distribution of the investee

(For other changes in the equity of the investee other than net profit or loss and other comprehensive income and profit distribution ("other changes in equity"), the carrying amount of the long-term equity investment is adjusted and included in equity.

The share of net profit or loss, other comprehensive income and other changes in equity of the investee is recognised on the basis of the fair value of the identifiable net assets of the investee at the time of investment acquisition, adjusted for the net profit and other comprehensive income of the investee in accordance with the Company's accounting policies and accounting periods.

Unrealised gains and losses on internal transactions between the Company and its associates and joint ventures are offset against the portion of such gains and losses attributable to the Company in proportion to its entitlement, and investment income is recognised on this basis, unless the assets invested or sold constitute a business. Unrealised losses on internal transactions with investees are recognised in full if they are attributable to asset impairment losses.

Net losses incurred by the Company in a joint venture or an associate, other than those for which the Company has an obligation to assume additional losses, are limited to the extent that the carrying value of the long-term equity investment and other long-term equity interests that, in substance, constitute the Company's net investment in the joint venture or associate are written down to zero. If the joint venture or associate subsequently achieves net profit, the Company resumes recognising the gain-sharing amount after the gain-sharing amount compensates for the unrecognised loss-sharing amount.

(3) Disposal of Long-term Equity Investments

On disposal of long-term equity investments, the difference between the carrying amount and the actual acquisition price is recognised in profit or loss for the current period.

If a long-term equity investment accounted for under the equity method is partially disposed of and the remaining equity interest is still accounted for under the equity method, other comprehensive income recognised under the original equity method is carried forward on a proportionate basis using the same basis as that used for the direct disposal of the relevant assets or liabilities by the investee, and other changes in equity are carried forward proportionately to the current period's profit or loss.

If the common control or significant influence over an investee is lost due to the disposal of an equity investment, etc., other comprehensive income recognised as a result of the adoption of the equity method of accounting for the original equity investment is accounted for using the same basis as the direct disposal of the relevant assets or liabilities by the investee upon termination of the adoption of the equity method of accounting, and other changes in owner's equity are transferred to profit or loss in the current period upon termination of the adoption of the equity method of accounting.

In the event of loss of control over an investee due to the disposal of part of the equity investment, if the remaining equity interest is capable of exercising joint control or significant influence over the investee at the time of preparation of the individual financial statements, the equity method of accounting will be used instead, and the remaining equity interest will be adjusted as if it were accounted for by the equity method from the time of acquisition, and other comprehensive income recognised prior to the acquisition of control over the investee will be accounted for on the same basis as that of direct disposal of relevant assets or liabilities by the investee. For other comprehensive income recognised prior to the acquisition of control of the investee unit, the same basis as the direct disposal of the relevant assets or liabilities of the investee unit is used for the proportionate carry forward, and other changes in equity recognised as a result of the adoption of the equity method of accounting are proportionately carried forward to the profit or loss of the current period; if the remaining equity interest does not enable the Company to exercise joint control or significant influence over the investee unit, the remaining equity interest is recognised as a financial asset, with the difference between the fair value and the carrying value on the date of loss of control recognised in the profit or loss of the current period; for other comprehensive income recognised and other changes in equity recognised before the acquisition of control of the investee unit For other comprehensive income and other changes in owners' equity recognised prior to the acquisition of control over the investee, all of them are carried forward.

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If the disposal of equity investments in subsidiaries through multiple transactions until the loss of control is a package deal, each transaction is accounted for as a disposal of equity investments in subsidiaries and the loss of control; the difference between the disposal price and the carrying value of the long-term equity investment corresponding to the equity interests disposed of in each disposal prior to the loss of control is recognised in the individual financial statements as other comprehensive income and then consolidated when the loss of control occurs. The difference between the disposal price and the carrying value of the long-term equity investment before the loss of control is recognised as other comprehensive income in the individual financial statements and transferred to profit or loss for the period in which the control is lost. If a transaction is not a package deal, each transaction is accounted for separately.

20. Investment properties

Not applicable

21. Fixed assets

(1). Recognition

conditions

☒ Applicable ☐ Not applicable

Fixed assets are tangible assets held for the production of goods, provision of services, leasing or business management and have a useful life of more than one fiscal year.

Fixed assets are recognised when the following conditions are simultaneously met:

- (1) It is probable that the economic benefits associated with the fixed asset will flow to the enterprise;
- (2) The cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost (taking into account the effect of the expected abandonment cost factor).

Subsequent expenditures relating to a fixed asset are included in the cost of the fixed asset when it is probable that the economic benefits associated with it will flow to the enterprise and its cost can be measured reliably; the carrying amount is derecognised in respect of the part that is being replaced; and all other subsequent expenditures are included in profit or loss for the period when they are incurred.

(2). Depreciation method

☒ Applicable ☐ Not applicable

Category	Depreciation method	Depreciable life (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings and structures	Average annual life method	10-40	0; 5	2.50-10.00
Machinery and equipment	Life averaging method	2-15	0; 5	6.67-50.00
Transport equipment	Yearly life averaging method	3-5	0; 5	20.00-33.33
Office and electronic equipment The Company does not depreciate land held in perpetuity.	Average annual life method	3-10	0; 5	10.00-33.33

22. Construction in progress

☒ Applicable ☐ Not applicable

Construction in progress is measured at actual costs incurred. Actual costs include construction costs, installation costs, borrowing costs eligible for capitalisation and other

necessary expenditures incurred before the construction in progress reaches its intended state of use. Construction in progress is transferred to fixed assets and depreciated from the following month when it reaches its intended useable condition. The criteria and points in time when the Company's construction in progress is transferred to fixed assets are as follows:

Category	Criteria and point in time for transfer to fixed assets
Buildings and structures	(1) The construction of the entity, including installation work, has been completed or substantially completed; (2) Expenditures continue to be incurred on the purchased houses and buildings; (3) The construction work has been completed or substantially completed. The amount of expenditures that continue to be incurred on the houses and buildings purchased is minimal or almost no longer occurs; (3) The houses and buildings purchased and constructed have met the design or contractual requirements or are in substantial conformity with the design or contractual requirements; and (4) If the construction work has reached the state of intended use but has not yet been finalised, the construction work will be transferred to a fixed asset at an estimated

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price based on the actual cost of the work from the date when it reaches the state of intended use.

Category	Criteria and point in time for transfer to fixed assets
Machinery and equipment	(1) The related equipment and other supporting facilities have been installed; (2) The equipment has been put into trial production or trial operation, and the results show that it is capable of stable output of qualified products, or can maintain normal and stable operation; (3) the equipment has been accepted by asset managers and users.

23. Borrowing costs

√ Applicable ☐ Not applicable

1. Principles for recognition of capitalised borrowing costs

Borrowing costs incurred by the Company that are directly attributable to the acquisition, construction or production of assets eligible for capitalisation shall be capitalised and included in the cost of the relevant assets; other borrowing costs shall be recognised as an expense when incurred, based on the amount incurred, and included in profit or loss for the current period.

Assets eligible for capitalisation are fixed assets, investment properties and inventories that require a long period of time to be constructed or produced before reaching their intended use or saleable condition.

2, the period of capitalisation of borrowing costs

The capitalisation period is the period from the point at which capitalisation of borrowing costs commences to the point at which capitalisation ceases, excluding the period during which capitalisation of borrowing costs is suspended.

Capitalisation of borrowing costs begins when the following conditions are simultaneously met:

(1) Expenditure on assets has been incurred, and expenditure on assets includes expenditure incurred in the form of cash payments, transfer of non-cash assets or assumption of interest-bearing debt for the acquisition or production of assets eligible for capitalisation;

(2) Borrowing costs have been incurred;

(3) Purchase and construction or production activities necessary to bring the asset to its intended use or saleable condition have begun.

When the acquisition or production of assets eligible for capitalisation reaches the intended use or saleable state, the capitalisation of borrowing costs ceases. 3. Suspension of capitalisation period

The capitalisation of borrowing costs shall be suspended if there is an abnormal interruption in the process of acquisition, construction or production of assets eligible for capitalisation and the interruption lasts for more than three consecutive months; if the interruption is a necessary procedure for the acquisition, construction or production of assets eligible for capitalisation to reach the state of intended use or saleable status, then the borrowing costs shall continue to be capitalised. Borrowing costs incurred during the period of interruption are recognised as current profit or loss until the construction or production of the asset is restarted and the borrowing costs continue to be capitalised.

4. Calculation of capitalisation rate and capitalisation amount of borrowing costs

For the purchase or production of assets eligible for capitalisation of special borrowings, the amount of borrowing costs actually incurred during the period of special borrowings, less the amount of unused borrowed funds deposited in the bank to obtain interest income or investment income from temporary investments to determine the amount of capitalised borrowing costs.

For general borrowings occupied for the purpose of acquiring, constructing or producing assets eligible for capitalisation, the amount of borrowing costs to be capitalised in respect of general borrowings is calculated on the basis of the weighted average number of cumulative asset expenditures in excess of the portion of specialised borrowings multiplied by the capitalisation rate of the general borrowings occupied. The capitalisation rate is determined based on the weighted average effective interest rate on general borrowings.

During the capitalisation period, exchange differences on the principal and interest of specialised borrowings denominated in foreign currencies are capitalised and included in the cost of the assets eligible for capitalisation. Exchange differences arising from the principal and interest on foreign-currency borrowings other than specialised foreign-currency borrowings are included in profit or loss for the current period.

24. Biological assets

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☐ Applicable ☒ Not applicable

25. Oil and gas assets

□Applicable

√ Not applicable **26.****Intangible assets****(1) . Useful life and the basis of determination, estimation, amortisation method or review procedures**

√ Applicable □Not applicable

1. Valuation method of intangible assets

(1) Intangible assets are initially measured at cost when acquired by the Company;

The cost of purchased intangible assets includes the purchase price, relevant taxes and other expenses directly attributable to bringing the asset to its intended use.

(2) Subsequent measurement

The useful life of an intangible asset is analysed and judged at the time of acquisition.

For intangible assets with finite useful lives, they are amortised over the period in which they bring economic benefits to the enterprise; if it is not possible to foresee the period in which the intangible asset will bring economic benefits to the enterprise, it is regarded as an intangible asset with an indefinite useful life and is not amortised.

2. Estimated useful lives of intangible assets with finite useful lives

Item	Estimated useful life	Amortisation method	Residual value rate	Basis for determining estimated useful life
Land use rights	50	Average method over years	0	Land use rights certificates
Software Right of Use	3-10	Average annual life method	0	Estimated useful life
Patent	20	Years of life averaging	0	Expected useful life
Trademarks	20 years	Yearly average method	0	Estimated useful life

The useful lives and amortisation methods of intangible assets with finite useful lives are reviewed at the end of each year. As a result of the review, the useful lives and amortisation methods of intangible assets at the end of the year are not different from the previous estimates.

(2) . Scope of attribution of research and development expenditure and related accounting treatment

√ Applicable □Not applicable

1. Specific criteria for classifying the research stage and development stage

Expenditure on research and development projects within the Company is classified as research stage expenditure and development stage expenditure.

Research stage: The stage of original and planned investigation and research activities for the purpose of acquiring and understanding new scientific or technological knowledge, etc.

Development phase: the stage of applying research results or other knowledge to a plan or design to produce new or substantially improved materials, devices, products and other activities before commercial production or use.

2, the specific conditions for capitalisation of development stage expenditure

Expenditure in the research stage is recognised in profit or loss when it is incurred.

Expenditure in the development stage is recognised as an intangible asset if it meets the following conditions, and expenditure in the development stage that does not meet the following conditions is recognised in profit or loss for the current period:

- (1) It is technically feasible to complete the intangible asset so that it can be used or sold;
- (2) there is an 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 the existence of a market for the products produced using the intangible asset or the existence of a market for the intangible asset itself, and, where the intangible asset is to be used internally, the ability to demonstrate its usefulness;
- (4) supported by sufficient technical, financial and other resources to complete the development of the intangible asset and the ability to use or sell the intangible asset;
- (5) Expenditure attributable to the development phase of the intangible asset can be measured reliably.

If it is not possible to distinguish between research-phase expenditure and development-phase expenditure, all research and development expenditure incurred is recognised in profit or loss for the current period.

27. Impairment of long-lived assets

√ Applicable ☐ Not applicable

Long-term assets such as long-term equity investments, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, oil and gas assets and other long-term assets were impaired as of the balance sheet date.

Long-lived assets such as long-term equity investments, property, plant and equipment, assets with right of use, intangible assets with finite useful lives and oil and gas assets are tested for impairment if there is any indication of impairment at the balance sheet date. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment is made and an impairment loss is recognised for the difference. The recoverable amount is the higher of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows. Provision for asset impairment is calculated and recognised on an individual asset basis. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group is determined using the asset group to which the asset belongs. An asset group is the smallest group of assets that can generate cash inflows independently.

Goodwill arising from business combinations, intangible assets with indefinite useful lives, and intangible assets that have not yet reached their useful lives are tested for impairment at least annually at the end of each year, regardless of whether there is any indication of impairment.

The Company performs goodwill impairment testing by apportioning the carrying value of goodwill arising from a business combination to the relevant asset group in a reasonable manner from the date of purchase; if it is difficult to apportion the goodwill to the relevant asset group, the goodwill will be apportioned to the relevant combination of asset groups. The relevant asset group or combination of asset groups is the asset group or combination of asset groups that can benefit from the synergies of the business combination.

When performing the impairment test for the relevant asset group or combination of asset groups containing goodwill, if there is an indication of impairment for the asset group or combination of asset groups related to goodwill, the asset group or combination of asset groups that does not contain goodwill is first tested for impairment, the recoverable amount is calculated and compared with the relevant carrying amount, and the corresponding impairment loss is recognised. The impairment test is then performed on the asset group or combination of asset groups containing goodwill by comparing the carrying value with the recoverable amount. If the recoverable amount is lower than the carrying value, the amount of the impairment loss is first set off against the carrying value of goodwill apportioned to the asset group or combination of asset groups, and then set off against the carrying value of the other assets in the asset group or combination of asset groups in accordance with the weighting of the carrying value of the other assets in the asset group or combination of assets other than goodwill, and then set off against the carrying value of the other assets on a pro rata basis. The carrying value of other assets will be offset proportionally according to the proportion of the carrying value of each asset other than goodwill in the asset group or portfolio.

Once the impairment loss is recognised, it will not be reversed in subsequent periods.

28. Long-term amortised expenses

√ Applicable ☐ Not applicable

Long-term amortised expenses are expenses that have been incurred but are to be borne by the current and future periods and are spread over a period of more than one year.

The amortisation period and amortisation method of each expense are as follows:

Item	Amortisation method	Amortisation period
Insurance premiums	Yearly average method	Benefit period or contract period
Renovation costs	Annual average method	Benefit period

29. Contract liabilities

√ Applicable ☐ Not applicable

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the fulfilment of performance obligations and payments from customers. The Company has received or should receive Obligations to transfer goods or provide services to customers for which the Company has received or should receive consideration from customers are presented as contract liabilities. Contract assets and contract liabilities under the same contract are shown on a net basis.

30. Employee compensation

(1) . Accounting treatment of short-term remuneration

√ Applicable ☐ Not applicable

The Company recognises short-term remuneration actually incurred as a liability in the accounting period in which the employees provide services to the

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Company and recognises it as a liability in profit or loss or in the cost of related assets.

The Company recognises short-term remuneration actually incurred as a liability during the accounting period in which the employees provide services to the

Company and records it in the profit or loss of the period or in the cost of the relevant assets.

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The Company contributes social insurance premiums and housing fund for employees, as well as trade union funds and employee education funds drawn down in accordance with the regulations, and calculates and determines the corresponding amount of employee remuneration in accordance with the prescribed accrual basis and accrual rate during the accounting period in which the employees provide services to the Company.

Employee benefit expenses incurred by the Company are recognised in profit or loss or in the cost of related assets on the basis of the actual amount incurred when the expenses are actually incurred, of which non-monetary benefits are measured at fair value.

(2) . Accounting treatment of post-employment benefits

☒ Applicable ☐ Not applicable

(1) Defined contribution plans

The Company contributes to basic pension insurance and unemployment insurance for its employees in accordance with the relevant regulations of the local government. During the accounting period in which the employees provide services to the Company, the amount of contribution payable is calculated based on the contribution base and ratio stipulated by the local government, and is recognised as a liability and charged to current profit or loss or cost of related assets.

(2) Defined benefit plans

The Company has no defined benefit plan.

(3) . Accounting treatment of termination benefits

☒ Applicable ☐ Not applicable

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when the Company is unable to unilaterally withdraw the severance benefits provided as a result of a plan to terminate labour relations or a proposal for redundancy; and when the Company recognises costs or expenses related to a restructuring involving the payment of severance benefits.

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

☐ Applicable ☒ Not applicable

31. Projected liabilities

☒ Applicable ☐ Not applicable

The Company recognises an obligation related to a contingent event as an estimated liability when the following conditions are simultaneously met:

- (1) The obligation is a present obligation incurred by the Company;
- (2) It is probable that the fulfilment of the obligation will result in an outflow of economic benefits to the Company;
- (3) the amount of the obligation can be measured reliably.

Projected liabilities are measured initially at the best estimate of the expenditure required to settle the related present obligation.

In determining the best estimate, factors such as the risks and uncertainties associated with the contingency and the time value of money are taken into account. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows.

Where there is a continuous range of required expenditures and the likelihood of each outcome within that range is the same, the best estimate is determined as the middle of the range; in other cases, the best estimate is treated as follows:

- Where the contingency relates to a single item, it is determined on the basis of the most likely amount to be incurred.
- Where the contingency relates to more than one item, it is determined on the basis of a range of possible outcomes and associated probabilities.

If the expenditure required to settle a projected liability is expected to be reimbursed in whole or in part by a third party, the amount of reimbursement is recognised separately as an asset when it is virtually certain that the reimbursement will be received, and the amount of reimbursement recognised does not exceed the carrying amount of the projected liability.

The Company reviews the carrying amount of the estimated liability at the balance sheet date, and if there is conclusive evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted in accordance with the current best estimate.

32. Share-based payment

☐Applicable ☒ Not applicable

33. Preferred shares, perpetual bonds and other financial instruments

☐Applicable

☒ Not applicable **34.**

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

☒ Applicable ☐ Not applicable

Accounting policies adopted for revenue recognition and measurement

The Company recognises revenue when it has fulfilled its performance obligations under a contract, i.e. when the customer obtains control of the relevant goods or services. Acquiring control of the relevant goods or services means being able to dominate the use of the goods or services and derive substantially all of the economic benefits therefrom.

Where a contract contains two or more performance obligations, the Company apportions the transaction price to each individual performance obligation on the contract in proportion to the relative proportion of the individual selling price of the goods or services promised under each individual performance obligation at the inception date of the contract. The Company measures revenue based on the transaction price allocated to each individual performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled as a result of the transfer of goods or services to the customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to the customer. The Company determines the transaction price in accordance with the terms of the contract and in conjunction with its past customary practices. In determining the transaction price, the Company takes into account the impact of variable consideration, the existence of significant financing components in the contract, non-cash consideration, and consideration payable to the customer. The Company determines the transaction price that includes variable consideration at an amount that does not exceed the amount by which it is highly probable that the cumulative revenue recognised will not materially reverse when the related uncertainty is removed. If there is a significant financing element in a contract, the Company determines the transaction price based on the amount payable that is assumed to be paid in cash by the customer as soon as the customer obtains control of the goods or services, and amortises the difference between the transaction price and the contractual consideration over the term of the contract using the effective interest method.

If one of the following conditions is met, it is the performance of a performance obligation within a certain period of time; otherwise, it is the

performance of a performance obligation at a certain point in time:

- The customer acquires and consumes the economic benefits arising from the Company's performance at the same time as the Company's performance.
- The customer is able to control the goods under construction in the course of the Company's performance.
- The commodity produced in the course of the Company's performance has a non-substitutable use and the Company is entitled to receive payment for the portion of the performance that has been completed to date, cumulatively, throughout the term of the contract.

For performance obligations that are fulfilled within a certain time period, the Company recognises revenue over that time period based on the progress of performance, unless the progress of performance is not reasonably determinable. The Company determines the progress of performance using either the output method or the input method, taking into account the nature of the goods or services. When the progress of performance is not reasonably determinable, the Company recognises revenue based on the amount of costs already incurred until the progress of performance is reasonably determinable, provided that the costs already incurred are expected to be reimbursed.

For performance obligations fulfilled at a point in time, the Company recognises revenue at the point at which the customer obtains control of the related goods or services. In determining whether a customer has obtained control of goods or services, the Company considers the following indications:

- The Company has a present right to receive payment for the good or service, meaning that the customer has a present obligation to pay for the good or service.
- The Company has transferred legal title to the good to the customer, i.e. the customer has legal title to the good.
- The Company has physically transferred the goods to the Customer, i.e. the Customer has taken physical possession of the goods.
- The Company has transferred the principal risks and rewards of ownership of the goods to the Customer, i.e. the Customer has acquired the principal risks and rewards of ownership of the goods.
- The customer has accepted the goods or services, etc.

The Company determines whether the status of the Company is that of a principal or an agent at the time of engaging in a transaction based on whether the Company has control over the goods or services prior to the transfer of such goods or services to the customer. If the Company is able to control the goods or services before transferring them to the customer, the Company is the principal responsible person.

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Revenue is recognised on the basis of the total consideration received or receivable; otherwise, the Company is the agent and revenue is recognised on the basis of the amount of commission or fee to which it expects to be entitled. **Disclosure of specific revenue recognition and measurement methods by business type**

(1) Revenue from sales of goods

Revenue from domestic sales of products: The Company issues goods in accordance with the sales application, and the Company delivers the products to the contracted location with the customer's signature. Upon receipt of the customer's signature and acceptance receipt by the Company, the control of the goods is transferred to the customer, and sales revenue is recognised by issuing a sales invoice after confirming that it is probable that the consideration entitled to be received for the transfer of goods to the customer will be recovered.

Revenue from exported products: After the products have been declared for customs clearance and the bill of lading has been obtained in accordance with the contract, the control of the merchandise is transferred to the customer, and a sales invoice is issued after confirming that the consideration entitled to be received for the transfer of the merchandise to the customer is likely to be recovered, and sales revenue is recognised.

(2) Finance lease revenue

The difference between the sum of the finance lease receivable, the unguaranteed residual value and its present value is recognised as an unrealised financing gain at the commencement date of the lease term, and the unrealised financing gain is allocated over the lease term using the effective interest method, and is recognised as interest income in the respective periods in which the rentals are received in the future.

(3) Contracts for the provision of services

The Company determines whether a contract is a performance obligation to be performed within a certain period of time or a performance obligation to be performed at a certain point in time in accordance with the specific content of the contract and the nature of the business, and recognises revenue within the contract in accordance with the progress of performance or at the point in time at which the customer obtains the right of control, respectively.

(2) . The adoption of different operating models for the same type of business involves different revenue recognition and measurement methods.

☐Applicable ☒Not applicable

35. Contract costs

☒Applicable ☐Not applicable

Contract costs include contract performance costs and contract acquisition costs.

Costs incurred by the Company for the performance of a contract, which do not fall within the scope of the relevant standards such as inventories, fixed assets or intangible assets, are recognised as an asset as contract performance costs when the following conditions are met:

- The cost is directly related to a contract that is currently or expected to be acquired.
- The cost increases the Company's resources available to fulfil the performance obligation in the future.
- The cost is expected to be recovered.

Incremental costs incurred by the Company to acquire a contract that are expected to be recovered are recognised as an asset as contract acquisition costs.

Assets related to contract costs are amortised using the same basis as revenue recognition for the goods or services to which the asset relates; however, for contract acquisition costs that are not amortised over a period of more than one year, the Company recognises them in profit or loss as incurred.

If the carrying amount of an asset related to contract costs is greater than the difference between the following two items, the Company makes an allowance for impairment and recognises an asset impairment loss for the excess:

1. The remaining consideration expected to be obtained for the transfer of goods or services related to that asset;
2. the estimated costs to be incurred for the transfer of such related goods or services.

If there is a subsequent change in the factors that impaired the asset in a prior period that causes the aforementioned difference to be greater than the carrying amount of the asset, the Company reverses the original provision for impairment and recognises it in profit or loss for the current period, provided that the carrying amount of the asset after the reversal does not exceed the carrying amount of the asset as of the date of the reversal, assuming that no provision for impairment had been made.

36. Government grants

☒Applicable ☐Not applicable

1. Types

Government grants, which are monetary or non-monetary assets acquired by the Company from the government without compensation, are classified into asset-related government grants and revenue-related government grants.

Asset-related government grants are divided into asset-related government grants and revenue-related government grants.

Asset-related government grants are government grants obtained by the Company for the purpose of purchasing, constructing or otherwise forming long-term assets. Government grants related to income are government grants other than those related to assets.

The specific criteria for the Company to classify government grants as asset-related are that the Company receives funds from the government at no cost for the purpose of acquiring or constructing long-term assets for project purposes;

The specific criteria for the Company to classify government grants as revenue-related are: funds obtained by the Company from the government at no cost for the purpose of incentives, support, tax rebates, etc. that are not used for the purpose of acquiring and constructing long-term asset projects;

For government documents that do not specify the object of the subsidy, the Company classifies the government subsidy as asset-related or revenue-related on the basis of whether the use of the relevant subsidy funds is for the purpose of acquiring or constructing long-term assets.

2. Point of recognition

Government grants are recognised when the Company is able to meet the conditions attached to them and when they can be received.

3. Accounting treatment

Government grants related to assets are either offset against the carrying value of the related assets or recognised as deferred income. If deferred income is recognised, it is recognised in profit or loss in a reasonable and systematic manner over the useful life of the related assets (if it is related to the Company's daily activities, it is recognised as other income; if it is not related to the Company's daily activities, it is recognised as non-operating income);

Government grants related to income that are used to compensate the Company for the related costs, expenses or losses in future periods are recognised as deferred income and are credited to current profit or loss (in other income if they are related to the Company's ordinary activities; in non-operating income if they are not related to the Company's ordinary activities) or offset against the related costs, expenses or losses in the period in which they are recognised; those used to compensate the Company for costs, expenses or losses already incurred are directly recognised as deferred income; those used to compensate the Company for costs, expenses or losses already incurred are directly recognised as deferred income. For the purpose of compensating the Company for the costs or losses incurred, the loans are charged directly to current profit or loss (other income if related to the Company's ordinary activities; non-operating income if unrelated to the Company's ordinary activities) or reduced by the relevant costs or losses.

The Company obtains policy preferential loan subsidies and distinguishes between the following two scenarios for separate accounting treatment:

(1) Where the treasury allocates the interest rate subsidy funds to the lending bank, which provides loans to the Company at the policy preferential interest rate, the Company takes the actual amount of borrowings received as the recorded value of the borrowings, and calculates the related borrowing costs in accordance with the principal amount of the borrowings and such policy preferential interest rate.

(2) If the finance directly allocates the subsidised interest rate funds to the Company, the Company will offset the corresponding subsidised interest rate against the relevant borrowing costs.

37. Deferred income tax assets/deferred income tax liabilities

☒ Applicable ☐ Not applicable

Income tax includes current income tax and deferred income tax. Except for income taxes arising from business combination and transactions or events directly attributable to owners' equity (including other comprehensive income), the current income tax is calculated as follows

Except for income taxes arising from business combinations and transactions or events directly attributable to owners' equity (including other comprehensive income), the Company recognises current and deferred income taxes in profit or loss for the current period.

Deferred tax assets and liabilities are recognised for differences between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable income will be available in future periods against which the deductible temporary differences can be utilised.

The recognition of deferred tax assets for deductible temporary differences is limited to the extent that it is probable that taxable income will be available in future periods to offset the deductible temporary differences. For deductible losses and tax credits that can be carried forward to future years, deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences, except in special cases. The special situations where deferred tax assets or deferred tax liabilities are not recognised include:

- Initial recognition of goodwill;
- Transactions or events that are neither business combinations nor affect accounting profit and taxable income (or deductible losses) when they occur, and the initial recognition of assets and liabilities does not result in the creation of taxable temporary differences and deductible temporary differences of equal amount.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, unless the Company can control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. For subsidiaries, associates and joint ventures

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Deferred tax assets are recognised for deductible temporary differences associated with investments in subsidiaries, associates and joint ventures when it is probable that the temporary difference will reverse in the foreseeable future and it is probable that future taxable income will be available against which the deductible temporary difference can be utilised.

At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the periods when the related assets are expected to be recovered or the related liabilities settled, in accordance with the tax laws.

At the balance sheet date, the Company reviews the carrying value of deferred tax assets. The carrying value of deferred tax assets is written down to the extent that it is more likely than not that sufficient taxable income will not be available to offset the benefit of the deferred tax assets in future periods. The amount written down is reversed when it is probable that sufficient taxable income will be available.

When there is a legal right to settle on a net basis, and the intention is to settle on a net basis, or when the acquisition of assets and settlement of liabilities are simultaneous, current income tax assets and current income tax liabilities are stated at their net offsetting amounts.

At the balance sheet date, deferred income tax assets and deferred income tax liabilities are stated at net amounts after offsetting when the following conditions are simultaneously met

- The taxable entity has the legal right to settle current income tax assets and current income tax liabilities on a net basis;
- Deferred income tax assets and deferred income tax liabilities are related to income taxes levied by the same tax authority on the same taxable entity or on different taxable entities, but in each future period in which significant deferred income tax assets and liabilities are reversed, the taxable entities involved intend to either settle current income tax assets and liabilities on a net basis or to acquire assets and settle liabilities simultaneously.

38. Leases

√ Applicable ☐ Not applicable

Basis of judgement and accounting treatment for the simplified treatment of short-term leases and leases of low-value assets as a lessee

√ Applicable ☐ Not applicable

If the Company chooses not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, the related lease payments will be recognised on a straight-line basis over the lease term.

The related lease payments are charged to current profit or loss or the cost of the related assets on a straight-line basis in each period. Short-term leases are leases with a term of 12 months or less at the inception date of the lease term and do not include an option to purchase. Low-value asset leases are leases that have a lower value when the individual leased asset is a brand-new asset. If the Company subleases or expects to sublease a leased asset, the original lease is not a low-value asset lease.

Criteria for classification and accounting treatment of leases as lessor

√ Applicable ☐ Not applicable

At the commencement date of a lease, the Company classifies leases as finance leases and operating leases. A finance lease is a lease in which the ownership of the leased asset is substantially transferred, regardless of whether the ownership is ultimately transferred or not.

A finance lease is a lease that transfers substantially all the risks and rewards associated with ownership of the leased asset, regardless of whether ownership is ultimately transferred. Operating leases are leases other than finance leases. When the Company acts as a sublease lessor, it classifies the sublease based on the right-of-use asset arising from the original lease.

(1) Accounting for Operating Leases

Lease receipts under operating leases are recognised as rental income on a straight-line basis in each period during the lease term. The Company capitalises the initial direct costs incurred in relation to operating leases and apportions them to current profit or loss over the lease term on the same basis as rental income recognition. Variable lease payments that are not included in lease receipts are charged to current profit or loss when they are actually incurred. If there is a change in an operating lease, the Company accounts for it as a new lease from the effective date of the change, and the lease receipts received in advance or receivable relating to the lease before the change are regarded as receipts under the new lease.

(2) Accounting for finance leases

At the inception date of a lease, the Company recognises a finance lease receivable for a finance lease and derecognises the finance lease asset. When the Company initially measures a finance lease receivable, the net investment in the lease is used as the recorded value of the finance lease receivable. The net investment in the lease is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received at the commencement date of the lease term discounted at the interest rate embedded in the lease.

The Company calculates and recognises interest income at a fixed periodic rate for each period during the lease term. The derecognition and impairment of finance lease receivables are accounted for in accordance with this report "Section X Financial Reporting V. Significant Accounting Policies and Accounting Estimates 11.

Variable lease payments that are not included in the measurement of net investment in leases are recognised in profit or loss when they are actually incurred.

The Company accounts for changes in finance leases as a separate lease if the following conditions are met:

- The modification expands the scope of the lease by increasing the right to use one or more of the leased assets;
- The increased consideration is equal to the separate price of the expanded portion of the lease adjusted for that contractual situation.

If a modification of a finance lease is not accounted for as a separate lease, the Company treats the modified lease in each of the following situations:

- If the change is effective on the lease commencement date and the lease would have been classified as an operating lease, the Company accounts for the lease as a new lease from the effective date of the lease change and uses the net investment in the lease prior to the effective date of the lease change as the carrying value of the leased asset;
- If the change is effective on the commencement date of the lease, the lease will be classified as a finance lease, the Company will account for the change in accordance with the policy on modification or renegotiation of contracts in "Section 10 Financial Reporting V. Significant Accounting Policies and Accounting Estimates 11.

39. Other significant accounting policies and accounting estimates

☐ Applicable ☒ Not applicable

40. Changes in significant accounting policies and accounting estimates

(1) . Changes in significant accounting policies

☒ Applicable ☐ Not Applicable

		Unit: Yuan Currency: RMB
Contents and reasons for changes in accounting policies	Name of statement items materially affected	Amount affected
See description	See description	

Other description:

(1) Implementation of ASBE Interpretation No. 17

The Ministry of Finance ("MOF") issued the "Interpretation of Accounting Standards for Business Enterprises No. 17" ("Interpretation No. 17") on 25 October 2023

(Caixin [2023] No. 21, hereinafter referred to as "~~the~~ Interpretation").

(hereinafter referred to as "Interpretation No. 17").

Interpretation No. 17 clarifies the division between current and non-current liabilities:

–If an enterprise does not have a substantive right at the balance sheet date to defer settlement of a liability for more than one year after the balance sheet date, the liability shall be classified as a current liability.

–For liabilities arising from an enterprise's loan arrangement, the enterprise's right to defer settlement of the liability for more than one year after the balance sheet date may depend on whether or not the enterprise has complied with the conditions stipulated in the loan arrangement (hereinafter referred to as the covenant conditions), and the enterprise, in determining whether or not it has a substantive right to defer the settlement of the liability, should only take into account the covenant conditions that should have been complied with at or prior to the balance sheet date, and should not take into account the covenant conditions that should have been complied with by the enterprise after the balance sheet date. The enterprise should only take into account the covenant conditions to be followed on or before the balance sheet date and not the covenant conditions to be followed after the balance sheet date.

–The settlement of a liability when classifying the liquidity of the liability means that the enterprise discharges the liability by transferring cash, other economic resources (e.g. goods or services) or the enterprise's own equity instruments to the counterparty. If the terms of a liability result in the enterprise settling it by delivering its own equity instruments if the counterparty so chooses, and if the enterprise classifies the said option as an equity instrument and recognises it separately as an equity component of a compound financial instrument in accordance with the provisions of ASBE 37 - Presentation of Financial Instruments, such terms does not affect the liquidity classification of the liability.

The interpretation is effective from 1 January 2024, and companies should adjust the comparable period information in accordance with the interpretation when implementing the interpretation for the first time. The implementation of this provision did not have a significant impact on the Company's financial position and results of operations.

(ii) Disclosure of Supplier Financing Arrangements

Interpretation No. 17 requires that when making note disclosures, an enterprise should disclose information relating to vendor financing arrangements in a summarised manner to assist users of the statements in assessing the impact of these arrangements on the enterprise's liabilities, cash flows and the enterprise's exposure to liquidity risk. The impact of vendor financing arrangements should also be considered when identifying and disclosing information about liquidity risk. This disclosure requirement applies only to vendor financing arrangements. A supplier financing arrangement is a transaction that has the following characteristics

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transaction in which one or more finance providers provide funds to make payments to an enterprise on behalf of its suppliers and agree that the enterprise will repay the finance providers on or after the date on which its suppliers receive the payments, in accordance with the terms and conditions of the arrangement. The supplier finance arrangement extends the payment period for the business or advances the collection period for the business's suppliers compared to the original payment due date. The interpretation is effective from 1 January 2024 and the enterprise is not required to disclose information relating to comparable periods and certain opening information when implementing the interpretation for the first time. The implementation of this provision did not have a significant impact on the Company's financial position and results of operations.

(iii) Accounting for sale and leaseback transactions

Interpretation No. 17 stipulates that when a lessee subsequently measures a lease liability arising from a sale and leaseback, the manner in which the lessee determines the amount of the lease payments or the amount of the lease payments after the change shall not result in the recognition of a gain or loss related to the right to use the leased premises acquired by the lessee. When an enterprise first implements this provision, it should retrospectively adjust for sale-and-leaseback transactions that are conducted after the date of initial implementation of AS 21 - Leases.

The Interpretation is effective from 1 January 2024 and allows enterprises to early implement the Interpretation from the year of issuance. The Company has implemented this provision since 1 January 2024 and the implementation of this provision did not have a significant impact on the Company's financial position and results of operations.

(2) Implementation of the Interim Provisions on Accounting Treatment Related to Enterprise Data Resources

The Ministry of Finance ("MOF") issued the Interim Provisions on Accounting Treatment Related to Enterprise Data Resources ("Interim Provisions on Accounting Treatment Related to Enterprise Data Resources") (财会[2023]11号) on 1 August 2023, which applies to the accounting treatment related to data resources that meet the relevant provisions of the Accounting Standards for Business Enterprises ("ASBE") to be recognised as assets, such as intangible assets or inventories, and to data resources legally owned or controlled by an enterprise that are expected to bring economic benefits to the enterprise, but that do not satisfy the conditions for recognition of an asset without The relevant accounting treatment and specific requirements for disclosure of data resources are set out.

This provision is effective from 1 January 2024, and enterprises should adopt the prospective application method. Expenditures related to data resources that have been expensed to profit or loss before the implementation of this provision will not be adjusted. The implementation of this provision did not have a significant impact on the Company's financial position and results of operations.

(3) Implementation of ASBE Interpretation No. 18 "Accounting for Guarantees that are not Individual Performance Obligations

The Ministry of Finance ("MOF") issued ASBE Interpretation No. 18 ("ASBE Interpretation No. 18") on 6 December 2024 ("Caixin [2024] No. 24"), which is effective from the date of issuance and allows enterprises to implement it in advance from the year of issuance.

Interpretation No. 18 stipulates that when accounting for projected liabilities arising from quality assurance that is not a single performance obligation, the

projected liabilities should be accounted for on the basis of the following criteria

According to the relevant provisions of "Accounting Standard No. 13 - Contingencies", the amount of estimated liabilities shall be debited to the accounts of "Cost of main operations" and "Other operating costs" and credited to the account of "Estimated liabilities" accordingly. The amount of the projected liability shall be debited to the accounts of "Cost of main operations" and "Other operating costs" and credited to the account of "Projected liabilities", and shall be recorded as "Operating costs" in the income statement and "Other current liabilities", "Non-current liabilities due within one year" and "Non-current liabilities" in the balance sheet, respectively. The credit shall be shown in the income statement under "Operating costs" and in the balance sheet under "Other current liabilities", "Non-current liabilities due within one year" and "Projected liabilities" accordingly.

When implementing this interpretation for the first time, enterprises should make retrospective adjustments in accordance with the change in accounting policy if the guaranteed quality assurance was included in "selling expenses", etc. when it was originally provided. The main effects of the implementation of this provision from fiscal year 2024 onwards are as follows:

Contents and reasons for the change in accounting policy Reasons	Affected statement items	Unit: Yuan		Currency: RMB	
		Consolidated		Parent company	
		Fiscal year 2024	2023	2024	FY 2023
Implementation of ASBE Interpretation No. 18 "Accounting for Guarantees of Quality that are not Individual Performance Obligations Operating Costs	Operating costs	87,107,723.05	107,422,364.69	57,517,697.49	99,567,366.03
	Cost of sales	-87,107,723.05	-107,422,364.69	-57,517,697.49	-99,567,366.03

(2) . Significant changes in accounting estimates

☐Applicable ☒Not applicable

(3) . Adjustments to the financial statements as of the beginning of the year of first-time implementation of new accounting standards or interpretations of accounting standards for the first time from 2024 onwards.

☐Applicable ☒Not applicable

41. Others

☐Applicable ☒Not

applicable ☒Not

applicable VI. TAXES

1. Major types and rates of taxes

Major tax types and tax rates

☒Applicable ☐Not applicable

Type of tax	Tax basis	Tax rate
Value-added tax	Output tax is calculated on the basis of the revenue from the sale of goods and taxable services as stipulated in the tax law. After deducting the input tax credit allowed for the current period, the difference is the VAT payable.	13%, 6%, etc.
Disclosed information: If there are taxable entities with different enterprise income tax rates	Enterprise income tax rates	See the following table

☒Applicable ☐Not applicable

Name of taxable entity	Income tax rate (%)
Zhejiang Dingli Machinery Co.	15 per cent
Shanghai Dingze Financial Leasing Co.	25%
Zhejiang Green Power Machinery Co.	20% (implementing the preferential income tax rate for small and micro enterprises)
Deqing Liguan Machinery Trading Co.	20% (Implementing preferential income tax rate for small and micro enterprises)
Zhejiang Dingli Technology Trading Co.	20% (Implementing preferential income tax rate for small and micro enterprises)
Zhejiang Dingliu Trading Co.	20% (Implementation of preferential income tax rate for small and micro enterprises)
Other overseas subsidiaries	Implementation of local tax rates and tax policies

2. Tax incentives

☒Applicable ☐Not applicable

Zhejiang Dingli Machinery Co., Ltd. has passed the review of high-tech enterprises in 2024, according to the certificate of high-tech enterprise jointly issued by the Department of Economy and Information Technology of Zhejiang Province and the Department of Finance of Zhejiang Province, According to the high-tech enterprise certificate jointly issued by Zhejiang Provincial Department of Economy and Information Technology, Zhejiang Provincial Department of Finance and Zhejiang Provincial Taxation Bureau of the State Administration of Taxation on 6 December 2024 to Zhejiang Dingli Machinery Co. No. GR202433001395, valid for 3 years, from 1 January 2024 to 31 December 2026, the enterprise income tax of Zhejiang Dingli Machinery Company Limited is reduced by 15%.

3. Others

☐Applicable ☒Not applicable

Notes to the consolidated financial statements

1. Currency funds

☒Applicable ☐Not applicable

Item	Closing balance	Unit: Yuan Currency: RMB
		Opening balance
Cash on hand	67,638.05	43,614.16

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Bank deposits	5,076,450,972.76	4,396,559,047.34
Other money funds	1,498,743.65	
Total	5,078,017,354.46	4,396,602,661.50
Of which: Total amount deposited abroad	274,229,592.07	52,052,458.77

Other notes:
None

2. Trading financial assets

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance	Reasons and basis for designation
Financial assets at fair value through profit or loss (continued)	208,734,591.14	178,789,929.05	/Of which: Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss			
Of which:			
Investments in equity instruments	54,133,409.16	178,789,929.05	/
Other Notes Money fund	54,601,181.98		/
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable Bank Structured Deposits	100,000,000.00		
Total	208,734,591.14	178,789,929.05	/

3. Derivative financial assets

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Foreign exchange derivatives	14,974,286.78	3,033,221.14
Total	14,974,286.78	3,033,221.14

Other notes:
None.

4. Bills receivable

(1) . Bills receivable are classified and presented

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	20,196,142.69	20,493,656.30
Total	20,196,142.69	20,493,656.30

(2) . Notes receivable pledged by the Company at the end of the period

☐ Applicable ☒ Not applicable

(3) . Bills receivable endorsed or discounted by the Company at the end of the period and not yet due at the balance sheet date

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount derecognised at the end of the period	Amount not derecognised at the end of the period
Bank acceptance bills		16,382,259.21
Total		16,382,259.21

(4) . Disclosure by bad debt accrual method

√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB										
Cat ego ry	Closing balance					Opening balance				
	Carrying amount		Bad debt allowance Provision		Carryi ng value	Carrying amount		Allowance for bad debts Allowance		Carryi ng value
	Amount	Propo rtion (%)	Am ou nt	Pro visi on (%)		Amount	Perce ntage (%)	Am ou nt	Pro visi on (%)	
Pro visi on for ba d de bts by ind ivid ual ite m										
Provi sion										
of which:										
All ow anc e for ba d de bts by por tfol io	20,196,142.6	100.0			20,196,142.6	20,493,656.3	100.0			20,493,656.3
Allo wanc e	9.0%9.0%9.0%9.0%	100.0			9	0	0			0
	9.0%9.0									
Of which:										
Pro visi on for ba d de bts is ma de on the bas is of a com bina tion	20,196,142.6	100.0			20,196,142.6	20,493,656.3	100.0			20,493,656.3
Provi sion	9	0.0			9	0	0			0
Provision for bad debts is made on an individual basis:										
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable										
Provision for bad debts by portfolio:										
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable										
Provision for bad debts by credit risk characteristics:										
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable										
Provi sion					120 / 206					
Total	20,196,142.6	/		/	20,196,142.6	20,493,656.3	/		/	20,493,656.3
Total	9				9///	20,493,656.3				0

Provision for bad debts based on general model of expected credit losses: ☐Applicable ☒ Not applicable

☐Applicable ☒ Not applicable

Basis of classification of stages and percentage of provision for bad debts None

Description of significant changes in the carrying amount of notes receivable for which changes in the allowance for losses occurred during the period:

☐Applicable ☒ Not applicable

(5) . Provision for bad debts

☐Applicable ☒ Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

☐Applicable ☒ Not applicable

Other notes:
None

(6) . Notes receivable actually written off during the period

☐Applicable ☒ Not applicable

Write-off of notes receivable of which significant:

☐Applicable ☒ Not applicable

Description of notes receivable written off:

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not applicable

5. Accounts receivable

(1) . Disclosure by ageing

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB		
Ageing	Closing balance	Opening balance
Within 1 year		
Of which: Within 1 year		
Within 1 year	2,222,648,827.74	2,349,483,774.05 Subtotal within 1 year
Subtotal within 1 year	2,222,648,827.74	2,349,483,774.05
1 to 2 years	155,195,232.80	96,945,393.55
2 to 3 years	14,198,284.02	5,543,868.04
3 to 4 years	659,774.64	185,318.72
4 to 5 years	186,732.19	310,041.77
More than 5 years	789.00	1,220,955.84
Subtotal	2,392,889,640.39	2,453,689,351.97
Less: Provision for bad debts	83,759,794.93	82,911,327.73
Total	2,309,129,845.46	2,370,778,024.24

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(2) . Disclosure by bad debt accrual method√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Carrying amount		Provision for bad debts		Carrying value	Carrying amount		Allowance for bad debts		Carrying Value
	Amount	Proportion (%)	Amount	Provision (%)		Amount	Percentage (%)	Amount	Provision (%)	
Provision for bad debts by individual item						1,530,220.	0.0	1,530,22	100	
Provision						1,530,220.21	6	0.21	.00	
Of which:										
Provision for bad debts by portfolio	2,392,889.	100	83,759.7	3.	2,309,129.	2,452,159.	99.	81,381.1	3.3	2,370,778.
Provision	640.39	.00	94.93	50	845.46	131.76	94	07.52	2	024.24
Provision for bad debts is made on an individual basis:										
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable										
Provision for bad debts by portfolio:										
<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable										
Items provided for by combination: Ageing combination										
Of which:										
Unit: Yuan Currency: RMB										
Age	Name		Closing balance		Provision for bad debts	Closing balance		Provision for bad debts	Provision ratio (%)	Provision ratio (%)
	2,392,889.	100	83,759.7	3.		2,452,159.	99.			
Within 1 year	640.39	.00	94.93	50	845.46	131.76	94	07.52	2	024.24
1 to 2 years										
2 to 3 years										
3 to 4 years										
4 to 5 years										
More than 5 years	2,392,889.	/	83,759.7	/	2,309,129.	2,453,689.	/	82,911.3	/	2,370,778.
Total	640.39		94.93		845.46	351.97	83,759,794.93	27.73		024.24
Total										

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Explanation of provision for bad debts by portfolio:

☐ Applicable ☒ Not applicable

Provision for bad debts based on the general model of expected credit losses

☐ Applicable ☒ Not applicable

Basis of classification of each stage and percentage of provision for bad debts None

Description of significant changes in the carrying amount of accounts receivable for which changes in the allowance for losses occurred during the period:

☐ Applicable ☒ Not applicable**(3) . Provision for bad debts**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Change during the period				Closing balance
		Accrued	Recovery or Reversal	Write-off or cancellation	Other changes	
Provision on an individual basis Provision for bad debts	1,530,220.21			1,537,878.18	7,657.97	
Provision by group Provision for bad debts	81,381,107.52	4,341,862.73		900,604.75	- 1,062,570.57	83,759,794.93
Of which the amount of bad debt provision recovered or reversed during the period is significant: Total	82,911,327.73	4,341,862.73		2,438,482.93	-	83,759,794.93
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable					1,054,912.60	

Other explanations:
None**(4) . Accounts receivable actually written off during the period**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount written off
Accounts receivable actually written off	2,438,482.93

Of which significant accounts receivable written off

☐ Applicable ☒ Not applicable

Description of accounts receivable written off:

☐ Applicable ☒ Not applicable**(5) . Accounts receivable and contract assets with top five ending balances aggregated by**

party owed to the Company

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Unit name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage of total closing balance of accounts receivable and contract assets Proportion (%)	Closing balance of provision for bad debts
First place	261,066,607.73		261,066,607.73	10.91	7,831,998.23
Second place	207,674,260.94		207,674,260.94	8.68	6,230,227.83
Third place	154,543,366.10		154,543,366.10	6.46	4,636,300.98

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Fourth place	101,183,070.17		101,183,070.17	4.23	3,035,492.11
Fifth place	75,579,287.23		75,579,287.23	3.16	7,557,928.72
Total	800,046,592.17		800,046,592.17	33.44	29,291,947.87

Other notes:
None

Other Notes:

☐ Applicable ☒ Not applicable

6. Contract assets (1).

Contract assets

☐ Applicable ☒ Not applicable

(2) . Amounts and reasons for significant changes in book value during the reporting period

☐ Applicable ☒ Not applicable

(3) . Disclosure by bad debt provision method

☐ Applicable ☒ Not applicable

Provision for bad debts is made on an individual basis:

☐ Applicable ☒ Not applicable

Description of bad debt provisioning by individual item:

☐ Applicable ☒ Not Applicable

Provision for bad debts is made on a portfolio basis:

☐ Applicable ☒ Not applicable

Provision for bad debts based on the general model of expected credit losses

☐ Applicable ☒ Not applicable

Basis of classification of stages and percentage of provision for bad debts None

Explanation of significant changes in the carrying amount of contract assets for which changes in the provision for losses occurred during the period:

☐ Applicable ☒ Not applicable

(4) . Provision for bad debts on contract assets during the period

☐ Applicable ☒ Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

☐ Applicable ☒ Not applicable

Other explanations:
None

(5) . Contract assets actually written off during the period

☐Applicable ☒ Not Applicable

Of which significant contract assets written off

☐Applicable ☒ Not applicable

Description of contract assets written off:

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not applicable

7. Receivables financing**(1) . The classification of receivables financing is shown**

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB		
Item	Closing balance	Opening balance
Bills receivable	18,315,265.15	10,156,840.13
Total	18,315,265.15	10,156,840.13

(2) . Receivable financing pledged by the Company at the end of the period

☐Applicable ☒ Not applicable

(3) . Receivables financing endorsed or discounted by the Company at the end of the period and not yet due at the balance sheet date

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB		
Item	Amount derecognised at the end of the period	Amount not derecognised at the end of the period
Bank acceptances	18,749,855.37	
Total	18,749,855.37	

(4) . Disclosure by bad debt provision method

☐Applicable ☒ Not applicable

Provision for bad debts is made on an individual basis:

☐Applicable ☒ Not Applicable

Description of bad debt provisioning by individual item:

☐Applicable ☒ Not applicable

Provision for bad debts by portfolio:

☐Applicable ☒ Not applicable

Provision for bad debts based on general model of expected credit losses.

☐Applicable ☒ Not applicable

Basis of classification of stages and percentage of provision for bad debts None

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Description of significant changes in the carrying amount of receivables financing for which changes in the allowance for losses occurred during the period:

☐Applicable ☒Not applicable**(5) . Provision for bad debts**☐Applicable ☒Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

☐Applicable ☒Not applicableOther
explanations:
None**(6) . Receivables financing actually written off during the period**☐Applicable ☒Not ApplicableOf which significant write-off of receivables financing: ☐Applicable ☒Not applicable☐Applicable ☒Not applicable

Description of write-offs:

☐Applicable ☒Not applicable**(7) . Changes in receivables financing during the period and changes in fair value:**☒Applicable ☐Not applicable

Item	Balance at the end of the previous year	Additions during the period	Derecognised during the period	Other changes	Balance at the end of the period	Allowance for losses recognised in accumulated other comprehensive income Allowance for losses recognised in accumulated other comprehensive income
Notes receivable	10,156,840.13	85,213,845.53	77,055,420.51		18,315,265.15	
Notes receivable						
Total	10,156,840.13	85,213,845.53	77,055,420.51		18,315,265.15	

(8) . Other notes☐Applicable ☒Not

applicable 8.

Prepayments**(1) . Prepayments by age**☒Applicable ☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Ageing	Closing balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	26,406,605.12	99.98	6,079,703.07	90.67
1 to 2 years	5,000.00	0.02	625,293.54	9.33
Total	26,411,605.12	100.00	6,704,996.61	100.00

Explanation of the reasons for the delayed settlement of prepayments aged over 1 year and with significant amounts: None

(2) . Prepayments with top five closing balances grouped by prepayment recipients

√ Applicable √ Applicable

Unit: Yuan Currency: RMB

Name of unit	Closing balance	Percentage of total closing balance of prepayments (%)
First place	4,931,414.92	18.67
Second place	3,302,548.62	12.50
Third place	2,058,539.59	7.79
Fourth place	1,673,607.74	6.34
Fifth place	1,617,390.00	6.12
Total	13,583,500.87	51.42

Other notes:
None

Other Notes:

☐ Applicable √ Not applicable**9. Other receivables****Item presentation**√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Other receivables	122,722,445.83	19,868,931.72
Total	122,722,445.83	19,868,931.72

Other Notes:

☐ Applicable √ Not applicable**Interest receivable****(1) . Classification of interest receivable**☐ Applicable √ Not applicable**(2) . Significant overdue interest**☐ Applicable √ Not Applicable**(3) . Disclosure by bad debt provision method**☐ Applicable √ Not Applicable

Provision for bad debts is made on an individual basis:

☐ Applicable √ Not Applicable

Description of bad debt provisioning by individual item:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

☐ Applicable √ Not applicable

(4) . Provision for bad debts based on general model of expected credit losses.

☐Applicable ☒ Not applicable

Basis of classification of each stage and percentage
of provision for bad debts None

Description of significant changes in the carrying amount of interest receivable for which changes in the allowance for losses occurred during the period:

☐Applicable ☒ Not applicable

(5) . Provision for bad debts

☐Applicable ☒ Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

☐Applicable ☒ Not applicable

Other
explanations:
None

(6) . Interest receivable actually written off during the period

☐Applicable ☒ Not Applicable

Of which significant write-off of interest receivable

☐Applicable ☒ Not applicable

Description of write-offs:

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not applicable

Dividends**receivable (1) .****Dividends****receivable**

☐Applicable ☒ Not applicable

(2) . Significant dividend receivables with an age of more than 1 year

☐Applicable ☒ Not applicable

(3) . Disclosure by bad debt provision method

☐Applicable ☒ Not Applicable

Provision for bad debts is made on an individual basis:

☐Applicable ☒ Not applicable

Description of bad debt provisioning by individual item:

☐Applicable ☒ Not applicable

Provision for bad debts by portfolio:

☐Applicable ☒ Not applicable

(4) . Provision for bad debts based on general model of expected credit losses.

☐Applicable ☒ Not applicable

Basis of classification of each stage and percentage of provision for bad debts: None

Explanation of significant changes in the carrying amount of dividend receivables for which changes in the allowance for losses occurred during the period:

☐Applicable ☒ Not applicable

(5) . Provision for bad debts

☐Applicable ☒ Not Applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

☐Applicable ☒ Not applicable

Other explanations:
None

(6) . Dividends receivable actually written off during the period

☐Applicable ☒ Not Applicable

Of which significant dividend receivable write-offs

☐Applicable ☒ Not applicable

Description of write-offs:

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not Applicable

Other receivables**(1) . Disclosure by ageing**

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB		
Ageing	Carrying amount at the end of the period	Opening balance
Within 1 year		
Of which: Within 1 year		
Within 1 year	6,029,520.48	19,487,532.92
Subtotal within 1 year	6,029,520.48	19,487,532.92
1 to 2 years	72,629,433.32	383,648.87
2 to 3 years	44,178,376.93	46,549.83
3 to 4 years	78,094.78	
4 to 5 years		871,373.98
More than 5 years		581,250.00
Subtotal	122,915,425.51	21,370,355.60
Less: Provision for bad debts	192,979.68	1,501,423.88
Total	122,722,445.83	19,868,931.72

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(2) . Breakdown by nature of amounts

Unit: Yuan Currency: RMB

√ Applicable <input type="checkbox"/> Not applicable	Closing balance	Opening balance
Guarantee or deposit	117,664,741.58	6,064,205.48
Export tax refund	2,807,167.17	2,791,549.99
Payment in lieu of collection	145,265.79	263,667.59
Other transactions	2,298,250.97	12,250,932.54
Total	122,915,425.51	21,370,355.60

(3) . Provision for bad debts

√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Provision for bad debts	Phase I	Stage II	Stage III	Total
	Next 12 months Expected credit losses	Expected credit losses for the entire duration Expected credit losses for the entire duration (no credit impairment)	Expected credit losses for the entire period (no credit impairment) Expected credit losses for the entire duration (credit impairment has occurred)	
Balance at 1 January 2024	1,501,423.88			1,501,423.88
Balance at 1 January 2024 current period				
-- Transferred to Phase II				
--Transferred to Phase III				
--Transferred back to Phase II				
--Transferred back to Phase I				
Provision for the current period	-1,472,199.97			-2,472,199.97 1,472,199.97
Reversed during the period				
Basis of classification of stages and percentage of provision for bad debts				
Write-offs during the period				
Expected changes significant changes in the carrying amount of other receivables for which changes in provision for losses occurred during the period	163,755.77			163,755.77
Balance at 31 December 2024	192,979.68			192,979.68

Basis adopted for the amount of provision for bad debts for the current period and for assessing whether there is a significant increase in the credit risk of financial instruments:

☐ Applicable ☒ Not applicable

(4) . Provision for bad debts

√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Change during the period				Closing balance
		Accrued	Recovered or reversed	Write-off or cancellation	Other changes	
Provision by portfolio	1,501,423.88	-1,472,199.97			163,755.77	192,979.68
Allowance for bad debts						
Of which the amount of provision for bad debts reversed or recovered during the period is significant:						
Total	1,501,423.88	-1,472,199.97			163,755.77	192,979.68

☐ Applicable ☒ Not applicable

Other notes:

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None

(5) . Other receivables actually written off during the period☐Applicable ☒Not applicable

Of which significant other receivables written off:

☐Applicable ☒Not applicable

Description of other receivables written off:

☐Applicable ☒Not applicable**(6) . Other receivables with top five closing balances aggregated by party owed: ☒ Applicable ☒ Applicable**☒ Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Unit Name	Closing balance	Percentage of total closing balance of other receivables Proportion to the total closing balance of other receivables (%)	Nature of amount	Ageing	Closing balance of provision for bad debts
Foreign-Trade Zones Board	113,734,584.45	92.53	Import duty deposit	1-4 years	
Deqing County Taxation Bureau	2,361,375.71	1.92	Export tax refund	Within 1 year	
SERTRADING SERVICOS IMP.E EXP LTDA	1,458,178.02	1.19	Other current account	Within 1 year	43,745.34
China Resources Sun Hung Kai (Hangzhou) Co. Ltd.	847,062.99	0.69	Guarantee or deposit	Within 1 year	25,411.89
(7) . Presented in other receivables due to centralised management of funds RTMA Properties, LLC	565,188.00	0.41	Guarantee or deposit	Less than 1 year	15,095.64
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable Total	118,904,389.17	96.74	/Total	/	84,252.87

Other notes:

☐Applicable ☒Not applicable**10, Inventories****(1) . Classification of inventories**☒ Applicable ☐Not applicable

Unit: Yuan Currency: RMB

	Closing balance	Opening balance
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Item	Carrying amount	Provision for decline in value of inventories /Provision for impairment of contract performance costs	Carrying value	Carrying amount	Provision for decline in value of inventories Provision for impairment of inventory / contract actual performance costs Provision	Carrying value
Raw materials	315,058,127.44		315,058,127.44	320,851,744.75		320,851,744.75
Material						
In production	317,173,039.13		317,173,039.13	332,612,735.69		332,612,735.69
Products						
Inventory	1,340,974,740.97	7,188,400.00	1,333,786,340.97	867,593,481.12		867,593,481.12
Inventory of goods and services						
Working capital	1,719,614.08		1,719,614.08	2,054,867.39		2,054,867.39
Material						
Issued goods	374,399,217.31		374,399,217.31	398,262,113.29		398,262,113.29

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Prod ucts						
Total Total	2,349,324,738.93	7,188,400.00	2,342,136,338.93	1,921,374,942.24		1,921,374,942.24

(2) . Data resources recognised as inventories☐Applicable ☒ Not applicable**(3) . Provision for decline in value of inventories and provision for impairment of contract performance costs**☒ Applicable ☐ Not applicable

Unit: RMB Currency: RMB

Item	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Accrued	Other	Reversal or write- off	Other	
Inventory goods		7,123,887.50	64,512.50			7,188,400.00
Total		7,123,887.50	64,512.50			7,188,400.00

Reasons for reversal or write-off of provision for decline in value of inventories during the period

☐Applicable ☒ Not applicable

Provision for decline in value of inventories by group

☐Applicable ☒ Not applicable

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Provisioning criteria for provision for inventory valuation on a portfolio basis

☐Applicable ☒ Not applicable**(4) . Amount of borrowing costs capitalised in the closing balance of inventories, and the criteria and basis for its calculation**☐Applicable ☒ Not applicable**(5) . Explanation of the amount of amortisation of contract performance costs for the period**☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not applicable**11. Assets held for sale**☐Applicable ☒ Not applicable**12. Non-current assets due within one year**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB		
Item	Closing balance	Opening balance
Long-term receivables due within one year	1,154,749,077.73	1,117,889,021.00
Total	1,154,749,077.73	1,117,889,021.00

Debt investments maturing within one year☐Applicable ☒ Not applicable**Other debt investments maturing within one year**☐Applicable ☒ Not applicable

Other non-current assets due within one year: None

13. Other current assets☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB		
Item	Closing balance	Opening balance
Input tax to be certified	425.79	2,519.75
Retained VAT	62,870,887.89	93,865,871.72
Prepaid enterprise income tax	7,121,726.64	511,717.70
Total	69,993,040.32	94,380,109.17

Other notes:

None

14. Debt investments**(1) . Debt investments**

☐Applicable ☒ Not applicable

Changes in provision for impairment of debt investments during the period

☐Applicable ☒ Not Applicable

(2) . Significant debt investments at the end of the period

☐Applicable ☒ Not applicable

(3) . Provision for impairment

☐Applicable ☒ Not applicable

Basis of classification of each stage and percentage of provision for impairment: None

Explanation of significant changes in the carrying amount of debt investments for which changes in provision for losses occurred during the period:

☐Applicable ☒ Not applicable

Amount of provision for impairment for the current period and the basis adopted for assessing whether there is a significant increase in credit risk of financial instruments: ☐ Applicable ☒ Applicable

☐Applicable ☒ Not applicable

(4) . Actual write-off of debt investments during the period

☐Applicable ☒ Not applicable

Write-off of significant debt investments

☐Applicable ☒ Not applicable

Description of write-off of debt investments:

☐Applicable ☒ Not Applicable

Other description:

☐Applicable ☒ Not Applicable

15. Other debt investments**(1) . Other debt investments**

☐Applicable ☒ Not applicable

Changes in provision for impairment of other debt investments during the period

☐Applicable ☒ Not applicable

(2) . Significant other debt investments at the end of the period

☐Applicable ☒ Not applicable

(3) . Provision for impairment

☐Applicable ☒ Not applicable

Basis of classification of each stage and percentage of provision for impairment: None

Explanation of significant changes in the carrying amount of other debt investments for which changes in provision for losses occurred during the period:

☐Applicable ☒ Not applicable

Amount of provision for impairment for the current period and the basis adopted for assessing whether there is a significant increase in the credit risk of financial instruments: ☐Applicable ☒ Applicable

☐Applicable ☒ Not applicable

(4) . Other debt investments actually written off during the period

☐Applicable ☒ Not applicable

Significant other debt investments written off during the period

☐Applicable ☒ Not applicable

Description of other debt investments written off:

☐Applicable ☒ Not Applicable

Other description:

☐Applicable ☒ Not Applicable

16. Long-term receivables**(1) . Long-term receivables**

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance			Opening balance			Discount rate range
	Carrying amount	Allowance for bad debts	Carrying value	Carrying amount	Allowance for bad debts	Carrying Value	
Finance lease payments	1,908,856.6 28.29	31,248,938 .30	1,877,607,689 .99	2,015,296,120 .47	9,706,704. 65	2,005,589,415 .82	4.61 per cent - 18.68 percent
Less: Unrealised finance receipts	270,770,706		270,770,706.8	311,732,316.7		311,732,316.7	
Unrealised gain on financing	270,770,706.8		2,770,706.8	6		6	
Sales by instalment	624,104,933 .74	24,147,328 .25	599,957,605.4 9	332,400,726.5 8	14,391,303 .38	318,009,423.2 0	4.75 per cent -6 per cent
Merchandise							
Less: Unrealised finance receipts	34,894,245. 34,894,245.00		34,894,245.00	11,245,612.59		11,245,612.59	
Gain or Loss			136 / 240				

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Less: Long-term receivables due within one year Amount	1,191,955,240.82	37,206,163.09	1,154,749,077.73	1,135,017,453.01	17,128,432.01	1,117,889,021.00	
Total	1,035,341,369.39	18,190,103.46	1,017,151,265.93	889,701,464.69	6,969,576.02	882,731,888.67	/

(2) . Disclosure by bad debt accrual method√ Applicable ☐ Not applicable

Unit: RMB Currency: RMB

Category	Closing balance					Opening balance				
	Carrying amount		Provision for bad debts		Carrying value	Carrying amount		Allowance for bad debts		Carrying Value
	Amount	Proportion (%)	Amount	Provision (%)		Amount	Percentage (%)	Amount	Provision (%)	
Provision for bad debts by individual item										
Provision										
of which:										
All allowance for bad debts by portfolio	2,227,296.610.21	100.00	55,396,266.55	2.49	2,171,900.343.66	2,024,718.917.70	100.00	24,098,008.03	1.19	2,000,620.909.67
Allowance										
Thereof:										
Finance lease receivable group	1,638,085.921.47	73.55	31,248,938.30	1.91	1,606,836.983.17	1,703,563.803.71	84.14	9,706,704.65	0.57	1,693,857.099.06
Other group										
Age group	589,210,688.74	26.45	24,147,328.25	4.10	565,063,36137 / 2400.49	321,155,113.99	15.86	14,391,303.38	4.48	306,763,810.61
Total										
Tot	2,227,296.610.21	/Total	55,396,266.55	/	2,171,900.343.66	2,024,718.917.70	/	24,098,008.03	/	2,000,620.909.67

Provision for bad debts is made on an individual basis:

☐ Applicable ☒ Not applicable

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Explanation of provision for bad debts by individual item:

☐Applicable ☒ Not applicable

Provision for bad debts by combination:

☒ Applicable ☐ Not applicable

Provision for bad debts by combination: Provision for bad debts by combination of credit risk characteristics

Unit: Yuan Currency: RMB

Currency: RMB	Closing balance		
	Long-term receivables	Provision for bad debts	Provision ratio (%)
Provision by finance lease portfolio	1,638,085,921.47	31,248,938.30	1.91
Provision by ageing portfolio	589,210,688.74	24,147,328.25	4.10
Explanation of provision for bad debts by portfolio	2,227,296,610.21	55,396,266.55	

☐Applicable ☒ Not applicable**(3) . Provision for bad debts based on the general model of expected credit losses**☐Applicable ☒ Not applicable

Basis of classification of each stage and proportion of provision for bad debts None

Description of significant changes in the carrying amount of long-term receivables for which changes in provision for losses occurred during the period:

☐Applicable ☒ Not applicable

Amount of provision for bad debts for the current period and the basis adopted for assessing whether there is a significant increase in credit risk of financial instruments

☐Applicable ☒ Not applicable**(4) . Provision for bad debts**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Change during the period				Closing balance
		Accrued	Recovery or reversal	Write-off or Write-off	Other changes Actions	
Provision for bad debts by portfolio	24,098,008.03	32,873,073.76	1,574,815.24			55,396,266.55
Allowance for bad debts by portfolio						
When the amount of bad debt provision recovered or reversed during the period is significant:						
Total	24,098,008.03	32,873,073.76	1,574,815.24			55,396,266.55

☐ Applicable ☒ Not applicableOther notes:
None**(5) . Long-term receivables actually written off during the period**☐Applicable ☒ Not applicable

Of which significant long-term receivables written off

☐Applicable ☒ Not applicable

Description of long-term receivables written off:

☐Applicable ☒ Not applicable

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Other description:

☐ Applicable ☒ Not applicable**17. Long-term equity investments****(1). Long-term equity investments**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Invested unit	Open- ing balanc e	Increase/decrease during the period								Closin g balanc e	Closin g balanc e of provisi on for impair ment
		Additi onal invest ments	Decre ase in invest ments	Investme nts recognise d under the equity method Gains and losses	Other compr ehensi ve incom e Adjustme nts	Other chang es in equity	Declarati on of cash dividends or Profit	Provisi on for impair ment	Other		
I. Joint ventures											
Subtotal											
II. Associated enterprises											
Califo- rnia Manufa- cturin g and Engin- eering Co. and Engin- eering Co. LLC	297,7 56,73 8.70			- 50,042 ,732.9 2	800,5 57.97				- 248,5 14,56 3.75	0	
Teupen Maschi- nenbau Teupen Maschi- nenbau	34,66 0,812 .63		34,8 40.6 46.7 1	487,65 3.94	307,8 19.86					0	
Subtotal	332,4 17,55 1.33		34,8 40,6 46.7 1	- 49,555 4,555,078. 9 8	492,7 38.11				- 248,5 14,56 3.75	0	
(2). Total impairment testing of long-term equity investments	332,4 1.33		34,8 40,6 46.7 1	- 49,555 4,555,078. 9 8	492,7 38.11				- 248,5 14,56 3.75	0	
<input type="checkbox"/> Applicable	<input checked="" type="checkbox"/> Not applicable										

Other notes:

None

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18. Other investments in equity instruments**(1) . Investments in other equity****instruments**

Unit: Yuan Currency: RMB

Item	Opening balance	Increase/decrease during the period					Closing balance	Dividend income recognised during the period	Accumulated gains included in other comprehensive income	Accumulated loss included in other comprehensive income	Reasons for designation as at fair value through other comprehensive income Cause
		Additional investments	Decrease in investments	Gains recognised in other comprehensive income during the period	Loss included in other comprehensive income for the period	Other					
Participating companies:											
Magni Telescopic Handlers S.R.L	482,712,064.00		472,252,238.00		10,459,826.00						
Horizon Construction Development Limited	134,977,391.01				94,109,393.74		40,867,997.27	1,477,156.45		90,267,266.80	
Total	617,689,455.01		472,252,238.00		104,569,219.74		40,867,997.27	1,477,156.45		90,267,266.80	/

(2) . Explanation of the existence of**derecognition during the period**

Unit: Yuan Currency: RMB

√ Applicable □ Not applicable	Accumulated gains transferred to retained earnings due to derecognition	Accumulated losses transferred to retained earnings due to derecognition	Reasons for derecognition
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Magni Telescopic Handlers S.R.L.	2024	277,700,633.81	Disposal of equity interests
Total		277,700,633.81	/Total

Other notes:

☐Applicable ☒ Not applicable

19. Other non-current financial assets

☐Applicable ☒Not applicable

Other description:

☐Applicable ☒Not applicable

20. Investment property

Investment property measurement model is not applicable.

21. Fixed assets**Item presentation**

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Fixed assets	1,799,948,914.00	1,612,784,196.69
Total	1,799,948,914.00	1,612,784,196.69

Other Notes:

☐Applicable ☒Not applicable

Fixed assets**(1) . Fixed assets**

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Houses and buildings	Machinery and equipment	Transport	Office and electronic Equipment	Land	Total
I. Original book value:						
1. Period Opening balance	915,464,051.17	1,086,216,703.97	4,972,966.24	31,533,810.05		2,038,187,531.43
2. Increase during the period Amount	201,019,761.78,038,187,531.43	140,180,987.93,671,094.9	1,671,094.23	2,571,233.42	11,185,869.24	356,628,946.60
(1) Acquisitions (1) Acquisition	6,478,047.70	15,329,747.33	1,434,048.55	457,794.67		23,699,638.25
(2) Construction in progress Transfer from construction in progress	153,538,038.15	116,205,198.59				269,743,236.74
(3) Business combination Increase in mergers and acquisitions	40,533,120.02	8,529,670.57	228,595.46,087,875.	2,087,875.00	11,058,113.43	62,437,374.48
(4) Exchange rate effects (4) Exchange rate effect (4) Exchange rate effect (4) Exchange rate effect (4) Exchange rate	470,555.91	116,371.44	8,450.22142 / 240	25,563.75	127,755.81	748,697.13

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(2) Exchange rate effects		49,701.59 154,878.8	154,878.8	64,699.64		269,280.08
(2) Exchange rate effect			5,699.64			
Exchange rate effect						
4. Period Closing balance	1,116,172,918.73	1,225,802,599.73	6,138,154.31	33,970,286.47	11,185,869.24	2,393,269,828.48
II. Accumulated depreciation						
1. Period Opening balance	142,961,460.96	255,377,332.30	2,354,384.80	24,710,156.68		425,403,334.74
2. Increase during the period Amount	49,859,574.51	115,065,682.61,001,724	1,001,724.37	3,282,111.16		169,209,092.65
(1) Provision	49,849,117.14	115,041,889.91,999,685.2	999,685.27	3,279,301.56		169,169,993.88
(2) Exchange rate effects	10,457.37	23,792.70	2,039.10	2,809.60		39,098.77
(2) Exchange rate effects						
(2) Exchange rate effect						
3. Decrease during the period Amount	310,894.22	518,616.84	378,422.65,579.20	83,579.20		1,291,512.91
(1) Disposal or scrapped	310,894.22	511,323.01	333,904.80	64,962.49		1,221,084.52
(2) Exchange rate effects		7,293.83	44,517.85	18,616.71		70,428.39
(2) Exchange rate effect						
(2) Exchange rate effect						
4. Period Ending balance	192,510,141.25,510,141.2	369,924,398.07,977,686.0	2,977,686.52	27,908,688.64		593,320,914.48
III. Provision for impairment						
1. Period Opening balance						
2. Increase during the period Amount						
(1) Provision for impairment						
(1) Accrued						
3. Decrease during the period Amount						
(1) Disposal or scrapped						

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4. Ending balance						
Ending balance						
Carrying value						
1. Carrying value at the end of the period	923,662,777.4	855,878,201.6	3,160,467	6,061,597.	11,185,869	1,799,948,914
Value at the end of the period	8,855,878,201.6	6,360,467.7	.79	83	.24	.00
2. Opening book value	772,502,590.2	830,839,371.6	2,618,581	6,823,653.		1,612,784,196 .
Value at the beginning of the period	1	7	.44	37		.69

(2) . Temporarily idle fixed assets
☐Applicable ☒Not applicable

(3) . Fixed assets leased out under operating leases

☐Applicable ☒ Not applicable

(4) . Fixed assets for which title certificates have not been issued

☐Applicable ☒ Not applicable

(5) . Impairment testing of fixed assets

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not Applicable

Liquidation of fixed assets

☐Applicable ☒ Not

Applicable **22.**

Construction in**progress****Project presentation**

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	58,349,007.87	214,587,607.99
Total	58,349,007.87	214,587,607.99

Other Notes:

☐Applicable ☒ Not Applicable

Construction in progress**(1) . Status of construction in progress**

☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Carrying amount	Impairment Provision	Carrying value	Carrying amount	Impairment Provision	Carrying value
Annual production capacity of 4,000 sets of large-scale intelligent high-level Aerial Platform Project	34,240,869.83		34,240,869.83	214,587,607.99		214,587,607.99
Annual production capacity of 20,000 new energy aerial work platforms Aerial platform project	17,907,123.51		17,907,123.51			
Others	6,201,014.53		6,201,014.53			
Total	58,349,007.87		58,349,007.87	214,587,607.99		214,587,607.99

(2) . Changes in significant construction in-progress projects during the period

☐Applicable ☒ Not applicable

(3) . Provision for impairment of construction in progress during the period

☐Applicable ☒Not applicable

(4) . Impairment testing of construction in progress

☐Applicable ☒Not applicable

Other description:

☐Applicable ☒Not applicable

Construction materials**(1) . Construction materials**

☐Applicable ☒Not applicable

23. Produced biological assets**(1) . Produced biological assets with cost measurement model**

☐Applicable ☒Not applicable

(2) . Impairment test for productive biological assets measured at cost

☐Applicable ☒Not applicable

(3) . Produced biological assets measured at fair value ☐Applicable ☒Not applicable

☐Applicable ☒Not applicable

Other description:

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

(2) Impairment testing of oil and gas assets

☐Applicable ☒Not applicable

Other
explanations:
None

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

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Buildings and structures	Total
I. Original book value		

2024		
1. Opening balance	20,401,911.07	20,401,911.07
2. Increase during the period	52,135,029.42	52,135,029.42
-New leases	30,455,296.05	30,455,296.05
-Increase in business combination	21,304,673.33	21,304,673.33
-Exchange rate effect	375,060.04	375,060.04
3. Decrease during the period	5,450,472.97	5,450,472.97
-Disposal	4,633,375.32	4,633,375.32
-Exchange rate effect	817,097.65	817,097.65
4. Closing balance	67,086,467.52	67,086,467.52
Accumulated depreciation		
1. Opening balance	6,976,631.49	6,976,631.49
2. Increase during the period	13,478,726.12	13,478,726.12
(1) Provision	13,453,839.79	13,453,839.79
(2) Exchange rate effects	24,886.33	24,886.33
3. Decrease during the period	4,489,412.42	4,489,412.42
(1) Disposal	4,185,253.10	4,185,253.10
(2) Exchange rate effect	304,159.32	304,159.32
4. Closing balance	15,965,945.19	15,965,945.19
Provision for impairment		
1. Opening balance		
2. Increase during the period		
(1) Provision		
3. Decrease during the period		
(1) Disposal		
4. Closing balance		
Carrying value		
1. Closing book value	51,120,522.33	51,120,522.33
2. Opening book value	13,425,279.58	13,425,279.58

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

☐Applicable ☒Not applicable

Other explanations:
None

26. Intangible assets

(1) . Intangible assets

☒Applicable ☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Land use rights	Patent right	Software	Trademark	Total
I. Original book value					
1. Beginning of period Balance	404,757,191.12		33,016,027.83		437,773,218.95
2. Current period Increase	198,121,818.40	60,094,336.71	8,077,471.17	157,497,844.00	423,791,470.28
(1) Purchase	198,121,818.40		657,505.01		198,779,323.41
Purchase		147 / 240			

2024

(2) Internal Internal R&D					
(3) Business combinations Increase in business combination		59,408,668.00	7,342,532.17	155,699,033.00	222,450,233.17
(4) Exchange rate effect		685,668.71	77,433.99	1,798,811.00	2,561,913.70
3. Current period Decrease		75,894.98	816,630.03		892,525.01
(1)Dispo sal Disposal		75,894.98	816,630.03		892,525.01
4. Closing balance Amount	602,879,009.52	60,018,441.73	40,276,868.97	157,497,844.00	860,672,164.22
II. Accumulated amortisation					
1. Beginning of the period Balance	37,157,606.02		11,912,035.43		49,069,641.45
2. Current period Increase	9,088,886.57	2,877,057.61	11,445,586.91	5,249,928.33	28,661,459.42
(1) accrued expenses	9,088,886.57	2,851,237.38	11,438,488.80	5,202,812.69	28,581,425.44
(2) Exchange rate Effect of exchange rate		25,820.23	7,098.11	47,115.64	80,033.98
3. Current period Decrease			649,377.11		649,377.11
(1) Disposal			649,377.11		649,377.11
4. End of period Balance	46,246,492.59	2,877,057.61	22,708,245.23	5,249,928.33	77,081,723.76
III. Provision for impairment					
1. Opening balance Balance					
2. Current period Increase					
(1) Accrued					

2024					
3. Current period Decrease amount					
(1) Disposal					
4. Ending balance					
Balance					
Carrying value					
1. Closing balance Carrying value	556,632,516.93	57,141,384.12	17,568,623.74	152,247,915.67	783,590,440.46
2. At the beginning of the period Carrying value	367,599,585.10		21,103,992.40		388,703,577.50

The proportion of intangible assets formed through in-house research and development to the balance of intangible assets at the end of the period was 0

(2) . Data resources recognised as intangible assets

☐Applicable ☒ Not applicable

(3) . Land use rights for which title certificates have not been issued

☐Applicable ☒ Not applicable

(3) Impairment testing of intangible assets

☐ Applicable ☒ Not applicable

Other notes:

☐Applicable ☒ Not Applicable

27. Goodwill**(1) . Original carrying amount of goodwill**

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Name of investee or matters forming goodwill	Opening balance	Increase during the period		Decrease during the period		Balance at the end of the period
		Formation of business combination	Effect of exchange rate changes	Disposals		
California Manufacturing and Engineering Co. LLC		138,408,304.19	1,731,286.72			140,139,590.91
Total		138,408,304.19	1,731,286.72			140,139,590.91

(2) . Provision for impairment of goodwill

☐Applicable ☒ Not applicable

(3) . Information about the asset group or combination of asset groups in which goodwill is located

☐Applicable ☒ Not applicable

Changes in asset groups or combinations of asset groups

☐Applicable ☒ Not Applicable

Other description:

☐Applicable ☒ Not applicable

(4) . Specific method of determining recoverable amount

Recoverable amount is determined as the net of fair value less costs of disposal

☐Applicable ☒ Not applicable

Recoverable amount is determined by the present value of estimated future cash flows.

☐Applicable ☒ Not applicable

Reasons for the differences between the aforementioned information and the information used in the impairment test in previous years or external information that is obviously inconsistent

☐Applicable ☒ Not applicable

Reasons for the differences between the information used in the Company's impairment test in previous years and the actual situation in the current year are obviously inconsistent

☐Applicable ☒Not applicable

(5) . Performance commitments and corresponding goodwill impairment

Performance commitments existed at the time of the formation of goodwill and the reporting period or the previous period of the reporting period was within the performance commitment period.

☐Applicable ☒Not applicable

Other explanations:

☐Applicable ☒Not applicable

28. Long-term amortised expenses

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase during the period	Amortisation amount for the period	Other decreases	Closing balance
Renovation expenses	808,450.16	263,060.17	614,807.16		456,703.17
Insurance fee	1,546,192.08	2,146,078.32	1,212,544.78		2,479,725.62
Other notes: Total	2,354,642.24	2,409,138.49	1,827,351.94		2,936,428.79
None					

Deferred income tax assets/deferred income tax liabilities

(1) . Deferred income tax assets not

offset

Unit: Yuan Currency: RMB

√ Applicable <input type="checkbox"/> Not applicable Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred income tax Assets	Deductible temporary differences	Deferred income tax Assets
Unrealised profit on internal transactions	128,727,694.73	38,412,344.11		
Deductible losses	2,329,835.50	356,430.74	21,235.65	1,061.78
Provision for bad debts	149,922,875.02	31,873,850.06	94,333,751.69	14,989,231.43
Fair value changes on investments in other equity instruments	90,267,266.80	13,540,090.02		
Change in fair value of other investments in equity instruments				
Changes in fair value of financial assets held for trading	120,866,590.84	18,129,988.62		
Change in fair value of financial assets for trading				
Change in fair value of derivatives	999,897.45	149,984.62	9,904,207.26	1,485,631.09
Deferred income	216,784,631.07	32,517,694.66	155,885,111.38	23,382,766.71
Projected liabilities	107,733,203.22	16,437,337.71	99,021,842.89	14,853,276.44
Lease liabilities	4,446,407.50	1,111,601.88	7,814,714.93	1,953,678.73
offset Total	822,078,402.13	152,529,322.42	366,980,863.81	56,668,416.18

√ Applicable <input type="checkbox"/> Not applicable Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred income tax Liabilities	Taxable temporary differences	Deferred income tax Liabilities
Assets of non-identically controlled business combinations	216,217,152.08	64,519,198.18		
Appraisal of appreciation				

2024

Changes in fair value of investments in other equity instruments			347,086,570.95	52,062,985.64
Fair value of financial assets held for trading			3,648,822.69	547,323.40
Change in fair value of derivatives	14,974,286.78	2,246,143.02	3,033,221.14	454,983.17
Accelerated depreciation of fixed assets	97,979,132.90	14,914,704.88	104,016,946.76	15,637,574.73
Right-of-use assets	4,126,913.68	1,031,728.42	7,654,182.12	1,913,545.53
Total	333,297,485.44	82,711,774.50	465,439,743.66	70,616,412.47

(3) . Deferred income tax assets or liabilities stated at net

amount after offsetting

Unit: Yuan Currency: RMB

√ Applicable <input type="checkbox"/> Not applicable Item	Deferred income tax assets and liabilities offset at the end of the period Amount	Deferred income tax assets or liabilities after offsetting Opening balance of deferred income tax assets and liabilities	Deferred tax assets and liabilities offset at beginning of period Amount	Deferred income tax assets or liabilities after offsetting Opening balance of deferred income tax assets or liabilities after offsetting
Deferred income tax assets	69,011,450.95	83,517,871.47	54,131,036.40	2,534,609.78
Deferred income tax liabilities	69,011,450.95	13,700,323.55	54,131,036.40	16,485,376.07

(4) . Details of unrecognized deferred

income tax assets

Unit: Yuan Currency: RMB

√ Applicable <input type="checkbox"/> Not applicable Item	Closing balance	Opening balance
Deductible temporary differences	1,337.41	789.91
Allowable losses	13,741,708.85	21,692,250.37
Total	13,743,046.26	21,693,040.28

(5) . The deductible losses for which no deferred income tax assets have been

recognised will expire in the following years

Unit: Yuan Currency: RMB

√ Applicable <input type="checkbox"/> Not applicable Year	Closing amount	Opening amount	Remarks
2028	2,086,225.59	2,086,225.59	
2029	2,518,390.28		
2033		973,716.59	
Indefinite	9,137,092.98	18,632,308.19	
Total	13,741,708.85	21,692,250.37	/

Other Notes:

☐ Applicable ☒ Not applicable**30. Other non-current assets**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance			Opening balance		
	Carrying amount	Provision for impairment	Carrying value	Carrying amount	Provision for impairment	Carrying value
Prepayment of long-term assets	10,844,760.00		10,844,760.00			
Acquisition						
Total	10,844,760.00		10,844,760.00			

Other notes:
None

2024

31. Assets with restricted ownership or use rights

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Item	End of period				Beginning of the period			
	Carrying amount	Book value	Restricted Type	Restricted Condition	Book Balance	Carrying Value	Restricted Type	Restricted Condition
Fixed assets	306,325,454.73	240,547,697.15	Mortgage	Maximum credit Mortgage	340,763,414.65	267,675,701.14	Mortgage	Maximum credit Charge
Intangible assets	116,293,197.74	97,199,824.88	Mortgage	Maximum credit Mortgage	123,718,197.74	104,781,731.60	Mortgage	Maximum credit Charge
Accounts receivable					118,593,053.75	115,035,262.14	Pledge	Export commercial paper financing of export bills
Other notes receivable								
32. Short-term borrowings	1,108,443,098.3	951,628,957.56	Pledges	Pledged loans, factored lease receivables	1,242,810,463.76	1,043,991,329.73	Pledges	Pledged loans, factoring of lease receivables
(1). Classification of short-term loans	1,108,443,098.3							
√ Applicable □ Not applicable								
Unit: Yuan Currency: RMB								
Item			Closing balance			Opening balance		
Pledged borrowings								106,240,500.00
Mortgage loan					80,000,000.00			
Credit loan					30,000,000.00			
Interest payable on short-term loans					70,694.45			1,509,841.82
Total (including those due within one year)					110,070,694.45			107,750,341.82
Explanation of classification of short-term borrowings:								
Total	1,531,061,750.79	1,289,376,479.59	/	/	1,825,885,129.90	1,531,484,024.6	/	/
Total					0//1,531,484,024.6	1,531,484,024.6		

2024

None

(2) . Short-term borrowings that are overdue for repayment☐Applicable ☒Not applicable

The significant overdue short-term loans are as follows:

☐Applicable ☒Not Applicable

Other description:

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

Other notes:

☐Applicable ☒Not applicable**34. Derivative financial liabilities**☒Applicable ☐Not applicable

Item	Closing balance	Unit: Yuan Currency: RMB
		Opening balance
Foreign exchange derivatives	999,897.45	9,904,207.26
Total	999,897.45	9,904,207.26

Other notes:

None

35. Notes payable**(1) . Bills payable are presented as follows**☒Applicable ☐Not applicable

Type	Closing balance	Unit: Yuan Currency: RMB
		Opening balance
Bank acceptances	1,547,679,212.07	1,339,204,963.35
Total	1,547,679,212.07	1,339,204,963.35

36. Accounts payable**(1) . Accounts payable are presented as follows**☒Applicable ☐Not applicable

Item	Closing balance	Unit: Yuan Currency: RMB
		Opening balance
Material purchase payment	1,427,201,450.44	1,535,969,478.85
Purchase of fixed assets	49,487,665.31	65,334,942.30
Other purchases	51,659,081.14	30,499,612.51
Total	1,528,348,196.89	1,631,804,033.66

(2) . Significant accounts payable aged over 1 year or overdue☐Applicable ☒Not applicable

2024

Other notes:

☐Applicable ☒Not applicable**37. Receipts in advance****(1) . Presentation of accounts receivable in advance**☐Applicable ☒Not applicable**(2) . Significant receipts in advance with an age of more than 1 year**☐Applicable ☒Not applicable**(3) . Amounts and reasons for significant changes in book value during the reporting period**☐Applicable ☒Not applicable

Other notes:

☐Applicable ☒Not applicable**38. Contract liabilities****(1) . Contract liabilities**☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Payment in advance	108,157,791.99	24,985,107.40
Total	108,157,791.99	24,985,107.40

(2) . Significant contract liabilities aged over 1 year☐Applicable ☒Not applicable**(3) . Amounts and reasons for significant changes in book value during the reporting period**☐Applicable ☒Not applicable

Other explanations:

☐Applicable ☒Not applicable**39. Remuneration payable to employees****(1) . Presentation of remuneration payable to employees**☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
I. Short-term remuneration	82,232,140.46	586,331,932.08	587,694,996.90	80,869,075.64
II. Post-employment benefits - defined contribution plans Plan: 1,942,926.00 1,942,926.00	1,942,926.91 28,218,316.06	28,218,316.06	27,873,142.25	2,288,100.72
III. Termination benefits	115,072.21	465,536.00	580,608.21	
IV. Other benefits due within one year				
Total	84,290,139.58	615,015,784.14	616,148,747.36	83,157,176.36

2024

(2) . Presentation of**short-term**

Unit: Yuan Currency : RMB

remuneration item	Opening balance	Increase during the period	Decrease during the period	Closing balance
<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable I. Salaries, bonuses, allowances and subsidies	80,277,430.61	516,030,172.59	520,112,835.37	76,194,767.83
II. Employee welfare expenses		31,724,020.80	31,671,688.37	52,332.43
III. Social insurance premiums	1,094,631.13	24,809,988.98	24,680,151.84	1,224,468.27
Of which: Medical insurance premiums	997,799.96	20,418,427.72	20,320,834.45	1,095,393.23
Employment injury insurance premiums	95,936.49	4,382,220.40	4,349,081.85	129,075.04
Maternity insurance premiums	894.68	9,340.86	10,235.54	
IV. Housing provident fund	860,078.72	10,447,731.80	10,534,928.52	772,882.00
v. Labour Union and Employee Education Funds Expenses		695,451.34	695,392.80	58.54
VI. Short-term paid absences		2,624,566.57		2,624,566.57
VII. Short-term profit-sharing plan				
Total	82,232,140.46	586,331,932.08	587,694,996.90	80,869,075.64

(3) . Presentation of defined**contribution plans**

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Opening balance	Increase during the period	Decrease during the period	Closing balance
I. Basic pension insurance	1,866,982.00	27,273,013.93	26,982,698.76	2,157,297.17
2. Unemployment insurance premiums	75,944.91	945,302.13	890,443.49	130,803.55
Total	1,942,926.91	28,218,316.06	27,873,142.25	2,288,100.72

Other Notes:

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

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Value-added tax	14,245,434.19	3,728,167.38
Enterprise income tax	344,007,851.71	273,945,227.86
Individual Income Tax	1,035,071.52	566,274.40
Urban Maintenance and Construction Tax	2,676,917.60	1,174,162.91
Property Tax	7,749,272.73	3,254,429.28
Land use tax	5,978,322.46	5,431,009.90
Stamp Duty	668,677.92	776,648.66
Education surcharge	2,676,640.08	1,172,027.93
Others	223,968.77	
Other notes: Total	379,262,156.98	290,047,948.32

None

41. Other accounts payable**(1) . Item presentation**☒Applicable ☐Not applicable

2024		Unit: Yuan Currency: RMB
Item	Closing balance	Opening balance

2024

Other payables	183,549,659.49	210,848,043.99
Total	183,549,659.49	210,848,043.99

Other Notes:

☐Applicable ☒Not applicable**(2) . Interest payable**

Classification

☐Applicable ☒Not applicable

Significant overdue interest payable:

☐Applicable ☒Not Applicable

Other description:

☐Applicable ☒Not Applicable**(3) . Dividends payable**

Classification

☐Applicable ☒Not applicable**(4) . Other payables**

Presentation of other payables by nature of payment

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Finance lease deposit	167,097,300.00	184,796,712.00
Guarantee deposit	1,300,070.00	2,370.00
Other	15,152,289.49	26,048,961.99
Total	183,549,659.49	210,848,043.99

Significant other payables aged over 1 year or overdue

☐Applicable ☒Not applicable

Other notes:

☐Applicable ☒Not applicable**42. Liabilities held for sale**☐Applicable ☒Not applicable**43. Non-current liabilities due within 1 year**☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Long-term loans due within 1 year	553,309,513.21	712,264,301.23
Lease liabilities due within 1 year	10,683,383.67	6,358,646.21
Total	563,992,896.88	718,622,947.44

Other notes:

None

2024

44. Other current liabilities

Other current liabilities

√ Applicable ☐ Not applicable

Item	Closing balance	Unit: Yuan Currency: RMB
		Opening balance
Sales tax to be transferred	1,106,366.70	2,841,297.65
Endorsed outstanding bank acceptances	16,382,259.21	15,186,889.20
Total	17,488,625.91	18,028,186.85

Increase or decrease of short-term bonds payable:

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not applicable

45. Long-term borrowings**(1) . Classification of long-term loans**√ Applicable ☐ Not applicable

Item	Closing balance	Unit: Yuan Currency: RMB
		Opening balance
Secured borrowings	15,554,583.84	
Guaranteed loans	914,923,139.82	1,045,204,828.94
Credit borrowing		158,499,000.00
Interest payable on long-term loans	887,155.52	1,664,141.10
Less: Long-term loans due within one year and interest payable	553,309,513.21	712,264,301.23
Interest payable		
Notes to the classification of long-term loans: None	378,055,365.97	493,103,668.81

Other notes:

☐ Applicable √ Not applicable**46. Bonds payable****(1) . Bonds payable**☐ Applicable √ Not applicable

(2) . Details of bonds payable: (excluding other financial instruments such as preferred shares and perpetual bonds classified as financial liabilities)

☐Applicable ☒ Not applicable

(3) . Description of convertible bonds

☐Applicable ☒ Not applicable

Accounting treatment and basis of judgement for transfer of equity

☐Applicable ☒ Not applicable

(4) . Description of other financial instruments classified as financial liabilities

Basic information on other financial instruments such as preference shares and perpetual bonds issued and outstanding at the end of the period

☐Applicable ☒ Not applicable

Statement of changes in preferred shares, perpetual bonds and other financial instruments issued and outstanding at the end of the period

☐Applicable ☒ Not applicable

Explanation of the basis for classifying other financial instruments as financial liabilities

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not applicable

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47. Lease liabilities√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Lease payments	64,803,773.45	13,835,899.52
Less: Unrecognised finance costs	9,765,153.54	626,920.89
Less: Lease liabilities due within one year	10,683,383.67	6,358,646.21
Total	44,355,236.24	6,850,332.42

Other notes:
None**48. Long-term****payables Item****presentation**☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable**Long-term payables****(1) . Long-term payables by nature of payment**☐ Applicable √ Notapplicable **Specialised****payables****(1) . Presentation of special accounts payable by nature of payment**

Applicable √ Not Applicable

49. Long-term employee compensation payable☐ Applicable √ Not applicable**50. Projected liabilities**√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance	Reason
Product quality assurance	110,032,461.43	99,021,842.89	
Total	110,032,461.43	99,021,842.89	/

Other notes, including significant assumptions and estimates relating to significant projected liabilities: None

51. Deferred income

Status of deferred income

√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

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Item	Opening balance	Increase during the period	Decrease during the period	Closing balance	Reasons
Government grants	191,120,111.38	71,960,000.00	16,280,480.31	246,799,631.07	
Total	191,120,111.38	71,960,000.00	16,280,480.31	246,799,631.07	/

Other Notes:

☐Applicable ☒Not applicable**52. Other non-current liabilities**☐Applicable ☒Not applicable**53. Share capital**☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

	Opening balance	Increase/decrease of the current change (+, -)					Closing balance
		Issue New shares	Giving away shares	Provident Fund Conversion of shares	Other	Subtotal	
Other Notes: Total number of shares	506,347,879.00						506,347,879.00

54. Other equity instruments**(1). Basic information on other financial instruments such as preferred shares and perpetual****bonds issued and outstanding at the end of the period**☐Applicable ☒Not applicable**(2). Statement of changes in preferred shares, perpetual bonds and other financial****instruments issued and outstanding at the end of the period**☐Applicable ☒Not applicable

Changes in other equity instruments during the period, explanation of the reasons for such changes, and the basis for relevant accounting treatment:

☐Applicable ☒Not applicable

Other description:

☐Applicable ☒Not applicable**55. Capital surplus**☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Capital premium (equity) Premium on capital (equity)	2,390,315,639.40			2,390,315,639.40
Other capital surplus	-36,115,200.95	36,132,145.96	16,945.01	
Other explanations, including the increase or decrease of changes during the period and explanations of the reasons for the changes:				
Total	2,354,200,438.45	36,132,145.96	16,945.01	2,390,315,639.40

The increase in the current period represents the transfer of other capital surplus related to the original equity interest held prior to the purchase date of the

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non-identical control business combination to investment income.

56. Treasury stock

☐Applicable ☒Not applicable

57. Other comprehensive income

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Amount incurred during the period						Closing balance
		Amount incurred during the period before income tax	Less: Transfer to profit or loss for the period charged to other comprehensive income in the previous period	Less: Transfer to retained earnings for the period charged to other comprehensive income in prior periods	Less: Income tax expense	Attributable to parent company after tax	Attributable to minority interests after tax Attributable to minority shareholders after tax	
- Other comprehensive income								
Other comprehensive income that cannot be reclassified to profit or loss	295,023,585.31	104,569,219.74		277,701,422.93	10,519,880.58	94,049,339.16		76,727,176.78
Other Changes in fair value of investments in equity instruments	295,023,585.31	104,569,219.74		162 / 240 277,701,422.93	10,519,880.58	94,049,339.16		76,727,176.78
Changes in fair								

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Comprehensive income Profit								
Of which : Other comprehensive income available for transfer to profit or loss under the equity method Gains and losses under the equity method	4,006,468. 4,006,468.39	492,738.11	4,516,940.63 .63	-17,734.13		- 4,024,202. 52		
Foreign currency financial statement translation differences Amount	1,921,362. 91	8,412,364. 71				8,412,364. 71		10,333,727 .62
Total other comprehensive income Total	300,951,41 6.61	- 95,664,116 .92	4,516,940 .63	277,683,68 8.80	- 10,519,880 .58	- 89,661,176 .97		- 66,393,449 .16

Other notes, including adjustments to the effective portion of cash flow hedge gains and losses transferred to the initial recognition amount of the hedged item: None

58. Earmarked reserve

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√ Applicable ☐ Not applicable

Unit: RMB Currency: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Safety	6,590,159.57	8,200,026.00	7,066,348.36	7,723,837.21
Other explanations, including the increase or decrease during the period and the reasons for the change:				
The increase for the current period was the safety production fee accrued by the Company in accordance with [Accounting Standard for Financial Instruments] No. 136, and the decrease for the current period was the actual expenditure on safety production fee incurred by the Company.				

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59. Surplus reserves√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Legal reserve	261,714,343.13			261,714,343.13
Total	261,714,343.13			261,714,343.13

Explanation of surplus reserves, including the increase or decrease of changes during the period, and explanation of the reasons for the changes:

In accordance with the Company Law and the Articles of Association of the Company, the Company's accumulated statutory surplus reserves have reached more than 50% of the Company's registered capital and are no longer being withdrawn.

60. Undistributed profits√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Current period	Previous period
Undistributed profit at the end of the previous period before adjustment	5,535,429,653.89	3,921,458,124.54
Total undistributed profit at the beginning of the period before adjustment (increase +, decrease -) (Increase +, decrease -)		
Undistributed profit at the beginning of the period after adjustment	5,535,429,653.89	3,921,458,124.54
Add: Net profit attributable to owners of the parent company for the period	1,628,805,154.01	1,867,145,468.85
Less: Withdrawal of legal reserve		
Withdrawal of surplus surplus at will 1,867,145,468.85		
Provision for general risk		
Dividends payable on ordinary shares	506,347,879.00	253,173,939.50
Adjustment of the breakdown of undistributed profit at the beginning of the period:		
Ordinary share dividends transferred to share capital		
1. Retrospective adjustments due to the Accounting Standards for Business Enterprises and its related new regulations affected the unappropriated profit at the beginning of the period by 0 RMB		
Add: Other comprehensive income carried forward to the beginning of the period	277,683,688.80	
2. Due to the change of accounting policy, the impact on the undistributed profit at the beginning of the period is 0 yuan.		
3. Due to the correction of significant accounting errors, the impact of the beginning of the unappropriated earnings of 0 yuan.		
4. Due to the change of the scope of consolidation caused by the same control, affecting the undistributed profit at the beginning of the period	16,945,000.00	16,945,000.00
Undistributed profit at the end of the period	6,935,387,562.71	5,535,429,653.89

Other adjustments affect the undistributed profit at the beginning of the period.

61. Operating Revenue and Operating Costs**(1) . Operating income and operating costs**√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Current period		Previous period's incomes	
	Revenue	Cost	Revenue	Cost
Main business	7,171,720,598.85	4,756,145,300.85	5,960,188,453.18	3,889,468,073.42
Other operations	627,193,380.19	309,835,217.19	351,775,396.75	100,395,232.72
Total	7,798,913,979.04	5,065,980,518.04	6,311,963,849.93	3,989,863,306.14

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(2) . Breakdown information of operating revenues and operating costs√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Contract classification	Main business		Total	
	Operating revenue	Operating Costs	Operating Income	Operating Costs
Commodity type				
Boom type aerial work platform Boom aerial work platform	2,955,688,241.79	2,063,034,902.73	2,955,688,241.79	2,063,034,902.73
Scissor-type aerial Work Platforms	3,444,009,255.80	2,220,708,481.58	3,444,009,255.80	2,220,708,481.58
Mast Aerial Operating platform	772,023,101.26	472,401,916.54	772,023,101.26	472,401,916.54
Total	7,171,720,598.85	4,756,145,300.85	7,171,720,598.85	4,756,145,300.85
By Business Area Classification				
Other notes: China	1,648,797,455.58	1,213,761,625.70	1,648,797,455.58	1,213,761,625.70
<input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable Outside China	5,522,923,143.27	3,542,383,675.15	5,522,923,143.27	3,542,383,675.15
Total	7,171,720,598.85	4,756,145,300.85	7,171,720,598.85	4,756,145,300.85

(3) . Description of performance obligations☐ Applicable ☒ Not applicable**(4) . Description of apportionment to remaining performance obligations**☐ Applicable ☒ Not applicable**(5) . Significant contract changes or significant transaction price adjustments**☐ Applicable ☒ Not applicable

Other explanations:
None

62. Taxes and surcharges√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Current period's incidence	Amount incurred in the previous period
Urban maintenance and construction tax	14,284,487.66	8,938,584.67
Education surcharge	14,258,927.66	8,936,109.41
Property Tax	9,719,855.02	6,194,278.90
Land use tax	5,978,322.46	5,941,411.18
Vehicle and vessel use tax	15,050.01	9,619.84
Stamp Duty	3,235,225.76	3,274,250.99
Environmental protection tax	17,312.78	14,016.12
Others	838,178.58	71,750.95
Total	48,347,359.93	33,380,022.06

Other notes:
None

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63. Selling expenses√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Incurred in the previous period
Publicity and exhibition expenses	24,312,595.35	12,292,512.10
Employee remuneration	123,470,937.09	48,789,742.39
Insurance premiums	24,191,603.56	5,578,971.87
Travelling expenses	18,216,461.25	6,562,433.24
Marketing expenses	15,009,859.85	8,046,322.15
Packaging fee	12,976,894.33	13,274,610.94
Others	35,702,689.76	30,493,890.14
Total	253,881,041.19	125,038,482.83

Other notes:

None

64. Administrative expenses√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee remuneration	124,198,877.72	74,423,692.16
Depreciation and amortisation	33,719,691.51	25,613,293.66
Design consulting fees	35,189,955.62	14,231,244.20
Automobile expenses	1,031,781.44	1,130,454.70
Business entertainment expenses	3,018,843.05	5,177,096.18
Office expenses	5,796,149.07	917,040.41
Travelling expenses	1,201,892.07	1,289,771.24
Other	20,676,707.32	18,442,438.24
Total	224,833,897.80	141,225,030.79

Other notes:

None

65. Research and development expenses√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Personnel labour costs	85,136,778.92	49,898,103.56
Direct input cost	127,563,505.86	119,293,273.77
Depreciation and amortisation	30,869,976.02	29,577,072.03
New product design fees, etc.	6,072,524.28	12,658,755.02
Other related expenses	6,275,811.30	8,579,497.75
Total	255,918,596.38	220,006,702.13

Other notes:

None

66. Finance costs√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Current period	Amount incurred in the previous period
Interest expense	10,773,913.31	19,213,222.32

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Including: Interest expense on lease liabilities	3,378,013.53	371,143.56
Less: Interest income	156,551,393.95	159,297,475.82
Exchange gains and losses	52,031,675.50	-105,149,843.97
Handling Fee	1,832,176.69	469,474.96
Total	-91,913,628.45	-244,764,622.51

Other notes:
None

67. Other gains

√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Classification by nature	Current period's incidence	Occurrence in the previous period
Government grants	32,316,748.91	98,195,235.14
Input tax credit	12,755,963.69	
Handling fee for withholding personal income tax	360,388.58	25,504.58
Total	45,433,101.18	98,220,739.72

Other notes:
None

68. Investment income

√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Current period	Amount incurred in the previous period
Income from long-term equity investments accounted for under the equity method	-70,283,968.92	76,220,632.02
Investment income from disposal of long-term equity investments	-4,780,397.26	
Investment income from trading financial assets during the holding period	1,935,722.21	
Dividends from other equity instruments during the holding period 1,935,722.21	1,477,156.45	7,928,928.00
Income		
Investment income from disposal of trading financial assets	3,325,718.19	9,468,595.89
Gains or losses arising from the remeasurement of equity interests held prior to the date of purchase at fair value	81,727,085.32	
Other notes: None Gains or losses arising from the remeasurement of previously held equity interests at fair value at the date of purchase		
69. Net open hedge gains	-30,988,105.45	
in equity related to previously held equity interests prior to the date of purchase		
70. Gain on fair value changes		
Transfer to investment income from other comprehensive income and other changes in equity related to previously held equity interests prior to the date of purchase		
Initial transaction costs		-1,765,194.11
Total	-17,586,789.46	91,852,961.80

Unit: RMB Currency: RMB

Sources of gains from changes in fair value	Current period	Prior period
Financial assets for trading	-123,465,433.23	3,648,822.69
Gain on fair value changes arising from derivative financial instruments	15,287,099.54	-40,673,030.35
Other Notes: Total	-108,178,333.69	-37,024,207.66

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None.

71. Credit impairment loss√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Bad debt loss on accounts receivable	-11,048,153.97	12,071,518.35
Bad debt loss on other receivables	-1,472,199.97	-221,261.64
Bad debt loss on long-term receivables	31,100,023.48	13,285,112.83
Other notes: None	Total	18,579,669.54
		25,135,369.54

72. Impairment losses on assets√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Loss on decline in value of inventories and impairment	7,123,887.50	
Other notes: None	loss on contract performance costs	
	Total	7,123,887.50

73. Gain on disposal of assets√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Prior period's incidence
Gain on disposal of non-current assets	-10,966.53	2,564.11
Total	-10,966.53	2,564.11

Other notes:
None**74. Non-operating income**

Non-operating income

√ Applicable ☒ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in non-recurring gains and losses for the period
Income from liquidated damages	623,669.52	877,060.72	623,669.52
Others	3,126,134.75	74,839.85	3,126,134.75
Total	3,749,804.27	951,900.57	3,749,804.27

Other Notes:

☐ Applicable ☒ Not applicable**75. Non-operating expenses**√ Applicable ☒ Not applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in non-recurring gains and losses for the period
Loss on destruction and scrapping of non-current assets	203,101.35	2,068.36	203,101.35
External donations	860,000.00	1,918,613.86	860,000.00

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Expenditure on liquidated damages	144,738.35	219.25	144,738.35
Others	118,842.91	12,329.75	118,842.91
Total	1,326,682.61	1,933,231.22	1,326,682.61

Other notes:
None

76. Income tax expense

(1). Schedule of

income tax

Unit: Yuan Currency: RMB

expense	Item	Current period's incidence	Amount incurred in the previous period
Current income tax expense		395,712,481.99	314,898,730.36
<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Deferred income tax expense	-86,508,094.89	-7,893,912.94
	Total	309,204,387.10	307,004,817.42

(2). Process of adjusting accounting profit and

income tax expense

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Item	Incurred during the period
	Total profit	1,938,242,770.27
	Income tax expense at statutory/applicable rates	290,736,415.54
	Effect of different tax rates applied by subsidiaries	-21,986,704.14
	Effect of adjusting income tax of previous periods	2,972,152.55
	Effect of non-taxable income	5,718,727.06
	Effect of non-deductible costs, expenses and losses	47,237,944.69
	Effect of deductible losses on the use of unrecognised deferred income tax assets in prior periods	-2,455,516.30
	Effect of deductible temporary differences or deductible losses on unrecognised deferred income tax assets for the current period -2,455,516.30	18,537,799.58
	Effect of deductible losses on deferred income tax assets -2,455,516.30	
	Effect of additional deductible expenses under the tax law -33,220,817.58	-33,220,817.05
	Others 1,664,385.05	1,664,385.17
	Income tax expense	309,204,387.10

Other Notes:

☐ Applicable ☒ Not applicable

77. Other comprehensive income

☒ Applicable ☐ Not applicable

For details, please refer to Note 57, Other Comprehensive Income, of this Section VII, Notes to Consolidated Financial Statements.

78. Cash flow statement items

(1). Cash related to operating activities

Other cash received relating to operating activities

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Current period's occurrence	Occurrence in the previous period
Interest income	156,551,393.95	159,297,475.82
Government grants and personal tax rebates	90,421,152.04	108,322,116.05
Quality compensation	623,669.52	877,060.72

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Corporate transactions and personal payments	24,233,760.62	19,660,659.64
Total	271,829,976.13	288,157,312.23

Description of other cash received relating to operating activities: None

Other cash paid relating to operating activities

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Current period's occurrence	Amount incurred in the previous period
Selling, administrative and R&D expenses	321,788,909.24	321,071,156.68
Bank charges	1,832,176.69	469,474.96
Other expenses such as donations	1,012,408.60	1,920,871.49
Corporate transactions	15,554,981.40	23,815,947.06
Total	340,188,475.93	347,277,450.19

Description of other cash paid relating to operating activities: None

(2) . Cash related to investing activities

Significant cash received relating to investing activities

☐ Applicable ☒ Not applicable

Significant cash paid in relation to investing activities

☐ Applicable ☒ Not applicable

Other cash received in relation to investing activities

☐ Applicable ☒ Not applicable

Other cash paid in relation to investment activities

☐ Applicable ☒ Not applicable

(3) . Cash relating to financing activities

Other cash received related to financing activities

☐ Applicable ☒ Not applicable

Other cash paid in relation to financing activities

☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash paid for lease liabilities	14,321,624.38	7,346,564.50
Description of other cash paid relating to financing activities: none	14,321,624.38	7,346,564.50

Changes in liabilities arising from financing activities

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Change in cash	Non-cash changes	Change in cash	Non-cash	

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					Change	
					Changes	
Short-term borrowings	107,750,341.82	130,000,000.00	38,480,781.44	166,160,428.81		110,070,694.45
Long-term loans (including long-term loans due within one year) (including long-term borrowings due within one year)	1,205,367,970.04	1,044,000,000.00	55,172,316.34	1,373,175,407.20		931,364,879.18
Lease liabilities (including those due within one year)	13,208,978.63		56,598,823.01	14,321,624.38	447,557.35	55,038,619.91
Total	1,326,327,290.49	1,174,000,000.00	150,251,920.78	1,553,657,460.39	447,557.35	1,096,474,193.53

(4) . Description of cash flows presented on a net basis
☐Applicable ☒Not applicable
(5) . Significant activities and financial effects that do not involve current cash receipts and payments but affect the enterprise's financial position or may affect the enterprise's cash flow in the future
☐Applicable ☒Not applicable
79. Supplementary information to the statement of cash flows**(1) . Supplementary information on cash flow statement**
☒Applicable ☐Applicable ☐Not Applicable

Unit: Yuan Currency: RMB

Supplementary information	Amount for the current period	Prior period amount
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	1,629,038,383.17	1,867,145,468.85
Add: Provision for impairment of assets	7,123,887.50	
Credit impairment loss	18,579,669.54	25,135,369.54
Depreciation of fixed assets, depletion of oil and gas assets, productive biological assets depreciation	169,169,993.88	110,674,778.76
Amortisation of right-of-use assets	13,453,839.79	6,549,169.97
Amortisation of intangible assets	28,581,425.44	16,573,093.87
Amortisation of long-term amortised expenses	1,827,351.94	1,678,878.34
Loss on disposal of property, plant and equipment, intangible assets and other long-term assets (Gain on disposal of property, plant and equipment is recognised as "loss") Loss on disposal of fixed assets, intangible assets and other long-term assets (Gain is represented by a "-" sign)	10,966.53 -2,564.11	-2,564.11
Loss on retirement of fixed assets (Gain is recognised by "-" sign) (Gains are recognised with a "-" sign)	202,260.64 -39,560.09	-39,560.09
Loss on change in fair value (Gain is recognised by "-" sign) Loss on changes in fair value (Gains are recognised with a "-" sign)	108,178,333.69	37,024,207.66
Finance costs (gains recognised with a "-" sign)	12,037,680.25	-7,963,598.96
Loss on investments (income is recognised with a "-" sign)	17,586,789.46	-91,852,961.80
Decrease in deferred income tax assets	-67,443,565.43	27,646,378.65

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Increase in operating payables (Decrease is recorded as "-"))	-423,429,124.63	810,169,125.12
Others	13,706,504.87	54,650,506.68
Net cash flows from operating activities	1,916,547,999.11	2,227,397,039.34
2. Significant investing and financing activities not involving cash receipts and payments:		
Conversion of debt to capital		
Convertible corporate bonds due within one year		
Finance lease to fixed assets		
3. Net change in cash and cash equivalents:		
Closing balance of cash	5,078,017,354.46	4,396,602,661.50
Less: Opening balance of cash	4,396,602,661.50	3,520,204,586.31
Add: Closing balance of cash equivalents	54,107,740.94	
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	735,522,433.90	876,398,075.19

(2) . Net cash paid for acquisition of subsidiaries during the period√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB	
	Amount
Cash or cash equivalents paid during the period for business combinations occurring during the period	332,933,032.02
Of which: California Manufacturing and Engineering Co.	329,558,619.15
Less: cash and cash equivalents held by the company on the date of purchase	107,027,961.14
Of which: California Manufacturing and Engineering Co., LLC	107,027,961.14
Add: Cash or cash equivalents paid in the current period for business combinations occurring in prior periods	
Other notes: None	
Net cash paid for acquisition of subsidiaries	225,905,070.88

(3) . Net cash received for disposal of subsidiaries during the period☐ Applicable √ Not applicable**(4) . Composition of cash and cash equivalents**√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB		
Item	Closing balance	Opening balance
I. Cash	5,078,017,354.46	4,396,602,661.50
Of which: Cash on hand	67,638.05	43,614.16
Bank deposits readily available for payment	5,076,450,972.76	4,396,559,047.34
Other monetary funds available for payment	1,498,743.65	
Deposits with central banks available for payment		
Interbank deposits		
Interbank advances		
II. Cash equivalents	54,107,740.94	
Including: Investments in bonds due within three months		
III. Balance of cash and cash equivalents at the end of the period	5,132,125,095.40	4,396,602,661.50

2024

Including: Restricted cash and cash equivalents used by the parent company or subsidiaries within the Group.		
Cash and cash equivalents		

Cash equivalents are money funds held by the Company that are readily available for payment, excluding expected returns that have not yet arrived.

(5) . Cash and cash equivalents with restricted scope of use but still presented as cash and cash equivalents

☐ Applicable ☒ Not applicable

(6) . Money funds not classified as cash and cash equivalents

☐ Applicable ☒ Not applicable

Other notes:

☐ Applicable ☒ Not applicable

Notes to the Statement of Changes in Owners' Equity

Items such as the name of the "Other" item and the amount of adjustment made to the balance at the end of the previous year are explained:

☐ Applicable ☒ Not applicable

81. Monetary items in foreign currencies

(1) . Foreign currency monetary items

☒ Applicable ☐ Not applicable

Unit: Yuan			
Item	Foreign currency balance at the end of the period	Translation rate	Translation of RMB at the end of the period Balance
Currency funds	----- --	-	3,496,632,136.67
Of which: USD	222,310,674.17	7.1884	1,598,058,050.20
Euro	130,799,332.39	7.5257	984,356,535.77
Japanese Yen	9,651,043,479.00	0.0462	446,196,693.16
Hong Kong Dollar	234,577,254.01	0.9260	217,227,920.30
Pound Sterling	8,345,367.14	9.0765	75,746,724.85
Australian Dollar	22,125,751.15	4.5070	99,720,760.43
Singapore Dollar	24,156.72	5.3214	128,547.57
New Zealand Dollar	199.00	4.0955	815.00
Malaysian Ringgit	83.00	1.6199	134.45
Korean Won	6,342,935,558.00	0.0049	31,320,045.22
UAE Dirham	3,074,830.27	1.9711	6,060,928.55
Danish Krone	1,500.00	1.0084	1,512.55
Turkish Lira	107.00	0.2051	21.95
Thai Baht	340.00	0.2126	72.30
Brazilian Real	31,987,568.03	1.1821	37,812,504.17
Indian Rupees	1,190.00	0.0853	101.48
New Taiwan Dollar	500.00	0.2228	111.40
Philippine Peso	290.00	0.1254	36.37
Saudi Riyal	322.00	1.9284	620.95
Accounts receivable	-	-	2,016,023,456.98
Of which: USD	173,963,190.51	7.1884	1,250,516,998.66
Euro	51,548,754.03	7.5257	387,940,458.20
Japanese Yen	470,988,287.00	0.0462	21,775,201.47
Pound Sterling	21,304,733.11	9.0765	193,372,410.07
Australian Dollar	11,926,446.68	4.5070	53,752,495.19

2024			
Korean Won	12,634,149,710.00	0.0049	62,384,701.31
UAE Dirham	2,738,615.71	1.9711	5,398,201.75
Brazilian Real	34,585,052.31	1.1821	40,882,990.33
Long-term borrowings	-----	-	15,554,583.83
	--		
Of which: USD	2,163,845.06	7.1884	15,554,583.83
Euro			
Hong Kong Dollars			
Other receivables	-	-	119,361,125.93
Of which: US dollars	15,894,567.25	7.1884	114,256,507.22
Euro	143,268.26	7.5257	1,078,193.94
Japanese Yen	12,936,000.00	0.0462	598,070.09
British Pound	49,819.47	9.0765	452,186.42
Australian Dollar	104,124.99	4.5070	469,291.33
Korean Won	74,580,000.00	0.0049	368,259.92
UAE Dirham	109,160.69	1.9711	215,171.27
Brazilian Real	1,627,143.00	1.1821	1,923,445.74
Long-term receivables	-	-	260,399,139.75
Of which: USD	23,177,176.57	7.1884	166,606,816.06
Brazilian Real	79,343,814.98	1.1821	93,792,323.69
Accounts payable	-	-	219,835,692.52
Of which: USD	27,017,350.31	7.1884	194,211,520.97
Euro	19,852.83	7.5257	149,406.44
Australian Dollar	2,413,023.78	4.5070	10,875,498.18
Korean Won	4,732,200.00	0.0049	23,366.58
Brazilian Real	12,330,513.79	1.1821	14,575,900.35
Other accounts payable	-	-	10,316,553.20
Of which: USD	264,469.22	7.1884	1,901,110.54
Euro	870,172.45	7.5257	6,548,656.81
Japanese Yen	1,441,507.00	0.0462	66,645.19
British Pound	144,461.10	9.0765	1,311,201.17
Australian Dollar	58,208.29	4.5070	262,344.76
Korean Won	17,139,793.00	0.0049	84,632.59
UAE Dirham	3,971.43	1.9711	7,828.25
Brazilian Real	113,470.85	1.1821	134,133.89

Other notes:

None

(2) . Description of foreign operating entities, including, for significant foreign operating entities, disclosure of the principal place of business outside the country, the local currency of account and the basis of selection, and the reasons for changes in the local currency of account should also be disclosed

√ Applicable ☐ Not applicable

Name of subsidiary	Principal place of business	Currency of account
California Manufacturing and Engineering Co.	United States	U.S. Dollar

82, Lease

(1) As lessee

√ Applicable ☐ Not applicable

2024

Variable lease payments not included in the measurement of the lease liability

☐Applicable ☒Not applicable

Lease charges for short-term leases or low-value assets with simplified treatment

☒Applicable ☐Not applicable

Item	Amount for the current period	Amount for the previous period
Lease charges for simplified treatment included in the cost of the relevant assets or in profit or loss for the current period	5,298,956.40	7,295,051.47

Sale and leaseback transactions and basis of judgement

☐Applicable ☒Not applicable

Total cash outflows relating to leases 19,620,580.78 (Unit: RMB) Currency: RMB

(2) As lessor

Operating lease as lessor

☐Applicable ☒Not applicable

Finance lease as lessor

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Gain or loss on sales	Gain or loss on financing	Income relating to variable lease payments not included in net investment in leases Income related to variable lease payments not included in net investment in leases
Reconciliation of undiscounted lease receipts to net investment in leases			
Financing gains on net investment in leases <input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable		151,665,764.86 Total	
Total		151,665,764.86	

Undiscounted lease receipts for the next five years

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Undiscounted lease receipts per year	
	Amount at the end of the period	Beginning amount
First year	1,050,033,058.00	1,045,539,305.06
Second year	518,389,473.29	585,452,727.46
Third year	227,272,388.00	250,568,314.95
Fourth year	96,384,334.00	102,092,131.00
Fifth year	16,777,375.00	31,631,189.00
Total undiscounted lease receipts after five years		12,453.00

(3) Recognition of gain or loss on sales under finance leases as a manufacturer or distributor☐Applicable ☒Not applicableOther explanations:
None**83. Data resources**☐Applicable ☒Not applicable

84. Others

☐Applicable ☒Not

Applicable VIII.

Research and

Development

Expenditure

1. By nature of expenses

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB		
Item	Amount incurred in the current period	Amount incurred in the previous period
Personnel labour costs	85,136,778.92	49,898,103.56
Direct input cost	127,563,505.86	119,293,273.77
Depreciation and amortisation	30,869,976.02	29,577,072.03
New product design fees, etc.	6,072,524.28	12,658,755.02
Other related expenses	6,275,811.30	8,579,497.75
Total	255,918,596.38	220,006,702.13
Of which: Expensed R&D expenditure	255,918,596.38	220,006,702.13
Capitalised R&D expenditure		

Other explanations:
None

2. Development expenditure on R&D projects eligible for capitalisation

☐Applicable ☒Not applicable

Significant capitalised R&D projects

☐Applicable ☒Not applicable

Provision for impairment of development expenditure

☐Applicable ☒Not applicable

Other explanations:
None

3. Significant outsourced research and development projects in progress

☐Applicable ☒Not applicable

Changes in the scope of consolidation

1. Business combination not under the same control

☒Applicable ☐Not applicable

(1) . Transactions of non-identical control business combination occurring during the period

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB									
Name of purchase d party	Eq uit y acq uisi tio n Point of time	Cost of equity acquisitio n	Propo rtion of equity acquis ition (%)	Eq uit y acq uisi tio n me tho d	Pur cha se date	Pur cha se date	Revenue of the purchaser at the end of the purchase period	Net profit of the purchaser at the end of the purchase period	Purchaser's cash flow at the end of the purchase period
				177 / 240		Dete rmin ation			
				For mat					

2024

						Based on			
California Manufacturing and Engineering Co.	2024 April, 2024 April	329,558,619.15	49.697	Cash purchases	2024 Year 4 April 2024	Acquisition of control	2,478,841,809.94	46,367,625.57	218,222,365.80

Other notes:

None

(2) . Cost of consolidation and goodwill√ Applicable ☐ Not applicable

Unit: RMB Currency: RMB

Cost of consolidation	California Manufacturing and Engineering Co. LLC
--Cash	329,558,619.15
--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 at the date of purchase of equity interests held prior to the date of purchase	330,241,649.07
--Other	
Total cost of consolidation	659,800,268.22
Less: Share of fair value of net identifiable assets acquired	521,391,964.03
Goodwill/cost of consolidation less than share of fair value of identifiable net assets acquired	138,408,304.19
Method of determining the fair value of the cost of consolidation: Amount of goodwill/consolidated cost less than share of fair value of identifiable net assets acquired <input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not applicable	

Completion of performance commitments:

☐ Applicable ☒ Not applicable

Main reasons for the formation of large amount of goodwill:

☐ Applicable ☒ Not applicable

Other

explanations:

None

(3) . Identifiable assets and liabilities of the purchased party at the date of purchase√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

	California Manufacturing and Engineering Co.	
	Fair value at the date of purchase	Carrying value at the date of purchase
Assets:	1,572,683,072.46	1,348,248,782.50
Money funds	71,972,259.97	71,972,259.97
Financial assets for trading	35,196,538.86	35,196,538.86
Accounts receivable	512,696,109.99	512,696,109.99
Prepayments	2,219,252.37	2,219,252.37

2024		
Other receivables	118,188,380.13	118,188,380.13
Inventories	525,274,054.41	525,274,054.41
Fixed assets	62,437,374.48	45,352,275.49
Construction in progress	944,195.75	944,195.75
Right-of-use assets	21,304,673.33	21,304,673.33
Intangible assets	222,450,233.17	15,101,042.20
Liabilities:	1,048,655,248.48	981,684,056.36
Short-term borrowings	31,984,568.01	31,984,568.01
Payables	739,917,510.85	739,917,510.85
Employee remuneration payable	10,798,028.89	10,798,028.89
Taxes payable	32,142,714.31	32,142,714.31
Other payables	120,612,449.56	120,612,449.56
Contract liabilities	5,562,086.09	5,562,086.09
Non-current liabilities due within one year	3,378,959.24	3,378,959.24
Non-current liabilities due within one year		
Long-term loans	14,998,156.06	14,998,156.06
Lease liabilities	20,133,908.56	20,133,908.56
Projected liabilities	1,421,260.00	1,421,260.00
Deferred income tax liabilities	67,705,606.91	734,414.79
Net assets	524,027,823.98	366,564,726.14
Less: Minority interests	2,635,859.95	1,843,820.57
Net assets acquired	521,391,964.03	364,720,905.57

Method of determining the fair value of identifiable

assets and liabilities: None

Contingent liabilities of the purchased party assumed in a

business combination: None

Other notes:

None

(4) . Gains or losses arising from the remeasurement of equity interests held prior to the date of purchase at fair value

Whether there were transactions in which the business combination was achieved step by step through multiple transactions and control was obtained

during the reporting period

√ Applicable ☐ Not applicable

Unit: RMB Currency: RMB

Name of the purchased party	Acquisition of equity interest held prior to the date of purchase	Percentage of acquisition of equity interest held prior to the date of purchase (%)	Acquisition cost of equity interest held prior to the purchase date	Acquisition method of equity interest held prior to the purchase date	Carrying value of equity interest held prior to the date of purchase	Fair value of equity interest previously held prior to the date of purchase	Gain or loss on remeasurement to fair value of equity interest previously held prior to the date of purchase	Method of determining the fair value of equity interests previously held prior to the date of purchase and key assumptions thereof	Amounts transferred to investment income or retained earnings from other comprehensive income related to previously held equity interests prior to the date of purchase
					179 / 240				
California	2018/1/1	25.00	128,018,000.00	Cash	248,514,563.75	330,241,649.07	81,727,085.32	Earnings Legal reference	

2024									
Manufacturing and Engineering Co., LLC				Purchase				Number: Revenue growth rate 29.69%-0.97 per cent, discount rate 15.45 per cent	-
	2023/10/31	24.80	167,022,385.16	Cash purchases					30,988,105.45

Other notes:
None

(5) . Explanation related to the inability to reasonably determine the merger consideration or the fair value of the identifiable assets and liabilities of the purchased party at the date of purchase or at the end of the period of the merger

☐Applicable ☒ Not applicable

(6) . Other notes

☐Applicable ☒ Not applicable

2. Business combination under the same control

☐Applicable ☒ Not applicable

3. Reverse purchase

☐Applicable ☒ Not applicable

4. Disposal of subsidiaries

Whether there is any transaction or event of loss of control of subsidiaries during the period

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not applicable

Whether there is any disposal of investments in subsidiaries in stages through multiple transactions and loss of control during the period.

☐Applicable ☒ Not applicable

Other description:

☐Applicable ☒ Not applicable

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

Description of changes in the scope of consolidation due to other reasons (e.g., newly established subsidiaries, liquidation of subsidiaries, etc.) and their relevant circumstances:

☒ Applicable ☐ Not applicable

Newly established subsidiary (grandson) during the period: Dingli AWP (Singapore) Trading PTE.

6. Other

☐ Applicable ☒ Not applicable

X. Interests in other entities 1.**Interests in subsidiaries****(1) . Composition of the enterprise group**

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Name of subsidiary	Principal place of business	Registered capital	Place of registration	Nature of business	Shareholding ratio (%)		Acquisition method
					Directly	Indirectly	
Shanghai Dingze Financial Leasing Co. Leasing Co.	Hangzhou	300,000,000 RMB	Shanghai	Finance Leasing	100.00		Established
Deqing Liguang Machinery Trading Ltd.	Deqing County	5 million people Currency	Deqing County	Trade	100.00		Established
Zhejiang Dingli Technology Ltd.	Hangzhou	20 million people Currency	Hangzhou	Trade	100.00		Establishment
Zhejiang Green Power Machinery Co.	Deqing County	3886.8093 RMB 10,000,000	Deqing County	Manufacturing	100.00		Same control Merger
Zhejiang Dingliu Trade Co. Ltd.	Hangzhou	10 million RMB Hangzhou	Hangzhou	Trade	100.00		Established
Dingli Machinery UK Limited	United Kingdom	200,000 pounds sterling	United Kingdom of Great Britain and Northern Ireland	Trading	100.00		Established
Tripod Machinery International B.V.	The Netherlands	100,000 Euros	Netherlands	Trading	100.00		Established
Dingli AWP Europe Trading Limited	The Netherlands	EUR 2 million	The Netherlands	Trading		100.00	Established
Dingli AWP Oceania Trading Pty Ltd	Australia	100 Australian dollars	Australia	Trade		100.00	Established
Dingli Middle East Trading (FZE)	United Arab Emirates	AED 150,000	United Arab Emirates	Trading		100.00	Established
Dingli of Brazil Importation and Trading of Machinery LTD	Brazil	12,347,500 Brazilian Real	Brazil	Trading		100.00	Established
Dingli AWP Japan Trading CO.	Japan	100 million yen	Japan	Trading		100.00	Acquisitions
Dingli AWP (Singapore) Trading PTE.	Singapore	S\$360,000	Singapore	Trading		100.00	Established
California Manufacturing and Engineering Co., LLC	United States of America	US\$2.5 million	United States of America	Manufacturing, trading	99.497		Non-consolidated
MEC Aerial Platform Sales Corp.	United States	US\$100,000	United States	Trade		99.497	Non-same control consolidation
Aerial Parts and Technology Co.	United States of America	US\$100,000	183 / 240 United States of America	Trade		99.497	Non-same control consolidation

Not applicable

Basis for holding half or less of the voting rights but still controlling the investee, and for holding more than half of the voting rights but not controlling the investee: not applicable

Basis of control for significant structured subjects included in the scope of consolidation: n/a

Basis for determining whether the company is an agent or principal: not applicable

Other notes: n/a

(2) . Significant non-wholly owned subsidiaries

☐Applicable ☒Not applicable

(3) . Key financial information of significant non-wholly owned subsidiaries

☐Applicable ☒Not Applicable

(4) . Significant restrictions on the use of enterprise group assets and settlement of enterprise group liabilities

☐Applicable ☒Not Applicable

(5) . Financial or other support provided to structured entities included in the scope of the consolidated financial statements

☐Applicable ☒Not applicable

Other notes:

☐Applicable ☒Not applicable

Transactions in which the share of ownership interest in subsidiaries changes and the subsidiaries are still controlled

☐Applicable ☒Not applicable

3. Interests in joint ventures or associates

☐Applicable ☒Not Applicable

4. Significant joint operations

☐Applicable ☒Not applicable

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

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

☐Applicable ☒Not applicable

6. Others

☐Applicable ☒Not applicable

XI, Government grants**1. Government grants recognised as receivable at the end of the reporting period**

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

2. Liability items involving**government grants**

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable							
Financial statement items	Opening balance	Amount of new subsidies during the period	Amount included in non-operating income for the period	Transfer to other income	Other changes during the period	Closing balance	Asset/revenue related
Deferred income	191,120,111.38	71,960,000.00		16,280,480.31		246,799,631.07	Asset-related Related to assets
Total	191,120,111.38	71,960,000.00		16,280,480.31		246,799,631.07	/

3. Government grants recognised in**profit or loss for the period**

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable	Amount incurred in the current period	Occurrence in the previous period
Asset-related	16,280,480.31	17,004,792.19
Revenue-related	18,100,763.46	83,283,942.82
Total	34,381,243.77	100,288,735.01

Other notes:
None

XII, Risks related to financial**instruments 1.**

☒Applicable ☐Not applicable

The Company is exposed to various financial risks in the course of its operations: credit risk, liquidity risk and market risk. The above financial risks and the risk management policies adopted by the Company to reduce these risks

The above financial risks and the risk management policies adopted by the Company to reduce these risks are described below:

The Board of Directors is responsible for planning and establishing the Company's risk management structure, formulating the Company's risk management policies and related guidelines and supervising the implementation of risk management measures. The Company has formulated risk management policies to identify and analyse the risks faced by the Company. These risk management policies specify specific risks and cover a wide range of areas such as market risk, credit risk and liquidity risk management. The Company regularly evaluates the market environment and changes in the Company's operations to determine whether or not to make changes to risk management.

The Company regularly assesses changes in the market environment and the Company's operations to determine whether to update its risk management policies and systems. The Company's risk management is carried out in accordance with the policies approved by the Board of Directors. The Company's internal audit department conducts periodic reviews of risk management controls and procedures and reports the results to the Company's Audit Committee.

The Company diversifies the risk of financial instruments through an appropriately diversified portfolio of investments and businesses, and reduces the risk of concentration in a single industry, a particular region or a particular counterparty by establishing appropriate risk management policies.

(i) Credit risk

Credit risk is the risk of financial loss to the Company arising from failure of a counterparty to perform its contractual obligations.

The Company is primarily exposed to customer credit risk resulting from credit sales. Prior to entering into new contracts, the Company evaluates the credit risk of new customers, including external credit ratings and, in some cases, bank creditworthiness certificates (when this information is available). The Company sets a credit limit for each customer, which is the maximum amount for which no additional approval is required.

The Company ensures that its overall credit risk is within manageable limits through quarterly monitoring of credit ratings of existing customers and monthly review of accounts receivable ageing analysis. In monitoring the credit risk of customers, customers are grouped according to their credit characteristics.

(ii) Liquidity risk

Liquidity risk is the risk that a business will experience a shortage of funds to fulfil its obligations that are settled by delivery of cash or other financial assets.

The Company's policy is to ensure that it has sufficient cash to meet its obligations as and when they fall due. Liquidity risk is centrally controlled by the Company's treasury department. The treasury department ensures that the Company has sufficient funds to service its obligations under all reasonably forecast scenarios by monitoring cash balances, readily realisable marketable securities and rolling forecasts of cash flows over the next 12 months.

(iii) Market risk

Market risk for financial instruments is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, including exchange rate risk, interest rate risk and other price risks.

(1) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Fixed-rate and floating-rate interest-bearing financial instruments expose the Company to fair value interest rate risk and cash flow interest rate risk, respectively. The Company determines the proportion of fixed-rate to floating-rate instruments based on market conditions and maintains an appropriate mix of fixed-rate and floating-rate instruments through regular review and monitoring. When necessary, the Company uses interest rate swaps to hedge its interest rate risk.

(2) Exchange Rate Risk

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company continuously monitors the size of foreign currency transactions and foreign currency assets and liabilities to minimise exposure to foreign exchange risk. In addition, the Company may enter into forward foreign exchange contracts or currency swaps for the purpose of hedging exchange rate risk. At the end of the period, the notional amounts of the Company's outstanding sold ordinary RMB and foreign exchange option contracts were USD3.6 million, EUR3.3 million and GBP1.2 million, and the notional amounts of the Company's outstanding bought ordinary RMB and foreign exchange option contracts were USD3.3 million, EUR3.3 million and GBP1.2 million.

The notional amounts of the Company's outstanding purchased ordinary RMB and FX option contracts were \$3.3 million, €3.3 million and £0.6 million, the notional amounts of the Company's outstanding RMB and FX swap contracts were

为 60 万美元, 公司未到期的美元与日元掉期合约名义金额为 62,343,406.93 美元, 公司未到期的美元与港币掉期

The notional amount of the Company's outstanding USD/JPY swaps is USD 62,343,406.93, the notional amount of the Company's outstanding USD/HKD swaps is USD 30.00 million and the notional amount of the Company's outstanding USD/HKD forwards is USD 1,078,924.26.

The Company's exposure to exchange rate risk mainly arises from financial assets and financial liabilities denominated in United States dollars, and the amounts of foreign-currency financial assets and foreign-currency financial liabilities translated into Renminbi are set out below:

Item	Balance at the end of the period			Balance at the end of the previous year		
	US dollar	Other foreign currencies	Total	US Dollar	Other foreign currencies	Total
Currency Funds	1,598,058.0 50.20	1,898,574.0 86.47	3,496,632.1 36.67	869,518,315 .97	297,571.25 7.50	1,167,089.5 73.47
Receivables Accounts receivable	1,250,516.9 98.66	765,506,458 .32	2,016,023.4 56.98	1,175,782.1 08.06	974,939.06 0.72	2,150,721.1 68.78

Items	2024 Balance at end of period			Balance at end of previous year		
	United States dollar	Other foreign currencies	Total	United States dollar	Other foreign currencies	Total
Other receivables	114,256,507	5,104,618.7	119,361,125		14,157,749	14,157,749.
Amounts	.22	1	.93		.27	14,157,749.27
Long-term receivables						
(including those due within one year)	166,606,816	93,792,323.	260,399,139	32,669,269.		32,669,269.
(including those due within one year)	.06	69,060,399,139.06	.75	78		78
Short-term				106,240,500		106,240,500
Borrowings				.00		.00
Long-term loans						
(including those due within one year)	15,554,583.		15,554,583.			
(including those due within one year)	(3)	Other price risk 83	15,554,583.83			
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than exchange rate risk and interest rate risk.						
The Company's other price risk arises mainly from investments in various types of equity instruments, and there is a risk of changes in the price of equity instruments.						
Accounts payable	194,211,520	25,624,171.	219,835,692	41,858.76	293,876.63	335,735.39
Accounts payable	.97	55	.52			
Other payables	1,901,110.5	8,415,442.6	10,316,553.	8,890,692.3	8,768,620.	17,659,312.
Other payables	Applicable / Not applicable	6	20	3	34	67

Other description:

☐ Applicable ☒ Not applicable**(2) The company carries out eligible hedging business and applies hedge accounting.**☐ Applicable ☒ Not applicable

Other Notes:

☐ Applicable ☒ Not applicable**(3) The company conducts hedging business for risk management and expects to achieve the risk management objectives, but does not apply hedge accounting.**☐ Applicable ☒ Not applicable

Other description:

☐ Applicable ☒ Not applicable**3. Transfer of financial assets****(1) Classification of transfer methods**☐ Applicable ☒ Not applicable

(2) Financial assets derecognised as a result of transfer

□Applicable √Not applicable

(3) Transferred financial assets that continue to be involved

□Applicable √Not applicable

Other notes:

□Applicable √Not applicable

xiii, Fair value disclosure**1. Closing fair value of assets and liabilities measured at fair value**

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Item	Closing fair value			
	Level 1 fair value Level 1 fair value measurements	Level 2 fair value measurements Measurements	Level 3 fair value Value Measurements	Total
I. Ongoing fair value measurements				
(i) Financial assets held for trading	54,133,409.16	154,601,181.98		208,734,591.14
1. Financial assets at fair value through profit or loss	54,133,409.16	154,601,181.98		208,734,591.14
Financial assets at fair value through profit or loss	154,601,181.98	208,734,591.14		
(1) Investments in debt instruments				
(2) Investments in equity instruments	54,133,409.16			54,133,409.16
(3) Derivative financial assets				
(4) Monetary funds		54,601,181.98		54,601,181.98
(5) Bank structured deposits		100,000,000.00		100,000,000.00
2. financial assets designated at fair value through profit or loss				
(1) Investments in debt instruments				
(2) Investments in equity instruments				
(2) Other debt investments				
(iii) Other investments in equity instruments	40,867,997.27			40,867,997.27
(iv) Investment properties				
1. Land use rights for lease				
2. Buildings for lease				
3. Land use rights held for transfer after appreciation				
Land use rights for lease				
(v) Biological assets				
1. Expendable biological assets				
2. Productive biological assets				
(vi) Derivative financial assets			14,974,286.78	14,974,286.78
(vii) Receivables financing			18,315,265.15	18,315,265.15
Assets measured at fair value on a continuous basis	95,001,406.43	154,601,181.98	33,289,551.93	282,892,140.34
Total assets				
(viii) Financial liabilities held for trading				
1. Financial liabilities at fair value through profit or loss		188 / 240		
Financial liabilities at fair value through profit or loss				
Including: Bonds issued for trading				

2024

2. Financial liabilities designated as at fair value through profit or loss				
Financial liabilities				
Negative financial liabilities at fair value through profit or loss on an ongoing basis			999,897.45	999,897.45
Total liabilities				
ii. Non-continuing fair value Measurements				
(i) Assets held for sale				
Non-continuing fair value measurements				
Total assets				
Non-continuing fair value measurements				
Total liabilities				

2. Basis for determining the market value of items measured at fair value in the continuing and discontinued Level 1 fair value hierarchy

☒ Applicable ☐ Not applicable

For investment items with active markets, if there is a traded market price on the balance sheet date, the closing price on that date is the fair value; if there is no traded market price on the balance sheet date and there is no significant change in the economic environment after the last trading day, the closing price on that day is the fair value.

If there is no quoted market price on the balance sheet date and there is no significant change in the economic environment after the most recent trading date, the closing price on the most recent trading date is used as the fair value.

3. Continuing and discontinued Level 2 fair value measurement items, qualitative and quantitative information of valuation techniques and significant parameters adopted

☒ Applicable ☐ Not applicable

Item	Fair value at the end of the period	Valuation techniques	Important parameters	
			Qualitative information	Quantitative information
Monetary funds	54,601,181.98	Discounted cash flow method		Expected rate of return
Bank Structured Deposit	100,000,000.00	Discounted cash flow method		Expected rate of return

4. Continuing and discontinued level 3 fair value measurement items, qualitative and quantitative information on valuation techniques used and significant parameters

☒ Applicable ☐ Not applicable

Items	Fair value at the end	Valuation	Unobservable inputs
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2024

	of the period	techniques	
Receivables financing	18,315,265.15	Discounted cash flow method	Discount rate reflecting counterparty credit risk
Derivative financial assets	14,974,286.78	Option pricing model	Forward exchange rates
Derivative financial liabilities	999,897.45	Option Pricing Model	Forward exchange rates

5. Ongoing Level 3 fair value measurement items, information on reconciliation between opening and closing book values and sensitivity analysis of unobservable parameters

☐ Applicable ☒ Not applicable

6. Continuing Level 3 fair value measurements, if there was a transition between levels during the period, the reasons for the transition and the policy for determining the point of transition.

policy for determining the point of conversion

☐Applicable ☒ Not applicable

7. Changes in valuation techniques during the period and reasons for the changes

☐Applicable ☒ Not applicable

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

☐Applicable ☒ Not applicable

9. Others

☐Applicable ☒ Not applicable

**XIV, RELATED PARTIES
AND RELATED TRANSACTIONS 1.
Parent company of the enterprise**

☒Applicable ☐Not applicable

Name	Direct shareholding in the enterprise (%)	Proportion of direct voting rights in the Enterprise (%)	Relationship with the Enterprise
Xu Shugen	45.53 per cent	45.53 per cent	Largest shareholder and chairman of the board of directors

The ultimate controlling party of the enterprise is Xu Shugen Other notes:

None

2. Information on the subsidiaries of the enterprise

Details of the subsidiaries of the enterprise are set out in the notes

☒Applicable ☐Not applicable

For details of the Company's subsidiaries, please refer to "Section X Financial Reporting" under "X. Interests in Other Entities" in this report.

3. Joint ventures and associates of the Enterprise

Details of significant joint ventures or associates of the Company are set out in the notes.

☐Applicable ☒ Not applicable

Other joint ventures or associates with which the Company has entered into related-party transactions during the current period, or with which the Company has entered into related-party transactions in prior periods resulting in balances, are as follows

☒Applicable ☐Not applicable

Name of joint venture or associate	Relationship with the Company
California Manufacturing and Engineering Co., LLC (hereinafter referred to as "CMEC")	Conversion from an associate to a controlled subsidiary during the period
Teupen Maschinenbau GmbH (hereinafter referred to as "Teupen") "Teupen")	Associated company in which all shares were disposed of during the period, with the Company's original shareholding at 24 per cent.

Other notes:

☐Applicable ☒ Not applicable

2024

4. Other related parties

√ Applicable ☐ Not applicable

Name of other related parties	Relationship between other related parties and the enterprise
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2024

Magni Telescopic Handlers S.R.L. (hereinafter referred to as "Magni") Magni Telescopic Handlers S.R.L. (hereinafter referred to as "Magni")	Participating company in which all shares were disposed of during the period, and the Company's original shareholding was 20%.
Xu Shugen	Chairman of the Board
Xu Zhong	Director, General Manager
Yu Yutang	Director
Wang Meihua	Director, Treasurer
Liang Jin	Director, Secretary of the Board
Xu Ronggen	Director
Qiu Baoyin	Independent Director
Wang Baoqing	Independent Director
Qu Danming	Independent Director
Xiang Cunyun	Chairman of the Supervisory Board
Gao Qineng	Supervisor
Zhou Min	Supervisor

Other explanations:
None

5. Connected transactions

(1) . Purchase and sale of goods, provision and acceptance of labour related transactions

Purchase of goods/acceptance of

labour

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable Related party	Contents of connected transactions	Amount incurred during the period	Amount of approved transactions (if applicable)	Whether the transaction amount is exceeded (if applicable)	Prior period
Magni Telescopic Handlers S.R.L.	Purchase of goods				197,172.76
Teupen Maschinenbau Teupen Maschinenbau	Purchase of goods				662.97
Teupen Maschinenbau Teupen Maschinenbau GmbH	Acceptance of labour				400,318.20

Statement of sale of goods/provision

of labour

Unit: Yuan Currency: RMB

<input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not applicable Related parties	Content of related transactions	Current period's occurrence	Previous period
California Manufacturing and Engineering Co.	Sale of goods	217,863,485.95	1,012,361,260.87
California Manufacturing and Engineering Co.	Provision of labour		29,955,489.53
Magni Telescopic Handlers S.R.L.	Sale of goods	234,097,645.75	580,058,184.14

Explanation of connected transactions of purchase and sale of goods, provision and acceptance of services

☒ Applicable ☐ Not applicable

1. In April 2024, CMEC was converted from an associate of the Company to a controlled subsidiary of the Company. The above current period's occurrence is the transaction with CMEC from January to April 2024, and the current period's occurrence is the transaction with CMEC from January to April 2024.

The CMEC statements for May-December 2024 are included in the scope of consolidation.

In April 2024, the Company completed the disposal of its equity interest in Magni, and as of May 2024, Magni is no longer a related party of the Company. The above current period incurrences represent transactions with Magni from January to April 2024.

(2) . Affiliate Management/Contracting and Delegated Management/Contracting Out

The Company's fiduciary management/contracting information table:

☐ Applicable ☒ Not applicable

Description of Affiliated Fiduciary/Contracting

☐ Applicable ☒ Not Applicable

The Company's entrusted management/contracting

☐ Applicable ☒ Not applicable

Explanation of related management/contracting

☐ Applicable ☒ Not Applicable

(3) . Affiliated leasing

The Company acts as a lessor:

☐ Applicable ☒ Not Applicable

The Company acts as the lessee:

☐Applicable ☒ Not applicable

Explanation of related leasing situation

☐Applicable ☒ Not applicable

(4) . Affiliated guarantees

The Company as guarantor

☐Applicable ☒Not applicable

The Company as a guaranteed party

☐Applicable ☒Not applicable

Explanation of related guarantees

☐Applicable ☒Not applicable**(5) . Borrowing of funds from related parties**☐Applicable ☒Not applicable**(6) . Asset transfer and debt restructuring by related parties**☐Applicable ☒Not Applicable**(7) . Compensation of key management personnel**☒Applicable ☐Not Applicable

Unit: RMB 10,000 Currency: RMB

Item	Amount incurred in the current period	Previous period's incidence
Compensation of key management personnel	595.65	576.75

(8) . Other connected transactions☐Applicable ☒Not applicable**6. Unsettled items such as receivables and payables from related parties****(1) . Items receivable**☒Applicable ☐Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item Name	Related parties	Closing balance		Opening balance	
		Carrying amount	Provision for bad debts	Carrying amount	Allowance for bad debts
Accounts Receivable	California Manufacturing and Engineering Co.			714,487,257.95	21,434,617.74
Accounts Receivable	Magni Telescopic Handlers S.R.L.			349,313,087.15	10,480,977.03
Prepayments	Magni Telescopic Handlers S.R.L.			822,466.30	

1. In April 2024, CMEC was converted from an associate of the Company to a controlled subsidiary of the Company.

2. In April 2024, the Company completed the disposal of its equity interest in Magni, and from May 2024, Magni ceased to be an associate of the Company. As of 31

December 2024, the carrying amount of the Company's accounts receivable from Magni was \$261,066,607.73, with an allowance of \$7,831,998.23 for bad debts.

(2) . Items payable☐Applicable ☒Not applicable**(3) . Other items**☐Applicable ☒Not applicable**7. Commitments of related parties**☐Applicable ☒Not applicable**8. Others**☐Applicable ☒Not applicable**XV, Share-based****payment 1. Equity instruments**☐Applicable ☒Not applicable

Stock options or other equity instruments issued and outstanding at the end of the period

☐Applicable ☒Not applicable**2. Equity-settled share-based payments**☐Applicable ☒Not applicable**3. Cash-settled share-based payments**☐Applicable ☒Not applicable**4. Share-based payment expenses for the period**☐Applicable ☒Not applicable**5. Modification and termination of share-based payment**☐Applicable ☒Not applicable**6. Others**☐Applicable ☒Not applicable**XVI, Commitments and****contingencies 1. Important commitments**☒Applicable ☐Not applicable

Existing significant commitments to external parties at the balance sheet date, nature and amount

Related guarantees and pledge of assets:

(1) At the Tenth Meeting of the Fifth Session of the Board of Directors held on 23 April 2024 and the Annual General Meeting of 2023 held on 28 May 2024, the Company considered and passed the "Proposal on the Estimation of the Amount of Guarantees to be Provided by the Company to Subordinate Enterprises within the Scope of the Consolidated Statement of Account of the Company" respectively, and agreed that the Company would provide daily guarantees to the subsidiaries within the scope of consolidated statement of accounts of the Company in respect of their daily operation and business development needs, with the total amount expected to not exceed RMB280 million. The total amount of guarantee is expected to be no more than RMB2.8 billion (or equivalent in foreign currency), which is valid from the date of the Shareholders' General Meeting.

The total amount is expected to be no more than RMB2.8 billion (or its equivalent in foreign currencies) with a validity period from the date of consideration and approval by the shareholders' general meeting to the date of the 2024 annual general meeting. As at 31 December 2024, the balance of the guarantee was 914,000,000 RMB.

As at 31 December 2024, the balance of the guarantee was RMB914,923,139.82.

Shanghai Dingze, a subsidiary, used its finance lease receivables (book balance of long-term receivables) as collateral or carried out recourse bank factoring business to obtain long-term loans from banks. As at 31 December 2024, the balance of pledged and factored finance lease receivables of Shanghai Dingze, a subsidiary, amounted to

As at 31 December 2024, the balance of pledge and factoring of finance lease receivables of subsidiary Shanghai Dingze was RMB1,108,443,098.32, and the balance of long-term borrowings under such pledge and factoring was RMB914,923,139.82.

(2) Starting from 1 May 2024, CMEC became a consolidated subsidiary of the Company. CMEC and its subsidiaries borrowed money from financial institutions with the security of land and operating assets, etc., and the balance of the borrowings as of 31 December 2024 was US\$2,163,845.06 due to operational needs.

2. Contingencies

(1) . Significant contingencies existing at the balance sheet date

☐ Applicable ☒ Not Applicable

(2) . The company has no material contingencies that require disclosure, which should also be stated:

☐ Applicable ☒ Not Applicable

3. Others

☐ Applicable ☒ Not Applicable

XVII, Events after the balance sheet date

1. Significant non-adjusting events

☐ Applicable ☒ Not applicable

2. Profit distribution

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Profit or dividend to be distributed	506,347,879
Profit or dividend declared after consideration and approval	506,347,879

3. Sales returns

☐ Applicable ☒ Not applicable

4. Description of other post-balance sheet events

☐ Applicable ☒ Not applicable

XVIII. Other significant

events 1. Correction of prior period accounting errors (1) .

Retrospective restatement

☐ Applicable ☒ Not applicable

(2) . Future application method

☐ Applicable ☒ Not applicable

2. Significant debt restructuring☐Applicable ☒Not applicable**3. Asset exchange****(1) . Non-monetary asset exchange**☐Applicable ☒Not applicable**(2) . Other asset replacement**☐Applicable ☒Not Applicable**4. Annuity plan**☐Applicable ☒Not applicable**5. Termination of business**☐Applicable ☒Not Applicable**6. Segment Information****(1) . Basis of Determination of Reporting Segments and Accounting Policies**☐Applicable ☒Not applicable**(2) . Financial information of reportable segments**☐Applicable ☒Not Applicable**(3) . If the company does not have any reportable segments, or cannot disclose the total assets and total liabilities of each reportable segment, it shall explain the reasons.**☐Applicable ☒Not Applicable**(4) . Other explanations**☐Applicable ☒Not Applicable**7. Other important transactions and matters affecting investors' decisions**☐Applicable ☒Not Applicable**8. Others**☐Applicable ☒Not Applicable**XIX, Notes to the Parent Company's
Financial Statements 1. Accounts receivable****(1) . Disclosure by ageing**☒Applicable ☐Not applicable

2024

Unit: RMB Currency: RMB

Ageing	Closing balance	Opening balance
Within 1 year		
Of which: Within 1 year		
Within 1 year	3,221,346,376.04	2,779,533,090.34
Subtotal within 1 year	3,221,346,376.04 2,779,533,090.34	2,779,533,090.34
1 to 2 years	225,755,028.18	122,041,044.29
2 to 3 years	16,621,555.91	5,543,868.04
More than 3 years		
3 to 4 years		185,318.72
4 to 5 years	185,000.00	309,264.37
More than 5 years		1,220,955.84
Subtotal	3,463,907,960.13	2,908,833,541.60
Less: Provision for bad debts	54,710,260.02	68,006,118.52
Total	3,409,197,700.11	2,840,827,423.08

(2) . Disclosure by bad debt accrual method√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Category	Closing balance					Opening balance				
	Carrying amount		Provision for bad debts		Carrying value	Carrying amount		Allowance for bad debts		Carrying Value
	Amount	Proportion (%)	Amount	Provision (%)		Amount	Proportion (%)	Amount	Provision (%)	
Provision for bad debts by individual item						1,530,220.	0.0	1,530,22	100	
Provision						21,530,220.	5	0.21	.00	
Of which:										
Provision for bad debts by portfolio	3,463,907.	100	54,710,2	1.	3,409,197.	2,907,303.	99.	66,475,8	2.2	2,840,827.
Provision for bad debts by portfolio	960.13	.00	60.02	58	700.11	321.39	95	98.31	9	423.08
Provision for bad debts by portfolio					196 / 240					
Of which:										
Age group	1,521,664,	43.	54,710,2	3.	1,466,954.	1,957,613.	67.	66,475,8	3.4	1,891,137.
	391.67	93.	60.02	60	131.65	648.76	30	98.31	0	750.45

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Consolidated related party group	1,942,243,568.46	56.56.46			1,942,243.568.46	949,689,672.63	32.65			949,689,672.63
Consolidated										
Total	3,463,907,960.13	/	54,710,260.02	/	3,409,197,700.11	2,908,833,541.60	/	68,006,118.52	/	2,840,827,423.08
Total										

Provision for bad debts is made on an individual basis:

☐Applicable ☒Not applicable

Provision for bad debts by portfolio:

☒Applicable ☐Not applicable

Items provided for by combination: Ageing combination

Unit: Yuan Currency: RMB

Name	Closing balance		
	Accounts receivable	Provision for bad debts	Provision ratio (%)
Within 1 year	1,407,267,081.38	42,218,012.44	3.00
1 to 2 years	104,982,144.73	10,498,214.47	10.00
2 to 3 years	9,230,165.56 1,846,033.11	1,846,033.11	20.00
4 to 5 years	185,000.00	148,000.00	80.00
Total	1,521,664,391.67	54,710,260.02	

Explanation of provision for bad debts by portfolio:

☐Applicable ☒Not applicable

Provision for bad debts based on the general model of expected credit losses

☐Applicable ☒Not applicable

Basis of classification of each stage and proportion of provision for bad debts None

Description of significant changes in the carrying amount of accounts receivable for which changes in the allowance for losses occurred during the period:

☐Applicable ☒Not applicable

(3) . Provision for bad debts

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Category	Opening balance	Change during the period				Closing balance
		Accrued	Recovery or transfer Recovered or transferred	Write-offs or cancellations	Other changes	
Provision on an individual basis	1,530,220.21			1,537,878.18	7,657.97	
Provision for bad debts						
Of which the amount of bad debt provision recovered or reversed during the period is significant:						
Provision by group	66,475,898.31	-10,641,301.24		880,603.23	-243,733.82	54,710,260.02
Provision for bad debts			197 / 240			
Total	68,006,118.52	-10,641,301.24		2,418,481.41	-236,075.85	54,710,260.02

2024

☐ Applicable ☒ Not applicable

Other
explanations:
None

2024

(4) . Accounts receivable actually written off during the period√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount written off
Accounts receivable actually written off	2,418,481.41

Of which significant accounts receivable written off

☐ Applicable √ Not applicable

Description of accounts receivable written off:

☐ Applicable √ Not applicable**(5) . Top five accounts receivable and contract assets with closing balances aggregated by party owed to them**√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Unit Name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage of the total balance accounts receivable and contract assets closing of Proportion (%)	Closing balance of provision for bad debts
First place	925,431,531.60		925,431,531.60	26.72	
Second place	408,667,733.35		408,667,733.35	11.80	
Third place	260,583,921.37		260,583,921.37	7.52	7,817,517.64
Fourth place	207,674,260.94		207,674,260.94	6.00	6,230,227.83
Fifth place	207,324,779.31		207,324,779.31	5.99	
Other notes: None Total	2,009,682,226.57		2,009,682,226.57	58.03	14,047,745.47

Other Notes:

☐ Applicable √ Not applicable
2. Other
receivables Item
presentation
√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Other receivables	254,616,891.32	202,092,274.25
Total	254,616,891.32	202,092,274.25

Other Notes:

☐ Applicable √ Not applicable**Interest receivable****(1) . Classification of interest receivable**☐ Applicable √ Not Applicable**(2) . Significant overdue interest**☐ Applicable √ Not Applicable

(3) . Disclosure by bad debt provisioning method

☐Applicable ☒Not Applicable

Provision for bad debts is made on an individual basis:

☐Applicable ☒Not Applicable

Description of bad debt provisioning by individual item:

☐Applicable ☒Not applicable

Provision for bad debts by portfolio:

☐Applicable ☒Not applicable

(4) . Provision for bad debts based on general model of expected credit losses.

☐Applicable ☒Not applicable

Basis of classification of each stage and percentage
of provision for bad debts None

Description of significant changes in the carrying amount of interest receivable for which changes in the allowance for losses occurred during the period:

☐Applicable ☒Not applicable

(5) . Provision for bad debts

☐Applicable ☒Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

☐Applicable ☒Not applicable

Other
explanations:
None

(6) . Interest receivable actually written off during the period

☐Applicable ☒Not Applicable

Of which significant write-off of interest receivable

☐Applicable ☒Not applicable

Description of write-offs:

☐Applicable ☒Not applicable

Other description:

☐Applicable ☒Not Applicable

Dividends**receivable (1) .****Dividends****receivable**

☐Applicable ☒Not applicable

(2) . Significant dividend receivables with an age of over 1 year

☐Applicable ☒Not applicable

(3) . Disclosure by bad debt provision method

☐Applicable ☒Not Applicable

Provision for bad debts is made on an individual basis:

☐Applicable ☒Not applicable

Description of bad debt provisioning by individual item:

☐Applicable ☒Not applicable

Provision for bad debts by portfolio:

☐Applicable ☒Not applicable

(4) . Provision for bad debts based on general model of expected credit losses.

☐Applicable ☒Not applicable

Basis of classification of stages and percentage of provision for bad debts None

Description of significant changes in the carrying amount of dividend receivable for which changes in the allowance for losses occurred during the period:

☐Applicable ☒Not applicable

(5) . Provision for bad debts

☐Applicable ☒Not applicable

Of which the amount of bad debt provision recovered or reversed during the period is significant:

☐Applicable ☒Not applicable

Other
explanations:
None

(6) . Dividends receivable actually written off during the period

☐Applicable ☒Not Applicable

Of which significant dividend receivable write-offs

☐Applicable ☒Not applicable

Description of write-offs:

☐Applicable ☒Not applicable

Other description:

☐Applicable ☒Not Applicable

Other receivables**(1) . Disclosure by ageing**

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB		
Ageing	Closing carrying amount	Opening balance
Within 1 year		
Of which: Within 1 year		
Within 1 year	54,311,017.02	55,849,836.59
Subtotal within 1 year	54,311,017.02	55,849,836.59

2024

1 to 2 years	54,256,817.58	96,020.11
2 to 3 years	71,716.37	40,046,549.83
3 to 4 years	40,000,000.00	106,000,000.00
4 to 5 years	106,000,000.00	871,373.98
More than 5 years		581,250.00
Subtotal	254,639,550.97	203,445,030.51
Less: Provision for bad debts	22,659.65	1,352,756.26
Total	254,616,891.32	202,092,274.25

(2) . Breakdown by nature of payment√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Nature of payment	Closing balance	Opening balance
Guarantee or deposit	452,131.54	2,957,967.51
Payment in lieu of receipt	37,280.00	136,062.43
Other transactions	242,743.89	351,000.57
Transactions with subsidiaries	253,907,395.54	200,000,000.00
Total	254,639,550.97	203,445,030.51

(3) . Provision for bad debts√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Provision for bad debts	Phase I Expected credit losses for the next 12 months	Stage II Expected credit losses for the entire duration (no credit impairment) Expected credit losses for the entire duration (no credit impairment)	Stage III Expected credit losses for the entire duration (credit impairment has occurred) (credit impairment has occurred)	Total
Balance at 1 January 2024	1,352,756.26			1,352,756.26
Balance at 1 January 2024				
In the current period				
-- Transferred to Phase II				
--Transferred to Phase III				
--Transferred back to Phase II				
--Transferred back to Phase I				
Accrued during the period	-1,328,519.88			-1,328,519.88
Reversal during the period				
Write-offs during the period				
Write-offs during the period				
Other changes	-1,576.73			-1,576.73
Basis of classification of stages and percentage of provision for bad debts	22,659.65			22,659.65
Balance at 31 December 2024				

Explanation of significant changes in the carrying amount of other receivables for which changes in provision for losses occurred during the period:

☐ Applicable ☒ Not applicable

Basis adopted for the amount of provision for bad debts for the current period and for assessing whether there is a significant increase in the credit risk of financial instruments:

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

Unit: Yuan Currency: RMB

Category	Opening balance	Change during the period	Closing balance
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2024

		Accrued	Recovery or transfer Recovered or transferred	Write-offs or cancellations	Other changes	
Provision by portfolio	1,352,756.26	-1,328,519.88			-1,576.73	22,659.65
Provision for bad debts						
Total	1,352,756.26	-1,328,519.88			-1,576.73	22,659.65

Of which the amount of provision for bad debts reversed or recovered during the period is significant:

☐ Applicable ☒ Not applicable

Other notes:

None

(5) . Other receivables actually written off during the period☐ Applicable ☒ Not applicable

Of which significant write-off of other receivables:

☐ Applicable ☒ Not applicable

Description of other receivables written off:

☐ Applicable ☒ Not applicable**(6) . Other receivables with top five closing balances aggregated by party owed: ☒ Applicable ☒ Not applicable**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Unit Name	Closing balance	Percentage of total closing balance of other receivables Proportion (%)	Nature of amount	Ageing	Closing balance of provision for bad debts
Shanghai Dingze Finance Leasing Co. Leasing Co.	250,000,000.00	98.18	With subsidiaries Amounts with subsidiaries	Within 5 years	
California Manufacturing and Engineering Co.	3,374,412.87	1.33	Amounts with subsidiaries	Within 1 year	
Deqing Liguan Machinery Trade Co. Ltd.	384,768.67	0.15	With subsidiaries Current account	Within 2 years	
Zhejiang Dingli Science and Technology Trade Co. Ltd.	148,214.00	0.06	With subsidiaries Current account	Within 3 years	
Huzhou International Business Centre	84,000.00	0.03	Other transactions Amount	Within 4 years	2,520.00
Other notes: Total	253,991,395.54	99.75	/Total	/	2,520.00

☐ Applicable ☒ Not applicable**3. Long-term equity investments**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
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2024

	Carrying amount	Impairment Provision	Carrying value	Carrying amount	Impairment Provision	Carrying value
Investments in subsidiaries	974,633,987.42		974,633,987.42	394,606,069.52		394,606,069.52
Investments in associates and joint ventures				332,417,551.33		332,417,551.33
Investments						
Total	974,633,987.42		974,633,987.42	727,023,620.85		727,023,620.85

(1) . Investments in subsidiaries

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Invested units	Opening balance (book value)	Opening balance of provision for impairment Amount	Increase/decrease during the period				Closing balance (book value)	Closing balance of provision for impairment Amount
			Additions to investments	Decrease in investments	Provision for impairment	Others		
Shanghai Dingze Finance Leasing Co. Leasing Co.	300,000,000.0 300,000,000.0						300,000,000.0 0	
Zhejiang Green Power Machinery Co.	38,401,846.74						38,401,846.74	
Zhejiang Dingliu Trading Zhejiang Dingliu Trading Co.	10,000,000.00						10,000,000.00	
California Manufacturing and Engineering Co.			329,558,619.1 5			248,514,563.7 5	578,073,182.9 5578,073,182.9	
Dingli Machinery UK Limited 1,771,240.00	1,771,240.00						1,771,240.00	

(2) . Investments in associates and joint ventures

√ Applicable □ Not applicable

Tripod Machinery Investment 1 B.V.	44,432,982.78		1,954,735.00				46,387,717.78	
Unit: Yuan Currency: RMB								
Investment unit	Opening balance	Increase/decrease during the period				Provision for impairment	Closing balance	Closing balance of provision for impairment
		Additions to investments	Decrease in investments	Investments recognised under the equity method	Other comprehensive income Adjustments			
I. Joint ventures								
Subtotal								
II. Associated enterprises								

2024

California Manufacturing and Engineering Co. and Engineering Co.	297,756,738.70			-50,042,732.92	800,557.97				-248,514,563.75		
Teupen Maschinenbau GmbH	34,660,812.63		34,840.646.71	487,653.94	307,819.86						
Subtotal	332,417,551.33		34,840.646.71	49,5554,555,078.98	492,738.11				-248,514,563.75		
Total	332,417,551.33		34,840.646.71	49,5554,555,078.98	492,738.11				-248,514,563.75		

(3) . Impairment testing of long-term equity investments☐ Applicable ☒ Not applicableOther explanations:
None**4. Operating revenue and operating costs****(1) . Operating income and operating costs**☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Current period		Previous period's incomes	
	Revenue	Cost	Revenue	Cost
Main business	6,089,383,730.51	3,869,217,453.68	5,949,135,431.74	3,833,742,570.62
Other operations	219,866,242.28	81,867,748.03	209,853,455.81	74,149,043.79
Total	6,309,249,972.79	3,951,085,201.71	6,158,988,887.55	3,907,891,614.41

(2) . Breakdown information of operating revenues and operating costs☐ Applicable ☒ Not applicable

Other description:

☐ Applicable ☒ Not applicable**(3) . Explanation of performance obligations**☐ Applicable ☒ Not applicable**(4) . Description of apportionment to remaining performance obligations**☐ Applicable ☒ Not applicable

(5). Significant contract changes or significant transaction price adjustments

☐Applicable ☒Not applicable

Other
explanations:
None

5. Investment income

☒Applicable ☐Not Applicable

Unit: Yuan Currency: RMB

Item	Current period	Amount incurred in the previous period
Income from long-term equity investments accounted for under the equity method	-49,555,078.98	57,045,729.33
Investment income from disposal of long-term equity investments	-4,780,397.26	
Dividends received from investments in other equity instruments during the holding period	1,477,156.45	7,928,928.00
Investment income from disposal of trading financial assets	1,713,698.64	9,468,595.89
Total	-51,144,621.15	74,443,253.22

6. Others

☐Applicable ☒Not applicable

XX, Supplementary information**1. Details of non-recurring gains and losses for the period**

☒Applicable ☐Not applicable

Unit: Yuan Currency: RMB

Item	Amount	Description
Gains and losses on disposal of non-current assets, including provision for asset impairment	-4,993,624.43	
Elimination		
Government grants recognised in profit or loss for the current period, except for those closely related to the Company's normal operating business, in line with national policies and in accordance with determined criteria, Except for government grants that are closely related to the Company's normal business operations, in accordance with national policies and in accordance with established standards, and have a continuous impact on the Company's profit and loss	34,381,243.77	
Fair value gains and losses arising from financial assets and liabilities held by non-financial enterprises and disposal of financial assets and liabilities, except for effective hedging business related to the Company's normal business operations. Gains and losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises and gains and losses from disposal of financial assets and financial liabilities	-52,177,913.42	
Other non-operating income and expenses other than those mentioned above are recognised as non-recurring gains and losses by the Company and the amount is material.	2,625,382.30	
Other profit and loss items that meet the definition of non-recurring profit or loss items, the reasons for that shall be explained.	860,388.38	
Less: Income tax effect	10,140,321.71	
Effect of minority interests (after tax)	-18,851.74	
Total	-9,683,053.23	

Other explanations:

☐Applicable ☒Not applicable

2024

2. Return on net assets and earnings per share√ Applicable ☐ Not applicable

Profit for the reporting period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	17.21	3.22	3.22
Net profit attributable to ordinary shareholders of the Company after extraordinary gains and losses	17.31	3.24	3.24

3. Differences in accounting data under domestic and foreign accounting standards

☐ Applicable ☒ Not applicable

4. Others☐ Applicable ☒ Not Applicable

Chairman: Xu Shugen

Board of Directors Approval Date: 16 April 2025