



**Kunshan Dongwei Technology Co., Ltd.**  
**ANNUAL REPORT 2025**

## **Important Note:**

**I、 The board of directors, directors and senior managers of the Company guarantee the authenticity, accuracy and completeness of the contents of this annual report, and that there are no false records, misleading statements, or major omissions, and bear individual and joint legal liability.**

**II、 The company has no profit while listing and not realized profit yet**

Yes No

**III、 Significant risk tips**

The Company has elaborated in detail in this report on the various risks that the Company may face during the business process and the corresponding measures. Please refer to "IV. Risk Factors" in "Section 3 Management Discussion and Analysis" of this report.

**IV、 All directors of the Company attended the board meeting.**

**V、 ShineWing Certified Public Accountants issued a standard unqualified audit report for the Company.**

**VI、 Liu Jianbo serving as the person in charge of the Company, Zhang Zuqing serving as the chief accountant officer, and Wu Jianzhong serving as the person in charge of accounts (accountant in charge) make the statement that the authenticity, accuracy, and completeness of the financial report in the annual report shall be guaranteed.**

**VII、 The profit distribution plan or the plan for the conversion of capital reserve into share capital for the reporting period approved by the board of directors**

The Company intends to distribute profits and increase share capital based on the total share capital registered on the equity registration date less the shares in the Company's special securities account for repurchase. As of the disclosure date of this Report, the total share capital of the Company is 298,401,360 shares, of which the total number of shares in the special securities account for repurchase is 400,800 shares, with 298,000,560 shares as the base for cash dividend. The Company intends to distribute a cash dividend of RMB 2.00 (including tax) for every 10 shares to all shareholders, based on which, the total amount of cash dividend to be distributed is RMB 59,600,112.00. The proportion of the profit distribution amount to the net profit attributable to shareholders of the listed company in the Company's consolidated financial statements 2025 is 49.28%.

Where there is a change in the base of the Company's total share capital less the shares in the Company's special account for repurchase between the disclosure date of this announcement and the implementation date of equity distribution and equity registration, the Company intends to maintain the same distribution amount per share and adjust the total distribution amount accordingly. The specific

adjustment will be further announced. This matter still needs to be submitted to the shareholders general assembly of the company for consideration.

**The parent company has unremedied losses**

Applicable Not applicable"

**VIII、 Are there any important matters such as special arrangements for corporate governance**

Applicable Not applicable"

**IX、 Risk statement for forward-looking statements**

Applicable"Not applicable"

The future plans, development strategies and other forward-looking statements of the Company covered in this report do not constitute a substantial commitment of the company to investors. The investors shall be advised to pay attention to the investment risks.

**X、 Whether there is any non-operating capital occupation by the controlled shareholder and its related parties?**

No

**XI、 Whether is there any external guarantee provided in violation of the prescribed decision-making procedures?**

No

**XII、 Whether there are more than half of the directors who cannot guarantee the authenticity, accuracy and completeness of the annual report disclosed by the Company?**

No

**XIII、 Others**

Applicable"Not applicable"

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Catalogue of reference documents	The financial statements signed and sealed by the legal person in charge of the company, the person in charge of accounting work, and the person in charge of the accounting department (accounting officer).
	The original of the audit report containing the seal of the accounting firm and signed and sealed by the certified public accountant.
	The original copy of the Company's 2025 annual report signed by the Company's responsible person
	The original copies of all company documents and announcements publicly disclosed on the website designated by China Securities Regulatory Commission during the reporting period.

## Section I Definitions

### I、Definitions

The following words herein shall have the following meanings unless the context otherwise requires:

Interpretations of common words		
the Company, Dongwei Technology, Kunshan Dongwei	Means	Kunshan Dongwei Technology Co., Ltd.
Fangfang Yuanyuan	Means	Kunshan Fangfang Yuanyuan Enterprise Management Center (Limited partnership), a shareholder of the Company
Jiayue Jiayue	Means	Kunshan Jiayue Jiayue Enterprise Management Center (Limited partnership), a shareholder of the Company
Suzhou International Development	Means	Suzhou International Development Equity Investment Fund Management Co., Ltd. - Suzhou International Development Xinxing Phase II Venture Capital Partnership (Limited partnership), a shareholder of the Company
Ningbo Yuxi	Means	Kunshan Lingfenmu Investment Enterprise (Limited partnership) - Ningbo Yuxi Investment Management Partnership (Limited partnership), a shareholder of the Company
Kunshan Yuqiaohe	Means	Kunshan Yuqiaohe Investment Management Co., Ltd. - Kunshan Yuqiaohe Yongji Venture Capital Partnership (Limited partnership), a shareholder of the Company
Guangde Dongwei	Means	Guangde Dongwei Technology Co., Ltd., a wholly-owned subsidiary
Dongguan Dongwei	Means	Dongguan Dongwei Technology Co., Ltd., a wholly-owned subsidiary
Changshu Dongwei	Means	Changshu Dongwei Technology Co., Ltd., a wholly-owned subsidiary
Shenzhen Dongwei	Means	Shenzhen Kunshan Dongwei Technology Co., Ltd., a wholly-owned subsidiary
Thailand Dongwei	Means	Dongwei Technology (Thailand) Co., Ltd. (20% shares held by Kunshan Dongwei and 80% by Guangde Dongwei)
Electroplating	Means	The process of applying a layer of metal on the surface of a conductive body using the principle of electrolysis.
VCP	Means	In the full name of “Vertical Continuous Plating”, the vertical continuous plating equipment is used for copper plating on PCB, and the electroplating production line adopting the vertical continuous electroplating technology.
PCB	Means	In the full name of “Printed Circuit Board”, the printed circuit board is not only the support of the electronic components, but also the carrier of electrical connection of electronic components.
Rigid board	Means	The printed circuit board made of rigid substrate.
MSAP	Means	Modified semi-additive process
Flexible board	Means	The printed circuit board made of flexible substrates.
Rigid-flexible board	Means	The printed circuit board made of both rigid and flexible substrates.
High-frequency board	Means	The printed circuit board made of special high-frequency materials (e.g. polytetrafluoroethylene, etc.).
HDI	Means	High Density Interconnector is a kind of circuit board with relatively high line distribution density and using micro-blind buried via technology.

Packaging substrate	Means	IC packaging substrate is a key carrier to provide electrical connection between the chip and the printed circuit board, and can play the role of protection, support and heat dissipation.
Special substrate board	Means	The printed circuit board made of special substrates.
Electroplating uniformity	Means	The uniformity of plating distribution is the key indicator to measure the electroplating effect. The smaller the difference between the thickest and thinnest value of electroplating layer is, the better the electroplating effect is.
Throwing power (TP)	Means	In the full name of “Throwing Power”, it is the deep hole plating capacity, i.e. the ratio of the average copper thickness in the hole and the average copper thickness on the surface of the printed circuit board; the higher the value is, the closer the thickness of the plating layer in the hole and the thickness of the copper plating layer on the surface is, the better the electroplating effect is
Sheet-by-sheet	Means	Sheet-by-sheet is a production method by which the flexible boards are fed by sheets, subject to surface processing and treatment, and then discharged.
Reel-to-reel	Means	Reel-to-reel is a production method by which the flexible boards are rolled out from the cylindrical material coil, subject to surface processing and treatment, and then rolled into a cylinder.
Prismark	Means	American Prismark Partners LLC, an authoritative advisory and market investigation institution in the printed circuit board industry.
PP	Means	Polypropylene
PVC	Means	Polyvinyl chloride
PET	Means	Polyethylene terephthalate
Aspect ratio	Means	The ratio of the board thickness to the hole diameter in the printed circuit board, also known as the thickness to diameter ratio; the higher the value is, the more difficult it is to plate copper in the hole by electroplating.
Etching	Means	The technique used to remove materials by chemical reaction or physical impact.
Electrolytic etching	Means	The technique used to remove metal by electrolysis on the basis of the principle of anodic dissolution of metal in a liquid with tap water or salt water as the main etching subject
Chemical etching	Means	The technique used to remove the protective film in the area to be etched with the exposure plating after development, and to remove the metal by chemical dissolution and corrosion action of the chemical solution contacted during the process of etching.
GDR	Means	Global Depositary Receipts
SIP	Means	System-in-Package

## Section II Profile of Company and Main Financial Indicators

### I、 Basic information of the Company

Name of company in Chinese	Kunshan Dongwei Technology Co., Ltd.
Abbreviation of company in Chinese	Dongwei Technology
Name of company in English	Kunshan Dongwei Technology Co., Ltd.
Abbreviation of the name of company in foreign language	Not applicable
Company Legal representative	Liu Jianbo
Registered address	No. 505, Dongding Road, Bacheng Town, Kunshan City
Historical change of company registered address	East of Dongding Road, Bacheng Town, Kunshan City is changed to No. 505, Dongding Road, Bacheng Town, Kunshan City
Business address	No. 505, Dongding Road, Bacheng Town, Kunshan City
Zip code of company's office address	215300
Company website	www.ksdwgroup.com
Email	DW10798@ksdwgroup.com

### II、 Contact person and contact information

	Secretary of the Board of Directors
Name	Xu Peipei
Address	No. 505, Dongding Road, Bacheng Town, Kunshan City
Tel.	0512-57710500
Fax	0512-57710500
Email	DW10798@ksdwgroup.com

### III、 Information disclosure and preparation place

The name and website of the media where the company discloses the annual report	Shanghai Securities News, Securities Times
URL of the stock exchange where the company discloses its annual report	http://www.sse.com.cn
Preparation place of the company's annual report	No. 505, Dongding Road, Bacheng Town, Kunshan City

### IV、 Overview of the Company's shares/depository receipts

#### (I) Corporate stock profile

√Applicable "□Not applicable"

Corporate stock profile				
Class of Stock	Stock exchange and board on which the stock is listed	Abbreviation of stock	Code of stock	Stock abbreviation before change
RMB ordinary shares (Share A)	Sci-Tech Innovation Board of Shanghai Stock Exchange	Dongwei Technology	688700	Not applicable

#### (II) Overview of the Company's depository receipts

√Applicable "□Not applicable"

Overview of the Company's depository receipts					
Types of securities	Conversion ratio between	Exchange and sector where	Abbreviation of Depository	Depository Receipt	Abbreviation of Depository

	depository receipts and underlying stocks	depository receipts are listed	Receipt	Code	Receipt before Change
GDR	1:2	SIX Swiss Exchange	Not applicable	KUDO	Not applicable

Depository Institution	Name	Citibank
	Office address	388 GREENWICH STREET, NEW YORK, NEW YORK 10013, UNITED STATES OF AMERICA
	Operator:	Keith Galfo
Trusting body	Name	Bank of China Limited
	Office address	No. 1, Fuxingmen Inner Street, Beijing
	Operator:	Wang Peng

#### V、 Other relevant information

Certified public accountant firm engaged by the company (domestic)	Name	ShineWing Certified Public Accountants (Special General Partnership)
	Office address	8/F, Block A, Fu Hua Mansion, No. 9, Chaoyangmen Beidajie, Dongcheng District, Beijing
	Name of signatory accountant	Tang Qimei and Zhao Zeru

#### VI、 Major accounting data and financial indexes in the past three years

##### (I) Major accounting data

Major accounting data	Unit: yuan Currency: RMB			
	2025	2024	Period-Over-Period Increase / Decrease (%)	2023
Operating income	1,098,386,778.65	749,997,504.95	46.45	909,229,904.80
Total profit	139,472,316.05	73,589,139.78	89.53	169,064,631.97
Net profit attributable to the shareholders of the listed company	120,936,915.08	69,272,891.54	74.58	151,427,452.93
Net profit deducting the extraordinary profit and loss and attributable to the shareholders of the listed company	116,145,505.87	61,459,437.44	88.98	135,333,036.66
Net cash flow from operating activities	244,942,792.92	93,544,068.52	161.85	-79,604,788.25
	At the end of 2025	At the end of 2024	Period-Over-Period Final Increase / Decrease (%)	At the end of 2023
Net assets	1,832,103,287.36	1,733,625,561.91	5.68	1,736,315,757.41

attributable to shareholders of listed companies				
Total assets	3,424,094,039.28	2,717,987,693.16	25.98	2,481,922,259.48

## (II) Main financial indexes

Main financial indexes	2025	2024	Period-Over-Period Increase / Decrease (%)	2023
Basic earnings per share (RMB / share)	0.41	0.23	78.26	0.52
Diluted earnings per share (RMB /share)	0.41	0.23	78.26	0.52
Basic earnings per share, net of non-recurring gains and losses (RMB /share)	0.39	0.21	85.71	0.47
Weighted average return on equity (%)	6.79	4.02	Increased by 2.77%	11.42
Weighted average return on equity (%), net of non-recurring gains and losses	6.52	3.56	Increased by 2.96%	10.20
Ratio of investment in research and development to operating income (%)	9.11	11.02	Decreased by 1.91%	8.81

Notes to the major accounting data and financial indexes of the Company in the past 3 years as at the end of the reporting period

√Applicable"□Not applicable"

1. Operating revenue increased by 46.45% YoY, mainly due to continued growth in orders for electroplating equipment in the PCB sector, leading to a steady improvement in the company's overall performance and a significant increase in revenue compared to the previous year.

2. The total profit increased by 89.53% YoY, mainly due to the significant increase in revenue.

3. The net profit attributable to shareholders of the listed company increases by 74.58% YOY, and net profit attributable to shareholders of the listed company after deducting the non-recurring gains and losses increases by 88.98% YoY, mainly due to the significant increase in net profit attributable to shareholders of the parent company and net profit after deducting non-recurring gains and losses resulting from the increase in revenue.

4. Net cash flow from operating activities increased by 161.85% YoY, mainly due to increased receipts of payments resulting from an increase in orders.

5. Basic/diluted earnings per share increased by 78.26% YoY, and the basic earnings per share after deducting non-recurring gains and losses increased by 85.71% YoY, mainly due to the significant increase in basic/diluted earnings per share and basic earnings per share excluding non-recurring gains and losses resulting from the profit growth during the reporting period.

## VII、 Differences in accounting data under domestic and overseas accounting standards

(I) The differences in the net profits and the net assets attributable to shareholders of listed companies in the financial report disclosed in accordance with the International Accounting Standards and the Chinese Accounting Standards

□Applicable"√Not applicable"

**(II) The differences in the net profits and the net assets attributable to the shareholders of listed companies in the financial report disclosed in accordance with the Overseas Accounting Standards and the Chinese Accounting Standards**

Applicable"Not applicable"

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

Applicable"Not applicable"

**VIII、 Main financial data by quarter of 2025**

Unit: yuan Currency: RMB

Item	Q1 (January - March)	Q2 (April-June)	Q3 (July-September)	Q4 (October-December)
Operating income	211,449,002.62	231,927,756.43	313,566,117.79	341,443,901.81
Net profit attributable to the shareholders of the listed company	17,005,837.93	25,497,233.95	42,864,193.98	35,569,649.22
Net profit deducting the extraordinary profit and loss and attributable to the shareholders of the listed company	16,352,129.54	24,593,998.74	40,607,079.55	34,592,298.04
Net cash flow from operating activities	707,371.90	29,681,783.28	48,091,731.25	166,461,906.49

Differences between quarterly data and disclosed periodic report data

Applicable "Not applicable"

**IX、 Items and amounts of non-recurring gains and losses**

Applicable"Not applicable"

Unit: yuan Currency: RMB

Items of non-recurring gains and losses	Amount in 2025	Note (if applicable)	Amount in 2024	Amount in 2023
Gains and losses from disposal of non-current assets include the written-off part of provision for asset impairment	109,129.32	Section VIII - VII - 73, 75	64,250.87	-48,181.76
The governmental subsidy included into current profit and loss, except for the governmental subsidy which is closely related to the Company's normal business operations, complies with regulations of national policies, is owned according to established standards and exerts sustainable influence on the Company's profit and loss	4,931,846.17	Section VIII - VII - 67	5,162,425.86	7,528,262.22
Changes in fair value recognized in profit and loss generated by financial assets and financial liability owned by non-financial enterprises and the profit and loss generated by disposing financial assets and financial liability, except for the	1,912,877.46	Section VIII - VII - 68, 70	3,648,342.80	6,096,294.05

effective hedging business related with Company's normal business operations				
Fund possession cost which are collected from non-financial enterprises and which are recorded into current profit and loss				
Profit or loss from commissioned investment or asset management				
Profit and loss from commissioned loans				
Various assets loss generated by force majeure factors, such as natural disaster				
Reversal of impairment provision of accounts receivable for independent impairment test		Section VIII - VII - 5	460,320.00	147,000.00
Gains generated when the company's acquisition costs of subsidiaries, associates and joint ventures are less than the fair value of identifiable net asset of investee to be enjoyed at the time of investment				
Net current profit or loss of the subsidiary formed under the merger of enterprises under the same control from the beginning date to consolidated date				
Losses and gains from exchange of non-monetary assets				
Losses and gains from debt restructuring				
Non-recurring expenses generated by the non-continuation of the Company's related business activities, such as expenses for employment settlement				
Non-recurring influence generated by adjusting laws and rules of taxation, accounting, etc.				
Share payment expenses recognized by cancelling or modifying share incentive plans in one time				
The profit and loss generated by the change of fair value of employee pay payable after the vesting date (for the share payment in cash settlement)				
Profit and loss from changes in fair value of investment property using the fair value model for subsequent measurement				
Income generated by transactions where the trading price is obviously unfair				
Gains and losses generated by contingencies unrelated to normal business operations of the Company				
Custodian fee income from entrusted operations				
Other non-operating income and expenses, except the aforesaid items	-1,573,176.00	Section VIII - VII - 74, 75	-175,075.83	-388,137.59
Other profit and loss items in line with the definition of non-recurring gains and losses	302,720.17	Section VIII - VII - 67	32,750.00	5,597,759.47

Less: Income tax impacted amount	891,987.91		1,379,559.60	2,838,580.12
Impacted amount of minority interests (after-tax)				
Total	4,791,409.21		7,813,454.10	16,094,416.27

Where the Company identifies the items not listed in the Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1—Non-Recurring Profits and Losses as non-recurring profit and loss and the amount is significant, and defines the non-recurring profit and loss listed in the Explanatory Announcement on Information Disclosure of Companies Publicly Offering Securities No. 1 - Non-recurring Profit and loss as recurring profit and loss, the reasons shall be explained.

Applicable Not applicable"

#### X、 Companies with equity incentive and employee stock ownership plan may disclose their net profit after deducting the impact of share-based payment

Applicable Not applicable"

Major accounting data	Unit: yuan Currency: RMB			
	2025	2024	Period-Over-Period Increase / Decrease (%)	2023
Net profit after deducting the impact of share-based payment	127,367,356.39	69,272,891.54	83.86	151,427,452.93

#### XI、 Financial indicators of accounting standards for non-business enterprises

Applicable Not applicable"

#### XII、 Items measured at fair value

Applicable Not applicable"

Item name	Unit: yuan Currency: RMB			
	Opening balance	Closing balance	Current changes	Amount of impact on current profit
Held-for-trading financial assets	96,966,416.67	123,203,367.67	26,236,951.00	1,365,860.79
Receivables financing	8,775,864.78	15,859,847.15	7,083,982.37	
Other debt investment	501,814,597.22	31,180,833.33	-470,633,763.89	14,537,653.06
Non-current assets due within one year		485,172,066.95	485,172,066.95	
Total	607,556,878.67	655,416,115.10	47,859,236.43	15,903,513.85

#### XIII、 Explanation of information postpone and exemption due to national secrets, business secrets, etc.

Applicable Not applicable"

In accordance with the "Measures for the Administration of Information Disclosure by Listed Companies" and other relevant laws, regulations, normative documents, as well as the company's "Information Disclosure Management Measures," the names of the company's top five customers, top five suppliers, and the specific names of certain debtors constitute the company's trade secrets. The company has followed the applicable exemption procedures for disclosure. Such information will be disclosed after being declassified through methods such as pseudonyms.

## Section III Discussion and analysis of the management

### I、Principal business, business model and industry of the Company during the reporting period

#### (I) Main business, main products or services




##### 1. Main business

Since its inception in 2005, the Company has been sticking to independent R&D and innovation of high-end electroplate equipment and peripherals, laid special emphasis on technological innovation, and made R&D input constantly. It has become a leading electroplate equipment manufacturer in the industry. The Company has been focusing on and keeps making innovation in electroplate equipment field, thus contributing to its high occupancy in domestic market, high customer recognition and strong market competence. Its vertical continuous plating machine (VCP) equipment is widely used in fields such as high efficient computers, servers, big data centers, high-end communication equipment and cloud storage. The downstream customers of the product have covered a majority of domestic first-class PCB manufacturers.



The Company has developed electroplating technology for 20 years, takes the lead in the industry to achieve standardized design, process-based production, and large-scale industry, and provides PCB manufacturers with the electroplating equipment product with more stable performance, more advanced technology, easier operation, and lower cost. In recent years, the Company has focused on AI computing power scenarios and deeply partnered with leading customers in the industry. At the same time, by virtue of the profound technology accumulation and the leading market position in the field of PCB electroplating equipment, the Company has expanded its business to the fields of general metal electroplating and new energy, and achieved a number of initiatives in China and in the industry.

##### 2. Main products


#### (1) The field of PCB electroplating

Main products	Schematic Diagram	Application field	Market position/core advantage
Rigid-board vertical continuous electroplating equipment (VCP-B series, pulse and DC)		The equipment is mainly used for consumer electronics, communication equipment, 5G base station, server/cloud storage, and aerospace	Leading in China
Flexible board sheet-to-sheet vertical continuous electroplating equipment (VCP-K series, pulse and DC)		The equipment is mainly used in the field of flexible board PCB electroplating to achieve automatic feeding and discharging production of the sheet-type flexible board. Wearable devices, smart home appliances, and communication equipment	Leading in China
Flexible board reel-to-reel vertical continuous electroplating equipment (VCP-R series, pulse and DC)		The equipment is mainly used in the field of flexible board PCB electroplating to achieve continuous electroplating production of the roll-type flexible board. Wearable devices, smart	Leading in China

		home appliances, and communication equipment	
Lifting transfer VCP		Mainly suitable for high-level HDI products and MSAP electroplating processing, the products are used for manufacturing PCBs, carriers, SLP, BT carriers and ABF carriers.	Domestically leading and in mass production
Ceramic VCP		After surface metallization through physical method, ceramic electroplating method could process conductive copper and functional membrane layer using electrochemical technique. It has been extensively used such fields as chip, G3 semiconductor, electronic power, lithium battery and integrated circuit.	Leading in China
Horizontal plating equipment (3-in-1)		The equipment integrating horizontal glue refuse removal, chemical copper plating, and continuous copper plating line, which is mainly used in PCB, HDI, IC carrier board, and suitable for the production equipment of high-density multi-layer boards used in consumer electronics, automotive board, 5G communication equipment, server, cloud storage, and aerospace.	Replace overseas equipment with domestic ones, fill the domestic gap; independent IPRs. It is much superior to the equipment from overseas brand in technical indexes, such as performance, service, cost performance and homogeneity and is already in mass production.



<p>Horizontal vacuum two-fluid DES line</p>		<p>The thick copper thin line precision etching technology, is mainly used in PCB and HDI, and suitable for the production equipment of high-density multi-layer boards used in consumer electronics, automotive board, 5G communication equipment, server, cloud storage, and aerospace.</p>	<p>The thick copper product etched by the horizontal vacuum two-fluid DES line has been successfully verified by end customers and put into mass production, demonstrating industry-leading performance.</p>
<p>Horizontal TGV electroplating line Glass substrate equipment</p>		<p>Horizontal TGV electroplating line can be applied to semiconductor packaging. It uses high-quality borosilicate glass and quartz glass as substrates, and achieves 3D interconnection through seed layer sputtering, electroplating filling and relevant processes and can be used for 2.5D and 3D integrated semiconductor packaging, providing support for high-end SIP and high-computing chip packaging.</p>	<p>It is the first in the industry and can horizontally transport glass-based TGV filling products in batches, with stable filling effects and a significant improvement in production efficiency, with a leading position in the industry.</p>




**(2) The field of general metal plating**

Main products	Schematic Diagram	Application field	Market position/core advantage
<p>Gantry electroplating equipment</p>		<p>The equipment is mainly used in large semiconductor cleaning, aerospace, automotive, 5G communication, 3C products, and other electroplating fields.</p>	<p>The Company has achieved mature development in this field. The Company has been developing the market of this product for nearly 20 years with mature and stable product technology. The Company adopts the clean production method to reduce environmental pollution, and achieve the automated, intelligent, and clean</p>

<p>Continuous metal electroplating equipment</p>		<p>It is a kind of continuous electroplating equipment widely used in electroplating production and processing of fasteners, NdFeb, electrical connectors, stamping parts, and automotive parts. The equipment is widely used in 5G communication, computer, Internet of things, automotive, electric energy, aerospace and other fields.</p>	<p>production and processing</p> <p>It is the first in the world. On the basis of traditional electroplating equipment, the revolutionary transformation and innovation are carried out to achieve outstanding advantages in yield improvement, cost reduction, manpower saving, efficiency improvement, safety, and environmental protection.</p>
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**(3) New energy**

Main products	Schematic Diagram	Application field	Market position/core advantage
<p>Rolling horizontal membrane material electroplating equipment (water electroplating)</p>		<p>The equipment is mainly used in lithium power battery, energy storage battery, consumer batteries and other industries, and is also used for metallization of flexible materials in other industries. It is mostly used for metallization of negative electrode materials at the battery end (i.e. composite copper foil).</p>	<p>The initiative worldwide; the sole enterprise with mass production capacity; the product has been verified by the orders of over 20 customers</p>
<p>Magnetron sputtering rolling plating equipment</p>		<p>The equipment is mainly used in lithium power battery, energy storage battery, consumer batteries and other industries, and is also used for metallization of flexible materials in other industries. It</p>	<p>It is leading in China and positioned as the high-end vacuum electroplating equipment in China.</p>

		is mostly used for metallization of negative electrode materials at the battery end (i.e. composite copper foil).	
Sputtering evaporation winding double-sided coating equipment		The equipment is mainly used in lithium power battery, energy storage battery, consumer batteries, photovoltaic and other industries, and is also used for metallization of flexible materials in other industries. It is mostly used for metallization of positive electrode materials at the battery end (i.e. composite aluminum foil).	It is leading in China and positioned as the high-end vacuum electroplating equipment in China.
Silicon VCP pilot line		PV battery piece metalization manual pilot line is mainly used for replacing silver paste by copper plating such as PV battery silicon chip. It can be used for the technological paths such as BC, HJT, TOPcon.	With manual feeding and blanking process, processing speed of 100 pieces per hour and excellent electroplating effect, it has been used by multiple PV enterprises
Silicon VCP mass production line (PV8000H)		The mass production line of PV battery piece metalization is mainly used for copper plating such as PV battery silicon to replace silver paste. It can also be used for certain technical paths such as BC, HJT, TOPCon.	Full-automatic feeding and blanking, capacity of over 8,000 pieces/hr by exceeding the restrictions of pilot line; advantages such as good homogeneity and low fragment rate.

Newly-added important non-core businesses  
Applicable Not applicable"

## (II) Main business model

### 1. Purchasing model:

#### (1) Supplier management

The Company has established a complete management system for eligible suppliers. The Company has formulated the Appraising Flow for New Suppliers, choose suppliers by considering such factors as product quality, supply ability, service ability and payment terms and by inquiring, comparing and bargaining prices. Based on the Company's Performance Assessment Flow for Suppliers, the Procurement Department dynamically assesses the suppliers at regular interval (per year) in raw material quality, price, delivery punctuality, services, etc., records the assessment results in the Performance Assessment Form for Suppliers, and updates the List of Eligible Suppliers accordingly. The Company shall purchase materials to be developed or used from eligible suppliers; if there is no appropriate supplier, the Assessment Record Chart for Suppliers shall prevail.

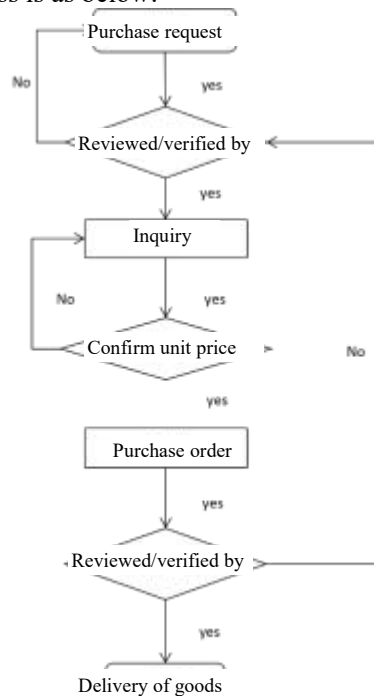
#### (2) Procurement flow

At present, the Company uses the procurement pattern combining procurement based on production needs and reasonable inventory. After checking the inventory for raw materials, the Production Department will fill in the requisition based on the production plan, and the Procurement Department will purchase the raw material required. Moreover, the Company will store some commonly used standard raw materials reasonably on the basis of the previous orders and the reasonable prediction to future orders.

The raw materials procured mainly include hardware, electric equipment, structural parts, troughs, motor-generator set, manipulator, etc. Suppliers for these materials are generally manufacturers, and some electrical products are procured from Class 1 agents or dealers. A majority of standard components among these raw materials are home-made, unless otherwise specified by customers that demand exported ones. We do not simply depend on import of raw materials, so "stranglehold" will not happen.

Raw materials must be procured from the most appropriate supplier included in the List of Eligible Suppliers. After the supplier sends the materials to the factory, the warehouse should make verification of the quantity. For raw and auxiliary materials, the warehouse shall notify AC Department to make acceptance. The Procurement Department should make regular assessment to suppliers on a yearly basis.

The Company's procurement process is as below:



### 2. Production model

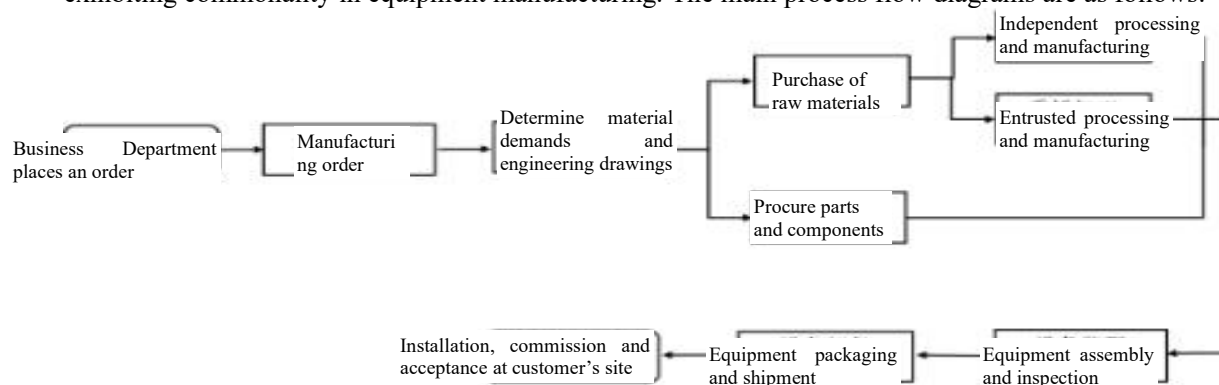
#### (1) Overview of production model

After years' business practice, the Company has gradually established the production model combining make-to-order and moderate pre-production. The Company mainly uses the make-to-order model, that is to say, the formulation of production plan, procurement of raw materials, product manufacturing and installation & debugging, etc. are based on the corresponding contract order. If the customers will place

orders after reasonable prediction, the Company also makes moderate pre-production as appropriate so as to shorten the delivery term. At the same time, the Company has improved production efficiency significantly by modular segmentation technology and cycle-based production technology. The Company acquires the customization materials that are commonly used but not the core part for production mainly through procuring customized parts and sometimes through consigned processing.

The Company has established a complete production management process, which supports the fast and efficient treatment of orders. Meanwhile, all business divisions can make overall arrangements to production schedules and material management, and coordinate with relevant departments such as Production Department, Procurement Department, warehouse, etc., so as to ensure smooth and orderly manufacturing, accelerate equipment delivery speed, and improve equipment quality. The Company's production is not affected by seasons.

The production processes for the products in the Company's three major business sectors are very similar, exhibiting commonality in equipment manufacturing. The main process flow diagrams are as follows:



## (2) Outsourcing

The customization materials that are commonly used but not the core part are outsourced mainly by procurement and consigned processing. The procurement of customization parts means that the Company purchases non-standard parts and components directly from the external sellers, which complete the manufacturing of such products using raw materials they procure alone based on the technical parameters and product drawing provided by the Company. The consigned processing means that the Company entrusts the outsourcing party to manufacture and process non-standard parts and components by using the raw materials and technical parameters provided by the Company after the Company's payment of processing fees, such as laser processing and paint-baking processing.

Currently, the Company's external outsourcing parties are from the industries with strong universality, mature technology, and no obvious technological difficulty, so the Company does not simply depend on the outsourcing parties.

## 3. Quality control

The Company is dedicated to providing customers with superior and reliable products, and it also endeavors to improve customer satisfaction constantly, so as to strengthen the Company's competence and occupy more market shares.

The Company's main quality control procedures include:

(1) Product design The Company has formulated the Process Control Programs Related with Customers, which clarifies and ensures the Company meets customer demands, and guarantees product quality by assessment, verification and confirmation procedures. The Company implements strict standards to ensure that the product design and development meet customers' demands.

(2) Material procurement. The Company has formulated the Procurement and Supply Procedures, according to which, the Company chooses suppliers and checks the materials, components, etc. supplied as per strict standards before warehouse raw materials or they enter the Company's manufacturing process. For example, to procure raw materials, the Company should choose a proper supplier from the List of Eligible Suppliers. While making delivery, the supplier must attach the Delivery Note with the goods and check the goods based on the Incoming Quality Inspection Specification.

(3) Manufacturing The Company has taken quality control measures in all key manufacturing links, and clearly defined the procedures for operation management and control of raw materials and components, process and inspection activities. The Company strictly controls production condition and carries out online and sample tests, so as to ensure only qualified products can enter the next procedure. The Company does not deliver its equipment to customers until it passes field debugging and is verified by

customer. The equipment will be installed and debugged formally upon arrival at the customer's factory. The customer signs the Customer Confirmation Slip after confirming the equipment meets the technical parameter and index stipulated in the Specification,

(4) After-sales service In the warranty period, the Company provides free after-sales services. Before finishing equipment debugging or based on customer's requirement, the Company provides free operation training for the customer's operators for once, and ensures the customer's operators can operate the equipment according to the Equipment Operation Specification. The Company also provides the Equipment Operation Specification for customers' internal operation trainings. If the equipment becomes faulty and cannot work normally within the warranty period and scope of warranty, the Company will respond in time upon receiving the customer's report and solve problems within a reasonable time. After the expiration of warranty period, the Company also provides paid maintenance services for customers. Details of the maintenance shall be specified by both parties by concluding a separate agreement.

(5) Product quality assurance In general, the Company provides 1-year warranty services. The scope of warranty includes the equipment, accompanying accessories as well as the fees for supporting software, packing expenses, freight, transportation premium, fees for installation and debugging, and training fees. In addition, both parties will also specify the quality security deposit, which is 5%-10% of the contract price (the specific ratio is determined based on the specific contract).

#### 4. Sales model

The sales model can be divided into direct selling and distribution based on the nature of customer (end user or not). The Company prioritizes direct selling, which is followed by dealership. In consideration of equipment customization, the Company needs to communicate with end users on their needs in advance. Meanwhile, the Company's business also includes certain dealership business, which however differs from the traditional one. As one of the most traditional and common sales modes, the direct-selling mode can be used for the Company's various equipment fields.

The Company's specific dealership modes are as follows: First, mode designated by end users, i.e. the Company supplies goods and services through the dealers acknowledged by end users; second, tie-in sales mode of electroplate liquid manufacturers (or traders), i.e. the dealer sells electroplate liquid to end users by tie-in sales with the Company's equipment; Third, general equipment trading mode, i.e. the Company actively seeks for cooperation with well-known eligible suppliers (dealers) for end users. The dealership mode is mainly adopted for the sales of the Company's PCB equipment.

The sales model can be divided into sales by exhibitions and face-to-face sales by the ordering way. To be specific, sales by exhibitions means the Company participates in all kinds of exhibitions and industry gatherings frequently, so as to enhance the Company's popularity, promote its new equipment and receive orders from customers. At present, the Company has joined such associations such as China Printed Circuit Association (CPCA), Hong Kong Printed Circuit Association (HKPCA), Taiwan Printed Circuit Association (TPCA), China Surface Engineering Association (CSEA) and China Electronics Materials Industry Association (CEMIA). This mode can apply to the sales of the Company's PCB equipment, hardware surface treatment equipment, and new energy equipment.

As a manufacturer of customization equipment, the Company can directly know customer demands through face-to-face sales, which is of great significance to the Company. This sales mode applies to the Company's equipment of all kinds. In particular, the Company generally signs a cooperation framework agreement with customers cooperating in the long run and with a large order amount, and then transforms it to formal orders in batches according to customers' realities; signs the corresponding sales contract in batches and in stages, and make delivery based on the time specified in these contracts. This mode is more frequently used in the sales of the Company's new energy equipment.

The sales mode can be divided into domestic sales and export by sales regions. Currently, the Company sells its products on domestic market mainly, and export only occupies a certain proportion. Up till now, the Company has sold its equipment not only in China mainland but also many other countries and regions mainly from Europe (Germany, North Macedonia and Lithuania), Southeast Asia (Thailand, India, Vietnam and Malaysia), North America (Mexico), Japan, Korea and Taiwan (China). At present, the Company has exported its equipment of 3 sectors (PCB, hardware surface treatment field and new energy field), among which, the new energy coating equipment was granted the honor of "Splendid Supplier" by the Japanese TDK Group.

### (III) Industry

#### 1、 The industry's development stage, basic features and main technical threshold

As one of the 4 main basic processes (heating, molding, forging and plating) in the manufacturing industry, electroplating makes metal apply to the surface of electroplated parts through current electrolysis, so as to form a metal coating. The core function of electroplating equipment is to provide metal coatings for various products through precise control of electrochemical reactions, in order to meet key requirements for anti-corrosion, conductivity, wear resistance, and decoration, etc. The company's electroplating equipment is primarily used in fields such as PCB manufacturing, general hardware, and new energy electroplating.

##### (1) PCB electroplating equipment industry

Industry development stage: The PCB electroplating equipment industry is currently in a stage of rapid technological iteration and deepening domestic substitution driven by emerging demands such as AI in the high-end market. Driven by emerging demands such as 5G and AI, PCB is evolving to high density. Domestic leading equipment enterprises are accelerating their development in core areas, and the industry has entered a high-quality development stage of deep collaboration with processes. Domestic high-end PCB electroplating equipment enterprises are gradually developing into global leaders.

Industry characteristics: 1) Strong market growth. PCB electroplating equipment is critical in PCB manufacturing. The market is relatively mature, and with the surge in downstream demand from AI and new energy vehicles, the demand for high-end equipment has surged, and the market size is growing rapidly. 2) Accelerating product iteration. In recent years, electronic products are trending toward miniaturization and high performance, driving increasingly stringent demands on PCB precision, reliability, and functionality, which in turn imposes higher requirements on the precision machining of PCB electroplating equipment, directly accelerating rapid upgrading of electroplating equipment and technology.

Main technical threshold: The performance of electroplating equipment in electroplating uniformity, throwing power (TP) and other key indicators directly determines the quality and yield of PCB products. The PCB electroplating equipment industry is a technology-intensive industry, which combines electronic technique, mechanical technique, etc. The characteristics of the PCB electroplating industry are rapid technological development and frequent equipment upgrades. Therefore, the technical barriers in the PCB electroplating equipment industry are high, and enterprises must continuously innovate through R&D to maintain their competitive advantage.

##### (2) General metal electroplating equipment industry

Industry development stage: General hardware electroplating equipment is widely used in aerospace, medical equipment, automotive parts, 3C electronics, building hardware and many other fields. The general hardware electroplating equipment industry is transitioning from an early extensive production model to a new stage of high-quality development.

Industry characteristics: 1) Higher level of electroplating automation and intelligence Most of China's general hardware electroplating equipment was semi-automatic in the past, when a large amount of workers had to work on electroplating, leading to relatively lower production precision and production efficiency. Any slight deviation of parameters or reaction conditions for general hardware electroplating process will adversely influence the consistency of finished products, resulting in a low yield. Therefore, higher level of electroplating automation and intelligence will become a key tendency for the development of China's general hardware electroplating equipment industry.

2) The adoption rate for functional electroplating solutions is higher. Demands for better performance and more functions to hardware from machinery and auto manufacturers pose higher requirements to general hardware electroplating process. Functional electroplating solutions can be finished through more advanced methods, thus improving component electrical conductivity, and abrasive and corrosion resistance. More functional electroplating solutions will be used based on the demands from downstream industries.

3) Improved process control. The precision of general hardware electroplating equipment highly influences hardware performance and consistency. Electroplating process shall be monitored, inspected and controlled at a microscopic level to realize reproducible result for finished products in thickness, hardness and weldability. Therefore stricter control and higher detection precision stand for the development tendency of general hardware electroplating equipment.

Main technical threshold: The hardware electroplating equipment industry has a certain technical threshold. The current industry's technical barrier is no longer about overcoming a single technical

challenge, but has shifted toward systematic integration and comprehensive application capabilities across three dimensions: green, intelligence, and precision. Enterprises need a multidisciplinary R&D team proficient in electrochemistry, mechanical automation, and software engineering.

### (3) New energy electroplating equipment industry

Industry development stage: The Company's new energy electroplating equipment is mainly used for the production of composite current collector materials. The composite current collector electroplating equipment industry is transitioning from the technical verification to large-scale production, with tremendous market potential.

Industry characteristics: 1) The technical route is gradually converging. The technical route of composite copper foil is gradually converging to a "two-step method". The "two-step method" is currently the mainstream solution with the highest maturity, the best yield rate, and the best cost control. The process first uses a magnetron sputtering vacuum equipment to deposit an extremely thin base copper layer onto a PET/PP/PI substrate film, rendering it electrically conductive, then employs an electroplating equipment to thicken the copper layer to about  $1\mu\text{m}$ . 2) Enormous market space. The composite current collector electroplating equipment industry is at a critical stage of transitioning from technology verification to mass production, with accelerating industrial development. In the Outline of the 15th Five-year Plan for National Economic and Social Development of the People's Republic of China, composite current collector is identified for the first time as one of the three core strategic materials in the field of new batteries.

Main technical barriers: material adhesion, coating uniformity, and high-speed production line yield are the three core indicators that are technical challenges for related equipment.

## 2、 Analysis of the Company's Position in the Industry and Its Changes

The Company is engaged in the special equipment manufacturing industry under the category of manufacturing industry (Industry code: C35).

The Company has constantly upgraded and updated the traditional products, explored emerging market actively and made further development on such market in all directions. Thanks to the constant high R&D input and market exploration, the Company has established its core technical system highly developed by itself and profound market customer resource advantages, and finally yielded good business performance and higher growth.

### (1) PCB electroplating equipment industry

The vertical continuous electroplating equipment manufactured by the Company has reached or even exceeded the technical level of similar equipment in the international market in terms of a number of key indicators, and is in a leading position in the industry. Among them, the Company has formed a mature and leading market advantage in rigid plate vertical continuous electroplating equipment; The flexible board sheet-to-sheet vertical continuous electroplating equipment manufactured by the Company can reach the electroplating uniformity of  $10\mu\text{m}\pm 1\mu\text{m}$  when board thickness is  $36\mu\text{m}-100\mu\text{m}$ , and is rated as the "first (set) major equipment and key component in Jiangsu" and the "key new technology and new product promoted and applied in Jiangsu". The flexible board reel-to-reel vertical continuous electroplating equipment manufactured by the Company can reach the electroplating uniformity of  $10\mu\text{m}\pm 0.7\mu\text{m}$  when the board thickness is  $24\mu\text{m}-100\mu\text{m}$ , and is rated as the "first major technical equipment in Anhui". During the reporting period, the "Three-in-one Continuous Electroplating Complete Equipment for AI PCBs" of Guangde subsidiary was recognized as "the First-of-a-Kind Major Technical Equipment of Anhui Province" and is in an international leading position.

The Company keeps up with the pace of industry development and lays out electroplating equipment in the field of fine lines. The Msap transfer VCP equipment produced has been accepted by customers, with a significant increase in orders, and has been put into mass production. The upgrade of chip manufacturing and packaging technology corresponds to the requirements of the first-level packaging for lighter and thinner carrier board and finer line. For a long time, the equipment used for electroplating processing of MSAP carrier board has been monopolized by Japanese enterprises, Korean enterprises and Taiwan enterprises. With its tireless deep cultivation in the field of PCB, the Company has accumulated a wealth of experience and technology in equipment development and manufacturing; therefore, the equipment launched by the Company has more advanced process capability, more stable and reliable performance, and better cost performance.

On the basis of maintaining a leading status in VCP equipment industry, the Company has also endeavored to explore the field of horizontal wet-process equipment. After years of technical

accumulation and coordination of verification with customers, the Company has developed some mature horizontal wet-process equipment, such as horizontal electroplating three-in-one equipment and horizontal vacuum two-fluid DES line. The Company's horizontal three-in-one electroplating equipment has successfully broken the long-term monopoly of foreign equipment manufacturers in the high-end HDI board sector, Orders for 2026 are expected to increase significantly. The horizontal vacuum two-fluid DES line produced by the Dongguan subsidiary has been applied in the field of IC-substrate and has been highly recognized by customers. Zhejiang Chuanghao Semiconductor Co., Ltd. has signed a strategic cooperation agreement with the Company, and both parties will jointly promote technological breakthroughs and industrial upgrading in high-end packaging substrates.

#### (2) General metal electroplating equipment industry

In the field of general metal electroplating industry, environmental protection, energy saving and safety have always been the problems to be solved and optimized. The Company has been committed to assisting customers to achieve energy saving, emission reduction, consumption reduction and clean production, and improve the level of automation, safety, intelligence. The Company will apply the successful experience gained in the field of PCB electroplating to the field of general metal electroplating, and provide more environmentally friendly, energy-saving and safety solutions for general metal electroplating constantly.

The Company has focused on the automation and intelligent upgrading of gantry electroplating equipment constantly. Within the reporting period, the Company maintained a steady quantity of orders and explored the business to industrial control, medical treatment, etc., enlarging the application fields of equipment gradually. In terms of gantry electroplating equipment, the Company's core competitive advantage is to assist the customers to achieve cost reduction and efficiency improvement, safety, and environmental protection during the process of production by apply other industry technologies to traditional surface treatment to continuously extends the application field of equipment.

Through constant innovation and upgrading of products, the Company has developed and manufactured the world's first continuous hardware electroplating line, which has been verified by customers and can be widely applicable in hardware surface treatment of various industries and fields. Furthermore, the Company has achieved multiple breakthroughs through the product. Compared with the traditional hardware electroplating line, the Company's continuous hardware electroplating line has yielded breakthroughs in many aspects: First, breakthrough in environmental protection. Eradicate the traditional "dirty, disorderly and bad" production scenario, reduce exhaust gas significantly, realize automatic loading and unloading as well as safe, energy-saving, eco-friendly, high-standard and intelligent production. It can meet the criteria for "Dark Factory. Secondly, breakthrough in continuous production Patent-grade conveying technology can be matched with open drum to realize high production efficiency or with rack plating products to realize rack plating production. Full visualization and continuous production can help ensure the consistency of electroplating products. Thirdly, breakthrough in application scenarios. On the basis of the application scenarios that traditional automotive parts apply, the product can also be applied to some sophisticated fields such as aerospace, military, etc. and realize electroplating which is high in both efficiency and quality. The rack plating line can be used for surface treatment of NEV radiators, electronic components, semiconductors, etc. Fourthly, breakthrough in high-end new materials. They can be used for the surface treatment of G3 rare earth permanent magnet NdFeB, with broad market prospect. It is applicable to such fields as new energy vehicles (NEVs), wind power generation, medical equipment, consumer electronics, new transportation, intelligent home etc.

#### (3) New energy electroplating equipment industry

With its profound technology accumulation and leading market position in the field of PCB electroplating equipment, the Company has expanded its business to the field of new energy, forming a first-mover advantage in the field of new energy electroplating.

In the lithium battery equipment end, to date, the company is the only enterprise worldwide to achieve large-scale mass production of composite copper foil front-end and back-end equipment, possessing a significant first-mover advantage and continuously developing and updating its equipment technology. Simultaneously, it is actively expanding into composite aluminum foil equipment, to make a difference in anode and cathode materials and equipment of composite current collectors. The Company's double-sided roll-to-roll horizontal coating equipment is the first of its kind in the world and has complete independent intellectual property rights, can be widely applicable in the metallization of flexible materials in the fields of power batteries, new materials, conductive glass, 3C batteries, flexible circuit boards, energy storage batteries, etc. At present, it is mainly used for manufacturing the composite copper foil of lithium battery cathode materials. The equipment is compatible to PP, PET and

PI, whatever the type of base film. As the very process before coating, the Company's magnetron sputtering equipment can be well matched with the new energy water electroplating equipment to establish an integrated composite copper foil production line. During the reporting period, the double-sided roll-to-roll horizontal coating equipment and magnetron sputtering roll-to-roll coating equipment expanded their application areas to the production of HVLP5 copper foil, PI electronic copper foil, display copper foil, and shielding materials. This marks the market recognition of the Company's equipment in diversified application scenarios.

### **3、 Development of New Technologies, New Industries, New Formats and New Models within the Reporting Period and Future Development Trends**

In 2025, AI has evolved from large-scale pre-training to a new phase characterized by inference applications, commercialization, and global expansion. With the demand for large model training and inference rising rapidly, AI has become a key cornerstone of data center infrastructure. The evolution of large-scale cloud data centers into AI and high-performance computing clusters has prompted major global cloud service providers (CSPs) to significantly increase capital expenditures, accelerating the large-scale deployment of computing infrastructure such as AI servers and high-speed network switches, driving strong structural growth momentum for the PCB industry.

#### **(1) PCB**

##### **1) The development of the PCB industry drives the sustained growth and prosperity of the electroplating equipment industry**

The PCB (printed circuit board) industry is the foundation of the electronic information industry, with a huge market size. According to Prismark's prediction, the total global output value of PCB will approach USD 95.78 billion in 2026, representing a year-on-year increase of 12.5%. This forecast is primarily based on the continued and vigorous promotion of AI-centric data center construction by large-scale technology enterprises. In 2026, the growth in several sub-segments is expected to exceed previous expectations, especially in HLC (18+), where the projected growth rate of output value is currently as high as 62.4%. In the medium and long term, high-speed networks, automotive electronics, and portable smart consumer electronic devices with advanced AI functions are expected to generate incremental demand and will be the most important growth drivers in the PCB market.

##### **2) The improvement of PCB technology requirements stimulates new market potential**

The development of PCB technology is mainly reflected in aspects of miniaturization, high-level, flexibility and intelligence. Miniaturization: It means PCBs should be fitted with more components, a smaller size, higher precision and fine functions along with the miniaturization and diversification of consumer electronics. High-level: It means PCB must be fitted with more layers and more complex structure, as PCB must work at a high frequency and speed, and bear more sophisticated functions with the high-speed and high-frequency development of computers and servers in the era of 5G and AI. Flexibility: It means PCB must be flexible, flectional and reliable enough to adapt to different shapes and spaces with the rise of emerging applications such as wearable devices and flexible displays. Intelligence: It means PCB must be fitted with stronger data processing capabilities, intelligent control capabilities and higher level of integration and intelligence with the development of the Internet of Things (IoT), intelligent vehicles, etc., to achieve interconnection and automated management between devices. The increase in PCB technology requirements also further raises the technical requirements for electroplating equipment. With 20 years of profound technical accumulation and leading market position in the field of PCB electroplating equipment, in 2025, the company's PCB sector equipment output surpassed historical highs once again.

#### **(2) Hardware surface treatment field**

The Company's hardware continuous electroplating provides customers with more eco-friendly, energy-saving and safe solutions. The traditional general hardware electroplating equipment requires a number of manufacturing techniques and consumes a large variety of raw materials. The discharged waste water, waste gas and solid waste contain a number of heavy metal substances and acid gas. To address the pollution in the traditional general hardware electroplating industry, the regulatory authorities continue to strengthen their regulation to manufacturers' environmental protection performance, and take enforcement activities such as requesting the manufacturers that don't comply with environmental standards to shut down business or make rectification within the time specified.

According to the Implementation Plan for Carbon Peak in Industry Sector released by the Ministry of Industry and Information Technology of the People's Republic of China, National Development and Reform Commission and Ministry of Ecology and Environment of the People's Republic of China in July 2022, the manufacturers are required to comprehensively enhance the level of cleaner production, and urge the industries such as electroplating, steel and building materials to implement systematic reform of cleaner production in aspects such as energy conservation, water conservation, material conservation, pollution and carbon reduction, etc.

The Company has been committed to assisting customers to achieve energy saving, emission reduction, cost reduction and efficiency improvement, cleaner production, and improvement of automation, safety, and intelligent production levels. During the reporting period, Sichuan Mianyang Giastar Magnet Materials Co., Ltd. highly praised the professional capabilities, product quality, and service level of its subsidiary Changshu Dongwei, and presented a silk banner in recognition. The Company has applied the successful experience obtained in the field of PCB electroplating to the field of general hardware electroplating, made R&D input constantly, carried out technological innovation, and continuously upgraded equipment to provide more eco-friendly, energy-saving and safe solutions for general hardware electroplating. The Company carried out revolutionary transformation and innovation on the basis of the traditional electroplating equipment, develop and manufacture the first continuous metal electroplating equipment in the world, which have significant advantages in yield improvement, cost reduction, manpower saving, efficiency enhancement, safety, and environmental protection, and coincide with the customer needs and the industrial development trend, showing the obvious technical advantage.

### (3) New energy sector

1) Composite current collectors have been included in China's 15th Five-Year Plan.

In the Outline of the 15th Five-year Plan for National Economic and Social Development of the People's Republic of China, composite current collector is identified for the first time as one of the three core strategic materials in the field of new batteries. China will support the large-scale application of composite current collectors in downstream markets such as power batteries and energy storage systems, and promote industrial implementation.

2) The new national standard for new energy vehicle batteries has been released, promoting the development of composite current collectors

On April 14, 2025, the mandatory national standard "Electric Vehicles Traction Battery Safety Requirements" (GB38031-2025) organized and formulated by the Ministry of Industry and Information Technology was officially released and will be implemented from July 1, 2026. The new national standard has strengthened the safety requirements for battery packs and systems, and put forward safety requirements for thermal diffusion, which enhances enterprises' awareness of the dangers caused by the thermal runaway of battery cells and plays a positive role in reducing thermal runaway accidents of products. The release of the new national standard will bring huge development space to the composite current collector industry.

3) Few or even no use of silver is an inevitable trend in the development of PV industry in the future.

Copper electroplating technology significantly reduces the cost of metallization by replacing silver with copper, and has become the core path for cost reduction and efficiency improvement in the photovoltaic industry due to its advantages such as thin linewidth and high conductivity. Due to resource constraints and cost pressure, the reduction and non-use of silver has become an inevitable trend, promoting the industry from silver paste dependence to diversified technology routes. In the future, with the improvement of equipment and process maturity, copper electroplating technology will accelerate its penetration, facilitating the full realization of grid parity for photovoltaic power generation and playing a key role in the global energy transition. During the report period, the Company's vertical continuous electroplating production line for silicon wafers (based on the heterojunction technology path) was in the stage of small-batch production at the customer's site.

## II、 Discussion and analysis of operation

Since its inception, the Company has been sticking to independent R&D and innovation of high-end electroplate equipment and peripherals, laid special emphasis on technological innovation, and made R&D input constantly. It has become a leading electroplate equipment manufacturer in the industry. The Company has been focusing on and keeps making innovation in electroplate equipment field, thus contributing to its high occupancy in domestic market, high customer recognition and strong market

competence. Its vertical continuous plating machine (VCP) equipment is widely used in fields such as high efficient computers, servers, big data centers, high-end communication equipment and cloud storage. The downstream customers of the product have covered a majority of domestic first-class PCB manufacturers. During the reporting period, the Company continued to develop its core business and is committed to providing customers with high-quality products and services. By significant investment in research and development, the Company enhances its technological innovation capabilities and product quality, while maintaining and consolidating its existing market position and competitive advantage.

(I) Continuously deepening the core business and steadily improving the operating condition

During the reporting period, the total operating revenue of the Company was RMB 1,098,386,778.65, an increase of 46.45% over the same period last year; and the net profit attributable to shareholders of the listed company during the reporting period was RMB 120,936,915.08, an increase of 74.58% compared to the same period last year. Thanks to the investment boom in PCB in Southeast Asia and the new opportunities brought by the rapid development of AI-related big data storage and other fields, the demand for high-end sheet electroplating equipment has increased, and the Company's equipment export volume has increased. During the reporting period, the Company maintained a favorable trend in its order volume. Particularly, the order amount for vertical continuous electroplating equipment reached a new historical high.

(II) Significant achievements in R&D and innovation promote high-quality development

The Company adheres to differentiated technological innovation guided by market demand, continuously and systematically promotes independent research and development, actively invests in the development of multiple new products, and focuses on the industrialization of technological achievements to form large-scale production capacity, further enhancing the Company's competitive advantage. The Company's R&D expenses amounted to RMB 100,065,100 during the reporting period, accounting for 9.11% of the operating income. The Company has 209 research and development personnel, accounting for 12.64% of the total number of employees. The Company has added 63 new patents, including 51 invention patents and 12 utility model patents. The constant R&D input and increase of patent technologies drive the Company to always take the lead in technical field and form long-term development advantages.

(III) Strengthen brand building and continuously innovate equipment

During the report period, the Company demonstrated its technological strength and product advantages and enhanced its brand awareness and influence by participating in domestic and international industry exhibitions, technical seminars, and other activities. The Company's glass substrate-related equipment can be applied in the field of semiconductor packaging, providing support for high-end SIP and high-computing chip packaging; PVD, TGV, and RDL equipment has been successfully delivered to the customer. The Company is currently focusing on technological iteration and is fully committed to developing a new generation of PVD equipment with higher aspect ratios to further meet the stringent process requirements for deep-hole metallization and uniform thin-film coverage. The application of new energy equipment is relatively diversified, and has expanded to the production of HVLP5 copper foil, PI electronic copper foil, display copper foil, and shielding materials. The horizontal three-in-one electroplating equipment has gained high recognition from mainstream PCB customers both domestically and internationally, with orders continuously increasing. The continuous innovation of the Company's equipment provides a new driving force for the Company's sustainable development.

(IV) Deeply cultivate the domestic market and lay out overseas market

During the report period, the Company continued to deepen its strategic partnership with downstream end customers and maintained a leading market position in the domestic vertical continuous electroplating equipment market. During the reporting period, the order amount increased significantly year-on-year, and the competitiveness continued to lead, with a significant leading effect. In order to expand its global market layout and optimize its strategic layout, the company's production bases in Thailand and has currently served dozens of customers in Southeast Asia, including Thailand. The establishment of a subsidiary in Thailand will enhance the Company's overseas sales capacity, intensify the influence and penetration in key overseas area, strengthen the brand's global influence and popularity, constantly reinforce the Company's leading position in the field of global electroplating equipment and brand influence and core competitiveness. Up till now, the Company has sold its equipment not only in China mainland but also many other countries and regions mainly from Europe (Germany, North Macedonia and Lithuania), Southeast Asia (Thailand, India, Vietnam and Malaysia), North America (Mexico), Japan, Korea and Taiwan (China).

## Analysis and Outlook on Changes in in Financial Indicators of Accounting Standards for Non-business Enterprises

Applicable Not applicable"

### III、 Analysis of core competitiveness during the reporting period

#### (I) Analysis of core competitiveness

Applicable Not applicable"

##### 1. Focus on electroplating technology and extend application scenarios

The Company keeps focused and continuous innovation in the electroplating equipment market, has developed into the leading electroplating equipment enterprise in the world, has a wealth of successful experience in a number of application fields, has developed electroplating technology for 20 years, takes the lead in the industry to achieve standardized design, process-based production, and large-scale industry, and provides PCB manufacturers with the electroplating equipment product with more stable performance, more advanced technology, easier operation, and lower cost. The vertical continuous electroplating equipment manufactured by the Company occupies the market share of more than 50% in China; due to high customer recognition and strong market competitiveness, the equipment is widely used in high-efficiency computers, servers, big data centers, high-end communication equipment, cloud storage, and other fields. At the same time, by virtue of the profound technology accumulation and the leading market position in the field of PCB electroplating equipment, the Company has expanded its business to the fields of general metal electroplating and new energy, and achieved a number of initiatives in China and in the industry.

##### 2. Adhere to independent research and development, strengthen the ability to innovate

Since its establishment, the Company has been adhering to the independent research and development and innovation of high-end electroplating equipment and its supporting equipment. So far, the Company has formed a technical system with vertical continuous plating technology as the core, highly independent research and development, strong technical scalability, leading technical level, and mature manufacturing process. Furthermore, the Company has 376 patented technologies, so that it can provide efficient and mature electroplating solutions for the manufacturers of downstream PCB and other new fields. Furthermore, the Company has applied the core technology derivatively to the field of general metal electroplating and new energy electroplating, and developed several pioneering equipment at home and abroad.

##### 3. Achieve large-scale production and improve production efficiency

With advanced production philosophy and production technology, and the advantages in large-scale production and manufacturing, to provide global customers with mature and efficient electroplating solutions. The Company focuses on the improvement and solution of the pain points existing in the electroplating special equipment manufacturing industry including long manufacturing cycle and high maintenance cost. The Company has improved production efficiency significantly by modular segmentation technology and cycle-based production technology. Due to the similarity of the electroplating equipment manufacturing process in different application fields, the above-mentioned technologies can be widely used in the production of various electroplating equipment of the Company. The Company has the advantages in industry-leading large-scale production, which can effectively reduce production and manufacturing costs.

##### 4. Provide high quality service, and guarantee the customer stability

During the reporting period, the Company has an sales and after-sales service team with experienced members, and has the ability to make reliable and timely response to customer demand and guarantee services. The Company is able to make timely response to the customer demand, and arrive at the site within the time limit as agreed for troubleshooting, so as to guarantee the stable production of the customer effectively. With high-quality products and services, the Company has established a good brand image in the industry. The Company has the customers including a great number of well-known enterprises in various fields at home and abroad, serves the frontline enterprises in electroplating and new energy industries at home and abroad, and has the highly competitive customer group and brand image. At the same time, the Company has successfully exported its products to Japan, South Korea, Europe, North America, Southeast Asia, and other countries or regions, and established a good business cooperation system with international first-class enterprises. During the reporting period, the company

was awarded the "Outstanding Supplier" title by Shengyi Electronics, the "Annual Strategic Cooperation Award" by Aoshikang, and a commemorative banner presented by Mianyang Juxing.

#### 5. Stable management team, joint progress and growth

The Company has a mature, stable and professional management team. They have abundant experience in the industry, serve the Company for many years, hold the shares in the Company, share a common fate with the Company, and grow together with the Company. Since the listing of the Company, no core members of the management have resigned from the Company. With profound technical background and abundant experience, the management team leads the Company to develop new market areas, implement new product research and development, establish stable partnership, and achieve leadership in the industry. With a deep understanding of the industry and the Company, the Company's management team develops the growth and development strategy, leads the Company to consolidate its market leadership and first-mover advantage continuously, realize the Company's mission and vision, deepens business integration and expands product application fields, and improves operational efficiency and profitability.

### (II) The events with serious impact on the core competitiveness of the Company during the reporting period, analysis of impact, and countermeasures

Applicable Not applicable"

### (III) Core technology and R&D progress

#### 1 Core technologies and their advancements as well as changes during the reporting period

In terms of technological innovation and R&D, based on R&D, design, and manufacturing of special PCB electroplating equipment, the Company strengthens R&D and application of technical achievements; in terms of technical advancement and maturity of manufacturing process, the Company establishes the core technology system of vertical continuous electroplating, owns a number of patented technologies with a number of core technologies at the advanced level at home and abroad. The Company takes the leading position in the industry in terms of electroplating uniformity, throwing power (TP), and other key indicators. At the same time, the Company strengthens the application of core technologies in other fields, expands application channels, and increases R&D investment in PCB electrolytic etching machine, roll-type horizontal copper plating wire, and vertical continuous wafer electroplating machine, which have become more core technology advantages and new business growth points of the Company.

In terms of the R&D team, the core R&D team of the Company has years of research experience in the fields of machinery, chemical industry, automation, and information technology, explores and innovates the practical technology formed in practice constantly, achieves automation and intelligence gradually, and the performance of the equipment has been recognized and fully affirmed by many users.

In terms of the transformation of technological achievements, the Company extends the application of vertical continuous electroplating technology in the field of PCB to the special equipment for new energy materials, including the research and development and manufacturing of lithium and special photovoltaic equipment, and achieves a number of research and development technology results, and forms independent and initiative technologies and models. The R&D team of the Company continues to carry out substantial technological innovations in new energy plating equipment, photovoltaic equipment, gantry equipment, and high-end IC carrier board equipment, forming a new profit growth point for the Company.

Since the establishment, the Company has always been adhering to independent research and development and innovation of high-end electroplating equipment and its supporting equipment. From the perspective of research and development technology, with the profound technology accumulation in the field of PCB electroplating equipment, the Company achieves good performance in electroplating uniformity, throwing power, and other indicators, and can provide customers with the electroplating solutions with high stability, high yield, high wire speed, energy saving and consumption reduction, and high cost performance; from the perspective of manufacturing technology, with the modular segmentation technology and the cycle-based production technology, it is possible to shorten the manufacturing cycle of the Company's products effectively, and improve the market competitiveness of the Company significantly. All the core technologies of the Company are self-developed without

cooperation with individuals and other organization in research and development, covering multiple links of product manufacturing, and involving the products in the three major business fields of the Company. During the reporting period, the Company has the following key core technologies:

SN	Technical Name	Introduction to technologies	Information about the applied business area		
			PCB electroplating	General metal plating	New energy electroplating
1	Vertical continuous electroplating technology	A PCB board electroplating method independently developed by the Company includes a number of core technologies such as steady-state transmission and uniform current conduction system technology, functional trough side sealing and water-retaining technology, and high-aspect-ratio board electroplating technology, by which the entire electroplating process of PCB in the sealed trough body can be completed with a set of transmission system, so as to improve the stability of the electroplating equipment significantly. It is the key to improve the uniformity and yield of PCB electroplating.	√	√	√
2	Steady-state transmission and uniform current conduction system technology	This technology makes use of the fully closed steel strip wire, new fixture, and take-up and discharging system to reduce the swinging and stretching of plated parts in the process of transmission, so as to achieve the more stable process of transmission and more uniform distribution of current, and improve the electroplating effect significantly.	√	√	√
3	Automated clean production technology	By this technology, the closed production line, the liquid disturbance device, the electroplating solution circulation device or the continuous barrel plating device is used together with the automation technology, so as to reduce the adverse impact of the electroplating process on the environment while improving the safety of production	√	√	√
4	Functional trough side sealing and water-retaining technology	The technology cuts off the liquid connection between the electroplating trough and the front and back treatment section by the unique design of sealing and water-retaining device, avoiding cross-contamination between liquids, so as to maintain the stability of the electroplating solution concentration, extend the service life of the electroplating solution, improve the electroplating quality, and reduce the cost of production	√	√	√
5	High-aspect-ratio board electroplating technology	By this technology, the electroplating solution spray system is upgraded, the nozzle distribution, nozzle flow rate, and the distance from the nozzle to the electroplated board surface, the distance between the cathode and the anode is reduced, and the uniformity and the throwing power of the electroplating in the hole are effectively improved in combination with the pulse current	√	√	
6	Operating system design and integration technology	The equipment operation and management system developed independently by the Company can be operated easily and connected with the enterprise information management system, and can be used for	√	√	√

		real-time feedback and analysis of the production data			
7	Anode box core bubble removal device technology	This is an anode box component, anode component, and horizontal plating production line developed independently by the Company, overcoming the defect in the original technology that the bubbles generated by the insoluble anode are prone to adhere to the membrane surface to be plated and uneasy to remove	√		√
8	New fixture technology/Double-sided magnetic electroplating clip technology (The springs are available in the market)	By this technology, a fixture and a double-sided clamp conveying device are generated, overcoming the defects in the original technology that the fixture cannot be applied to the steel belt in the horizontal electroplating line to clamp the parts to be plated and the double-sided steel belt cannot keep synchronous operation for a long time	√		√
9	Anode partitioned and segmented independent power supply technology	The Company divides into multiple sheets of anode along the width direction of the board, each small sheet of anode supplies current separately; adjust the current of each sheet of anode independently according to the test result, and adjust the thickness of the plating layer on the membrane surface, so as to guarantee the electroplating uniformity of the plating on the membrane, and solve the defect of inconsistent magnitude of current in various areas of the single sheet of anode along the width direction of the membrane	√		√

## State Science and Technology Awards

□Applicable "√Not applicable"

Identification as a national SRDI “little giant” enterprise, and “single champion” in manufacturing industry

√Applicable "□Not applicable"

Subject of identification	Title of identification	Year of identification	Product name
Guangde Dongwei Technology Co., Ltd.	National SRDI “little giant” enterprise	2025	Continuous vertical electroplating line

**2 Research and development results achieved during the reporting period**

As of December 31, 2025, the company has 376 patents, including 108 inventive patents, 268 utility model patents and 49 computer software copyrights. From January to December 2025, the Company applied for 25 new patents (including 18 patents for invention). 63 new patents were obtained in this period, including 51 invention patents and 12 utility model patents.

List of intellectual property rights acquired during the reporting period

	New increase in current year		Accumulated quantity	
	Number of applications for patent	Number of patents granted)	Number of applications for patent	Number of patents granted)
Patent for invention	18	51	202	108
Utility Model Patent	7	12	342	268
Industrial design	0	0	3	0

patent				
Software copyright	4	4	49	49
Others	0	0	23	21
Total	29	67	619	446

Note: The “number of patents obtained” in the cumulative number excludes the patents which are invalid within the reporting period.

### 3 R&D Investment Schedule

Unit: yuan Currency: RMB

Item	Current year	Previous year	Amplitude of variation (%)
Expensed R&D investment	100,065,080.52	82,641,175.18	21.08
Capitalized R&D investment			
Total R&D investment	100,065,080.52	82,641,175.18	21.08
Ratio of total investment in research and development to operating income (%)	9.11	11.02	Decreased by 1.91%
Proportion of R&D investment capitalization (%)			

#### Reasons for significant changes in total R&D investment as compared to the previous year

Applicable Not applicable

The main reason is to develop new products, expand market space, Rising R&D material consumption , introduce high-end R&D talent, and continuously increase investment in research and development.

#### Explanation on the reasons for the significant change in the proportion of R&D investment capitalization and its rationality

Applicable Not applicable

**4 Current research projects**

√Applicable "□Not applicable"

Unit: RMB

SN	Item name	Estimated total investment scale	Amount of investment within this period	Accumulative amount of investment	Progress or phased outcomes	Objectives to be achieved	Technical level	Specific application prospect
1	Research and development of horizontal continuous copper plating line (sheet-to-sheet pulse rectifier equipment)	21,000,000.00	1,382,579.70	20,127,218.45	Closure	Stable transmission, electroplating uniformity, with electroplating quality satisfactory to the customer, fill in the blank in China, and break the monopoly of foreign enterprises.	Leading in the industry	Widely used in PCB production.
2	Development of horizontal continuous tin plating line	11,500,000.00	1,257,295.16	10,885,946.68	Closure	The Company has developed the horizontal continuous tin plating equipment which can replace the chemical tin plating, and the processing time of functional trough is reduced by more than 50%	Leading in the industry	Widely used in PCB production.
3	Research and development of roll-type vertical continuous developing copper wire	26,000,000.00	5,665,715.30	24,999,994.67	Under development	Solve the problem of high resolution and fast response of the touch screen and the high defect rate in the production of new process materials, replace the equipment imported from	It is first in China and leading in the world	3C, on-board touch screen

						Europe and Japan		
4	Research and development of a new environment-friendly single-sided board production process	25,000,000.00	619,671.98	3,250,058.00	Under development	The process flow is shortened, and the copper can be recycled directly on the line, so as to reduce the amount of solution and cleaning water to a great extent, improve the working environment in the workshop greatly, and explore a feasible and new way for green development of PCB production.	Leading at home and abroad	Widely used for manufacturing of circuit board in the field of PCB
5	Research and development of the vertical continuous electroplating equipment with the capacity of 8000 wafers/hour	10,000,000.00	1,428,797.48	5,638,296.71	Under acceptance	Production capacity of 8000 wafers/hour, fragmentation rate <1‰, energy saving and environmental protection, automatic photovoltaic electroplating equipment.	Pioneering	Photovoltaic cells with copper instead of silver.
6	Research and development of automatic precision feeding and discharging machine for photovoltaic silicon wafer electroplating	7,000,000.00	1,009,954.97	3,565,366.37	Under acceptance	Feeding accuracy $\leq \pm 0.1\text{mm}$ ; energy saving and environmental protection, automatic feeding and discharging equipment.	Pioneering	Photovoltaic cells with copper instead of silver.
7	Research and	5,000,000.00	1,011,442.42	3,917,204.63	Under	High precision, high	Pioneering	Photovoltaic cells

	development of special rack for photovoltaic silicon wafer electroplating				acceptance	stability, pinch accuracy $\leq \pm 0.1\text{mm}$ .		with copper instead of silver.
8	Research and development of double-sided transmission non-contact copper plating equipment	15,000,000.00	4,465,826.51	14,308,810.01	Closure	$3 \pm 0.15\mu$ , current density 8ASD	It is first in China and leading in the world	3C, onboard touch screen, photoelectric COF material, and lithium battery composite copper foil
9	R&D of Double-sided Aluminizing Equipment for Composite Aluminum Foil Magnetron Evaporation	17,000,000.00	548,832.37	9,690,014.52	Closure	The technical indicators have reached the expected values, with a single double-sided coating of $>1\mu\text{m}$ and a single coating length of $\sim 8,000\text{m}$ .	The highest level in the industry	Many fields such as lithium battery cathode composite aluminum foil
10	R&D of Electroplating Equipment for PV BC Panel	20,000,000.00	867,392.36	8,058,336.50	Closure	The Company has developed set of automatic electroplating equipment with high precision and high stability, which can be used for realizing large production of silicon wafer VCP equipment.	Industry pioneer	Photovoltaic cells with copper instead of silver
11	R&D of Adjustable Suspension Transmission System	10,500,000.00	717,695.42	6,639,657.58	Closure	Reduce the existing weight by 80%	First in China	Vertical line continuous electrocoppering is applied for contact friction transmission.

12	Research and development of large-width double-sided gear drive roll type horizontal non-contact coating line	18,000,000.00	6,397,744.38	11,934,893.92	In-plant test completed	Realize 1720mm wide-width ultra-thin PET or PP or PI film roll-type horizontal copper plating	First in China	The production capacity is increased by 50%, thereby reducing the overall cost of composite copper foil
13	Research and development of IC substrate composite deposition equipment	6,050,000.00	377,891.34	1,042,824.75	Closure	It has reached the first-class domestic level, with technical indicators meeting the expected values. The single double-sided coating is over 200nm, and both the film quality and aspect ratio have reached the design values.	The highest level in the industry	High-end IC packaging substrates, semiconductor industry
14	Research and development of horizontal TGV electroplating machine	15,000,000.00	5,712,181.66	7,011,167.50	Under development	Promote the development of the Company's horizontal electroplating towards the high-end glass substrate industry, thereby increasing the Company's profits and enhancing its competitiveness.	Leading in the industry	Widely used in PCB production.
15	Research and development of the vertical continuous electroplating	5,000,000.00	2,169,934.76	2,462,436.12	Under development	RDL electroplating, 8um/8um/5um circuit, uniformity $\geq$ 96%	Pioneering	Chip glass substrate

	equipment for glass substrates							
16	Research and development of high-efficiency vertical continuous copper plating equipment for surface metallization of photovoltaic cells	25,000,000.00	10,118,876.23	10,118,876.23	in progress	Production capacity of 14400 wafers/hour, fragmentation rate <1%, energy saving and environmental protection, automatic photovoltaic electroplating equipment.	Pioneering	Photovoltaic cells with copper instead of silver.
17	Research and development of TGV glass substrate vacuum sputtering coating equipment	15,000,000.00	8,235,900.49	8,235,900.49	Technical indicator verification phase	It has reached the first-class domestic level, with technical indicators meeting the expected values. The aspect ratio of single double-sided coating reaches 10:1, the thickness of copper is less than 2um, and the peel strength reaches 5N/cm	The highest level in the industry	High-end TGV glass substrates, semiconductor industry
18	R&D of horizontal through-hole plating and continuous plating line (for thin panels, panel-to-panel)	15,000,000.00	8,520,605.92	8,520,605.92	Under R&D test	The transportation is smooth, and the plating uniformity and quality meet customer requirements, driving the domestic PCB industry toward high-end advancement and enhancing the autonomous and controllable ability of	Leading in the industry	Widely used in PCB production.

						China's PCB equipment capabilities, thereby securing the industrial chain security.		
19	R&D of spacing adjustment machine (for thin panels)	5,000,000.00	1,544,203.22	1,544,203.22	Under test	R&D The transportation is smooth, meeting differentiated processing requirements of various processes for panel dimensions and specifications, with a high degree of automation adaptability.	Leading in the industry	Widely used in PCB wiring
20	Research and development of PCB electroless nickel immersion gold continuous line	7,700,000.00	1,625,278.79	7,656,647.27	Closure	To improve the uniformity of electroless nickel immersion gold, achieve automated production, and reduce the costs of water and electricity.	Leading in China	The traditional gantry production is transformed to VCP vertical continuous production, so as to improve efficiency.
21	Research and development of B1250PCB vertical continuous electroplating line	6,500,000.00	180,748.87	4,954,276.97	Closure	It is possible to manufacture products continuously and simultaneously: The vertical height of the board 38"-49"; if the thickness of plating is 25μm, R value ±5μm; the transmission runs smoothly, the steel strip is flat and straight, the board	Leading in China	The production testing of PCB board in large size (vertical height 38"-49") in special fields.

						surface is not stretched or falls within the range as required; the production speed is 0.5-3.0 m/min and adjustable.		
22	Research and development of vertical continuous electroplating line of PCBBGA board	8,300,000.00	1,967,183.35	7,416,041.24	Closure	To improve the thinner copper in the dense area of BGA hole effectively, and increase the TP value to approximately 80%.	Leading in China	In the field of BGA board electroplating in IC carrier board.
23	Research and development of semiconductor film metal electroplating technology	10,000,000.00	640,793.28	4,256,908.83	in progress	The metal uniformity, throwing power, inner hole diameter less than 10μm (high aspect ratio), and hole filling capacity of the electroplating membrane can meet the customer requirements.	Fill in the gap in China	The homemade semiconductor electroplating membrane metal equipment replaces imported electroplating metal equipment and challenges the highly difficult semiconductor electroplating membrane equipment.
24	Research and development of hole filling technology for the circuit board with high aspect ratio	10,400,000.00	5,645,899.67	9,139,254.86	Under testing	1. The whole equipment is fully automated; 2. The uniformity and throwing power of the PCB plating meet the customer requirements; 3.	Leading in China	Widely used in the field of PCB

						Copper is removed without hole breakout, and the problem in yield of product is solved fundamentally.		
25	R&D of Grid Electroplating Technology for PV Module	8,060,000.00	568,421.57	2,143,407.77	The preliminary design scheme is under argumentation.	1. Change PV module grid circuit to electrocoppering process; 2. Realize the full-automatic production mode; 3. The process flow is further shortened, effectively reducing costs for energy conservation and environmental protection.	Fill in the gap in China	The grid circuit of PV module replaces silver paste by copper.
26	Research and development of VCP automatic loading technology	4,900,000.00	1,861,673.50	2,980,390.08	Under testing	Achieve a transmission speed of more than 3m/min and a production beat of 6 to 12 pieces/min.	Leading in China	Enhance the comprehensive automation functions of existing VCPB models to meet more customer requirements.
27	Research and development of vertical continuous roll-type electroless nickel immersion gold technology	5,000,000.00	2,271,569.93	3,808,920.89	Cooperate with reagent testing	1. An equipment for the roll-type production of single and double-sided flexible circuit boards using electroless nickel immersion gold technology in the industry is	Fill the industry gap and achieve domestic innovation	Flexible printed circuit (FPC) roll-type production equipment can replace FPC gantry electroless nickel immersion gold equipment, providing

						<p>developed</p> <p>2. Products with a width of 250mm~260mm and a thickness of 0.024~0.1mm can be continuously produced</p> <p>3. The immersed nickel gold layer has uniform color, stable expansion and contraction rate, and the thickness of immersed nickel gold meets the standard</p> <p>4. Benchmarking against the drawbacks of traditional gantry lines (mother and child baskets) and achieving continuous non-contact electroless nickel immersion gold</p>		customers with more process equipment choices
28	Research and development of integrated technology of PCB non-contact vertical continuous smear removal + chemical copper + copper plating equipment	12,950,000.00	5,948,511.51	11,480,924.89	Under prototype testing	<p>1. Integrate the hole metallization process equipment, achieving three-in-one continuous contactless production equipment</p> <p>2. Address the drawbacks of traditional gantry and horizontal (smear</p>	Leading in China	Integrate the equipment for the hole metalization process of industry, and provide market and industry customers with more easily managed, cost-effective, high-performance,

						removal + PTH chemical copper) equipment, develop contactless technology design to meet product quality and process requirements		and automated equipment based on the concept of next-generation (integrated and contactless) device technology
29	Research and development of electrochemical etching equipment and processes for printed circuit boards	30,000,000.00	6,395,072.20	7,032,219.73	The preliminary design scheme is under argumentation.	Promote the optimization and upgrading of the printed circuit board industry towards green, environmental protection, low energy consumption, refined processing and efficient production.	Fill the industry gap and achieve domestic innovation	It is widely applied in the field of printed circuit boards
30	Research and Development of FPC Vertical Continuous Chip Under-drive Automatic Lifting Technology	5,000,000.00	1,140,434.07	1,343,996.61	The preliminary scheme is under argumentation.	On the basis of the existing K model, it can be effectively compatible with the production of different sizes of products by improving the activity of the track.	Fill the industry gap	It is widely applied in multiple fields such as consumer electronics, automotive electronics, and medical equipment
31	Research and development of environment-friendly intelligent high-speed continuous barrel plating NdFeB automatic line	9,680,000.00	3,636,040.63	7,021,627.18	Continuous production has been achieved	Improve the qualified rate of NdFeB product surface treatment and the automation and intelligence degree of equipment, and fully realize safe and clean	A world's leading status	Special surface treatment for NdFeB and new generation rare earth permanent magnet materials

						production		
32	Research and development of intelligent continuous production line for environmentally friendly high-precision and high-strength piston rod	9,660,000.00	2,448,790.83	2,653,953.55	in progress	Realize multi-channel, multi-variety, high-uniformity, and high-corrosion resistance coating, increase current density by 50% compared to traditional mode, and significantly improve the level of automation, intelligence, and environmental protection.	A world's leading status	Chromium plating of piston rods in industries such as new energy, high-end equipment, hydraulic cylinders, pneumatic cylinders, hydraulic engineering machines, and petroleum machinery
33	Research and development of vertical developing line	7,000,000.00	1,372,813.82	6,237,778.02	The design has been fully completed.	Mass production line width/spacing 10/10um. Sample test line width/spacing 6/6um	The highest level in the industry	Packaging carrier board
34	Research and development of photovoltaic horizontal developing line	2,550,000.00	67,835.20	2,215,792.38	Closure	1) Mass production line width/spacing 12/12um. 2) Wafer thickness 90-120um, fragment rate<0.01%	The highest level in the industry	PV new energy
35	Research and development of horizontal vacuum two-fluid lines	5,300,000.00	2,241,471.63	3,502,511.79	in progress	Mass production line width/spacing 30/30um. Etch factor above 4.0	The highest level in the industry	Packaging carrier board
Total	/	415,050,000.00	100,065,080.52	245,796,464.33	/	/	/	/

Description  
None

**5 R & D staff information**

Unit: 0,000 yuan Currency: RMB

Basic information		
	Amount in current period	Amount in previous period
Number of R&D personnel of the Company (person)	209	186
The proportion of R&D personnel in the total number of employees (%)	12.64	13.34
Total R&D personnel compensation	5663.17	5,010.97
Average salary of R&D personnel	27.10	26.94

Structure of educational background of R&D personnel	
Categories	Number of people
Doctoral students	1
Postgraduate students for master's degree	4
Undergraduate	64
Junior college	73
High school and below	67
Age structure of R&D personnel	
Categories	Number of people
Below 30 (excluding 30)	41
30-40 (including 30, excluding 40)	79
40-50 (including 40, excluding 50)	62
50-60 (including 50, excluding 60)	20
60 and above	7

Reasons for major changes in the composition of R&D personnel and the impact on the Company's future development

Applicable Not applicable"

**6 Other notes**

Applicable Not applicable"

**IV、 Risk factors****(I) Unprofitable risks**

Applicable Not applicable"

**(II) Risk of significant performance decline or loss**

Applicable Not applicable"

**(III) Risk of core competitiveness**

Applicable Not applicable"

**1. Risk of core technology disclosure**

All kinds of products sold by the Company rely on the core technologies and research and development achievements developed and accumulated by the Company for a long time. The Company has formed a technical system with vertical continuous plating technology as the core, and is developing a number of products and technologies. These core technologies are the basis for guaranteeing the performance of the products and the further research and development of new technologies, and have a significant impact on the operation and long-term development of the Company. The Company cannot completely exclude the

disclosure of relevant technology or confidential information during the process of production and operation, the inadvertent disclosure by relevant technical personnel, or the acquisition of the Company's core technologies by the competitors by illegal means, resulting in the disclosure of the Company's core technologies. If the relevant core technologies are disclosed and known and imitated by the competitors, it may have adverse impact on the market competitiveness of the Company.

#### 2. The risk in outflow of technical talents

The Company is engaged in a talent-intensive, multi-disciplinary, and cross-field comprehensive industry, and the enterprises in the industry need a large number of experts and talents in machinery, chemical industry, electronics, electrical control, industrial design, engineering and other disciplines. The above technical personnel play a vital role in design and development of new products, control of product cost, and provision of stable and high-quality technical services. With the continuous growth of market demand and the increasingly fierce competition in the industry, the talent competition among the enterprises has been intensified gradually, and the Company is also facing the risk in outflow of technical talents. If the Company cannot strengthen the introduction, incentive and protection of technical talents continuously, there is a certain risk in outflow of technical talents.

### (IV) Business risks

Applicable Not applicable

#### 1. New customer development risk

The main products of the Company are customized equipment, which has the characteristics of high price of a single equipment and long service cycle. If the same customer does not have the need for capacity expansion, technological upgrades, or process updates after purchasing the Company's products, and the possibility of repeated large-scale purchases from the Company in the short term is relatively small, the Company will face the risk of continuous development of new customers. If the Company is unable to continue developing new customers while maintaining its existing ones in the future, it may have an adverse impact on the Company's business performance.

#### 2. Market competition risks

At present, the Company's main competitors have set up factories in Chinese Mainland, and introduced international advanced technology and manufacturing technology. The representative enterprise of the horizontal continuous electroplating process is the foreign-funded enterprise Atotech (China) Chemicals Ltd., and its technology comes from its German factory; the representative enterprises of vertical lift electroplating technology are Commend Machinery Co., Ltd., a Taiwan-funded enterprise, UCE Group, a Hong Kong-funded enterprise, and Baolong Automatic Machinery (Shenzhen) Co., Ltd., a Hong Kong-funded enterprise, and their technologies are all from the Hong Kong and Taiwan regions. At present, competitors have also launched vertical continuous electroplating equipment in succession. If the above enterprises use their own advantages to seize the market of the Company's products, the Company will face the risk of intensified industry competition and a decrease in market share, which will further affect the Company's profitability.

### (V) Financial risks

Applicable Not applicable

#### 1. Risk in large inventory

At the end of the reporting period, the Company's inventory mainly consisted of raw materials, products in process, goods shipped, and goods in stock. At the end of December 2025, the amount of the Company's inventory was RMB 1,030,758,800, and the cumulative loss on inventory impairment was RMB 233,843. In the future, the further expansion of the Company's inventory size may have certain adverse impact on production and operation of the Company.

#### 2. Risk of bad debt of accounts receivable

At the end of December 2025, the Company's accounts receivable amounted to RMB 712,483,000, and the balance of the accounts receivable with an aging of less than 1 year accounted for 55.08%. In the future, if the customer's credit status changes significantly, the company will face certain risks of bad debts of accounts receivable.

#### 3. Risk of enterprise income tax incentives

The company and its subsidiaries, Guangde Dongwei and Changshu Dongwei, are high-tech enterprises. If there are significant adverse changes in national income tax policies, or if the high-tech enterprise

status of the company and its subsidiaries fails to be successfully renewed upon expiration of its validity period, this will have a negative impact on the company's after-tax profits.

#### (VI) Industry risks

Applicable Not applicable"

The industry in which the Company operates is often affected by fluctuations in downstream market demand, resulting in a certain degree of cyclical development. If the market demand growth slows down or the Company faces a downturn in the global macroeconomic environment, it will directly affect the demand for its products, posing certain cyclical fluctuation risks.

#### (VII) Risk of macro environment

Applicable Not applicable"

The Company's core products are mainly used in the fields of PCB electroplating, general metal electroplating, etc. In recent years, global economic growth has slowed down, inflationary pressure has increased, and the strength and sustainability of the recovery of global economic and trade are still uncertain. The global trade environment is under pressure, and if trade frictions escalate further in the future, it could increase trade costs in the upstream and downstream of across the supply chain, adversely affecting the Company's operations. Chinese macro economy has maintained at a basically stable level, but it is still faced with the operational risks arising from the uncertainty of macro economy.

#### (VIII) Risks related to depositary receipts

Applicable Not applicable"

#### (IX) Other significant risk

Applicable Not applicable"

### V、Major operating conditions during the reporting period

The Company achieved a total operating revenue of RMB 1,098,386,778.65, an increase of 46.45% compared to the same period last year. The net profit attributable to shareholders of the listed company during the reporting period was RMB 120,936,915.08, an increase of 74.58% compared to the same period last year. At the end of the reporting period, the total assets of the Company were RMB 3,424,094,039.28, an increase of 25.98% compared with the beginning of the reporting period; the net assets attributable to shareholders of the listed company were RMB 1,832,103,287.36, an increase of 5.68% compared to the beginning of the reporting period.

#### (I) Analysis of main business

##### 1 Analysis Table of Changes in the Accounts Related to Income Statement and Cash Flow Statement

Account	Unit: yuan Currency: RMB		
	Amount in current period	Amount in the same period last year	Ratio of change (%)
Operating income	1,098,386,778.65	749,997,504.95	46.45
Operating cost	720,525,032.94	498,758,553.61	44.46
Selling and distribution expenses	51,810,951.42	38,608,813.67	34.19
General and administrative expenses	68,950,318.43	57,045,929.87	20.87
Financial expenses	-1,993,336.87	-3,538,267.17	Not applicable
R & D expenses	100,065,080.52	82,641,175.18	21.08
Net cash flow from operating activities	244,942,792.92	93,544,068.52	161.85
Net Cash Flows from Investing Activities	-189,321,445.46	52,125,317.65	-463.20

Net Cash Flows from Financing Activities	-31,358,612.79	-75,694,953.06	Not applicable
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Notes to Changes in Operating Revenue: Operating revenue increased by 46.45% YoY, mainly due to continued growth in orders for electroplating equipment in the PCB sector, leading to a steady improvement in the company's overall performance and a significant increase in revenue compared to the previous year.

Notes to Change in Operating Cost: Operating costs increased by 44.46% YoY, mainly due to the increase in operating revenue, which resulted in operating costs increasing in line with revenue.

Notes to Changes in Selling and Distribution Expenses: Selling and distribution expenses increased by 34.19% YoY, mainly due to increased expenses such as commissions associated with revenue growth.

Notes to Changes in General and Administrative Expenses: General and administrative expenses increased by 20.87% YoY, mainly due to increased expenses such as share-based payments, asset depreciation and amortization.

Notes to Changes in Financial Expenses: This is primarily due to the impact of exchange gains and losses.

Notes to Changes in R&D Expenses: R&D expenses increased by 21.08% YoY, mainly due to increased R&D investment in developing new products, expanding market reach, rising R&D material consumption, and attracting high-end R&D talent.

Notes to Changes in Net Cash Flow from Operating Activities: Net cash flow from operating activities increased by 161.85% YoY, mainly due to increased receipts of payments resulting from a significant increase in orders.

Notes to Changes in Net Cash Flow from Investing Activities: Mainly due to the purchase of wealth management products with own funds.

Notes to Changes in Net Cash Flow from Financing Activities: Mainly due to the lower dividend payout in 2025 compared to 2024.

Detailed description of major changes in the Company's business type, profit composition or profit source in current period

Applicable Not applicable

## 2 Income and cost analysis

Applicable Not applicable

During the reporting period, the Company achieved a revenue of RMB 1,098,386,778.65, an increase of 46.45% compared to the same period last year. The operating cost was RMB 720,525,032.94, an increase of 44.46% compared to the same period last year.

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

Unit: yuan Currency: RMB

Main business by industry						
By industries	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease of operating income compared to last year (%)	Increase/decrease of operating cost compared to last year (%)	Increase/decrease of gross margin compared to last year (%)
Special equipment for high-end printed circuit board (PCB) electroplating	822,133,588.13	521,087,444.67	36.62	67.45	61.61	Increased by 2.29%
Special equipment	154,950,530.68	136,386,581.39	11.98	21.84	27.92	Decreased by 4.19%

for general hardware surface treatment						
Special equipment for new energy	29,914,001.31	17,195,002.13	42.52	-41.91	-35.19	Decreased by 5.96%
Others	86,110,001.00	45,846,461.39	46.76	18.04	8.44	Increased by 4.72%
Total	1,093,108,121.12	720,515,489.58	34.09	47.20	44.72	Increased by 1.13%
Main business by products						
By products	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease of operating income compared to last year (%)	Increase/decrease of operating cost compared to last year (%)	Increase/decrease of gross margin compared to last year (%)
Vertical continuous electroplating equipment	766,199,546.97	471,168,338.54	38.51	62.98	56.35	Increased by 2.61%
Gantry electroplating equipment	108,178,062.36	93,071,542.57	13.96	9.80	14.12	Decreased by 3.26%
Hardware continuous electroplating equipment	46,772,468.32	43,315,038.83	7.39	63.20	72.82	Decreased by 5.15%
Horizontal surface treatment equipment	55,934,041.16	49,919,106.13	10.75	168.28	136.86	Increased by 11.83%
Roll-type horizontal membrane electroplating equipment	27,099,842.02	15,369,781.11	43.28	-41.11	-33.13	Decreased by 6.77%
Magnetron sputtering rolling plating equipment				-100.00	-100.00	Not applicable
Photovoltaic copper plating equipment	2,814,159.29	1,825,221.02	35.14	-6.19	45.87	Decreased by 23.15%
Others	86,110,001.00	45,846,461.38	46.76	18.04	8.44	Increased by 4.72%
Total	1,093,108,121.12	720,515,489.58	34.09	47.20	44.72	Increased by 1.13%

Main business by region						
By regions	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease of operating income compared to last year (%)	Increase/decrease of operating cost compared to last year (%)	Increase/decrease of gross margin compared to last year (%)
Domestic sales	786,747,863.35	545,529,423.85	30.66	19.45	21.79	Decreased by 1.33%
Export	306,360,257.77	174,986,065.73	42.88	264.97	250.42	Increased by 2.37%
Total	1,093,108,121.12	720,515,489.58	34.09	47.20	44.72	Increased by 1.13%
Main business by sales model						
Sales model	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease of operating income compared to last year (%)	Increase/decrease of operating cost compared to last year (%)	Increase/decrease of gross margin compared to last year (%)
Direct selling	1,033,852,269.08	688,183,288.48	33.44	42.56	40.09	Increased by 1.18%
Distribution	59,255,852.04	32,332,201.10	45.44	240.59	388.29	Decreased by 16.50%
Total	1,093,108,121.12	720,515,489.58	34.09	47.20	44.72	Increased by 1.13%

Notes to the main business by industry, by product, by region, and by sales model

The Company's main products include vertical continuous electroplating equipment and horizontal surface treatment equipment applied in the PCB electroplating field; gantry electroplating equipment and hardware continuous electroplating equipment applied in general hardware electroplating, rolled horizontal film electroplating equipment applied in new energy, special equipment in the photovoltaic field, and magnetron sputtering winding coating equipment. During the reporting period, the item "other" in the main business income mainly includes the income from sales of accessories related to electroplating equipment, and the revenue from maintenance and renovation. During the reporting period, the Company's product sales were mainly concentrated in the domestic market. The increase in foreign markets was mainly due to the Company's active development of foreign markets, and foreign market demand significantly increased during the reporting period. The Company's sales model is primarily direct sales, with distribution business accounting for a smaller proportion.

## (2). Production and Sales Analysis Table

√Applicable"□Not applicable"

Main products	Unit	Production	Sales volume	Inventory	Increase or decrease of production volume compared with the previous year (%)	Increase or decrease of sales volume compared with the previous year (%)	Inventory increase or decrease compared with the previous year (%)
Vertical continuous electroplating equipment	Set	192	105	166	58.68	14.13	110.13

Gantry electroplating equipment	Set	25	15	24	-13.79	-46.43	71.43
Continuous metal electroplating equipment	Set	14	15	4	250.00	150.00	-20.00
Horizontal surface treatment equipment	Set	13	14	7	62.50	180.00	-12.50
Roll-type horizontal membrane electroplating equipment	Set	4	3	5	300.00	-50.00	25.00
Magnetron sputtering rolling plating equipment	Set	2	-	7	-	-100.00	40.00
Photovoltaic copper plating equipment	Set	-	1	1	-100.00	-	-50.00
Total	Set	250	153	214	50.60	10.07	82.91

#### Production and Sales Description

The vertical continuous electroplating equipment is the Company's main product. During this reporting period, the production, sales, and inventory of vertical continuous electroplating equipment increased significantly, including the quantity of goods shipped.

#### (3). Fulfillment of major purchase contracts and major sales contracts

Applicable Not applicable

#### (4). Cost Analysis Table

Unit: yuan Currency: RMB

Information by industry							
By industries	Cost component	Amount in current period	Current ratio in total costs (%)	Amount in the same period last year	Proportion in total costs in the same period last year (%)	Proportion of changes in current amount compared with the same period of last year (%)	Description
Special equipment for	Direct materials/direct labor/manufacturing	521,087,444.67	72.32	322,428,946.40	64.76	61.61	Income increased in the

high-end printed circuit board (PCB) electroplating	g expenses/freight/warranty fee						reporting period
Special equipment for general hardware surface treatment	Drect materials/direct labor/manufacturing expenses/freight/warranty fee	136,386,581.39	18.93	106,618,626.93	21.42	27.92	Income increased in the reporting period
Special equipment for new energy	Drect materials/direct labor/manufacturing expenses/freight/warranty fee	17,195,002.13	2.39	26,529,472.06	5.33	-35.19	Income decreased in the reporting period
Others	Drect materials/direct labor/manufacturing expenses/freight/warranty fee	45,846,461.39	6.36	42,279,160.88	8.49	8.44	Income increased in the reporting period
Total		720,515,489.58	100.00	497,856,206.27	100.00	44.72	
Information by product							
By products	Cost component	Amount in current period	Current ratio in total costs (%)	Amount in the same period last year	Proportion in total costs in the same period last year (%)	Proportion of changes in current amount compared with the same period of last year (%)	Description
Vertical continuous electroplating equipment	Direct material	355,736,084.54	75.50	220,066,823.39	73.02	61.65	Income increased in the reporting period
	Direct labor	54,309,815.29	11.53	39,804,635.67	13.21	36.44	Income increased in the reporting period
	Manufacturing costs	27,351,200.47	5.80	21,677,144.17	7.19	26.18	Income increased in the reporting period

							reporting period
	Freight	10,774,065.54	2.29	5,053,756.39	1.68	113.19	Income increased in the reporting period
	Warranty fees	22,997,172.69	4.88	14,751,299.07	4.90	55.90	Income increased in the reporting period
	Sub-total	471,168,338.53	100.00	301,353,658.69	100.00	56.35	
Gantry electroplating equipment	Direct material	66,724,748.15	71.69	62,065,487.14	76.10	7.51	Income increased in the reporting period
	Direct labor	12,417,262.35	13.34	9,018,900.35	11.06	37.68	Income increased in the reporting period
	Manufacturing costs	7,750,169.86	8.33	6,445,858.98	7.90	20.23	Income increased in the reporting period
	Freight	2,921,011.52	3.14	1,002,876.62	1.23	191.26	Income increased in the reporting period
	Warranty fees	3,258,350.72	3.50	3,021,917.02	3.71	7.82	Income increased in the reporting period
	Sub-total	93,071,542.60	100.00	81,555,040.11	100.00	14.12	
Continuous metal electroplating equipment	Direct material	26,518,368.01	61.22	12,984,878.07	51.81	104.23	Income increased in the reporting period
	Direct labor	8,065,199.94	18.62	7,091,935.00	28.30	13.72	Income increased in the reporting period
	Manufacturing costs	6,445,135.11	14.88	3,838,281.79	15.31	67.92	Income increased in the reporting period

	Freight	734,994.87	1.70	112,446.77	0.45	553.64	Income increased in the reporting period
	Warranty fees	1,551,340.86	3.58	1,036,045.19	4.13	49.74	Income increased in the reporting period
	Sub-total	43,315,038.79	100.00	25,063,586.82	100.00	72.82	
Horizontal surface treatment equipment	Direct material	32,300,665.26	64.71	12,736,410.60	60.44	153.61	Income increased in the reporting period
	Direct labor	9,995,942.73	20.02	5,193,392.47	24.64	92.47	Income increased in the reporting period
	Manufacturing costs	5,458,546.59	10.93	2,407,240.49	11.42	126.76	Income increased in the reporting period
	Freight	476,930.33	0.96	103,762.47	0.49	359.64	Income increased in the reporting period
	Warranty fees	1,687,021.23	3.38	634,481.68	3.01	165.89	Income increased in the reporting period
	Sub-total	49,919,106.14	100.00	21,075,287.71	100.00	136.86	
Roll-type horizontal membrane electroplating equipment	Direct material	10,090,389.07	65.66	16,512,020.67	71.83	-38.89	Income decreased in the reporting period
	Direct labor	3,079,311.95	20.03	3,278,746.65	14.27	-6.08	Income decreased in the reporting period
	Manufacturing costs	1,210,215.16	7.87	1,594,437.13	6.94	-24.10	Income decreased in the reporting period
	Freight	150,321.03	0.98	178,713.13	0.78	-15.89	Income decrease

							d in the reporting period
	Warranty fees	839,543.93	5.46	1,420,348.68	6.18	-40.89	Income decreased in the reporting period
	Sub-total	15,369,781.14	100.00	22,984,266.26	100.00	-33.13	Income decreased in the reporting period
Magnetron sputtering rolling plating equipment	Direct material	-	-	1,874,325.50	81.71	-100.00	
	Direct labor	-	-	173,526.28	7.56	-100.00	
	Manufacturing costs	-	-	121,715.11	5.31	-100.00	
	Freight	-	-	50,031.34	2.18	-100.00	
	Warranty fees	-	-	74,336.28	3.24	-100.00	
	Sub-total	-	-	2,293,934.51	100.00	-100.00	
Photovoltaic copper plating equipment	Direct material	856,759.90	46.94	734,760.13	58.73	16.60	
	Direct labor	595,044.40	32.60	263,817.20	21.08	125.55	
	Manufacturing costs	280,431.57	15.36	155,262.77	12.41	80.62	
	Freight	8,560.34	0.47	7,431.19	0.59	15.19	
	Warranty fees	84,424.78	4.63	90,000.00	7.19	-6.19	
	Sub-total	1,825,220.99	100.00	1,251,271.29	100.00	45.87	
Others	Direct material	34,549,351.64	75.36	30,427,155.54	71.97	13.55	
	Direct labor	7,072,062.18	15.43	7,082,249.08	16.75	-0.14	
	Manufacturing costs	2,922,692.35	6.37	3,403,853.62	8.05	-14.14	
	Freight	387,800.58	0.85	539,025.47	1.27	-28.06	
	Warranty fees	914,554.64	1.99	826,877.17	1.96	10.60	
	Sub-total	45,846,461.39	100.00	42,279,160.88	100.00	8.44	
Total	720,515,489.58	100.00	497,856,206.27	100.00	44.72		

Other information on cost analysis

None

**(5). Changes in the scope of consolidation due to equity changes in major subsidiaries during the reporting period**

Applicable Not applicable

**(6). Significant change in or adjustment of the business, product or service of the company within the reporting period**

Applicable Not applicable

**(7). Main sales customers and main suppliers**

Customers or suppliers under the control of the same controller should be presented as a single customer or supplier, except for those actually controlled by the same state-owned asset management institution. The following customer and supplier information is consolidated and presented based on the same control basis.

None

**A. Main sales customers of the company**

Applicable Not applicable"

The sales of the top five customers were RMB 304,703,900, accounting for 27.74% of the total annual sales; In which, the sales of related parties in the sales of the top five customers were RMB 0, accounting for 0% of the total annual sales.

**Top five customers of the Company**

Applicable Not applicable"

		Unit: 0,000 yuan		Currency: RMB
SN	Client's name	Sales amount	Ratio to annual total sales amount (%)	Is there a relationship with the listed company
1	Client 1	7,944.07	7.23	No
2	Client 2	6,551.89	5.97	No
3	Client 3	5,532.80	5.04	No
4	Client 4	5,286.04	4.81	No
5	Client 5	5,155.59	4.69	No
Total	/	30,470.39	27.74	/

**During the reporting period, the proportion of sales to a single customer exceeded 50% of the total, and among the top five customers, there were new customers or heavy reliance on a small number of customers**

Applicable Not applicable"

The top five sales customers of the company's trading business, whose trading revenue accounted for more than 10% of operating revenue during the reporting period.

Applicable Not applicable"

**B. Main suppliers of the company**

Applicable Not applicable"

The purchase amount of the top five suppliers was RMB 210,324,500, accounting for 23.59% of the total annual purchase amount; in which, the purchase amount of related parties in the top five suppliers was RMB 0.00, accounting for 0% of the total annual purchase amount.

**Top five suppliers of the Company**

Applicable Not applicable"

		Unit: 0,000 yuan		Currency: RMB
SN	Name of supplier	Purchase amount	Ratio to annual total purchase amount (%)	Is there a relationship with the listed company
1	Supplier 1	7,046.14	7.90	No
2	Supplier 2	3,931.20	4.41	No
3	Supplier 3	3,602.64	4.04	No
4	Supplier 4	3,244.33	3.64	No
5	Supplier 5	3,208.14	3.60	No
Total	/	21,032.45	23.59	/

**During the reporting period, the proportion of purchases from a single supplier exceeded 50% of the total, and among the top five suppliers, there were new suppliers or heavy reliance on a small number of suppliers**

Applicable Not applicable"

The top five suppliers of the company's trading business, whose trading revenue accounted for more than 10% of operating revenue during the reporting period.

Applicable Not applicable"

**C. The Company had trading revenue during the reporting period**

Applicable Not applicable"

### 3 Expense

Applicable"Not applicable"

Account	Amount in current period	Amount in the same period last year	Ratio of change (%)
Selling and distribution expenses	51,810,951.42	38,608,813.67	34.19
General and administrative expenses	68,950,318.43	57,045,929.87	20.87
Financial expenses	-1,993,336.87	-3,538,267.17	Not applicable
R & D expenses	100,065,080.52	82,641,175.18	21.08

Notes to Changes in Selling and Distribution Expenses: Selling and distribution expenses increased by 34.19% YoY, mainly due to increased expenses such as commissions associated with revenue growth.

Notes to Changes in General and Administrative Expenses: General and administrative expenses increased by 20.87% YoY, mainly due to increased expenses such as share-based payments, asset depreciation and amortization.

Notes to Changes in Financial Expenses: This is primarily due to the impact of exchange gains and losses.

Notes to Changes in R&D Expenses: R&D expenses increased by 21.08% YoY, mainly due to increased R&D investment in developing new products, expanding market reach, R&D material consumption has increased, and attracting high-end R&D talent.

### 4 Cash flow

Applicable"Not applicable"

Account	Amount in current period	Amount in the same period last year	Ratio of change (%)
Net cash flow from operating activities	244,942,792.92	93,544,068.52	161.85
Net Cash Flows from Investing Activities	-189,321,445.46	52,125,317.65	-463.20
Net Cash Flows from Financing Activities	-31,358,612.79	-75,694,953.06	Not applicable

Notes to Changes in Net Cash Flow from Operating Activities: Net cash flow from operating activities increased by 161.85% YoY, mainly due to increased receipts of payments resulting from an increase in orders.

Notes to Changes in Net Cash Flow from Investing Activities: Mainly due to the purchase of wealth management products with own funds.

Notes to Changes in Net Cash Flow from Financing Activities: Mainly due to the lower dividend payout in 2025 compared to 2024.

#### (II) Explanation of major changes in profits caused by non-core business

Applicable"Not applicable"

**(III) Analysis of assets and liabilities**

√Applicable "□Not applicable"

**1 Assets and liabilities**

Unit: yuan Currency: RMB

Item name	Amount at the end of the period	Proportion of the closing balance in the total assets in the current period (%)	Amount at end of the previous period	Proportion of the closing balance in the total assets in the previous period (%)	Proportion of changes in current closing amount compared with the previous period (%)	Description
Monetary funds	249,531,455.02	7.29	223,736,522.81	8.23	11.53	
Held-for-trading financial assets	123,203,367.67	3.60	96,966,416.67	3.57	27.06	Note 1
Notes receivable	58,237,258.15	1.70	45,184,513.71	1.67	28.89	Note 2
Accounts receivable	712,482,986.93	20.82	639,615,958.07	23.53	11.39	
Receivables financing	15,859,847.15	0.46	8,775,864.78	0.32	80.72	Note 2
Prepayments	14,138,562.19	0.41	9,585,932.10	0.35	47.49	Note 3
Other receivables	5,079,520.71	0.15	6,337,218.54	0.23	-19.85	
Inventory	1,030,758,839.58	30.10	634,148,358.70	23.33	62.54	Note 4
Contract assets	38,549,037.80	1.13	35,524,565.84	1.31	8.51	
Non-current assets due within one year	485,172,066.95	14.17				Note 5
Other current assets	19,145,825.58	0.56	19,190,640.87	0.71	-0.23	
Other debt investment	31,180,833.33	0.91	501,814,597.22	18.46	-93.79	Note 6
Fixed assets	415,614,940.95	12.14	359,370,561.88	13.22	15.65	
Construction in progress	81,825,394.82	2.39	12,421,651.89	0.46	558.73	Note 7
Right-of-use asset	10,776,044.89	0.31	3,660,165.31	0.13	194.41	Note 8
Intangible assets	80,861,126.54	2.36	82,393,724.78	3.03	-1.86	
Long-term deferred expenses	1,861,892.97	0.05	152,390.44	0.01	1121.79	Note 9
Deferred tax assets	36,296,369.79	1.06	34,791,772.38	1.28	4.32	
Other non-current assets	13,518,668.26	0.39	4,316,837.17	0.16	213.16	Note 10
Notes payable	220,640,151.82	6.44	117,366,029.52	4.32	87.99	Note 11
Accounts	455,963,253.28	13.31	336,563,843.58	12.38	35.48	Note 12

payable						
Contract liabilities	693,907,020.61	20.27	368,115,462.30	13.54	88.50	Note 13
Employee benefits payable	55,103,891.22	1.61	44,935,414.02	1.65	22.63	Note 14
Taxes payable	23,784,406.62	0.69	8,727,697.80	0.32	172.52	Note 15
Other payables	10,182,110.54	0.30	4,634,788.08	0.17	119.69	Note 16
Non-current liabilities due within one year	2,666,584.19	0.08	1,578,570.99	0.06	68.92	Note 17
Other current liabilities	60,947,794.66	1.78	45,094,960.69	1.66	35.15	Note 18
Lease liability	8,789,722.65	0.26	2,460,955.84	0.09	257.17	Note 19
Estimated liabilities	31,630,403.17	0.92	30,773,950.88	1.13	2.78	
Deferred income	28,375,413.16	0.83	19,266,666.68	0.71	47.28	Note 20
Deferred tax liabilities			4,843,790.87	0.18	Not applicable	
Paid-up capital (or equity)	298,401,360.00	8.71	298,401,360.00	10.98		
Capital reserve	917,237,786.06	26.79	910,807,344.75	33.51	0.71	
Less: Treasury stock	15,059,603.37	0.44	15,059,603.37	0.55		
Other comprehensive income	1,312,801.33	0.04	402,376.27	0.01	226.26	Note 21
Surplus reserve	69,836,744.95	2.04	61,946,259.67	2.28	12.74	Note 22
Retained earnings	560,374,198.39	16.37	477,127,824.59	17.56	17.45	Note 22

## Other notes

Note 1: Trading financial assets increased by 27.06% compared to the beginning of the year, mainly due to the increased purchase of bank financial products.

Note 2: The total balance of the notes receivable and receivable financing increased by 37.32% compared to the beginning of the year, mainly due to the increase in bank bills received.

Note 3: Prepayments increased by 47.49% compared to the beginning of the year, mainly due to increased prepayments to suppliers for materials as orders increased.

Note 4: Inventory increased by 62.54% compared to the beginning of the year, mainly due to increased shipments of goods as orders increased.

Note 5: Non-current assets due within one year are mainly due to the reclassification of large-denomination certificates of deposit due within one year within other debt investments.

Note 6: Other debt investments decreased by 93.79% compared to the beginning of the year, mainly due to the reclassification of large-denomination certificates of deposit maturing within one year to non-current assets due within one year.

Note 7: Construction in progress increased by 558.73% compared to the beginning of the year, which is mainly due to expansion of the Kunshan Dongwei New Energy production base.

Note 8: Right-of-use assets increased by 194.41% compared to the beginning of the year, mainly due to the leasing of production base factory buildings by the subsidiary Dongguan Dongwei.

Note 9: Long-term deferred expenses increased by 1121.79% compared to the beginning of the year, mainly due to increased renovation costs at the Dongguan Dongwei production base factory buildings.

Note 10: Other non-current assets increased by 213.16% compared to the beginning of the year, mainly due to increased prepayments related to assets.

Note 11: Notes payable increased by 87.99% compared to the beginning of the year, mainly due to increased orders and increased payments to suppliers using bank acceptances.

Note 12: Accounts payable increased by 35.48% compared to the beginning of the year, mainly due to increased purchases from suppliers as customer orders increased.

Note 13: Contract liabilities increased by 88.50% compared to the beginning of the year, mainly due to the increase in advance payments received from contracts as customer orders increased.

Note 14: Employee benefits payable increased by 22.63% compared to the beginning of the year, mainly due to increased orders and new staff, leading to higher salaries and sales commissions.

Note 15: Taxes payable increased by 172.52% compared to the beginning of the year, mainly due to increased taxes resulting from revenue growth.

Note 16: Other payables increased by 119.69% compared to the beginning of the year, mainly due to increased accrued costs for container booking, outsourced labor, and export freight.

Note 17: Non-current liabilities due within one year increased by 68.92% compared to the beginning of the year, mainly due to increased lease liabilities due within one year.

Note 18: Other current liabilities increased by 35.15% compared to the beginning of the year, mainly due to increased endorsed but not yet due notes receivable.

Note 19: Lease liabilities increased by 257.17% compared to the beginning of the year, mainly due to the increase in leasing of production base factory buildings by the subsidiary Dongguan Dongwei.

Note 20: Deferred income increased by 47.28% compared to the beginning of the year, mainly due to increased government subsidies received related to assets.

Note 21: Other comprehensive income increased by 226.26% compared to the beginning of the year, mainly due to foreign currency translation differences at Dongwei Thailand.

Note 22: The total balance of surplus reserves and retained earnings increased by 16.91% compared to the beginning of the year, mainly due to the increase in net profit during the current reporting period.

Reasons why the Company has not yet made a profit and its impact on the Company

Applicable Not applicable"

## 2 Overseas assets

Applicable Not applicable"

### (1). Asset size

Therein: overseas assets RMB 35,671,046.35 (unit: yuan, currency: RMB), accounting for 1.04% of the total assets.

### (2). Relevant explanations for the relatively high proportion of overseas assets

Applicable Not applicable"

## 3 Main assets restricted as of the end of the reporting period

Applicable Not applicable"

Item	Unit: yuan Currency: RMB		
	Ending book balance	Beginning book balance	Type of restriction
Cash and bank balance	450,000.00	450,000.00	L/G deposit
Total	450,000.00	450,000.00	

## 4 Other notes

Applicable Not applicable"

### (IV) Analysis of industry operation information

Applicable Not applicable"

For details, please refer to Section 3 Discussion and Analysis of the Management I - (III) Industry Situation of this report.

**(V) Analysis of investment****Overall analysis of foreign equity investment**

□Applicable"√Not applicable"

**1 Significant equity investment**

□Applicable "√Not applicable"

**2 Significant non-equity investment**

□Applicable "√Not applicable"

**3 Financial assets measured at the fair value**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Category of asset	Opening amount	Profit or loss from changes in fair value	Accumulative change in fair value recorded in the equity	Impairment provision for the current period	Amount of purchase in current period	Sale/redemption amount in current period	Other changes	Closing balance
Held-for-trading financial assets	96,966,416.67	524,334.34			728,500,000.00	702,787,383.34		123,203,367.67
Receivables financing	8,775,864.78						7,083,982.37	15,859,847.15
Other debt investment	501,814,597.22	13,990,636.39			130,000,000.00	129,452,333.33	-485,172,066.95	31,180,833.33
Non-current assets due within one year							485,172,066.95	485,172,066.95
Total	607,556,878.67	14,514,970.73			858,500,000.00	832,239,716.67	7,083,982.37	655,416,115.10

Securities investment

Applicable Not applicable"

Investment in derivatives

Applicable Not applicable"

**4 Investment in private investment fund investment**

Applicable Not applicable"

Other notes

None

**5 The specific progress of major asset restructuring and integration during the reporting period**

Applicable Not applicable"

Opinion of Independent Director

None

**(VI) Sales of substantial assets and stock equity**

Applicable Not applicable"

**(VII) Analysis of main controlled companies and share participating companies**

Applicable Not applicable"

Conditions of main subsidiaries and share participating companies contributing more than 10% to net profit of the company

Applicable Not applicable"

Unit: yuan Currency: RMB

Company name	Type of company	Main business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Guangde Dongwei Technology Co., Ltd.	Subsidiaries	Mainly responsible for development, design, production and sales of vertical	180,000,000.00 (RMB)	986,981,744.97	447,578,610.55	730,633,690.36	144,988,490.86	125,074,578.78

		continuous electroplating equipment and new energy equipment							
Shenzhen Kunshan Dongwei Technology Co., Ltd.	Subsidiaries	Mainly responsible for product sales and after-sales service in South China	70,000,000.00 (RMB)	103,181,976.44	77,812,079.70	59,309,369.07	961,524.41	388,322.64	
Dongguan Dongwei Technology Co., Ltd.	Subsidiaries	Mainly responsible for research and development, design, production and sales of IC carrier board in PCB field.	50,000,000.00 (RMB)	50,241,272.66	10,511,731.44	14,015,369.49	-8,099,536.88	-7,742,298.47	
Changshu Dongwei Technology Co., Ltd.	Subsidiaries	Mainly responsible for research and development, design, production and sales of high-end hardware surface treatment equipment.	405,000,000.00 (RMB)	387,954,159.78	129,609,419.98	61,765,827.64	-13,176,215.37	-13,046,455.54	
Dongwei (Thailand) Technology Co., Ltd.	Subsidiaries	Mainly responsible for research and development, design, production and	230,000,000.00 (THB)	35,671,046.35	29,975,726.25	17,971,631.08	3,277,817.69	3,277,165.29	

		sales in foreign regions						
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The operating income and net profit of Guangde Dongwei Technology Co., Ltd. for the reporting period were RMB 730,633,690.36 and RMB 125,074,578.78, respectively.

Item	For the year ended December 31, 2025
I. Operating income	730,633,690.36
Less: Operating costs	522,134,988.35
Tax and surcharge	7,205,047.87
Selling and distribution expenses	9,185,287.16
General and administrative expenses	23,938,025.75
R & D expenses	28,245,586.74
Financial expenses (gains expressed with “-”)	-1,739,309.66
Including: Interest expense	9,371.99
Interest income	803,221.08
Add: Other income	9,482,200.66
Investment income (net loss expressed with “-”)	36,739.73
Including: Investment income from associated enterprises and joint ventures	
Derecognized revenue from financial assets measured at amortized cost (loss expressed with “-”)	
Net exposure hedging gains (losses expressed with “-”)	
Gain or loss from changes in fair values (loss expressed with “-”)	11,430.16
Loss from credit impairment loss (loss expressed with “-”)	-5,359,858.78
Loss from assets impairment (loss expressed with “-”)	-872,998.89
Gains and losses on disposal of assets (net loss expressed with “-”)	26,913.83
II. Operating profit (loss expressed with “-”)	144,988,490.86
Add: Non-operating income	
Including: Gains on retirement of non-current assets	
Less: non-operating expenditure	209,373.83
Including: Losses on damage and retirement of non-current assets	98,064.43
III. Total profit (loss expressed with “-”)	144,779,117.03
Less: income tax expense	19,704,538.25
IV. Net profit (net loss expressed with “-”)	125,074,578.78

Acquisition and disposal of subsidiaries within the reporting period

Applicable Not applicable"

Other notes

Applicable Not applicable"

**(VIII) Structured entities controlled by the company**

Applicable Not applicable"

## **VI、 Discussion and analysis of the Company's future development**

### **(I) Industry pattern and trend**

√Applicable "□Not applicable"

For details, please refer to Section 3 Discussion and Analysis of the Management I - (III) Industry Situation.of this report.

### **(II) Development strategy of the Company**

√Applicable "□Not applicable"

Since its establishment, the Company has been dedicated to the research and design of electroplating equipment. The Company will continue to focus on product innovation, excellence, and refinement to achieve domestic innovation and international leadership. At the same time, the Company will take the advantages of VCP equipment as the core foundation, continue to promote the application and development of electroplating equipment in various industries, and thus achieve in-depth development in product application.

The Company intends to form strong leading advantages in multiple fields and sub industries such as PCB electroplating field, general hardware electroplating field and new energy electroplating field, etc., and build market competitiveness with efficient, intelligent, and environmentally friendly products and services, and gradually become a high-end precision electroplating equipment and technical service enterprise with international influence.

The field of PCB electroplating

Continuously strengthen research and development investment, enhance the innovation ability, and strive for innovation, excellence, and refinement. The Company's VCP equipment has already reached the leading level in multiple key indicators of electroplating technology in China, and some products have reached or exceeded the technical level of similar international equipment. In order to meet the higher requirements of the market for PCB electroplating performance, the Company will continuously improve the technical level of electroplating equipment, optimize and iterate VCP products that can meet customer needs, and further deepen the technical accumulation and first mover advantage in the field of horizontal electroplating equipment. Horizontal surface treatment equipment is a supporting equipment for the process before PCB electroplating. The company will fully capitalise on the synergies brought by its vertically continuous plating equipment, which already has strong market competitiveness, and gradually increase its production, sales and market share. At the same time, we will strengthen the PCB segmentation market and actively promote the IC-substrate, semiconductors and glass substrate electroplating equipment.

The field of general metal plating

In the field of general metal electroplating industry, environmental protection, energy saving and safety have always been the problems to be solved and optimized. The Company has been committed to assisting customers to achieve energy saving, emission reduction, consumption reduction and clean production, and improve the level of automation, safety, intelligence. The Company will apply the successful experience gained in the field of PCB electroplating to the field of general metal electroplating continuously, and provide more environmentally friendly, energy-saving and safety solutions for general metal electroplating constantly. With the further promotion of the equipment, the Company intends to achieve a market share of 5% -10% in the future, without ruling out a larger market share.

The field of new energy electroplating

Although the Company is already a leader in the new energy coating equipment industry, it is still continuously iteratively upgrading its equipment to maintain its first mover advantage and market competitiveness. On the one hand, the iterative upgrading of equipment has gradually developed from the initial 6 copper tanks and 8 copper tanks to 12 copper tanks or even more tank bodies, with a significant increase in speed; the successful development of a large-width double-sided transmission roll-type horizontal non-contact coating line has effectively improved material utilization and reduced production costs. The composite aluminum foil vacuum evaporation equipment has completed factory proofing and has been sent to the customer for verification; The Company is making efforts in both directions in lithium battery anode and cathode materials and equipment, and is committed to providing customers with integrated services for anode and cathode as well as the forward and backward integration services. On the other hand, actively promote the expansion of application scenarios from

battery materials to HVLP5 copper foil, PI electronic copper foil, screen display copper foil, and shielding materials.

### (III) Business plan

Applicable Not applicable"

1. Strengthen internal production management to ensure the achievement of annual objectives. The Company will strive to overcome the impact of uncertain factors on production and operation, adhere to market and customer demand orientation, fully utilize internal and external resources, strengthen production management, improve design and R&D capabilities, improve product quality, strengthen the connection between technology and customer demands and fully utilize the Company's channel advantages to complete production and sales tasks and ensure the completion of production and operation tasks in an all-round way.
2. Strengthen the management of receivables and payables, and improve the efficiency of fund operation. Strengthen the management of receivables and payables, and improve the efficiency of fund operation to reduce the impact of macro environment and industry environment on the Company. In terms of receivables management, increase collection efforts, accelerate collection frequency, and reduce the possibility of bad debts; at the same time, shorten the cycle of contract payments and reduce the future amount of accounts receivable. In terms of payables management, strengthen sales order management, reasonably reduce expenses, and achieve income increase and expenditure reduction.
3. Further leverage the advantages of technological innovation and increase new growth points for profits. On the one hand, to ensure the technological innovation services in the Company's traditional business areas and continuously upgrade products. On the other hand, actively layout the business development in the new energy, keep up with market trends, and understand the latest needs of customers. The Company will actively expand new business and markets, develop new technologies and new products by taking advantage of its own technical advantages, find new profit growth points of the Company, and strive to achieve simultaneous growth of sales scale and operating profit, in order to return investors with better performance.
4. Increase investment in technology research and development, and strengthen independent intellectual property rights. In terms of technology research and development, the Company takes technological innovation as the driving force, strengthens industry-university-research cooperation, actively tracks industry R&D trends and market information feedback, and forms an efficient and timely interactive platform among market demand, R&D trends and project planning. Since its establishment, the Company has attached great importance to independent intellectual property rights, insisted on increasing continuous investment in new product research and development, and vigorously developed core technologies with independent intellectual property rights.
5. Strengthen the construction of talent team and improve the quality of employees. Based on the stage of development, the Company vigorously expands its talent team by internal training, talent introduction and other ways, and continuously improves the knowledge and professional structure of employees. Fully tap into the potential of existing human resources, conduct follow-up vocational training among employees, and improve their professional quality and skills. Strengthen the cooperation with domestic counterpart colleges and universities, and cultivate and introduce excellent talents through multiple channels.

### (IV) Others

Applicable Not applicable"

## Section IV Environmental, Social and Governance

### I、 Corporate governance

Applicable Not applicable"

During the reporting period, the Company strictly followed the Company Law, Securities Law, and Code of Corporate Governance of Listed Companies and other laws and regulations, as well as relevant requirements of the China Securities Regulatory Commission and Shanghai Stock Exchange on corporate governance, continuously promoted standardized and procedural management, improved the level of corporate governance, fulfilled information disclosure obligations in accordance with the law, strengthened investor relation management, fully protected the legitimate rights and interests of investors, and promoted the sustainable development of the Company. The Company has established a corporate governance structure with well-defined power and responsibility, checks and balances, and an effective internal control system for supervision in accordance with the requirements for listed companies, and operated strictly in accordance with the law. The corporate governance of the Company complies with the requirements of the Company Law and relevant regulations of the China Securities Regulatory Commission. The shareholders assembly and the board of directors of the Company can operate in accordance with the Company Law, the Securities Law and other relevant laws and regulations, as well as the Articles of Association and the internal system of the Company, and perform their respective rights and obligations according to law. The convening, holding and deliberation procedures of the previous meetings of shareholders assembly and the meetings of the board of directors comply with relevant laws, regulations, normative documents and the Articles of Association of the Company, without violation of laws and regulations.

Whether there is any major difference between corporate governance and laws, administrative regulations, and the provisions of the China Securities Regulatory Commission on the governance of listed companies; If any, the reason should be explained.

Applicable Not applicable"

### II、 The specific measures taken by proprietary shareholders and actual controllers of the Company to ensure the independence of the Company's assets, personnel, finance, institutions, business, etc., and the solutions, work schedule and subsequent work plans taken when the independence of the Company is affected

Applicable Not applicable"

Mr.Liu Jianbo, the company's actual controller, concurrently serves as Chairman and General Manager. This arrangement is primarily based on the company's current operational needs and leverages the strategic management advantages of the actual controller, thereby enhancing decision-making and execution efficiency. The company has clearly defined the authority boundaries among the Board of Directors, Chairman, and General Manager in its Articles of Association and relevant policies. Major decisions are made collectively by the Board, with no statutory powers vested solely in the Chairman or General Manager. This structure not only strengthens corporate governance, standardizes decision-making procedures, mitigates risks, and safeguards the legitimate rights of the company and all shareholders, but also improves decision-making efficiency and ensures timely implementation of business strategies—making it a rational arrangement. The company strictly maintains independence in assets, personnel, finances, organizational structure, and operations. The actual controller exercises shareholder rights in compliance with laws, the Articles of Association, and corporate governance rules, refraining from overstepping authority in operational decisions. The company has established robust mechanisms—including independent director oversight, internal controls, and review processes for related-party transactions—to effectively protect the independence of the listed company and the legitimate interests of all shareholders.

Applicable Not applicable"

Significant adverse impact on the Company from the horizontal competition of business engaged by the controlling shareholder, actual controller and other entities under their control

Applicable Not applicable"

**III、 Implementation and changes in the arrangement of differences in voting rights during the reporting period**

Applicable Not applicable"

**IV、 Red-chip structure corporate governance**

Applicable Not applicable"

**V、 Information about directors and senior managers****(I) Changes in shareholding and remuneration of current and outgoing directors, senior management, and core technical personnel during the reporting period**

√Applicable"□Not applicable"

Unit: share

Name	Position	Gender	Age	Start date of term of office	Expiry date of term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Changes in shares during the year	Reason of increase or decrease	Total pre-tax remuneration received from the Company during the reporting period (Unit: RMB 10,000)	Whether the compensation is paid by the affiliated party of the company
Liu Jianbo	Chairman, General Manager, Core technician	Male	47	12/29/2005	5/15/2028	91,582,400	91,582,400	0		180.02	No
Xiao Zhiguo	Director and General Manager of Shenzhen Dongwei	Male	47	1/9/2014	5/15/2028	13,087,184	13,087,184	0		226.21	No
Li Yangzhao	Director, Deputy General Manager	Male	47	10/1/2014	5/15/2028	10,263,509	8,263,509	-2,000,000	Secondary market trading	70.02	No
Nie Xiaojian	Director, Deputy	Male	50	2/17/2016	5/16/2025	7,701,789	7,640,789	-61,000	Secondary market	168.33	No

	General Manager								trading		
Jiang Zejun	Director, Core Technical Personnel, and Deputy General Manager of R&D Department	Male	50	12/29/2005	5/16/2025	4,794,468	4,789,468	-5,000	Secondary market trading	168.33	No
Shi Guowei	Director and Sales Director	Male	46	5/16/2019	5/15/2028	3,880,382	3,880,382	0		96.63	No
Wei Yongjun	Director and General Manager of Hardware Business Unit	Male	46	3/1/2015	5/15/2028	7,514,095	7,514,095	0		42.02	No
Zhang Zhen	Director and General Manager of New Energy Business Unit	Male	48	5/16/2025	5/15/2028	307,840	307,840	0		154.17	No
Cai Wenwu	Director and R&D Manager	Male	35	5/16/2025	5/15/2028	4,141,006	3,504,006	-637,000	Secondary market trading	28.77	No
Zhao Jianbing	Independent Director	Male	51	5/16/2025	5/15/2028	0	0	0		6.25	No
Su	Independent	Male	50	5/16/2025	5/15/2028	0	0	0		5.42	No

Xinjian	t Director										
Ma Jie	Independent Director	Male	70	5/13/2022	5/15/2028	0	0	0		10.00	No
Wang Longji	Independent Director	Male	86	5/13/2022	5/15/2028	0	0	0		10.00	No
Lu Huaming	Independent Director	Male	64	7/26/2019	5/16/2025	0	0	0		3.75	No
Zhong Jincai	Chairman of the Board of Supervisors and Business Director	Male	51	5/4/2011	5/16/2025	2,275,057	2,278,057	3,000	Secondary market trading	82.44	No
Zhou Xiangrong	Deputy General Manager, Chief Financial Officer	Male	63	9/1/2018	5/16/2025	1,385,320	1,261,000	-124,320	Secondary market trading	100.02	No
Zhang Zuqing	Chief Financial Officer	Male	53	5/16/2025	5/15/2028	0	0	0		47.81	No
Xu Peipei	Secretary of the Board of Directors	Female	42	7/21/2023	5/15/2028	0	0	0		35.66	No
Liu Tao	Core technician	Male	42	5/16/2019	/	1,171,891	1,171,891	0		63.74	No
Total	/	/	/	/	/	148,104,941	145,280,621	-2,824,320	/	1,499.59	/

Name	Main Working Experience
Liu Jianbo	Born in August 1979, Chinese nationality, without permanent residence outside China, holding a bachelor degree, and rated as a senior engineer by the China Electronic Circuit Industry Association. From 1996 to 2001, served as a technician and production supervisor at Dongguan Youda Circuit

	Board Equipment Factory; from 2001 to 2005, served as the head of Kunshan Dongwei Mechanical Equipment Service Department; from 2005 to 2019, served as the Chairman and General Manager of Dongwei Limited; from 2011 to 2022, served as the Executive Director of Kunshan Dongwei Machinery Co., Ltd.; from 2013 to present, served as the Executive Director and General Manager of Guangde Dongwei; from 2014 to present, served as Executive Director and General Manager of Shenzhen Dongwei; from 2019 to present, served as the Chairman and General Manager of the Company.
Xiao Zhiguo	Born in October 1979, Chinese nationality, without permanent residence outside China, holding a bachelor degree. From 2001 to 2003, served as an engineer in the Technical Department of Dongguan Weiyu Circuit Board Co., Ltd.; from 2003 to 2013, served as the Sales Manager and Customer Service Manager of Jiahui International Industry Co., Ltd.; from 2014 to 2019, served as the Business Director and Director of Dongwei Limited; from 2019 to present, served as the Business Director and Director of the Company.
Li Yangzhao	Born in September 1979, Chinese nationality, without permanent residence outside China, technical secondary school education. From 1997 to 1999, served as a technician at Dongguan Youda Circuit Board Equipment Factory; from 1999 to 2004, served as the section chief of Jingming Machinery (Shenzhen) Co., Ltd.; from 2004 to 2014, served as the section chief and department manager of Kunshan Jingming Machinery Co., Ltd.; from 2014 to 2019, served as the Deputy General Manager of Kunshan Dongwei Machinery Co., Ltd.; from 2019 to present, served as the Director and Deputy General Manager of the Company.
Nie Xiaojian	Born in May 1976, Chinese nationality, without permanent residence outside China, college degree. From 1993 to 1997, served as a technician at the Agricultural Machinery Repair Factory in Xingan County, Jiangxi Province; from 1997 to 2002, worked as a freelancer; from 2002 to 2003, served as a technician at Wonder Kosei Metal Industry (Kunshan) Co., Ltd.; from 2003 to 2005, served as the technical director of Mechanical Equipment Service Department of Kunshan Dongwei; from 2005 to 2019, served as the Production Manager and Director of Dongwei Limited; from 2011 to 2022, served as the General Manager of Kunshan Dongwei Machinery Co., Ltd.; from 2019 to May 16, 2025, served as the Director and Deputy General Manager of the Company; currently, holds other positions in the Company.
Jiang Zejun	Born in December 1976, Chinese nationality, without permanent residence outside China, college degree, and rated as a senior engineer by the China Electronic Circuit Industry Association. From 1998 to 2001, served as a technician at Dongguan Youda Circuit Board Equipment Factory; from 2002 to 2005, served as a technician in the Mechanical Equipment Service Department of Kunshan Dongwei; from 2005 to 2019, served as the Technical Director and Director of Dongwei Limited; from 2019 to May 16, 2025, served as the Deputy General Manager and Director of the Company; currently, served as the Deputy General Manager of R&D of the Company.
Shi Guowei	Born in January 1980, Chinese nationality, without permanent residence outside China, junior high school education. From 2000 to 2004, served as the Production Manager of Changsheng Hardware Products Factory in Chang'an Town, Dongguan; from 2004 to 2006, served as a technician in the Engineering Department of Dongguan Youda Circuit Board Equipment Factory; from 2006 to 2008, served as the Deputy General Manager of the Engineering Department of Kunshan Botong Machinery Equipment Co., Ltd.; from 2008 to 2010, served as the Deputy General Manager of Sales Department of Kunshan Hongya Metal Products Factory; from 2010 to 2013, served as the General Manager of Kunshan Furuite Machinery Equipment Co., Ltd.; from 2013 to 2019, served as the Business Manager, Business Director, and Director of Dongwei Limited; from 2019 to present, served as the Business Director and Director of the Company.
Wei Yongjun	Born in December 1980, Chinese nationality, without permanent residence outside China, holding a bachelor degree in engineering. From 2000 to 2001, served as a technician in Dongguan Youda Circuit Board Equipment Factory; from 2001 to 2005, served as a technician in the Mechanical Equipment Service Department of Kunshan Dongwei; from 2006 to 2007, worked as a freelancer; from 2008 to 2014, served as a manager of Antecedence Control Technology (Kunshan) Co. Ltd.; from 2015 to 2019, served as the Foreign Trade Director of Kunshan Dongwei Machinery

	Co., Ltd.; from 2019 to present, served as the Business Director and Director of the Company. Currently serving as the Vice Chairman of Suzhou Electroplating Association, Executive Director of Jiangsu Surface Engineering Association, Director of China Surface Engineering Association, and Vice Chairman of Electroplating Division of China Surface Engineering Association. Current Director and General Manager of Changshu Dongwei Technology Co., Ltd.
Zhang Zhen	Born in December 1978, Chinese nationality, without permanent residence outside China, holding a bachelor degree. From 1999 to 2013, served as the factory director of Guangzhou Mingyi Electronic Machinery Co., Ltd.; from 2013 to 2015, served as the factory director of Guangzhou Mingquan Machinery Equipment Co., Ltd.; and from 2015 to the present, served as the R&D General Manager and Technical Director of Kunshan Dongwei Technology Co., Ltd. Served as a supervisor of the Company from 2019 to May 16, 2025. Supervisor and General Manager of New Energy Business Unit
Cai Wenwu	Born in May 1991, Chinese nationality, without permanent residence outside China, college degree. From 2011 to 2014, served as a technician of Kunshan Dongwei Electroplating Equipment Technology Co., Ltd.; from 2014 to 2025, successively served as Engineering Department Team Leader and R&D Manager of Guangde Dongwei Technology Co., Ltd.; currently serves as the Director and R&D Manager of the Company.
Zhao Jianbing	Born in June 1975, Chinese nationality, without permanent residence outside China, holding a bachelor degree, Certified Public Accountant (CPA), Tax Advisor (TA), Certified Public Valuer (CPV). From 1994 to 1999, served as a staff member in the Finance Department of Yangzhou Zhongbao Pharmaceutical Co., Ltd.; from 1999 to 2004, served as Director of the Audit Department at Yangzhou Hongrui Certified Public Accountants Co., Ltd.; from 2004 to present, served as Department Manager and Deputy Director of Suzhou Huaming United Certified Public Accountants (General Partnership). Currently serving as Independent Director of the Company.
Su Xinjian	Born in November 1976, served as Secretary of the Party Committee, Professor, Doctor of Laws and Doctoral Supervisor of School of Law of Zhejiang Gongshang University; a member of the Zhejiang Provincial Propaganda Group for Studying and Implementing Xi Jinping's Thought on the Rule of Law; Expert Member of the Zhejiang Provincial Judges and Prosecutors Selection Committee; Subject Expert of Zhejiang Provincial Philosophy and Social Sciences Development Planning "14th Five-Year" Plan; Young and Middle-Aged Key Teacher in Ideological and Political Education of Zhejiang Higher Education Institutions. Independent Director of Dehua TB New Decoration Material CO., Ltd. since May 2023; Independent Director of Zhejiang Jiuli Hi-Tech Metals Co., Ltd. since January 2024. Currently serving as Independent Director of the Company.
Ma Jie	Born in August 1956, Chinese nationality, without permanent residence outside China, , junior high school education, and graduated from the Graduate School of the Chinese Academy of Social Sciences, majoring in business economics. From March 1975 to July 1983, served as a cadre of Beijing Electroplating Factory; from August 1983 to November 1983, served as the Office Director of the Beijing Electroplating Association; from December 1983 to March 2011, served as the Vice Chairman and Secretary General of the Beijing Electroplating Association; from October 2006 to present, served as the Secretary General and Chairman of the Electroplating Division of the China Surface Engineering Association; from November 2008 to present, served as the Vice Chairman, Secretary General, and Chairman of the China Surface Engineering Association; from March 2011 to present, served as the Chairman of the Beijing Surface Engineering Association; from September 2019 to September 2025, served as Independent Director of Sanfu Tech. From May 2022 to present, served as an Independent Director of Dongwei Technology.
Wang Longji	Born in June 1940, nationality: Chinese, without permanent residency abroad, education background: junior college, senior engineer, from 1969 to 2000, successively served as a worker, workshop controller, workshop deputy director and director, technical director, production director, administrative director, and other positions in Shanghai Radio 20th Factory; from 1990 to March 2015, served as the Secretary General and Vice Chairman of the China Printed Circuit Association; from 1993 to present, served as the President and Editor in Chief of Shanghai Printed Circuit Information Magazine; from April 1993 to present, served as the Chairman of Shanghai Guanglian Information Technology Co., Ltd.; from 1997 to

	present, served as the Chairman of Shanghai Yingzhan Business Services Co., Ltd.; from July 2012 to August 2018, served as Independent Director of JDL Global Environmental Protection, Inc.; from October 2012 to November 2015, served as an Independent Director of Guangdong Zhengye Technology Co., Ltd.; from October 2014 to November 2020, served as an Independent Director of Jiangsu Guangxin Sensory New Materials Co., Ltd.; from December 2014 to December 2020, served as an Independent Director of Shennan Circuits Co., Ltd; from March 2015 to present, served as Honorary Secretary of the China Printed Circuit Association; from December 2015 to July 2017, served as an Independent Director of Aoshikang Technology Co., Ltd.; from August 2017 to November 2017, served as an Independent Director of Nanya New Material Technology Co., Ltd.; from September 2017 to January 2025, served as an Independent Director of Sichuan Inno Circuits Limited; from December 2018 to May 2024, served as an Independent Director of Changzhou Aohong Electronics Co., Ltd.; from August 2019 to August 2025, served as an Independent Director of Camelot Electronics Technology Co., Ltd. From November 29, 2021 to present, served as an Independent Director of Aoshikang Technology Co., Ltd.; from May 13, 2022 to present, served as an Independent Director of Dongwei Technology.
Lu Huaming	Born in April 1962, Chinese nationality, without permanent residence outside China, college degree, CPA. From 1984 to 1987, served as a section member of Kunshan Shipu Industrial Co., Ltd.; from 1987 to 1993, served as the Financial Officer of Kunshan Joint Venture Factory of Shanghai Knitting No.11 Factory; from 1993 to 1997, served as the CFO of Kunshan Kungang Knitting and Dyeing Co., Ltd.; from 1997 to 2002, served as a department director of Suzhou Xinlian Certified Public Accountants Co., Ltd.; from 2003 to present, served as the Managing Partner and Head of Suzhou Huaming United Certified Public Accountants (General Partnership); from March 2021 to present, served as an independent director of Dingmei New Materials Technology Co., Ltd.; from 2019 to May 16, 2025, served as an Independent Director of the Company.
Zhong Jincai	Born in September 1975, Chinese nationality, without permanent residence outside China, college degree. From 1997 to 2001, taught as a teacher at Jingxi School in Sanming City; from 2001 to 2007, taught as a teacher at the 12th Middle School in Sanming City; from 2007 to 2011, worked as a freelancer; from 2011 to 2019, served as the Business Manager and Business Director of Dongwei Limited; from 2019 to May 16, 2025, served as the Business Director and Chairman of the Board of Supervisors of the Company. Current Business Director of the Company.
Zhou Xiangrong	Born in January 1963, Chinese nationality, without permanent residence outside China, holding a bachelor degree, senior accountant.. From 1981 to 1992, served as the accountant in charge and league secretary of Jiangyin Special Education Center School; from 1992 to 2003, served as the Deputy General Manager and Financial Manager of Jiangyin Southern Pipe Fitting Manufacturing Co., Ltd.; from 2003 to 2007, served as the Business Manager of the Work-study Program Office in Jiangyin City; from 2007 to 2009, served as the CFO of Jiangsu Huali Network Engineering Co., Ltd.; in 2009, served as the Supervisor and Audit Manager of Jiangsu Baoli Asphalt Co., Ltd.; from 2009 to 2010, served as the CFO of Jiangsu Jianye Heng'an Engineering Project Management Co., Ltd.; from 2010 to 2012, served as the CFO of Shanghai Acrel Electric Co., Ltd.; from 2013 to 2017, served as the CFO of Wuxi Xinjie Electric Co., Ltd.; From 2017 to 2018, served as the CFO of Wuxi Longda Metal Materials Co., Ltd; from 2018 to 2019, served as the Financial Director of Dongwei Limited; from 2019 to present, served as the Deputy General Manager and the Financial Director of the Company. Other current positions in the Company.
Zhang Zuqing	Born in March 1973, Chinese nationality, without permanent residence outside China, college degree, intermediate accountant, certified tax agent, senior management accountant. From December 1990 to December 2005, served as a settlement clerk, cashier, and accountant at Yongfeng Grain & Oil Purchase and Sales Company in Jiangxi Province; from May 2006 to April 2015, served as the chief accountant, financial supervisor, and financial manager of Dongguan Fortune Furniture Co., Ltd.; from May 2015 to February 2017, served as the Financial Manager of Guangzhou Panyu Qilida Electronics Co., Ltd.; from March 2017 to September 2018, served as the Deputy Director of Finance of Outrace Polytron Technologies Co., Ltd.; from November 2018 to March 2023, served as the Financial Manager of Guangde Dongwei Technology Co., Ltd.; from April 2023 to May 16, 2025, serving as Financial Manager and Deputy Director of Finance of the Company. Current Chief Financial Officer of the

	Company.
Xu Peipei	Born in March 1984, Chinese nationality, without permanent residence outside China, graduate degree. From July 2009 to February 2015, worked at the Board Office of Jiangsu Tongda Power Technology Co., Ltd.; from February 2015 to October 2022, served as the Secretary of the Board of Directors of Tengfei Technology Co., Ltd.; from October 2022 to July 2023, served as the securities affairs representative of the Company and Director of the Board Office; from July 2023 to present, served as the Secretary of the Company's Board of Directors.
Liu Tao	Born in June 1984, Chinese nationality, without permanent residence outside China, high school education. From 2004 to 2005, served as served an engineer in the Machinery Equipment Service Department of Kunshan Dongwei; from 2005 to 2019, served successively as a technician, R&D engineer, product manager and R&D director of Dongwei Limited; from 2019 to present, served as the Company's R&D Director.

Other information

Applicable"Not applicable"

**(II) Incumbency of current and outgoing directors and senior managers during the reporting period****1 Posts held in the shareholder entity**

√Applicable"□Not applicable"

Name of employee	Name of shareholder entity	Position held in institutional shareholder	Start date of term of office	Expiry date of term of office
Liu Jianbo	Fangfang Yuanyuan	Executive partner	1/24/2017	Present
Liu Jianbo	Jiayue Jiayue	Executive partner	3/20/2017	Present
Li Yangzhao	Jiayue Jiayue	Limited Partners	10/30/2020	Present
Explanation for posts held in the shareholder entity	Fangfang Yuanyuan and Jiayue are employee stock ownership platforms of the Company			

**2 Posts held in other entity**

√Applicable"□Not applicable"

Name of employee	Name of other entity	Posts held in other entity	Start date of term of office	Expiry date of term of office
Lu Huaming	Suzhou Huaming United Certified Public Accountants (General Partnership)	Managing Partner and Person in Charge	2003-01	-
Lu Huaming	D.MAG New Material Technology Co., Ltd.	Independent Director	2021-03	-
Ma Jie	Guangzhou Sanfu New Materials Technology Co., Ltd.	Independent Director	2023-07	2025-09
Ma Jie	Wuhan Jadechem New Materials Co., Ltd.	Independent Director	2022-08	-
Ma Jie	China Surface Engineering Association	Chairman	2019-10	-
Ma Jie	Electroplating Division of China Surface Engineering Association	Chairman	2008-11	-
Wang Longji	Shanghai Printed Circuit Information Magazine	President and Editor in Chief	1999-03	-
Wang Longji	Shanghai Guanglian Information Technology Co., Ltd.	General Manager and Chairman	1993-05	-
Wang Longji	Shanghai Yingzhan Business Services Co., Ltd.	Chairman of the Board	1997-03	-
Wang Longji	China Printed Circuit Association	Honorary Secretary	2015-03	-
Wang Longji	Camelot Electronics Technology Co., Ltd.	Independent Director	2019-08	2025-08
Wang Longji	Aoshikang Technology Co., Ltd.	Independent Director	2021-11	-
Wang Longji	Sichuan Inno Circuits Limited	Independent Director	2017-09	2025-01
Zhao Jianbing	Suzhou Huaming United Certified Public Accountants (General Partnership)	Department Manager and Deputy Director	2004-10	-

	Partnership)			
Su Xinjian	School of Law, Zhejiang Gongshang University	Secretary of the Party Committee and Professor	2006-06	-
Su Xinjian	Dehua TB New Decoration Material CO., Ltd.	Independent Director	2023-05	-
Su Xinjian	Zhejiang Jiuli Hi-Tech Metals Co., Ltd.	Independent Director	2024-01	-
Notes to posts held in other entity	None			

### (III) Remuneration of directors, senior manager, and core technical personnel

√Applicable"□Not applicable"

Unit: 0,000 yuan Currency: RMB

Decision-making procedures for the remuneration of directors and senior managers	In accordance with the Articles of Association of the Company, the Remuneration and Appraisal Committee of the Company shall conduct research and review on the remuneration policies and plans for Directors and senior executives, and the remuneration plans for senior executives shall be implemented after being approved by the Board of Directors; the remuneration plan for directors shall be approved by the Board of Directors and then submitted to the shareholders general assembly for approval before implementation.
Whether a director needs to recuse himself from the discussion of his remuneration by the board of directors	Yes
Specific information on the recommendations made by the Remuneration and Appraisal Committee or the Special Meeting of Independent Directors on the remuneration of directors and senior managers	On April 24, 2025, the fourth meeting of the second Board of Directors Compensation and Assessment Committee examined and approved the "Proposal on the Company's 2025 Directors' Remuneration Plan" and "Proposal on the Company's 2025 Senior Management Remuneration Plan".
Basis for determining the remuneration of directors and senior managers	Non-independent directors and supervisors shall receive remuneration based on their specific positions in the Company, without receiving additional compensation as directors and supervisors. Independent Directors shall receive allowances.
Actual payment for the remuneration of directors and senior managers	The remuneration of the Company's directors, supervisors, and senior executives has been paid in accordance with relevant regulations.
Total actual remuneration received by all directors and senior managers at the end of the reporting period	1,499.59
Total remuneration actually received by core technical personnel at the end of reporting period	412.09
Assessment basis and fulfillment of the actual remuneration received by all directors and senior managers as of the end of the reporting period	In 2025, the allowances received by independent directors are not subject to assessment; non-independent directors and senior managers receive corresponding compensation based on the Company's regulations on performance assessment. The performance assessment have been effectively implemented and completed in accordance with the Company's regulations on performance assessment.

Deferred payment arrangement for the actual remuneration received by all directors and senior managers as of the end of the reporting period	Not applicable
Suspension and recovery of the actual remuneration received by all directors and senior managers as of the end of the reporting period	Not applicable

**(IV) Changes in directors, senior management, and core technical personnel of the Company**

√Applicable"□Not applicable"

Name	Office held	Changes information	Reason of changes
Lu Huaming	Independent Director	Resigned	Change of term
Nie Xiaojian	Director	Resigned	Change of term
Jiang Zejun	Director	Resigned	Change of term
Zhong Jincai	Chairman of Board of Supervisors	Resigned	Change of term
Zhou Xiangrong	Deputy General Manager, Chief Financial Officer	Resigned	Job transfer
Zhang Zhen	Director	Election	Change of term
Wei Yongjun	Director	Election	Change of term
Zhao Jianbing	Director	Election	Change of term
Su Xinjian	Director	Election	Change of term
Cai Wenwu	Director	Election	Change of term
Zhang Zuqing	Person in Charge of Finance	Appointment	Job transfer

**(V) Punishment of securities regulatory agencies in the past three years**

□Applicable"√Not applicable"

**(VI) Others**

□Applicable "√Not applicable"

**VI、 Performance of duties of directors****(I) Directors' Attendance of the Board Meeting and Meeting of Shareholders Assembly**

Name of Director	Independent director or not	Attendance of the Board Meeting						Attendance of the meeting of shareholders assembly
		Number of times attending the board	Number of times	Times of meeting at which it is	Times of attendance	Times of absence	Whether it fails to attend the meeting	Attendance at shareholder

		meetings	attending in person	present by means of communication	by attorney		personally twice in succession	meetings
Liu Jianbo	No	5	5	0	0	0	No	2
Xiao Zhiguo	No	5	5	0	0	0	No	2
Li Yangzhao	No	5	5	0	0	0	No	2
Nie Xiaojian (Leaving office due to term rotation)	No	2	2	0	0	0	No	2
Shi Guowei	No	5	5	1	0	0	No	2
Jiang Zejun (Leaving office due to term rotation)	No	2	2	0	0	0	No	2
Zhang Zhen (Appointed due to term rotation)	No	3	3	0	0	0	No	2
Wei Yongjun (Appointed due to term rotation)	No	3	3	0	0	0	No	2
Lu Huaming (Leaving office due to term rotation)	No	2	2	0	0	0	No	2
Wang Longji	No	5	5	2	0	0	No	2
Ma Jie	No	5	5	5	0	0	No	2
Zhao Jianbing	No	3	3	0	0	0	No	0
Su Xinjian	No	3	3	0	0	0	No	0

Instructions for not attending the board meeting in person for two consecutive times  
Applicable"Not applicable"

Number of board meetings held during the year	5
Of which: the number of on-site meetings	0
Number of meetings held by communication method	0
Number of meetings held combining the on-site method and communication method	5

**(II) Objections raised by the director to the matters related to the company**

Applicable"Not applicable"

**(III) Others**

Applicable "Not applicable"

**VII. Special committees under the board of directors**

Applicable "Not applicable"

**(I) Member of special committees under the board of directors**

Category of special committees	Name of members
Audit Committee	Zhao Jianbing (Convener), Su Xinjian, Cai Wenwu
Nomination Committee	Wang Longji (Convener), Ma Jie, Wei Yongjun

Remuneration and Assessment Committee	Ma Jie (Convener), Zhao Jianbing, Li Yangzhao
Strategy and ESG Committee	Liu Jianbo (Convener), Wang Longji, Xiao Zhiguo, Shi Guowei, Zhang Zhen

**(II) During the reporting period, the audit committee convened 4 meetings.**

Date of convening	Content of meeting	Important opinions and suggestions	Other performance of duties
4/24/2025	<ol style="list-style-type: none"> <li>1. Proposal on the Performance Report of the Audit Committee of the Board of Directors in 2024</li> <li>2. Proposal on the Financial Final Account Report of the Company in 2024</li> <li>3. Proposal on the Full Text and Summary of Report of the Company in 2024</li> <li>4. Proposal on the Profit Distribution Plan of the Company in 2024</li> <li>5. Proposal on the Special Report on the Deposit and Use of Raised Funds by the Company in 2024</li> <li>6. Proposal on Withdrawal of Assets Impairment Provisions of the Company in 2024</li> <li>7. Proposal on the “Evaluation Report of Internal Control in 2024” of the Company</li> <li>8. Proposal on Engagement of Financial Audit and Internal Control Audit Institutions of the Company in 2025</li> <li>9. Proposal on Application to Banks for Comprehensive Credit Line of the Company in 2025</li> <li>10. Proposal on Company's Use of Idle Own Funds for Cash Management</li> <li>11. Proposal on the Performance Evaluation Report of Accounting Firm</li> <li>12. Proposal on the Audit Committee’s Report on the Performance of Supervisory Duties by Accounting Firm</li> <li>13. Proposal on the Company's Report in the First Quarter of 2025</li> <li>14. Proposal on Withdrawal of Assets Impairment Provisions of the Company in Q1 2025</li> </ol>	<p>The Audit Committee carried out its work strictly in accordance with the Company Law, the regulatory rules of China Securities Regulatory Commission, the Articles of Association and the Rules of Procedure of the Audit Committee, and unanimously passed all proposals after full communication and discussion.</p>	None
5/16/2025	<ol style="list-style-type: none"> <li>1. Proposal on Exemption from Advance Notice for Convening the Audit Committee Meeting</li> <li>2. Proposal on Appointing the Company's Chief Financial Officer</li> </ol>		
8/26/2025	<ol style="list-style-type: none"> <li>1. Proposal on the Semi-Annual Report and Summary of the Company in 2025</li> <li>2. Proposal on the Special Report on the Deposit and Use of Raised Funds by the Company in the First Half of 2025</li> <li>3. Proposal on Withdrawal of Assets Impairment Provisions in the First Half of 2025.</li> </ol>		
10/22/2025	<ol style="list-style-type: none"> <li>1. Proposal on the Company's Report in the Third Quarter of 2025</li> <li>2. Proposal on Withdrawal of Assets Impairment Provisions of the Company in the First Three Quarters of 2025</li> </ol>		

**(III) During the reporting period, the Remuneration and Appraisal Committee held three meetings**

Date of convening	Content of meeting	Important opinions and suggestions	Other performance of duties
3/22/2025	1. Proposal on the Company's Restricted Stock Incentive Plan (Draft) 2025 and Its Summary 2. Proposal on Management Measures for the Implementation and Assessment of the Restricted Stock Incentive Plan 2025 of the Company	The Remuneration and Appraisal Committee carried out its work strictly in accordance with the Company Law, the regulatory rules of China Securities Regulatory Commission, the Articles of Association and the Rules of Procedure of the Remuneration and Appraisal Committee, and unanimously passed all proposals after full communication and discussion.	None
4/24/2025	1. Proposal on the Compensation Plan for Directors of the Company in 2025 2. Proposal on the Compensation Plan for Senior Managers of the Company in 2025 3. Proposal on Granting Restricted Stocks to the Incentive Recipients of the Restricted Stock Incentive Plan 2025		
10/22/2025	1. Proposal on Adjusting Relevant Matters of the Restricted Stock Incentive Plan 2025 2. Proposal on Granting the Reserved Portion of Restricted Stocks to the Incentive Recipients of the Restricted Stock Incentive Plan 2025 3. Proposal on Verifying the List of Reserved Incentive Objects for the Company's Restricted Stock Incentive Plan 2025		

**(IV) During the reporting period, the nomination committee convened 2 meetings.**

Date of convening	Content of meeting	Important opinions and suggestions	Other performance of duties
4/24/2025	1. Proposal on Nominating Candidates for Non-Independent Directors of the Third Board of Directors 2. Proposal on Nominating Candidates for Independent Directors of the Third Board of Directors	The Nomination Committee carried out its work strictly in accordance with the Company Law, the regulatory rules of China Securities Regulatory Commission, the Articles of Association and the Rules of Procedure of the Nomination Committee, and	None
5/16/2025	Proposal on the Qualification Review of Senior Managers		

		unanimously passed all proposals after full communication and discussion.	
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**(V) During the reporting period, the Strategy and ESG Committee convened 2 meetings.**

Date of convening	Content of meeting	Important opinions and suggestions	Other performance of duties
4/24/2025	Proposal on the Financial Final Account Report of the Company in 2024;	The Strategic and ESG Committee carried out its work strictly in accordance with the Company Law, the regulatory rules of China Securities Regulatory Commission, the Articles of Association and the Rules of Procedure of the Strategic and ESG Committee, and unanimously passed all proposals after full communication and discussion.	None
10/22/2025	Proposal on Renaming the Strategic Committee of the Board of Directors to the Strategic and ESG Committee of the Board of Directors and Revising Relevant Rules of Procedure		

**(VI) Objections**

Applicable Not applicable"

**VIII、 Risks found by the Audit Committee in the Company**

Applicable"Not applicable"

The Audit Committee raises no objection to the matters under the supervision within the reporting period.

**IX、 Employees of the parent company and major subsidiaries at the end of the reporting period**

**(I) Employees**

Number of on-duty employees of parent company	548
Number of on-duty employees of main subsidiary	1,106
Total number of on-duty employees	1,654
Number of retired employees for which the parent company and the main subsidiary shall pay the costs and expenses	0
Composition of professions	
Type of composition of professions	Number of employees in the composition of professions
Production personnel	1,123
Sales personnel	150
Technicians	209
Financial personnel	23
Administrative personnel	149
Total	1,654
Education level	
Type of educational background	Number (person)
Master degree and above	11
Undergraduate	182

Junior College	494
Junior college or below	967
Total	1,654

**(II) Compensation policy**√Applicable Not applicable"

The Company sets wage standards for different jobs according to the annual business objectives and business conditions, with reference to the local wage level and the situation of human resources market. In order to promote the development of the Company, increase the income of employees, constantly improve the performance appraisal method, give full play to the incentive role of salary assessment, adhere to the link between salary and individual performance, further improve the authority and effectiveness of performance assessment, fully mobilize the enthusiasm and subjective initiative of employees, and provide strong talent support and guarantee for the sustainable and healthy development of the Company. The Company links the salary of R&D personnel with the sales performance, and the unique salary plan maximizes the enthusiasm of R&D personnel.

**(III) Training plan**√Applicable Not applicable"

In order to strengthen the team building of the Company, continuously improve the professional and technical level and professional quality of employees, and improve the professional level and management ability of the Company's management personnel, the Company makes training plans according to the actual needs of enterprise development. The employee trainings mainly include:

- (1) New employee orientation training and on-job training;
- (2) Vocational training;
- (3) Practical training for special types of work;
- (4) ISO9001 and GB/T29490-2013 system training;
- (5) Occupational health and safety education and training;
- (6) Professional technical training;
- (7) Family education and training.

**(IV) Labor outsourcing**√ApplicableNot applicable"

Total working hours of labor outsourcing	405,986.00
Total compensation paid for labor outsourcing (RMB 0,000)	1,457.10

**X、 Profit distribution plan or the plan for capital reserve converted into share capital****(I) Formulation, implementation or adjustment of the cash dividend policy**√Applicable Not applicable"

According to the Rules of the Shanghai Stock Exchange for the Listing of Stocks on the Science and Technology Innovation Board and the Regulatory Guidelines for Listed Companies No. 3 - Distribution of Cash Dividends of Listed Companies, the Company has made clear institutional arrangements in its Articles of Association on the basic principles, implementation conditions, decision-making procedures and mechanisms of profit distribution, especially cash dividend policies to fully protect the interests of all shareholders, especially small and medium shareholders.

**(II) Special notes to the cash dividend policy**√Applicable Not applicable"

Whether conforming to the provisions of the articles of association or the requirements of the resolution of the meeting of shareholders general assembly;	√Yes <input type="checkbox"/> No"
Whether the dividend standard and proportion are definite and clear;	√Yes <input type="checkbox"/> No"
Whether the relevant decision-making procedure and mechanism are complete;	√Yes <input type="checkbox"/> No"

Whether the independent director performs the duties and plays his due role:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the minority shareholders have the chance to express their opinions and appeals; whether their legal rights and interests are protected fully.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**(III) If it is profitable during the reporting period and the parent company's profits available for distribution to shareholders are positive, but the cash profit distribution plan of the is not proposed, the Company shall disclose the reasons in detail and the purpose and use plan of the undistributed profit.**

Applicable Not applicable

**(IV) Plan for profit distribution and conversion of capital accumulation fund into share equity within the reporting period**

Applicable Not applicable

Unit: yuan Currency: RMB

Number of bonus shares distributed for every 10 shares (Share)	0
Amount of dividend distributed for every 10 shares (Including tax)	2.00
Number of converted shares for every 10 shares (Share)	0
Amount of cash dividend (Including tax)	59,600,112.00
Net profit in the consolidated statement attributable to ordinary shareholders of the listed company	120,936,915.08
The ratio of cash dividends to net profit in the consolidated statement attributable to ordinary shareholders of the listed company (%)	49.28
Amount included in cash dividends for repurchasing shares in cash	0
Total dividend amount (including tax)	59,600,112.00
The ratio of total dividends to net profit in the consolidated statement attributable to ordinary shareholders of the listed company	49.28

**(V) Cash dividends in the last three fiscal years**

Applicable Not applicable

Unit: yuan Currency: RMB

Net profit in the consolidated statement in the most recent fiscal year attributable to ordinary shareholders of the listed company	120,936,915.08
Undistributed profit of the parent company's statements at the end of the last fiscal year	352,584,839.13
Accumulated cash dividends in the last three fiscal years (tax included) (1)	146,707,968.00
Accumulated amount repurchased and cancelled in the last three fiscal years (2)	0
Accumulated cash dividends and amount repurchased and cancelled in the last three fiscal years (3)=(1)+(2)	146,707,968.00
Average annual net profit in the last three fiscal years (4)	113,879,086.52
Proportion of cash dividends in the last three fiscal years (%) (5)=(3)/(4)	128.83
Accumulated amount of R&D investment in the last three	262,834,553.41

fiscal years	
Proportion of accumulated R&D investment to the accumulated operating income in the last three fiscal years (%)	9.53

## XI、The situation and influence of the Company's equity incentive plan, employee stock ownership plan or other employee incentives

### (I) (VII) Overall situation of stock ownership incentives

√Applicable"□Not applicable"

#### 1、Equity Incentive Plan during the Reporting Period

Unit: yuan Currency: RMB						
Plan Name	Incentive Method	Number of Underlying Stocks	Proportion of Underlying Stocks (%)	Number of Incentive Objects	Proportion of Incentive Objects (%)	Grant Price of Underlying Stocks
2025 Restricted Stock Incentive Plan	Class II restricted stock	2,050,000	0.69%	211	12.76	20.07

Note:

1. The number of underlying stocks in the table above is the number of stocks proposed in the draft;
2. The proportion of underlying stocks is the proportion of the total number of stocks granted in the Company's equity incentive plan to the total share capital of the Company at the time of the approval of the draft incentive plan by the Meeting of Shareholders' Assembly;
3. The number of incentive objects is the total number of initial incentive objects and reserved objects
4. The proportion of incentive objects is the ratio of the number of incentive objects to the total number of employees in the Company at the end of this reporting period;
5. The grant price of underlying stocks in the above table is the adjusted price;

### (IX) Progress of equity incentive implementation during the reporting period

√Applicable "□Not applicable"

Unit: share							
Plan Name	Number of equity incentives granted at the beginning of the year	Number of newly granted equity incentives during the reporting period	Number of stocks eligible for attribution/execution/unlock during the reporting period	Number of attributed/executed/unlocked stocks during the reporting period	Grant price/exercise price (RMB)	Number of equity incentives granted at the end of the period	Number of attributed/executed/unlocked shares at the end of the period
2025 Restricted Stock Incentive Plan	0	2,050,000	0	0	20.07	2,050,000	0

The "grant price/exercise price" is the latest adjusted grant price.

**(X) Completion of equity incentive assessment indicators and recognized share-based payment expenses during the reporting period**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Plan Name	Completion of company-level assessment indicators during the reporting period	Share-based payment expenses recognized during the reporting period
2025 Restricted Stock Incentive Plan	Meet the standard	6,430,441.31
Total	/	6,430,441.31

**(II) The relevant incentives have been disclosed in the interim announcement and there is no progress or change in subsequent implementation**

√Applicable"□Not applicable"

Summary of matters	Query index
On March 22, 2025, the Company held the 20th meeting of the Second Board of Directors, which examined and approved the "Proposal on the Company's <2025 Restricted Stock Incentive Plan (Draft)> and its Summary" and other proposals.	For details, please refer to the relevant announcements disclosed by the Company on the Shanghai Stock Exchange website (www.sse.com.cn) on March 24, 2025.
On April 7, 2025, the Company disclosed the Publicity and Verification Opinion of the Board of Supervisors on the List of Initial Incentive Objects under the Restricted Stock Incentive Plan 2025.	For details, please refer to the relevant announcements disclosed by the Company on the Shanghai Stock Exchange website (www.sse.com.cn) on April 7, 2025.
On April 24, 2025, the Company held the 21st meeting of the second board of directors, and examined and approved the Proposal on Granting Restricted Stocks for the First Time to the Incentive Objects of the Restricted Stock Incentive Plan 2025 and other proposals.	For details, please refer to the relevant announcements disclosed by the Company on the Shanghai Stock Exchange website (www.sse.com.cn) on April 26, 2025.
On October 22, 2025, the Company held the 3rd Meeting of the Third Board of Directors, which examined and approved the "Proposal on Adjusting Relevant Matters of the 2025 Restricted Stock Incentive Plan" and the "Proposal on Granting the Reserved Portion of Restricted Stock under the 2025 Restricted Stock Incentive Plan to Incentive Recipients" and other proposals.	For details, please refer to the relevant announcements disclosed by the Company on the Shanghai Stock Exchange website (www.sse.com.cn) on October 24, 2025.

Other notes

□Applicable "√Not applicable"

Employ stock ownership plan

□Applicable "√Not applicable"

Other incentives

□Applicable"√Not applicable"

**(III) Equity incentives granted to directors, senior managers, and core technical personnel during the reporting period****1 Stock options**

□Applicable "√Not applicable"

**2 Class I restricted stock**

□Applicable "√Not applicable"

**3 Class II restricted stock**

√Applicable "□Not applicable"

Unit: share

Name	Position	Number of restricted stocks granted at the beginning of the year	Number of restricted stocks newly granted during the reporting period	Granting price of restricted stocks (RMB)	Number of stocks attributable during the reporting period	Number of attributed stocks during the reporting period	Number of restricted stocks granted at the end of the period	Market price at the end of reporting period (RMB)
Zhang Zuqing	Person in Charge of Finance	0	50,000	20.07	0	0	50,000	35.28
Xu Peipei	Secretary of the Board of Directors	0	50,000	20.07	0	0	50,000	35.28
Total	/	0	100,000	/	0	0	100,000	/

**(IV) Evaluation system for senior executives, and the establishment and implementation of incentive mechanisms during the reporting period**

√Applicable "□Not applicable"

The compensation of senior executives of the Company consists of basic salary, annual performance-based salary, job allowances, and welfare income. The Remuneration and Appraisal Committee of the Board of Directors of the Company is responsible for formulating the remuneration assessment and evaluation methods for senior executives, clarifying the assessment standards of basic remuneration and annual performance-based salary for senior executives and conducting the assessment. The compensation plan for senior executives has been reviewed and approved in accordance with the Company's Articles of Association and the Rules of Procedure for the Remuneration and Assessment Committee and other governance systems of the Company.

**XII、 Internal control system construction and implementation during the reporting period**

√Applicable"□Not applicable"

The Company conducts the internal control evaluation in strict accordance with the internal control standard system and relevant regulatory requirements. It has established a sound and effective internal control system, which provides solid and reasonable assurance for the compliance and orderly operation of business management, the security and integrity of assets, and the authenticity and fairness of financial statements and related information. During the reporting period, the Company did not identify any significant or material deficiencies in the internal control of financial and non-financial reports.

For details, please refer to the Internal Control Evaluation Report of Kunshan Dongwei Technology Co., Ltd. in 2025 disclosed by the Company on Shanghai Stock Exchange (www.sse.com.cn) on April 28, 2026.

Description of major defects in the internal control during the reporting period

Applicable Not applicable"

### **XIII、 Management and control of subsidiaries during the reporting period**

Applicable Not applicable"

During the reporting period, all subsidiaries of the Company have formulated sound articles of association, established corresponding internal organizational structure, and continuously improved the corporate governance structure and modern enterprise systems. The organizational structure has clear division of labor, sound functions, and operates in a standardized and efficient manner. During the reporting period, the Company manages the operation, investment, finance and personnel of the subsidiaries in accordance with relevant laws and regulations, the Articles of association and the internal management system, urges the subsidiaries to report major events in advance, implement audit supervision and internal control supervision and evaluation, and strictly regulate the production and operation of the subsidiaries in accordance with the law. The Company ensures the standardized, orderly, and healthy development of the subsidiaries by implementing management control over the subsidiaries. At present, the subsidiaries operate normally without any violation of relevant systems.

Risk warning for abnormal management control of subsidiaries

Applicable Not applicable"

### **XIV、 Explanation of the relevant situation of internal control auditor's report**

Applicable Not applicable"

For details, please refer to the Internal Control Auditor's Report of Kunshan Dongwei Technology Co., Ltd. in 2025 disclosed by the Company on Shanghai Stock Exchange (www.sse.com.cn) on April 28, 2026.

Whether to disclose the internal control auditor's report: Yes

Type of opinion of internal control auditor's report: standard unqualified opinion

Whether a non-standard audit opinions on internal control was issued during the reporting period or the previous year

Yes No

### **XV、 Rectification of self-inspection issues in the special actions on governance of listed companies**

Not applicable

### **XVI、 Statement of the Board of Directors on ESG**

During the reporting period, the Company conducted standardized governance, stable operation, strictly complied with relevant laws, regulations and regulatory requirements, established and improved internal control systems internally, actively maintained relations with investors externally, and fulfilled information disclosure obligations in a true, accurate, complete, fair and timely manner. The Company attaches great importance to product quality management, passed the ISO9001 quality management system certification, strictly control the quality through comprehensive control, and continuously optimize the production process while comprehensively promoting lean production to ensure and improve product quality. The Company is committed to building a responsible supply chain, deepening supplier compliance management and establishing sustainable partnerships based on its own business characteristics. The Company has established a qualified supplier management system, carries out annual supplier investigation, evaluation and on-site audit, and carries out dynamic management of the supplier list. In addition, the Company has established an open and transparent competition mechanism to select enterprises with reliable product quality, reasonable prices, and good reputation as suppliers through procurement bidding, inquiry and price comparison, and provide them with a fair platform to participate in competition.

The Company has always attached great importance to environmental protection, strictly abide by the relevant laws and regulations on environmental protection promulgated by the national and local governments, and carried out production and business activities in strict accordance with the relevant environmental protection requirements. The Company has fully taken into account the needs of environmental protection in terms of production process design, production equipment selection and environmental facilities setting, and has carried out precise, scientific, legal and systematic treatment of pollutants, and actively promoted pollution and carbon reduction. The Company attaches great importance to the role of talent in development, strictly abides by the Labor Law and other laws and regulations, standardizes human resource management, continuously establishes and improves training, compensation, performance, and incentive mechanisms, actively strengthens the construction of the staff team, and provides continuous knowledge and skills training for employees, which has laid the foundation for the sustainable and healthy development of the Company.

## **XVII、 Overall ESG work results**

Applicable Not applicable"

### **(I) Industry-specific ESG practices this year**

Applicable Not applicable"

In accordance with the "Shanghai Stock Exchange Listed Company Self-Regulatory Guidance No.14 - Sustainable Development Report (Trial)" and the "Shanghai Stock Exchange STAR Market Listed Company Self-Regulatory Guide No.13 - Preparation of Sustainable Development Reports," among other guidelines and regulations, the company has prepared this 2025 Environmental, Social and Governance (ESG) Report. For detailed content, please refer to the report published on the Shanghai Stock Exchange website (www.sse.com.cn) on April 28,2026.

### **(II) ESG rating performance for this year**

Applicable Not applicable"

### **(III) Tracking by ESG-themed index funds this year**

Applicable Not applicable"

## **XVIII、 Environmental information of listed companies included in the list of enterprises that legally disclosed environmental information and their major subsidiaries**

Applicable Not applicable"

Other notes

Applicable Not applicable"

## **XIX、 Work of social responsibility**

### **(I) Social contribution of main business and key industry indicators**

For details, please refer to "Section 3 Discussion and Analysis of the Management - III. Analysis of Core Competitiveness during the Reporting Period".

### **(II) Promotion of technological innovation**

Please refer to "Section 3 Discussion and Analysis of the Management - III. Analysis of Core Competitiveness during the Reporting Period - (III) Core Technologies and R&D Progress".

### **(III) Compliance with science and technology ethics**

Not applicable

**(IV) Data security and privacy protection**

The Company has established an information security management system, with technical support and supervision provided by the IT department. The security of the network and information is achieved by mature information security technologies and methods, and the data security of the Company's core data and patent technology documents during the data transmission or storage process is guaranteed by the encryption and decryption technologies; network attacks from the outside are prevented by using firewalls, intrusion detection and anti-virus technologies; hyper-converged technology is used to manage multiple copies of data and regularly backup data to prevent data loss or damage and ensure data security. At the same time, the Company requires employees to properly safeguard all confidential documents and materials. The employees subject to confidential obligation shall sign the Confidentiality Agreement. The compliance with the provisions of the Confidentiality Agreement by employees subject to confidential obligation shall be strictly supervised.

**(V) Types and contributions of public welfare and charitable activities**

Type	Quantity	Description
External donations		
Including: capital (unit: RMB 10,000)	5.00	Donations to Taozhou Middle School/Chamber of Commerce/Association
Materials (unit: RMB 10,000)	33.28	Donations to Bacheng Primary School/School/Chamber of Commerce
Public welfare projects		
Including: capital (unit: RMB 10,000)	2.80	Donation to the Charity Association
Number of beneficiaries (persons)		
Rural revitalization		
Including: capital (unit: RMB 10,000)		
Materials (unit: RMB 10,000)		
Number of employees helped (persons)		

**1. Public welfare and charitable activities**

Applicable Not applicable"

1. Donated outdoor display screens to Bacheng Primary School. 2. Donated gifts to Jiangsu Chamber of Commerce. 3. Donated to the China Printed Circuit Association. 4. Donated to Jiangsu Chamber of Commerce. 5. Donated to Taozhou Middle School. 6. Donated gifts for Teachers' Day. 7. Donated to Guangde Charity Association.

**2. Efforts to consolidate and expand our achievements in poverty alleviation and rural revitalization**

Applicable Not applicable"

Detailed description

Applicable Not applicable"

**(VI) Protection of the rights and interests of shareholder and creditor**

1. The Company has fulfilled its information disclosure obligations in strict accordance with laws and regulations, submitted and disclosed information in a timely and fair manner, and ensured that all shareholders have equal opportunities to access the information of the Company. Before the Company's information is disclosed in accordance with the law, no insider shall disclose the information or use the information for insider trading.

2. The Company has established a comprehensive shareholder voting mechanism, including: 1) When major matters affecting the interests of small and medium investors are deliberated at the shareholders' assembly, the votes of small and medium investors shall be counted separately; 2) the board of directors, independent directors, and shareholders who meet relevant regulations can solicit shareholder voting rights; 3) while ensuring the legality and effectiveness of the shareholders' assembly, the Company provides convenience for shareholders to participate in the meeting of shareholders' general assembly by combining on-site and online voting through various ways and means.

3. The Company values reasonable returns for investors, takes into account the Company's capital demand and the principle of sustainable development, formulates profit distribution plan, and actively rewards shareholders.

4. The Company takes the legitimate rights and interests of creditors into account in its business decisions, and actively cooperates with creditors to understand the Company's financial, operation and management situation. The Company protects the rights and interests of creditors by signing contracts and making regular payments, and strengthens timely information communication with creditors by exchange and visits, and creates an environment for fair cooperation and common development.

### **(VII) Protection of employee rights and interests**

The Company strictly complies with the Company Law, Labor Law, Labor Contract Law, and other laws and regulations, establishes a sound human resource management system, improves salary and incentive mechanisms, and provides institutional regulations and strong protection for salary, benefits, working hours, vacation, and labor protection and other employee rights and interests through labor contract and social insurance covering all employees. The Company has established a system for selecting trade unions and employee supervisors to ensure that employees have full rights in corporate governance. The Company adheres to the principle of people-oriented, advocates a work atmosphere of freedom, openness, cooperation, and innovation, provides employees with a safe and comfortable working environment, and pays attention to their physical and mental health. In addition, the Company provides employees with diversified training and a dual-channel career development path of management and technology. The Company has established its employee stock ownership platforms, such as Fangfang Yuanyuan and Jiayue Jiayue.

#### **Employee stock ownership**

Number of employees holding shares	74
Proportion of employee holding shares to the total number of employees in the Company (%)	4.47
Number of shares held by employees (unit: 10,000 shares)	15,866.56
Proportion of shares held by employees in the total share capital (%)	54.17

Note: The number of employees holding shares and the number of shares held include employees of the shareholding platform (stocks purchased by resigned employees and current employees from the secondary market are not included)

### **(VIII) Protection of the rights and interests of suppliers, customers, and consumers**

The Company attaches great importance to strategic cooperation with suppliers of the entire industry chain and established a strict procurement management system. The Company adheres to the development concept of building a sustainable and stable supply chain system, and strives to assist in improving the management capabilities and operational efficiency of enterprises in the supply chain, reducing the uncertain risk of the overall supply chain, and achieving the goal of mutual benefit and win-win cooperation. The Company also achieves stability in its own production and high-quality delivery to its customers.

The Company is committed to laying out and improving its after-sales service system, continuously enhancing its initiative and standardization, forming a sustainable after-sales service, establishing a good corporate reputation and brand image, attaching importance to listening to customer opinions and suggestions, and committed to improving and enhancing every business link. By the establishment and improvement of relevant policies and systems, in-depth customer satisfaction surveys, product

knowledge popularization and customer training, and continuous improvement of the complaint and dispute handling mechanism, customer satisfaction is continuously improved and greater social value is created.

#### (IX) Product safety guarantee

The Company strictly implements the Production Plan Management Procedure, Material Requisition Management System, Warehouse Management System, and Production Process Control Procedure and other production rules and regulations. The Company continuously improves its production management system through ISO9001 quality management system, environmental management system, occupational health and safety management, energy management system and other certifications. The production department has formulated clear operation standards for the production process and carried out self-inspection and inspection in the production process to ensure the quality of delivered products.

#### (X) Protection of intellectual property

The Company strictly implements the Production Plan Management Procedure, Material Requisition Management System, Warehouse Management System, and Production Process Control Procedure and other production rules and regulations. The Company continuously improves its production management system through ISO9001 quality management system, environmental management system, occupational health and safety management, energy management system and other certifications. The production department has formulated clear operation standards for the production process and carried out self-inspection and inspection in the production process to ensure the quality of delivered products.

#### (XI) Assumption of social responsibility

Applicable Not applicable"

### XX、 Other information on corporate governance

#### (I) Party Building

Applicable Not applicable"

During the reporting period, there were 27 party members in the party branch of the Company. Party building is the core cornerstone and inner soul for the steady development of the Company. Comprehensive and in-depth party building management is an effective way to consolidate leadership, enhance organizational execution and combat effectiveness, promote company culture construction, enhance core competitiveness and brand image, and is also a powerful lever to enhance company cohesion. The Company attaches great importance to the construction of party organizations. With the production and operation as the center, the Company leverages the exemplary role of party members, strengthens party member learning, and promotes continuous innovation in ideology and work concepts. The Company actively carries out party building activities, integrates ideological and political work with the Company's development and construction, guides party members and employees to increase their sense of opportunity, responsibility, and mission, and improves the scientific and efficient decision-making and execution of the Company.

#### (II) Investor relations and protection

Type	Times	Related information
Holding of Performance Presentation Meeting	3	The performance briefing meetings will be held on May 26, 2025, September 11, 2025, and November 19, 2025 through online interaction.
Conduct investor relations management by new media	Sustainable	The Company held investor research activities and received institutional investors for research and exchange. Maintain communication with investors through the SSE E-interactive Platform.
Set up an investor relations column on	<input checked="" type="checkbox"/> Yes	www.ksdwgroup.com

the official website	<input type="checkbox"/> No	
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Investor relations management and protection

Applicable Not applicable"

The Company strictly abides by laws, regulations, and regulatory requirements, strictly implements the Company's information disclosure management system, and fulfills its information disclosure obligations in a true, accurate, complete, timely and fair manner. It maintains close communication with investors through listed company announcements, investors' exchange meetings, performance briefing meetings, roadshows, and SSE E-interactive to maintain operational transparency.

Communication and exchange with investors through other means

Applicable Not applicable"

### **(III) Transparency of information disclosure**

Applicable Not applicable"

The Company has strictly complied with the requirements of the Administrative Measures for the Disclosure of Information of Listed Companies and the Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange, and has formulated the Information Disclosure Management System and Insider Information Management System to strengthen the management of information disclosure affairs, ensure the authenticity, accuracy, completeness, timeliness, and fairness of information, and safeguard the legitimate rights and interests of shareholders, especially the public shareholders.

The Company designates Shanghai Securities News, Securities Times, and Shanghai Stock Exchange (www.sse.com.cn) as the newspapers and websites for information disclosure, to truthfully, accurately, and timely disclose the Company's information and ensure that all shareholders of the Company have fair access to relevant information.

The Company has established official website, official account and other we-media platforms to deliver daily news, daily business, corporate culture and employee care so that investors can further understand the Company in multiple aspects besides the information disclosure announcement and communication.

### **(IV) Participation of institutional investors in corporate governance**

Applicable Not applicable"

During the reporting period, the Company held two meetings of shareholder general assembly, and institutional investors participated in two meetings of shareholder general assembly.

### **(V) Operation of anti-commercial bribery and anti-corruption mechanism**

Applicable Not applicable"

During the reporting period, the Company clarified mutual rights and responsibilities with its supply chain partners, jointly strengthened awareness of lawful operations and integrity in business conduct, and improved self-restraint and self-supervision mechanisms to foster an efficient working environment and prevent improper behaviors in transactions. For all business partners, including customers, suppliers, service providers, contractors, agents, and distributors, the Company has systematically upgraded its integrity governance framework, established a rigorous partner selection mechanism, and clearly defined mutual rights, responsibilities, and constraints, to foster healthy collaboration and jointly promote clean and sustainable business development.

### **(VI) Other information on corporate governance**

Applicable Not applicable"

### **XXI、 Others**

Applicable Not applicable"

## Section V Important matters

### I、 Fulfillment of commitments

#### (I) Commitments of the Company's actual controllers, shareholders, related parties, purchasers and related companies during or last to the reporting period

Applicable"Not applicable"

Commitment background	Type of commitment	Party making the commitment	Content of commitment	Time of commitment	Is there a deadline for the performance?	Term of commitment	Is it strictly implemented in time?	If it fails to perform in time, explain the specific reasons for the failure of performance.	If it fails to perform in time, explain the next plan.
Commitment related to the initial public offering	Share restriction	Liu Jianbo	(1) Within 36 months from the listing date of the Company's shares, I shall not transfer or entrust others to manage the Company's shares directly or indirectly held by me before this issue, nor shall the Company repurchase such shares; (2) If the closing price of the shares is lower than the issue price for 20 consecutive trading days within 6 months after the listing of the Company, or the closing price at the end of 6 months after the listing of the Company is lower than the issue price, the lock-up period of the Company's shares held directly or indirectly by me will be automatically extended for 6 months (the above issue price will be adjusted accordingly in the event of dividend distribution, conversion of share capital, allotment of shares and other ex-dividend and ex-right matters). (3) Except for the aforesaid lock-up period, the number of shares transferred each year during the period of serving as a director, supervisor or senior manager of the Company	Pre-IPO	Yes	Within 36 months from June 15, 2021; and 2 years after the lock-in period expires	Yes	Not applicable	Not applicable

		shall not exceed 25% of the total number of shares directly or indirectly held by me; within 6 months after leaving office, I will not transfer the Company's shares directly or indirectly held by me.						
Share restriction	Fangfang Yuanyuan, Jiayue Jiayue, Kunshan Depeng	Within 36 months from the listing date of the Company's shares, our institution shall not transfer or entrust others to manage the Company's shares directly or indirectly held by our institution before this issue, nor shall the Company repurchase such shares.	Pre-IPO	Yes	Within 36 months from June 15, 2021; and 2 years after the lock-in period expires	Yes	Not applicable	Not applicable
Share restriction	Xiao Zhiguo, Li Yangzhao, Nie Xiaojian, Shi Guowei, Jiang Zejun, Zhou Xiangrong, Qin Yifa	(1) Within 12 months from the listing date of the Company's shares, I shall not transfer or entrust others to manage the Company's shares directly or indirectly held by me before this issue, nor shall the Company repurchase such shares; (2) If the closing price of the shares is lower than the issue price for 20 consecutive trading days within 6 months after the listing of the Company, or the closing price at the end of 6 months after the listing of the Company is lower than the issue price, the lock-up period of the Company's shares held directly or indirectly by me will be automatically extended for 6 months (the above issue price will be adjusted accordingly in the event of dividend distribution, conversion of share capital, allotment of shares and other ex-dividend and ex-right matters). (3) Except for the aforesaid lock-up period, the number of shares transferred each year during the period of serving as a director, supervisor or senior manager of the Company shall not exceed 25% of the total number of shares directly or indirectly held by me; within 6 months after leaving office, I will not transfer the Company's shares directly or indirectly held by me.	Pre-IPO	Yes	Within 12 months from June 15, 2021; and 2 years after the lock-in period expires	Yes	Not applicable	Not applicable
Share restriction	Zhong Jincai,	(1) Within 12 months from the listing date of the Company's shares, I shall not transfer or entrust others to	Pre-IPO	Yes	Within 12 months	Yes	Not applicable	Not applicable

	ction	Wei Yongjun, Kong Qing	manage the Company's shares directly or indirectly held by me before this issue, nor shall the Company repurchase such shares; Except for the aforesaid lock-up period, the number of shares transferred each year during the period of serving as a director, supervisor or senior manager of the Company shall not exceed 25% of the total number of shares directly or indirectly held by me; within 6 months after leaving office, I will not transfer the Company's shares directly or indirectly held by me.			from June 15, 2021; and 2 years after the lock-in period expires			e
	Share restriction	Liu Jianbo, Jiang Zejun, Liu Tao	(1) Within 12 months from the listing date of the Company's shares, I shall not transfer or entrust others to manage the Company's shares directly or indirectly held by me before this issue, nor shall the Company repurchase such shares; Except for the aforesaid lock-up period, within 4 years from the expiration date of the restriction period of the Company's shares held by me, the shares transferred each year shall not exceed 25% of the total number of the shares held by me directly or indirectly in the Company, and the reduction proportion can be accumulative; within 6 months after resignation, I will not transfer the shares directly or indirectly held by me in the Company.	Pre-IPO	Yes	Within 12 months from June 15, 2021; and 2 years after the lock-in period expires	Yes	Not applicable	Not applicable
	Share restriction	Xie Yulong, Suzhou International Development, Ningbo Yuxi, Chen Yijun, Kunshan Yuqiao, Li Xinggen, Zhang	Within 12 months from the listing date of the Company's shares, I/our institution shall not transfer or entrust others to manage the Company's shares directly or indirectly held by me/our institution before this issue, nor shall the Company repurchase such shares.	Pre-IPO	Yes	Within 12 months from June 15, 2021; and 2 years after the lock-in period expires	Yes	Not applicable	Not applicable

	Weizhong, Wu Tianxiang, Anthony Tu Shihua, Shao Wenqing, Xia Mingkai, Zhang Jun, Luo Donghua, Li Shuangfan g, Chen Yuan, Zhu Jinping, Xu Zhiguang, Zhang Zhen, Jiang Jinli							
Share restriction	Liu Juan, Liu Wei	(1) Within 36 months from the listing date of the Company's shares, I shall not transfer or entrust others to manage the Company's shares directly or indirectly held by me before this issue, nor shall the Company repurchase such shares; (2) If the closing price of the shares is lower than the issue price for 20 consecutive trading days within 6 months after the listing of the Company, or the closing price at the end of 6 months after the listing of the Company is lower than the issue price, the lock-up period of the Company's shares held directly or indirectly by me will be automatically extended for 6 months (the above issue price will be adjusted accordingly in the event of dividend distribution, conversion of share capital, allotment	Pre-IPO	Yes	Within 36 months from June 15, 2021;	Yes	Not applicable	Not applicable

		of shares and other ex-dividend and ex-right matters).						
Other s	Company, actual controller, directors and senior managers	<p>I. Conditions for initiating measures to stabilize share price: Within three years after the listing of the Company, if the weighted average price (weighted average by number of trades on the day, excluding block trades) of the Company's shares ex-option for 20 consecutive trading days is lower than the audited net asset value per share ex-right of the Company for the previous financial year (hereinafter referred to as "initiation conditions"), the Company shall initiate the share price stabilization measures according to the rules set out below. II. Specific measures to stabilize share price: (I) Repurchase: 1. The repurchase of shares by the Company for the purpose of stabilizing the share price shall comply with the provisions of relevant laws and regulations such as the Measures on Administration of the Listed Companies' Repurchase of Public Shares (Trial) and the Supplementary Provisions on the Share Repurchase by Listed Companies by Means of Auction, and shall not cause the distribution of shares of the Company to be inconsistent with the listing conditions. 2. The Board of Directors of the Company makes a resolution on the repurchase of shares and the directors of the Company undertake to vote in favor of such repurchase at the Board Meeting. 3. A resolution on the repurchase of shares at a meeting of shareholders general assembly of the Company shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting, and the controlling shareholders of the Company undertake to vote in favor of such repurchase at the meeting of shareholders general assembly. 4. Where the Company repurchases the shares in order to stabilize the share price, it shall meet the following conditions in addition to the requirements of relevant laws and regulations: (1) The price of shares repurchased by the Company shall not be higher than the audited net asset value per share of the previous fiscal year; (2) the</p>	Pre-IPO	Yes	Within 36 months from June 15, 2021;	Yes	Not applicable	Not applicable

		<p>aggregate amount of funds used by the Company for share repurchase shall not exceed the net amount of funds raised from the initial public offering of shares of the Company; (3) the funds used by the Company for a single time share repurchase shall not be less than RMB 5 million; (4) the Company's single repurchase of shares shall not exceed 2% of the total share capital of the Company. 5. After the announcement of the share repurchase plan by the Board of Directors of the Company, if the weighted average price of the Company's shares ex-rights (weighted average by number of trades per day, excluding block trades) exceeds the audited net asset value per share ex-rights of the Company in the previous financial year for 5 consecutive trading days, the Board of Directors of the Company shall make a resolution to terminate the share repurchase and will not initiate the share repurchase in the next 3 months. (II) The actual controller and controlling shareholder increase their shares. 1. When any of the following conditions occur, the actual controller and controlling shareholder of the Company shall increase the holding of the Company's shares on the premise of meeting the conditions and requirements of the Measures for the Administration of the Takeover of Listed Companies, Guidelines on the Conduct of Controlling Shareholders and Actual Controllers of Companies Listed on the Shanghai Stock Exchange, Guidelines for the Increase of Shares by Shareholders of a Listed Company and Their Persons Acting in Concert, and other laws, regulations and normative documents: (1) The weighted average price (weighted average by number of trades per day, excluding block trades) of the Company's shares ex-right for 10 consecutive trading days after the expiration of the implementation period of the Company's share repurchase plan is lower than the audited net asset value per share ex-right in the previous financial year; (2) The initiation conditions are triggered again within 3 months from the</p>						
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		<p>date of completion of the Company's share repurchase plan. 2. Where the Company's actual controller and controlling shareholder increase the shares in order to stabilize the share price, it shall meet the following conditions in addition to the requirements of relevant laws and regulations: (1) The price of shares increased is not higher than the audited net asset value per share of the previous fiscal year; (2) The total amount of a single increase in holdings is not less than RMB 5 million; (3) the funds used by the Company for a single time share repurchase shall not be less than RMB 5 million; (3) The number of shares in a single increase is not more than 2% of the total share capital of the Company. (III) The directors and senior managers increase their shares. 1. When any of the following conditions occur, the Company's directors (excluding independent directors) and senior managers who receive compensation from the Company shall increase the holding of the Company's shares on the premise of meeting the conditions and requirements of the Measures for the Administration of the Takeover of Listed Companies, the Rules on the Management of Shares Held by the Directors, Supervisors and Senior Management Officers of Listed Companies and the Changes Thereof, and other laws and regulations: (1) The weighted average price (weighted average by number of trades per day, excluding block trades) of the Company's shares ex-right for 10 consecutive trading days after the expiration of the implementation period of the plan for controlling shareholders to increase their shareholding is lower than the audited net asset value per share ex-right in the previous financial year; (2) The initiation conditions are triggered again within 3 months from the date of completion of the plan for controlling shareholders to increase their shareholding. 2. Where the Company's directors and senior managers increase the shares in order to stabilize the share price, it shall meet the</p>						
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		<p>following conditions in addition to the requirements of relevant laws and regulations: (1) The price of shares increased is not higher than the audited net asset value per share of the previous fiscal year; (2) The monetary funds used for increasing the holding of the Company's shares in a single time is not less than 30% of the total remuneration received by such directors and senior managers in the Company in the previous year, but no more than the total remuneration received by such directors and senior managers in the Company in the previous year. All directors and senior managers of the Company shall be jointly and severally liable for the performance of such shareholding increase obligation. 3. After the completion of shareholding increase by the directors and senior managers of the Company, if the weighted average price (weighted average by number of trades per day, excluding block trades) of the Company's shares ex-right for 20 consecutive trading days is lower than the audited net asset value per share ex-right in the previous financial year, the Company shall, in accordance with the provisions of this plan, carry out the Company's repurchase, the controlling shareholder's shareholding increase and the directors' and senior manager's shareholding increase successively. 4. If the Company hires new directors and senior managers, the Company shall require them to accept the plan and relevant measures to stabilize the Company's share price. III. Procedures for initiating measures to stabilize the share price (1) Repurchase by the Company: 1. The Board of Directors of the Company shall make a decision to repurchase the shares within 15 trading days from the date when the initiation conditions for the repurchase of the Company are triggered. 2. The Board of Directors of the Company shall, within 2 working days after making the resolution on share repurchase, announce the resolution of the board of directors and the share repurchase plan, and issue a notice of convening the meeting of shareholders</p>						
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		<p>general assembly. 3. The Company shall initiate the repurchase on the next day after the resolution of the meeting of shareholders general assembly of the Company is made, and shall complete the repurchase within 30 days after the performance of the relevant legal formalities; 4. Upon completion of the implementation of the repurchase plan, the Company shall, within 2 working days, announce the report on changes in shares of the Company, and within 10 days, cancel the repurchased shares in accordance with the law and go through the industrial and commercial change registration procedures. (II) Shareholding increase by the controlling shareholders, directors and senior managers. 1. The Board of Directors of the Company shall make an announcement of the shareholding increase within 2 trading days from the triggering date of the conditions for the above controlling shareholders, directors and senior managers to increase their shareholding. 2. The controlling shareholders, directors, and senior managers shall start the shareholding increase the next day from the date of the announcement, and shall complete the implementation within 30 days after completing relevant legal procedures. IV. Further commitment to stabilize the share price. The lock-up period of the shares held by the controlling shareholders of the Company and the directors and senior managers who hold the shares of the Company is automatically extended for 6 months after the initial triggering of the initiation conditions. For the avoidance of ambiguity, the lock-up period of the shares held by directors and senior managers of the Company herein refers to the share lock-up period specified in the commitments made by such persons in accordance with the provisions of Article 4 (3) of the Rules on the Management of Shares Held by the Directors, Supervisors and Senior Management Officers of Listed Companies and the Changes Thereof. This plan shall be reviewed and approved by the shareholders general assembly of the Company, and shall</p>						
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		<p>take effect on the date when the Company completes the initial public offering of A-shares and is listed on the Star Market, and shall be valid for three years.” Commitment of the Company: Within three years after the listing of the Company, if the weighted average price (weighted average by number of trades on the day, excluding block trades) of the Company’s shares ex-right for 20 consecutive trading days is lower than the audited net asset value per share ex-right of the Company for the previous financial year, the Company shall repurchase the Company’s shares in accordance with the Plan of Kunshan Dongwei Technology Co., Ltd. to Stabilize its Share Price within Three Years after its Initial Public Offering and Listing on the Star Market. If the Company fails to implement the share price stabilization measures, it shall publicly explain the specific reasons for the failure to perform and apologize to other shareholders and public investors at the meeting of shareholders general assembly of the Company and newspapers designated by the CSRC. Liu Jianbo, the actual controller of the Company, promised: to vote in favor of the relevant resolutions regarding the repurchase of shares at the board meeting and meeting of shareholders general assembly in accordance with the relevant provisions of the Plan of Kunshan Dongwei Technology Co., Ltd. to Stabilize its Share Price within Three Years after its Initial Public Offering and Listing on the Star Market approved by the shareholders general assembly; and to fulfill the relevant obligations in accordance with the relevant provisions of the Plan of Kunshan Dongwei Technology Co., Ltd. to Stabilize its Share Price within Three Years after its Initial Public Offering and Listing on the Star Market. If the actual controller of the Company fails to fulfill the measures for stabilizing the share price, it shall publicly explain the specific reasons for the failure to perform and apologize to other shareholders and public investors at the meeting of shareholders general assembly</p>						
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		<p>of the Company and newspapers designated by the CSRC, and shall stop receiving remuneration and shareholders' dividends from the Company within five working days from the date of violation of relevant commitments. At the same time, the shares held shall not be transferred until the corresponding share price stabilization measures are taken as promised. All directors of the Company promised: to vote in favor of the relevant resolutions regarding the repurchase of shares at the board meeting and meeting of shareholders general assembly in accordance with the relevant provisions of the Plan of Kunshan Dongwei Technology Co., Ltd. to Stabilize its Share Price within Three Years after its Initial Public Offering and Listing on the Star Market approved by the shareholders general assembly; and to fulfill the relevant obligations in accordance with the relevant provisions of the Plan of Kunshan Dongwei Technology Co., Ltd. to Stabilize its Share Price within Three Years after its Initial Public Offering and Listing on the Star Market approved by the shareholders general assembly. If the directors of the Company fail to fulfill the measures for stabilizing the share price, it shall publicly explain the specific reasons for the failure and apologize to other shareholders and public investors at the meeting of shareholders general assembly of the Company and newspapers designated by the CSRC, and shall stop receiving remuneration and shareholders' dividends from the Company within five working days from the date of violation of relevant commitments. At the same time, the shares held shall not be transferred until the corresponding share price stabilization measures are taken as promised. All senior managers of the Company promised: to fulfill the relevant obligations in accordance with the relevant provisions of the Plan of Kunshan Dongwei Technology Co., Ltd. to Stabilize its Share Price within Three Years after its Initial Public Offering and Listing on the Star Market approved by the shareholders</p>						
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		<p>general assembly. If the senior managers of the Company fail to fulfill the measures for stabilizing the share price, it shall publicly explain the specific reasons for the failure and apologize to other shareholders and public investors at the meeting of shareholders general assembly of the Company and newspapers designated by the CSRC, and shall stop receiving remuneration and shareholders' dividends from the Company within five working days from the date of violation of relevant commitments. At the same time, the shares held shall not be transferred until the corresponding share price stabilization measures are taken as promised.</p>							
Others	The Company, actual controller	<p>(1) I guarantee that there is no fraudulent issuance of the Company's shares in this public offering and listing on the Star Market. (2) If the Company does not meet the listing conditions, but has obtained issuance registration by fraudulent means and has been listed, the Company will initiate share repurchase procedures within 5 working days after confirmation by the China Securities Regulatory Commission and other competent departments to repurchase all new shares issued by the Company in this public offering. Liu Jianbo, the controlling shareholder and actual controller of the Company, has made the following commitments to repurchase shares issued by fraudulent means as follows: (1) I guarantee that there is no fraudulent issuance of the Company's shares in this public offering and listing on the Star Market. (2) If the Company does not meet the listing conditions, but has obtained issuance registration by fraudulent means and has been listed, I will initiate share repurchase procedures within 5 working days after confirmation by the China Securities Regulatory Commission and other competent departments to repurchase all new shares issued by the Company in this public offering.</p>	Pre-IPO	No	Long term effective	Yes	Not applicable	Not applicable	
Others	Company, actual	<p>(1) Commitment of the issuer The Company will strictly perform all public commitments</p>	Pre-IPO	No	Long term effective	Yes	Not applicable	Not applicable	

		<p>controller, directors, supervisors and senior managers</p>	<p>made by the company on the IPO and listing on the Shanghai Stock Exchange STAR Market, and actively accept social supervision. 1) If the Company fails to perform the public commitments due to reasons other than force majeure, it shall put forward new commitments (the relevant commitments shall be subject to relevant approval procedures in accordance with laws, regulations and articles of association) and accept the following restraint measures until the performance of the new commitments is completed or the corresponding remedial measures are implemented: i) to publicly explain the specific reasons for failure and apologize to shareholders and public investors at the disclosure media designated by the shareholders general assembly, CSRC or the Shanghai Stock Exchange. 2) To reduce or suspend the remuneration or allowance of the directors, supervisors and senior managers who are personally responsible for the Company's failure to fulfill such commitments. 3) In case of any loss caused to the investors, the Company will be liable for compensation to the investors according to the determination of CSRC, Shanghai Stock Exchange or other competent authorities. 2) If the Company fails to perform the public commitments due to force majeure, it shall put forward new commitments (the relevant commitments shall be subject to relevant approval procedures in accordance with laws, regulations and articles of association) and accept the following restraint measures until the performance of the new commitments is completed or the corresponding remedial measures are implemented: i) to publicly explain the specific reasons for failure and apologize to shareholders and public investors at the disclosure media designated by the shareholders general assembly, CSRC or the Shanghai Stock Exchange. 2) To study the solution to minimize the loss of investors' interests as soon as possible, and submit it to the shareholders general assembly for deliberation, in order to protect the interests of investors of</p>					<p>e</p>
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		<p>the Company as much as possible.</p> <p>(2) Commitment of actual controller: Liu Jianbo, the actual controller of the Company, undertakes that: I will strictly perform all public commitments made on the Company's IPO and listing on the Shanghai Stock Exchange STAR Market, and actively accept social supervision. 1) In case of failure to perform the public commitments due to reasons other than force majeure, I will put forward new supplemental or alternative commitments and accept the following restraint measures until the performance of the new commitments is completed or the corresponding remedial measures are implemented: i) to publicly explain the specific reasons for failure and apologize to shareholders and public investors at the disclosure media designated by the shareholders general assembly, CSRC or the Shanghai Stock Exchange; ii) not to transfer the shares of the Company. Except in cases where it is necessary to transfer shares due to succession, enforcement, reorganization of the listed company, or to fulfill commitments to protect the interests of investors; iii) not to receive the portion of the Company's distributed profits that belongs to me temporarily; iv) If earnings are obtained due to failure to fulfill relevant commitments, the earnings shall be owned by the Company, and the earnings shall be paid to the account designated by the Company within five working days after the earnings are obtained; v) In case of failure to fulfill the relevant commitments and cause losses to the Company or the investors, I will compensate the Company or the investors according to law. 2) In case of failure to perform the public commitments due to force majeure, I will put forward new supplemental or alternative commitments and accept the following restraint measures until the performance of the new commitments is completed or the corresponding remedial measures are implemented: i) to publicly explain the specific reasons for failure at the disclosure media designated by the</p>						
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		<p>shareholders general assembly, CSRC or the Shanghai Stock Exchange; ii) to study the solution to minimize the loss of investors' interests as soon as possible, and protect the interests of investors as much as possible.</p> <p>(3) Relevant commitments of shareholders holding more than 5% of the shares: Xiao Ziguo, Fang Yuanyuan and Xie Yulong, the shareholders holding more than 5% of the shares of the Company, undertake that I/this institution will strictly perform all public commitments made on the Company's IPO and listing on the Shanghai Stock Exchange STAR Market, and actively accept social supervision. 1) In case of failure to perform the public commitments due to reasons other than force majeure, I/this institution will put forward new supplemental or alternative commitments and accept the following restraint measures until the performance of the new commitments is completed or the corresponding remedial measures are implemented: i) to publicly explain the specific reasons for failure and apologize to shareholders and public investors at the disclosure media designated by the shareholders general assembly, CSRC or the Shanghai Stock Exchange; ii) not to transfer the shares of the Company. Except in cases where it is necessary to transfer shares due to succession, enforcement, reorganization of the listed company, or to fulfill commitments to protect the interests of investors; iii) not to receive the portion of the Company's distributed profits that belongs to me/this institution temporarily; iv) If earnings are obtained due to failure to fulfill relevant commitments, the earnings shall be owned by the Company, and the earnings shall be paid to the account designated by the Company within five working days after the earnings are obtained; v) In case of failure to fulfill the relevant commitments and cause losses to the Company or the investors, I/this institution will compensate the Company or the investors according to law. 2) In case of failure to perform the public commitments due</p>						
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		<p>to force majeure, I/this institution will put forward new supplemental or alternative commitments and accept the following restraint measures until the performance of the new commitments is completed or the corresponding remedial measures are implemented: i) to publicly explain the specific reasons for failure at the disclosure media designated by the shareholders general assembly, CSRC or the Shanghai Stock Exchange; ii) to study the solution to minimize the loss of investors' interests as soon as possible, and protect the interests of investors as much as possible. (4) Commitment of all directors, supervisors and senior managers: all directors, supervisors and senior managers undertake that: I will strictly perform all public commitments made by me on the IPO and listing on the Shanghai Stock Exchange STAR Market, and actively accept social supervision. 1) In case of failure to perform the public commitments due to reasons other than force majeure, I will put forward new commitments and accept the following restraint measures until the performance of the new commitments is completed or the corresponding remedial measures are implemented: i) to publicly explain the specific reasons for failure and apologize to shareholders and public investors at the disclosure media designated by the shareholders general assembly, CSRC or the Shanghai Stock Exchange; ii) not to transfer the shares of the Company. Except in cases where it is necessary to transfer shares due to succession, enforcement, reorganization of the listed company, or to fulfill commitments to protect the interests of investors; iii) not to receive the portion of the Company's distributed profits that belongs to me temporarily; iv) to change the position but not to request resignation; v) apply for a reduction or suspension of remuneration or allowances; vi) If earnings are obtained due to failure to fulfill relevant commitments, the earnings shall be owned by the Company, and the earnings shall be paid to the account designated by the</p>						
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			Company within five working days after the earnings are obtained; vii) In case of failure to fulfill the public commitments in the prospectus and cause losses to investors, I will compensate the investors for the losses in accordance with the law. 2) In case of failure to perform the public commitments due to force majeure, I will put forward new commitments and accept the following restraint measures until the performance of the new commitments is completed or the corresponding remedial measures are implemented: i) to publicly explain the specific reasons for failure and apologize to shareholders and public investors at the disclosure media designated by the shareholders general assembly, CSRC or the Shanghai Stock Exchange. ii) To study the solution to minimize the loss of investors' interests as soon as possible in order to protect the interests of investors of the Company as much as possible.						
Other commitments	Others	Liu Jianbo	He undertakes not to reduce his direct holdings of the Company's stocks in any way for the next 12 months from June 15, 2024, including any new shares generated during the commitment period due to conversion from capital reserve, distribution of stock dividends, rights issues, and other matters.	10/17/2023	Yes	12 months from June 15, 2024	Yes	Not applicable	Not applicable

**(II) There are profit forecasts in the Company's assets or projects, and the reporting period is still in the profit forecast period. The Company explains whether the assets or projects meet the original profit forecasts.**

Reached Not reached" Not applicable"

**(III) Performance Commitment**

Applicable Not applicable"

Change in Performance Commitment

Applicable Not applicable"

Other notes

Applicable Not applicable"

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

Applicable Not applicable"

**III、 Violation of guarantee**

Applicable Not applicable"

**IV、 Explanation of the board of the Company on the “Non-standard Opinion Audit Report” of the CPAs**

Applicable" Not applicable"

**V、 Analysis and explanation of the Company on the reasons and impacts of the changes in accounting policies and accounting estimates or corrections of significant accounting errors**

**(I) Analysis and explanation of the Company on the reasons and impacts of the changes in accounting policies and accounting estimates**

Applicable Not applicable"

**(II) Analysis and explanation of the Company on the reasons and impacts of the corrections of significant accounting errors**

Applicable Not applicable"

**(III) Communication with the former certified public accountants**

Applicable Not applicable"

**(IV) Approval procedures and other instructions**

Applicable Not applicable"

**VI、 Appointment and dismissal of certified public accountants firm**

Unit: yuan Currency: RMB

	Currently employed
Name of domestic certified public accountants firm	ShineWing Certified Public Accountants (Special General Partnership)
Remuneration for domestic certified public accountants firm	900,000.00
Auditing period of domestic certified public accountants	7
Name of certified public account of domestic certified public accountants firm	Tang Qimei and Zhao Zeru
Cumulative years of services audited by domestic certified public accountants firm	3, 1

	Name	Remuneration
Internal control audit certified public accountants	ShineWing Certified Public Accountants (Special General Partnership)	250,000.00
Financial consultant	-	-
Sponsor	-	-

Note: The above remuneration is the pre-tax amount.

Description of the appointment and dismissal of certified public accountants

Applicable Not applicable

The Meeting of Shareholders Assembly in 2024 approved the renewal of the appointment of ShineWing Certified Public Accountants (Special General Partnership) as the audit institution for 2025.

Explanation of the replacement of the certified public accountants during the audit period

Applicable Not applicable

Explanation of audit fee decreasing by more than 20% (inclusive) compared to the previous year

Applicable Not applicable

## VII、 Delisting risk

### (I) Reasons for delisting risk warning

Applicable Not applicable

### (II) The countermeasures to be taken by the Company

Applicable Not applicable

### (III) The situation and reasons for the termination of listing

Applicable Not applicable

## VIII、 Matters related to the bankruptcy reorganization

Applicable Not applicable

## IX、 Significant lawsuits and arbitrations

The Company has major lawsuits and arbitrations during the year"

The Company has no major lawsuits and arbitrations during the year"

**X、Violating laws and regulations, punishments and rectifications of listed companies and their directors, senior executives, controlling shareholders and actual controllers**

Applicable"Not applicable"

**XI、Credit conditions of the Company and its controlling shareholder and actual controller during the reporting period**

Applicable "Not applicable"

**XII、Significant related transactions**

**(I) Related transactions in association with routine operation**

**1 Matters that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation**

Applicable"Not applicable"

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

Applicable "Not applicable"

**3 Matters not disclosed in the interim announcement**

Applicable"Not applicable"

**(II) Related transactions arising from the acquisition and sales of asset or equity**

**1 Matters that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation**

Applicable"Not applicable"

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

Applicable "Not applicable"

**3 Matters not disclosed in the interim announcement**

Applicable"Not applicable"

**4 In case of performance agreement, the performance during the reporting period shall be disclosed.**

Applicable "Not applicable"

**(III) Significant related transactions for joint foreign investment**

**1 Matters that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation**

Applicable"Not applicable"

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

Applicable Not applicable"

**3 Matters not disclosed in the interim announcement**

Applicable"Not applicable"

**(IV) Related credit and debt transaction**

**1 Matters that have been disclosed in the interim announcement and have no progress or changes in subsequent implementation**

Applicable"Not applicable"

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

Applicable Not applicable"

**3 Matters not disclosed in the interim announcement**

Applicable"Not applicable"

**(V) Financial transactions between the Company and related financial companies, holding financial companies of the Company, and related parties**

Applicable "Not applicable"

**(VI) Others**

Applicable "Not applicable"

**XIII、 Major contracts and performance thereof**

**(I) Trusteeship, contracting and leasing matters**

**1 (3) Custody information**

Applicable"Not applicable"

**2 Contracting**

Applicable"Not applicable"

**3 Leasing**

Applicable"Not applicable"

**(II) Guarantees**

Applicable"Not applicable"

**(III) Entrusted others to manage the cash assets****1 Entrusted financial management****(1). Overall situation of entrusted financial management**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Type	Risk characteristics	Unexpired balance	Overdue outstanding amount
Bank financial products	Low risk	603,000,000.00	Not applicable

Other situations

□Applicable "√Not applicable"

**(2). Single entrusted financial management**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Trustee	Type of entrusted asset management	Risk characteristics	Amount of entrusted financing	Start date of entrusted asset management	Termination date of entrusted asset management	Use of invested funds	Is there any restriction	Actual gains or losses	Amount not yet due	Overdue outstanding amount
China CITIC Bank Kunshan Sub-branch	Bank financial products	Low risk	10,000,000.00	2/20/2023	2/20/2026	Bank	No	930,000.00	10,000,000.00	
China CITIC Bank Kunshan Sub-branch	Bank financial products	Low risk	10,000,000.00	3/8/2023	3/8/2026	Bank	No	930,000.00	10,000,000.00	
China CITIC Bank Kunshan Sub-branch	Bank financial products	Low risk	20,000,000.00	3/20/2023	3/20/2026	Bank	No	1,860,000.00	20,000,000.00	
Shanghai Pudong Development Bank Kunshan Sub-branch	Bank financial products	Low risk	170,000,000.00	7/4/2023	7/4/2026	Bank	No		170,000,000.00	

China CITIC Bank Kunshan Sub-branch	Bank financial products	Low risk	100,000,000.00	7/13/2023	7/13/2026	Bank	No		100,000,000.00	
China CITIC Bank Kunshan Sub-branch	Bank financial products	Low risk	10,000,000.00	12/19/2023	5/19/2026	Bank	No		10,000,000.00	
Shanghai Pudong Development Bank Kunshan Sub-branch	Bank financial products	Low risk	30,000,000.00	7/4/2024	7/4/2027	Bank	No		30,000,000.00	
Shanghai Pudong Development Bank Kunshan Sub-branch	Bank financial products	Low risk	10,000,000.00	10/13/2025	1/13/2026	Bank	No		10,000,000.00	
Shanghai Pudong Development Bank Kunshan Sub-branch	Bank financial products	Low risk	10,000,000.00	10/13/2025	1/13/2026	Bank	No		10,000,000.00	
China CITIC Bank Kunshan Sub-branch	Bank financial products	Low risk	10,000,000.00	11/1/2025	1/30/2026	Bank	No		10,000,000.00	
Shanghai Pudong Development Bank Kunshan Sub-branch	Bank financial products	Low risk	10,000,000.00	11/17/2025	2/24/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Bank of Ningbo	Bank financial products	Low risk	5,000,000.00	11/20/2025	3/2/2026	Bank	No		5,000,000.00	
Kunshan sub-branch, Bank of	Bank financial products	Low risk	38,000,000.00	12/11/2025	3/11/2026	Bank	No		38,000,000.00	

Ningbo										
Kunshan sub-branch, Bank of Ningbo	Bank financial products	Low risk	20,000,000.00	12/17/2025	6/17/2026	Bank	No		20,000,000.00	
Suzhou Rural Commercial Bank Guangde Sub-branch	Bank financial products	Low risk	20,000,000.00	12/17/2025	1/17/2026	Bank	No		20,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	3/3/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	3/25/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	3/25/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	4/25/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai	Bank financial products	Low risk	10,000,000.00	4/25/2025	6/30/2026	Bank	No		10,000,000.00	

Pudong Development Bank										
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	4/25/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	4/25/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	9/23/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	9/23/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	9/23/2025	6/30/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	12/3/2025	7/4/2026	Bank	No		10,000,000.00	

Pudong Development Bank										
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	12/3/2025	7/4/2026	Bank	No		10,000,000.00	
Kunshan sub-branch, Shanghai Pudong Development Bank	Bank financial products	Low risk	10,000,000.00	12/3/2025	7/4/2026	Bank	No		10,000,000.00	

Other situations

Applicable Not applicable"

**(3). Impairment provision for entrusted financial management**

Applicable Not applicable"

**2 Entrusted loan**

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

Applicable Not applicable"

Other situations

Applicable Not applicable"

**(2). Single entrusted loan**

Applicable Not applicable"

Other situations

Applicable Not applicable"

**(3). Impairment provision for entrusted loan**

Applicable Not applicable"

**3 Other situations**

Applicable Not applicable"

**(IV) Other major contracts**

Applicable Not applicable"

**XIV、 Explanation on the progress of using the raised funds**

√Applicable "□Not applicable"

**(I) Overall usage of raised funds**

√Applicable "□Not applicable"

Unit: RMB

Source of raised funds	Time for raising funds to be in place	Total amount of raised funds	Net funds raised (1)	The total amount of raised fund committed for investment in the prospectus (2)	Total amount of over-raised funds (3)=(1) - (2)	Accumulated total amount of raised funds invested as of the end of the reporting period (4)	Including: the cumulative total amount of over-raised funds invested as of the end of the reporting period (5)	Cumulative investment progress of raised funds as of the end of the reporting period (%) (6)=(4)/(1)	Cumulative investment progress of over-raised funds as of the end of the reporting period (%) (7)=(5)/(3)	Amount invested this year (8)	Proportion of amount invested this year (%) (9)=(8)/(1)	Total amount of raised funds of which the use is changed
Others	June 13, 2023	749,344,798.72	711,817,284.31	711,817,284.31	/	374,043,043.09	/	52.55	/	169,901,090.56	23.87	/
Total	/	749,344,798.72	711,817,284.31	711,817,284.31	/	374,043,043.09	/	52.55	/	169,901,090.56	/	/

Note: The source of fund-raising is GDR fund-raising.

Other notes

□Applicable "√Not applicable"

**(II) Details of investment projects with raised funds**

√Applicable "□Not applicable"

1 Details of the use of raised funds

√Applicable "□Not applicable"

Unit: RMB

Source of raised funds	Item name	Nature of project	Whether it is a committed investment project in the prospectus	Whether it involves the change in investment purpose	Total amount of raised funds for investment (1)	Amount invested this year	Accumulated total amount of raised funds invested as of the end of the reporting period (2)	Accumulated investment progress as of the end of the reporting period (%) (3)= (2)/(1)	Date of bringing the project to the intended conditions for use	Accepted or not	Is the investment progress in line with the planned progress	Specific reasons for not meeting the plan	Benefits achieved this year	Realized benefits or R&D results of the project	Whether there is the significant change in the feasibility of the project, if yes, please explain the specific situation.	Amount saved
Others	Expansion and upgrading of production capacity of equip	Production construction	Yes	No	711,817,284.31	169,901,090.56	374,043,043.09	52.55	/	No	Yes	/	/	/	/	/

	ment															
Total	/	/	/	/	711,817,284.31	169,901,090.56	374,043,043.09	/	/	/	/	/	/	/	/	

2 Details of the use of over-raised funds

Applicable Not applicable"

3 Re-evaluation of the funds-raising investment project during the reporting period

Applicable Not applicable"

**(III) Changes or termination of fundraising during the reporting period**

Applicable Not applicable"

**(IV) Other information on the use of raised funds during the reporting period**

1 Up-front investment and displacement of the project in which the raised fund is invested

Applicable Not applicable"

2 The idle raised fund used to replenish the working fund temporarily

Applicable Not applicable"

3 Cash management of idle raised funds and investment in related products

Applicable Not applicable"

Unit: 0,000 yuan Currency: RMB

Deliberation Date of the Board of Directors	Effective review limit for raising funds for cash management	Starting date	End date	Cash management balance at the end of the reporting period	Does the maximum balance during the period exceed the authorized limit
April 24, 2025	100,000	April 24, 2025	April 24, 2026	32,000.00	No

Other notes

None

4 Others

Applicable Not applicable"**(V) Conclusion of the Intermediary Institution on Special Verification and Certification of the Storage and Use of Raised Funds**Applicable Not applicable"

Explanation of anomalies in verification

Applicable Not applicable"**(VI) Subsequent rectification of unauthorized change of the use of the raised funds and illegal occupation of the raised funds**Applicable Not applicable"**XV、 Other significant events that have a significant impact on investors' value judgments and investment decisions**Applicable Not applicable"

## Section VI Change in Shares and Shareholders

### I、 Changes in equity

#### (I) Table of Share Changes

##### 1 Table of Share Changes

During the reporting period, there are no changes in the total number of the Company's shares and the equity structure.

##### 2 Description of changes in shares

Applicable Not applicable"

##### 3 The impact of changes in shares on earnings per share, net asset value per share and other financial indicators for the most recent year and the most recent period (if any)

Applicable Not applicable"

##### 4 Other contents to be disclosed as the company thinks necessary or the securities regulatory institution required

Applicable Not applicable"

#### (II) Changed in restricted shares

Applicable Not applicable"

### II、 Issuance and listing of securities

#### (I) Securities issuance as of the reporting period

Applicable Not applicable"

Explanation of the securities issuance as of the reporting period (please specify separately the bonds with different interest rates within the duration):

Applicable Not applicable"

#### (II) Changes in the total number of the Company's shares, shareholder structure and assets and liabilities structure

Applicable Not applicable"

### III、 Shareholders and actual controller

#### (I) Total number of shareholders

Total number of ordinary shareholders at the end of the reporting period (accounts)	15,038
Total number of ordinary shareholders at the end of the last month prior to the disclosure date of the annual report	14,732
Total number of preference shareholders (accounts) whose voting rights were recovered as of the end of the reporting period	Not applicable
Total number of preference shareholders whose	Not applicable

voting rights were recovered at the end of the last month prior to the disclosure date of the annual report (account)	
Total number of shareholders holding special voting shares as of the end of the reporting period (accounts)	Not applicable
Total number of shareholders holding special voting shares at the end of the last month prior to the disclosure date of the annual report (account)	Not applicable

**Number of holders of depositary receipts**

□Applicable "√Not applicable"

**(II) The top ten shareholders and number of shares held by the top ten tradable shareholders (or shareholders with unlimited sales) at the end of the reporting period**

Shareholdings of the top ten shareholders (excluding shares lent through refinancing)							
Name of shareholder (Full Name)	Increase or decrease during the reporting period	Number of shares held at the end of the period	Proportion (%)	Number of the held shares with the restrictions on sales	Pledging, marking or freezing		Nature of the shareholders
					State of shares	Quantity	
Liu Jianbo	0	91,582,400	30.69	0	None	0	Domestic natural person
Xiao Zhiguo	0	13,087,184	4.39	0	None	0	Domestic natural person
Kunshan Fangfang Yuanyuan Enterprise Management Center (Limited partnership)	-3,754,600	8,698,086	2.91	0	None	0	Others
Li Yangzhao	-2,000,000	8,263,509	2.77	0	None	0	Domestic natural person
Nie Xiaojian	-61,000	7,640,789	2.56	0	None	0	Domestic natural person
Wei Yongjun	0	7,514,095	2.52	0	None	0	Domestic natural person
Hong Kong Securities Clearing Company Ltd.	5,208,284	6,420,692	2.15	0	None	0	Others
Jiang Zejun	-5,000	4,789,468	1.61	0	None	0	Domestic natural person
Shi Guowei	0	3,880,382	1.30	0	None	0	Domestic natural person
China Universal Asset Management Co., Ltd. - Social Security Fund 17022 Portfolio	3,716,599	3,716,599	1.25	0	None	0	Others
Shareholdings of the top ten shareholders without restriction on sales (excluding shares lent through refinancing)							
Name of shareholder				Number of tradable shares held in unrestricted conditions		Type and quantity of shares	

		Categories	Quantity
Liu Jianbo	91,582,400	RMB ordinary shares	91,582,400
Xiao Zhiguo	13,087,184	RMB ordinary shares	13,087,184
Kunshan Fangfang Yuanyuan Enterprise Management Center (Limited partnership)	8,698,086	RMB ordinary shares	8,698,086
Li Yangzhao	8,263,509	RMB ordinary shares	8,263,509
Nie Xiaojian	7,640,789	RMB ordinary shares	7,640,789
Wei Yongjun	7,514,095	RMB ordinary shares	7,514,095
Hong Kong Securities Clearing Company Ltd.	6,420,692	RMB ordinary shares	6,420,692
Jiang Zejun	4,789,468	RMB ordinary shares	4,789,468
Shi Guowei	3,880,382	RMB ordinary shares	3,880,382
China Universal Asset Management Co., Ltd. - Social Security Fund 17022 Portfolio	3,716,599	RMB ordinary shares	3,716,599
Repurchase account among the top ten shareholders	Not applicable		
Explanation of the above shareholders' entrusting, accepting and waiver of voting rights	Not applicable		
Notes to relationship or concerted action of the above shareholders	Liu Jianbo serves as the executive partner. Liu Wei, the limited partner of Fangfang Yuanyuan, is the younger brother of Liu Jianbo's spouse, Liu Juan.		
Preferred shareholders and shareholdings with recovered voting rights	Not applicable		

Participation of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 holders of unrestricted tradable shares in the lending of shares through refinancing business

Applicable Not applicable"

The top 10 shareholders and the top 10 holders of unrestricted tradable shares have undergone changes compared to the previous period due to lending/repayment of shares through refinancing business

Applicable Not applicable"

Shareholding Quantity and Restriction Conditions of the Top Ten Restricted Shareholders

Applicable Not applicable"

**Table of the top ten domestic depositary receipt holders of the Company as of the end of the reporting period**

Applicable Not applicable"

Participation of holders of depositary receipts holding more than 5% of the shares, the top ten holders of depositary receipts and the top ten holders of unrestricted depositary receipts in the lending of shares in the refinancing business

Applicable Not applicable"

The top ten holders of depositary receipts and the top ten holders of unrestricted depositary receipts have changed compared to the previous period due to reasons related to refinancing, lending/return

Applicable Not applicable"

**Holding quantity and restriction conditions of the top ten holders of restricted depositary receipts**

Applicable Not applicable"

**(III) Table of top ten shareholders with voting rights as of the end of the reporting period**

Applicable Not applicable"

**(IV) Strategic investors or general legal persons become the top 10 shareholders due to the placement of new shares/DR**

Applicable Not applicable"

**(V) Strategic allocation of initial public offering**

**1 Participation of senior executives and core employees in the strategic allocation of initial public offering by establishing a special asset management plan**

Applicable Not applicable"

**2 Participation of relevant subsidiaries of the sponsor institution in the strategic allocation of initial public offering**

Applicable Not applicable"

**IV、Controlling shareholder and actual controller**

**(I) Controlling shareholder**

**1 Legal person**

Applicable Not applicable"

**2 Natural person**

Applicable Not applicable"

Name	Liu Jianbo
Nationality	China
Whether the right of residence in the other countries or regions is obtained	No
Main occupation and title	Legal Representative, Chairman, General Manager

**3 Special instructions for the absence of controlling shareholder of the Company**

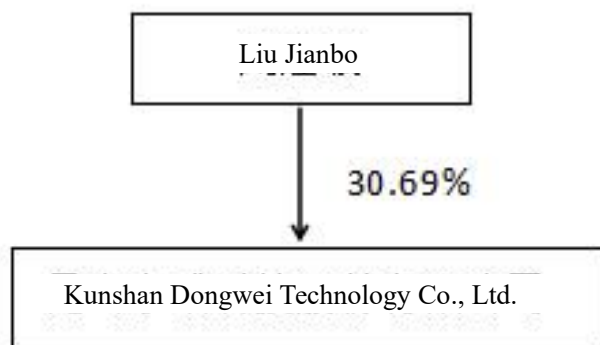
Applicable Not applicable"

**4 Explanation of changes in controlling shareholders during the reporting period**

Applicable Not applicable"

**5 Block diagram of property rights and control relationships between the Company and the controlling shareholder**

Applicable Not applicable"



**(II) Actual controller**

**1 Legal person**

Applicable Not applicable"

**2 Natural person**

Applicable Not applicable"

Name	Liu Jianbo
Nationality	China
Whether the right of residence in the other countries or regions is obtained	No
Main occupation and title	Legal Representative, Chairman, General Manager
Listed companies at home and abroad, the shares of which have ever been held in the past 10 years	Not applicable

**3 Special instructions for the absence of actual controller of the Company**

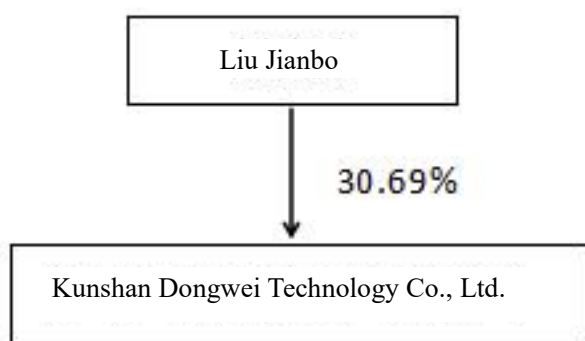
Applicable Not applicable"

**4 Explanation of changes in corporate control during the reporting period**

Applicable Not applicable"

**5 Block diagram for ownership and control relationship between the company and the actual controller**

Applicable Not applicable"



**6 The actual controller controls the company by means of trust or other asset management methods**

Applicable Not applicable"

**(III) Introduction of controlling shareholder and actual controller**

Applicable Not applicable"

**V、 The accumulative number of shares pledged by the controlling shareholder or the largest shareholder of the Company and the persons acting in concert accounts for more than 80% of the number of shares held by them in the Company**

Applicable Not applicable"

**VI、 Other legal person shareholders holding more than 10% of shares**

Applicable" Not applicable"

**VII、 Explanation on restrictions and reductions of shares/depository receipts**

Applicable" Not applicable"

**VIII、 Implementation of share repurchase during the reporting period**

Applicable Not applicable"

**IX、 Relevant Conditions of Preference Shares**

Applicable" Not applicable"

## **Section VII Bond-related information**

**I、 Company bonds (including corporate bonds) and debt financing instruments of non-financial enterprises**

Applicable Not applicable"

**II、 Convertible corporate bonds**

Applicable Not applicable"

## Section VIII Financial Report

### I、 Auditor's Report

√Applicable"□Not applicable"

### Auditor's Report

XYZH/2026SZAA8B0070

Kunshan Dongwei Technology Co., Ltd.

#### To All Shareholders of Kunshan Dongwei Technology Co., Ltd.:

#### I、 OPINION

We have audited the financial statement of Kunshan Dongwei Technology Co., Ltd. (hereinafter referred to as the Company), including the consolidated and parent company's balance sheet on December 31, 2025, consolidated and parent company's income statement, consolidated and parent company's cash flow statement, consolidated and parent company's changes in owner's equity for the year then ended, and the notes to financial statements.

In our opinion, the attached financial statements are prepared, in accordance with Accounting Standards for Business Enterprises, and present fairly the consolidated and the parent company's financial position of the Company as at December 31, 2025 and the consolidated and the parent company's operating results and cash flows for the year then ended.

#### II、 BASIS OF AUDITORS' OPINION

We conducted our audit in accordance with the Auditing Standards for Certified Public Accountants in China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. In accordance with the independence requirements applicable to the audit of financial statements of public interest entities in the Chinese Certified Public Accountants Independence Standards and the Code of Ethics for Chinese Certified Public Accountants, we are independent of the Company, and have fulfilled our other responsibilities regarding independence and professional 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 judgment, are of most significance in the audit of the financial statements for the current period. These matters should be dealt on the background of the audit of financial statements as a whole and the formation of audit opinions. We will not express opinions on those matters separately.

#### 1. Revenue recognition

KEY AUDIT MATTERS	Countermeasures in the audit
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<p>The operating income of the Company in 2025 is RMB 1,098,386,800. For relevant information disclosure, please refer to Note III “Major Accounting Policies and Accounting Estimates - 25. Revenue Recognition Principles and Measurement Methods” and Note V “Explanation of Important Items in the Consolidated Financial Statements - 38. Operating Income and Operating Costs”.</p> <p>Due to the significant impact of the authenticity, accuracy, and completeness of operating income on the financial statements, we recognize revenue recognition as a key audit item.</p>	<p>We have mainly carried out the following procedures for revenue recognition of Dongwei Technology:</p> <p>(1) To understand the key internal controls related to revenue recognition, evaluate the effectiveness of their design, and test the operational effectiveness of the relevant internal controls.</p> <p>(2) By reviewing sales contracts and conducting interviews with the Management, (2) analyze and evaluate whether revenue recognition policy of Dongwei Technology complies with the relevant accounting standards for enterprises;</p> <p>(3) Conduct substantive analysis procedures on operating income and gross margin to evaluate the rationality of fluctuations and to determine whether the changes in operating revenue are consistent with the industry;</p> <p>(4) Conduct sampling tests on sales revenue, verify the authenticity, accuracy, and completeness of sales revenue from the sales Subledger to supporting documents confirmed by customers such as sales contracts, shipping orders, customs declarations, installation and commissioning completion orders, and acceptance certificates;</p> <p>(5) Conduct a cut-off test on the sales revenue recognized before and after the balance sheet date, and verify the delivery note, customs declaration, installation and commissioning completion orders with the sales subledger to evaluate whether the sales revenue is recognized in the appropriate accounting period;</p> <p>(6) According to the characteristics and nature</p>
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	<p>of customer transactions, select samples to perform verification procedures to confirm the accuracy of sales and balance of accounts receivable;</p> <p>(7) Inquire the industrial and commercial information of major customers, identify whether they have associated relationship with Dongwei Technology, and evaluate the commercial substance and commercial rationality of their transactions with Dongwei Technology.</p>
<b>2. Bad debt provision for accounts receivable</b>	
<b>KEY AUDIT MATTERS</b>	<b>Countermeasures in the audit</b>
<p>The book balance of accounts receivable of Dongwei Technology as of December 31, 2025 is RMB 845,605,000. The balance of bad-debt provision is RMB 133,122,000. For relevant information disclosure, please refer to the accounting policy described in Note III “Major Accounting Policies and Accounting Estimates - 11. (4) Impairment of Financial Instruments” and Note V “Notes on Important Items in Consolidated Financial Statements 4. Accounts Receivable”.</p> <p>In case of the bad debt due to the failure to recover the accounts receivable on schedule or the impossible recovery of the accounts receivable, resulting in the significant effect on the financial statements, we recognize the provision for bad debt for the accounts receivable as the key audit item.</p>	<p>We have mainly performed the following procedures in respect of the bad-debt provision for the accounts receivable of Dongwei Technology:</p> <p>(1) To understand the accounting process of bad debt provisions for accounts receivable and evaluate its internal control;</p> <p>(2) Review the rationality and consistency of the policy of Dongwei Technology on bad debt provision for accounts receivable;</p> <p>(3) Obtain the bad debt provision for accounts receivable accrual statement of Dongwei Technology and check whether the provision method is implemented in accordance with the bad debt provision for accounts receivable policy; recalculate whether the amount of bad debt provision for accounts receivable is accurate;</p> <p>(4) Analyze and calculate the ratio between the amount of bad-debt provision and the balance of accounts receivable on the balance sheet</p>

	<p>date of Dongwei Technology, compare the previous bad debt provision with the actual amount incurred, and analyze whether the bad debt provision for accounts receivable is sufficient;</p> <p>(5) Implement the confirmation procedure for accounts receivable with large year-end balances, and evaluate the rationality of bad debt provision for accounts receivable based on the subsequent collection;</p> <p>(6) For the accounts receivable with large year-end balances or long account age, we inquire the information related to the debtor through open channels to identify whether there is any situation affecting the assessment result of the bad debt provision for the accounts receivable of Dongwei Technology.</p>
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#### **IV、 Other information**

The Management of the Company (hereinafter referred to as Management) is responsible for other information. Other information includes the information contained in the Annual Report 2025 of the Company, but excludes the financial statements and our auditor's report.

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

Based on our audit of the financial statements, our responsibility is to review other information and consider whether other information is in significant disagreement with the financial statements or what we know in the process of auditing, or there seems to be a major misstatement.

Based on the work we have done, we should report the fact if we confirm that there are material misstatements in other information. In this regard, we have nothing to report.

#### **V、MANAGEMENT'S AND GOVERNANCE'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Management is responsible for preparing the financial statements according to the Business Accounting Standards, and ensures its fair reflection of business position and designing, implementing and maintaining the internal control system related to producing of the Financial Statements to prevent the Financial Statements from major false presentation due to cheating or error.

In preparing the financial statements, the Management is responsible for assessing the continuing operations of the Company, disclosing matters relating to continuing operations (if applicable) and

applying the going concern assumptions unless planned for liquidation, termination of operations or no other realistic choice.

The Governance is responsible for supervising the financial reporting process of the Company.

## **VI、 RESPONSIBILITY OF CERTIFIED PUBLIC ACCOUNTANTS FOR AUDITING FINANCIAL STATEMENTS**

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error and to issue the auditor's report that includes our opinion. The reasonable assurance shall be a high level of assurance. However, it shall not guarantee that a material misstatement can always be detected in the audit conducted in accordance with audit standards. Misstatements may be caused by fraud or error. Misstatements are considered significant if it is reasonably expected that they, alone or together, may affect the economic decisions made by the users of the financial statements based on the financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit in accordance with the audit standards. Meanwhile, we also carry out the following work:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of failing to detect a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Understand the internal controls related to auditing to design appropriate audit procedures.

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

(4) Draw conclusions on the appropriateness of the continuous operation assumption used by the Management. At the same time, based on the audit evidence obtained, conclusions can be drawn as to whether there are significant uncertainties in the matters or circumstances that have significant doubts about the continuing operations of the Company. If we conclude that there is significant uncertainty, we are required to remind the users of the related disclosures in the financial statements in our auditor's report; if the disclosures are inadequate, we shall express modified auditor's report. Our conclusion is based on the information available as of the date of the auditor's report. However, future events or circumstances may result in the Company not being able to continue to operate.

(5) Evaluate the overall presentation, structure and contents of the financial statements, and access whether the financial statements fairly represented the underlying transactions and events.

(6) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company in order to express audit opinions on the financial statements. We are responsible for guiding, supervising and implementing the audit of the Group, and take full responsibility for audit opinions.

We will communicate with the Governance on the planned audit scope, timing and major audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provide the Management with a statement that we have complied with the relevant professional ethics on independence, and communicate with the Management on all relationships and other matters that may reasonably be thought to affect our independence and the related safeguards (if applicable).

From the matters communicated with the Management, we determine those matters that are of most significance in the audit of the financial statements in current period, which therefore constitute the key audit matters. We will describe these matters in the auditor's report, unless the laws and regulations prohibit the public disclosure of these matters; or in very few cases, if the negative consequences of a matter communicated in the auditor's report is reasonably expected to exceed the benefits in the public interest, we determine not to communicate such matter in the auditor's report.

ShineWing Certified Public Accountants  
(Special General Partnership)

Chinese CPA: Tang Qimei  
(Engagement partner)

Chinese CPA: Zhao Zeru

Beijing, China

April 25, 2026

**II、 Financial statements****Consolidated Balance Sheet**

December 31, 2025

Prepared by: Kunshan Dongwei Technology Co., Ltd.

Unit: yuan Currency: RMB

Item	Note	December 31, 2025	December 31, 2024
<b>Current assets:</b>			
Cash and bank balance	VII, Notes 1	249,531,455.02	223,736,522.81
Provision of settlement fund			
Lendings to Banks and Other Financial Institutions			
Held-for-trading financial assets	VII, Notes 2	123,203,367.67	96,966,416.67
Financial derivative assets			
Notes receivable	VII, Notes 4	58,237,258.15	45,184,513.71
Accounts receivable	VII, Notes 5	712,482,986.93	639,615,958.07
Receivables financing	VII, Notes 7	15,859,847.15	8,775,864.78
Prepayments	VII, Notes 8	14,138,562.19	9,585,932.10
Premiums receivable			
Cession premiums receivable			
Provision of cession receivable			
Other receivables	VII, Notes 9	5,079,520.71	6,337,218.54
Including: Interests receivable			
Dividends receivable			
Redemptory monetary capital for sale			
Inventory	VII, Notes 10	1,030,758,839.58	634,148,358.70
Including: data resource			
Contract assets	VII, Notes 6	38,549,037.80	35,524,565.84
Held-for-sale assets			
Non-current assets due within one year	VII, Notes 12	485,172,066.95	
Other current assets	VII, Notes 13	19,145,825.58	19,190,640.87
Total current assets		2,752,158,767.73	1,719,065,992.09
<b>Non-current assets:</b>			
Loans and advances issued			
Debt investment			
Other debt investment	VII, Notes 15	31,180,833.33	501,814,597.22
Long-term accounts receivable			
Long-term equity investment			
Other equity instruments investment			
Other non-current financial assets			
Investment property			
Fixed assets	VII, Notes 21	415,614,940.95	359,370,561.88
Construction in progress	VII, Notes 22	81,825,394.82	12,421,651.89
Bearer biological assets			
Oil and natural gas assets			

Right-of-use asset	VII, Notes 25	10,776,044.89	3,660,165.31
Intangible assets	VII, Notes 26	80,861,126.54	82,393,724.78
Including: data resource			
R&D expenditure			
Including: data resource			
Goodwill			
Long-term deferred expenses	VII, Notes 28	1,861,892.97	152,390.44
Deferred tax assets	VII, Notes 29	36,296,369.79	34,791,772.38
Other non-current assets	VII, Notes 30	13,518,668.26	4,316,837.17
Total non-current assets		671,935,271.55	998,921,701.07
Total assets		3,424,094,039.28	2,717,987,693.16
<b>Current liabilities:</b>			
Short-term borrowings			
Borrowings from the Central Bank			
Borrowings from Banks and Other Financial Institutions			
Held-for-trading financial liabilities			
Financial derivative liabilities			
Notes payable	VII, Notes 35	220,640,151.82	117,366,029.52
Accounts payable	VII, Notes 36	455,963,253.28	336,563,843.58
Advances from customers			
Contract liabilities	VII, Notes 38	693,907,020.61	368,115,462.30
Financial assets Sold for repurchase			
Deposits from customers and interbank			
Funds received as agent of stock exchange			
Funds received as securities underwriting			
Employee benefits payable	VII, Notes 39	55,103,891.22	44,935,414.02
Taxes payable	VII, Notes 40	23,784,406.62	8,727,697.80
Other payables	VII, Notes 41	10,182,110.54	4,634,788.08
Including: Interests payable			
Dividends payable			
Fee and commission payable			
Cession insurance premiums payable			
Held-for-sale liabilities			
Non-current liabilities due within one year	VII, Notes 43	2,666,584.19	1,578,570.99
Other current liabilities	VII, Notes 44	60,947,794.66	45,094,960.69
Total of current liabilities		1,523,195,212.94	927,016,766.98
<b>Non-current liability:</b>			
Provision for insurance contracts			
Long term borrowings			
Bonds payable			
Including: Preferred stock			
Perpetual bond			
Lease liability	VII, Notes 47	8,789,722.65	2,460,955.84
Long-term accounts payable			

Long-term employee benefits payable			
Estimated liabilities	VII, Notes 50	31,630,403.17	30,773,950.88
Deferred income	VII, Notes 51	28,375,413.16	19,266,666.68
Deferred tax liabilities	VII, Notes 29		4,843,790.87
Other non-current liabilities			
Total of non-current liabilities		68,795,538.98	57,345,364.27
Total Liabilities		1,591,990,751.92	984,362,131.25
<b>Owner's equity (or shareholders' equity):</b>			
Paid-up capital (or equity)	VII, Notes 53	298,401,360.00	298,401,360.00
Other equity instruments			
Including: Preferred stock			
Perpetual bond			
Capital reserve	VII, Notes 55	917,237,786.06	910,807,344.75
Less: Treasury stock		15,059,603.37	15,059,603.37
Other comprehensive income	VII, Notes 57	1,312,801.33	402,376.27
Special reserves			
Surplus reserve	VII, Notes 59	69,836,744.95	61,946,259.67
Provision for normal risks			
Retained earnings	VII, Notes 60	560,374,198.39	477,127,824.59
Total Owners' (Shareholders') Equity Attributable to Holding Company		1,832,103,287.36	1,733,625,561.91
Minority interests			
Total owner's equity (or shareholders' equity)		1,832,103,287.36	1,733,625,561.91
Total liabilities and owner's equity (or shareholders' equity)		3,424,094,039.28	2,717,987,693.16

Person in charge of the company: Liu Jianbo Chief accountant officer: Zhang Zuqing Person in charge of accounts: Wu Jianzhong

### Parent Company Balance Sheet

December 31, 2025

Prepared by: Kunshan Dongwei Technology Co., Ltd.

Unit: yuan Currency: RMB

Item	Note	December 31, 2025	December 31, 2024
<b>Current assets:</b>			
Cash and bank balance		181,302,618.63	184,782,060.13
Held-for-trading financial assets		103,191,937.51	96,966,416.67
Financial derivative assets			
Notes receivable		53,333,427.99	36,484,271.55
Accounts receivable	XIX, Note 1	562,457,144.55	582,044,651.68
Receivables financing		9,421,344.33	5,800,283.73
Prepayments		15,165,649.85	7,291,660.60
Other receivables	XIX, Note 2	179,811,896.51	1,552,194.28
Including: Interests receivable			
Dividends receivable			
Inventory		475,917,621.92	359,665,797.12

Including: data resource			
Contract assets		31,360,261.55	31,597,071.67
Held-for-sale assets			
Non-current assets due within one year		345,060,902.78	
Other current assets			9,396,011.64
Total current assets		1,957,022,805.62	1,315,580,419.07
<b>Non-current assets:</b>			
Debt investment			
Other debt investment		31,180,833.33	501,814,597.22
Long-term accounts receivable			
Long-term equity investment	XIX, Note 3	441,615,880.89	343,399,331.59
Other equity instruments investment			
Other non-current financial assets			
Investment property			
Fixed assets		122,678,831.92	128,765,738.52
Construction in progress		81,825,394.82	12,421,651.89
Bearer biological assets			
Oil and natural gas assets			
Right-of-use asset		111,780.16	782,460.64
Intangible assets		19,821,680.86	20,955,331.45
Including: data resource			
R&D expenditure			
Including: data resource			
Goodwill			
Long-term deferred expenses			
Deferred tax assets		21,938,047.57	21,551,766.78
Other non-current assets		360,000.00	
Total non-current assets		719,532,449.55	1,029,690,878.09
Total assets		2,676,555,255.17	2,345,271,297.16
<b>Current liabilities:</b>			
Short-term borrowings			
Held-for-trading financial liabilities			
Financial derivative liabilities			
Notes payable		217,427,629.75	117,366,029.52
Accounts payable		230,939,534.30	278,608,933.90
Advances from customers			
Contract liabilities		492,581,743.58	292,702,317.03
Employee benefits payable		22,547,031.93	20,016,394.22
Taxes payable		12,148,900.37	596,765.16
Other payables		1,568,160.96	871,530.74
Including: Interests payable			
Dividends payable			
Held-for-sale liabilities			
Non-current liabilities due within one year		391,899.02	698,491.88
Other current liabilities		54,428,245.76	38,370,237.27
Total of current liabilities		1,032,033,145.67	749,230,699.72
<b>Non-current liability:</b>			
Long term borrowings			

Bonds payable			
Including: Preferred stock			
Perpetual bond			
Lease liability			130,786.65
Long-term accounts payable			
Long-term employee benefits payable			
Estimated liabilities		19,150,014.99	25,080,650.25
Deferred income		2,370,967.74	
Deferred tax liabilities			3,363,271.86
Other non-current liabilities			
Total of non-current liabilities		21,520,982.73	28,574,708.76
Total Liabilities		1,053,554,128.40	777,805,408.48
<b>Owner's equity (or shareholders' equity):</b>			
Paid-up capital (or equity)		298,401,360.00	298,401,360.00
Other equity instruments			
Including: Preferred stock			
Perpetual bond			
Capital reserve		917,237,786.06	910,807,344.75
Less: Treasury stock		15,059,603.37	15,059,603.37
Other comprehensive income			
Special reserves			
Surplus reserve		69,836,744.95	61,946,259.67
Retained earnings		352,584,839.13	311,370,527.63
Total owner's equity (or shareholders' equity)		1,623,001,126.77	1,567,465,888.68
Total liabilities and owner's equity (or shareholders' equity)		2,676,555,255.17	2,345,271,297.16

Person in charge of the company: Liu Jianbo Chief accountant officer: Zhang Zuqing Person in charge of accounts: Wu Jianzhong

### Consolidated Income Statement

From January 2025 to December 2022

Unit: yuan Currency: RMB

Item	Note	For the year ended December 31, 2025	For the year ended December 31, 2024
I. Total operating income		1,098,386,778.65	749,997,504.95
Including: Operating income	VII, Notes 61	1,098,386,778.65	749,997,504.95
Interest income			
Insurance premiums earned			
Fee and commission income			
II. Total operating cost		952,967,317.08	681,794,581.33
Including: Operating costs	VII, Notes 61	720,525,032.94	498,758,553.61
Interest expenses			
Handling charges and commissions expenses			
Loan value			
Net payments for insurance claims			
Net Appropriation of Deposit			

for Duty			
Commissions on insurance policies			
Cession charges			
Tax and surcharge	VII, Notes 62	13,609,270.64	8,278,376.17
Selling and distribution expenses	VII, Notes 63	51,810,951.42	38,608,813.67
General and administrative expenses	VII, Notes 64	68,950,318.43	57,045,929.87
R & D expenses	VII, Notes 65	100,065,080.52	82,641,175.18
Financial expenses	VII, Notes 66	-1,993,336.87	-3,538,267.17
Including: Interest expense		237,195.97	252,632.22
Interest income		1,671,574.06	1,750,463.80
Add: Other income	VII, Notes 67	28,727,895.57	22,807,787.47
Investment income (loss expressed with "-")	VII, Notes 68	15,379,179.51	17,539,770.58
Including: Investment income from associated enterprises and joint ventures			
Derecognized revenue from financial assets measured at amortized cost			
Gain on foreign exchange transactions (loss expressed with "-")			
Net exposure hedging gains (losses expressed with "-")			
Gain or loss from changes in fair values (loss expressed with "-")	VII, Notes 70	524,334.34	594,655.56
Loss from credit impairment (loss expressed with "-")	VII, Notes 71	-35,230,927.02	-22,482,263.74
Loss from assets impairment (loss expressed with "-")	VII, Notes 72	-13,883,581.24	-12,962,908.75
Gain on disposal of assets (loss expressed with "-")	VII, Notes 73	109,129.32	92,845.68
III. Operating profit (loss expressed with "-")		141,045,492.05	73,792,810.42
Add: Non-operating income	VII, Notes 74	16,075.30	4,920.24
Less: non-operating expenditure	VII, Notes 75	1,589,251.30	208,590.88
IV. Total profit (total loss expressed with "-")		139,472,316.05	73,589,139.78
Less: income tax expense	VII, Notes 76	18,535,400.97	4,316,248.24
V. Net profit (net loss expressed with "-")		120,936,915.08	69,272,891.54
(I) Classification by the continuity of operation			
1. Net profit from continuing operations (net loss expressed with "-")		120,936,915.08	69,272,891.54
2. Net profit from discontinued operations (net loss expressed with "-")			
(II) Classification by ownership attribution			
1. Net profit attributed to shareholders of parent company (net loss expressed with "-")		120,936,915.08	69,272,891.54
2. Minority interests (net loss expressed with "-")			

VI. After-tax net income of other comprehensive incomes		910,425.06	404,316.33
(I) After-tax net income of other comprehensive incomes attributable to owners of parent company		910,425.06	404,316.33
1. Other comprehensive income which cannot be reclassified into profit or loss			
(1) Re-measure changes in defined benefit plans			
(2) Other comprehensive income that cannot be transferred to profit or loss under the equity method			
(3) Changes in fair value of other equity instruments investment			
(4) Changes in fair value of the company's own credit risk			
2. Other comprehensive income which can be reclassified into profit or loss		910,425.06	404,316.33
(1) Other comprehensive income that can be transferred to profit or loss under the equity method			
(2) Changes in fair value of other debt investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4). Provision for credit impairment of other debt investments			
(5) Cash flow hedge reserve			
(6) Translation difference in foreign currency financial statements	VII, Notes 57	910,425.06	404,316.33
(7) Others			
(II) After-tax net income of other comprehensive incomes attributable to minority shareholders			
VII. Total comprehensive income		121,847,340.14	69,677,207.87
(I) Total comprehensive income attributable to owners of parent company		121,847,340.14	69,677,207.87
(II) Total comprehensive income attributable to minority shareholders			
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/Share)		0.41	0.23
(II) Diluted earnings per share (RMB/Share)		0.41	0.23

In case of business merger under the same control in the current period, the net profit realized by the merged party before the merger is: RMB 0, and the net profit realized by the merged party in the previous period is: RMB 0.00.

Person in charge of the company: Liu Jianbo Chief accountant officer: Zhang Zuqing Person in charge of accounts: Wu Jianzhong

**Parent Company Income Statement**

From January 2025 to December 2022

Unit: yuan Currency: RMB

Item	Note	For the year ended December 31, 2025	For the year ended December 31, 2024
I. Operating income	XIX, Note 4	813,689,465.46	657,036,722.90
Less: Operating costs	XIX, Note 4	609,919,507.65	475,317,504.01
Tax and surcharge		4,391,398.06	3,508,562.39
Selling and distribution expenses		31,656,610.43	30,971,083.46
General and administrative expenses		84,653,146.37	68,859,684.46
R & D expenses		62,052,541.67	56,842,732.97
Financial expenses		-745,830.70	-3,403,932.40
Including: Interest expense		21,508.11	66,354.18
Interest income		800,004.85	1,561,706.01
Add: Other income		18,257,475.36	20,561,532.59
Investment income (loss expressed with "-")	XIX, Note 5	74,625,173.52	95,856,458.75
Including: Investment income from associated enterprises and joint ventures		1,216,786.80	-1,500,382.82
Derecognized revenue from financial assets measured at amortized cost			
Net exposure hedging gains (losses expressed with "-")			
Gain or loss from changes in fair values (loss expressed with "-")		512,904.18	594,655.56
Loss from credit impairment (loss expressed with "-")		-26,254,477.75	-17,916,658.93
Loss from assets impairment (loss expressed with "-")		-8,718,995.83	-11,122,408.42
Gain on disposal of assets (loss expressed with "-")		-306,226.46	92,712.94
II. Operating profit (loss expressed with "-")		79,877,945.00	113,007,380.50
Add: Non-operating income		785.30	4,890.00
Less: non-operating expenditure		1,362,764.42	67,102.58
III. Total profit (loss expressed with "-")		78,515,965.88	112,945,167.92
Less: income tax expense		-388,886.90	54,799.22
IV. Net profit (net loss expressed with "-")		78,904,852.78	112,890,368.70
(I) Net profit from continuing operations (net loss expressed with "-")		78,904,852.78	112,890,368.70
(II) Net profit from discontinued operations (net loss expressed with "-")			
V. After-tax net income of other comprehensive incomes			
(I) Other comprehensive income which cannot be reclassified into profit or loss			

1. Re-measure changes in defined benefit plans			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instruments investment			
4. Changes in fair value of the company's own credit risk			
(II) Other comprehensive income which can be reclassified into profit or loss			
1. Other comprehensive income that can be transferred to profit or loss under the equity method			
2. Changes in fair value of other debt investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedge reserve			
6. Translation difference in foreign currency financial statements			
7. Others			
VI. Total comprehensive income		78,904,852.78	112,890,368.70
VII. Earnings per share:			
(I) Basic earnings per share (RMB/Share)			
(II) Diluted earnings per share (RMB/Share)			

Person in charge of the company: Liu Jianbo Chief accountant officer: Zhang Zuqing Person in charge of accounts: Wu Jianzhong

**Consolidated Cash Flow Statement**  
From January 2025 to December 2022

Unit: yuan Currency: RMB

Item	Note	For the year ended December 31, 2025	For the year ended December 31, 2024
<b>I. Cash flows from operating activities:</b>			
Proceeds from sale of goods and rendering of services		1,124,554,520.36	763,342,365.81
Net increase from customer deposits and interbank deposits			
Net increase from borrowings from the central bank			
Net increase in funds borrowed from other financial institutions			
Cashed received from original insurance contract premiums			
Net cash received from re-guarantee business			

Net increase from insured deposits and investments			
Cash from collection of interest, charges and commissions			
Net increase in deposit funds			
Net increase in capital for repurchase			
Net cash received from acting sale of securities			
Refund of tax and levies		42,236,055.84	17,305,691.11
Other cash received relating to operating activities	VII. Notes 78.(1)	27,864,986.54	27,769,985.54
Sub-total of cash inflow from operating activities		1,194,655,562.74	808,418,042.46
Cash paid for goods and services		538,655,257.37	372,986,214.33
Net increase in client loans and advances			
Net increase in central bank deposits and interbank deposits			
Cash paid for compensation for original insurance contract			
Net increase in lendings to banks and other financial institutions			
Cash paid for interest, charges and commissions			
Cash paid for policy dividend			
Cash paid to and on behalf of employees		282,740,080.24	232,561,064.98
Cash paid for taxes and surcharges		63,376,846.02	56,932,670.72
Other cash paid relating to operating activities	VII. Notes 78.(1)	64,940,586.19	52,394,023.91
Sub-total of cash outflow from operating activities		949,712,769.82	714,873,973.94
Net cash flow from operating activities		244,942,792.92	93,544,068.52
<b>II. Cash flows generated by investment activities:</b>			
Cash received from return of investments	VII. Notes 78.(2)	832,000,000.00	1,008,289,791.67
Cash received from investment income		9,813,625.07	6,525,638.01
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		295,906.00	13,650.00
Net cash received from disposal of subsidiaries and other business entities			
Other cash received relating to investment activities			
Sub-total of cash inflow from investment activities		842,109,531.07	1,014,829,079.68
Cash paid for purchase of fixed assets, intangible assets and other long-term assets		164,753,865.42	78,203,762.03

Cash paid for investment	VII. Notes 78.(2)	866,677,111.11	884,500,000.00
Net increase in loans pledged			
Net cash paid for the acquisition of subsidiaries and other business entities			
Other cash paid relating to investment activities			
Sub-total of cash outflow from investment activities		1,031,430,976.53	962,703,762.03
Net Cash Flows from Investing Activities		-189,321,445.46	52,125,317.65
<b>III. Cash flows generated by financing activities:</b>			
Cash received from investment absorption			
Including: Cash received by subsidiaries from minority shareholders			
Cash received from borrowings			
Other cash received relating to financing activities			
Sub-total of cash inflow from financing activities			
Cash paid for debt repayment			
Cash paid for distribution of dividends and profits or payment of interest		29,800,056.00	57,307,800.00
Including: dividends and profit paid by subsidiaries for minority shareholders,			
Other cash payments relating to financing activities	VII. Notes 78.(3)	1,558,556.79	18,387,153.06
Sub-total of cash outflow from financing activities		31,358,612.79	75,694,953.06
Net Cash Flows from Financing Activities		-31,358,612.79	-75,694,953.06
<b>IV. Impact of exchange rate changes on cash and cash equivalents</b>		1,532,197.54	1,074,481.95
<b>V. Net increase in cash and cash equivalents</b>		25,794,932.21	71,048,915.06
Add: Cash and cash equivalents at the beginning of the period		223,286,522.81	152,237,607.75
<b>VI. Balance of cash and cash equivalents at ending of period</b>		249,081,455.02	223,286,522.81

Person in charge of the company: Liu Jianbo Chief accountant officer: Zhang Zuqing Person in charge of accounts: Wu Jianzhong

### Parent Company Cash Flow Statement

From January 2025 to December 2022

Unit: yuan Currency: RMB

Item	Note	For the year ended December 31, 2025	For the year ended December 31, 2024
<b>I. Cash flows from operating activities:</b>			

Proceeds from sale of goods and rendering of services		793,566,027.95	664,109,348.21
Refund of tax and levies		24,180,965.24	16,284,942.28
Other cash received relating to operating activities		22,340,731.93	12,869,009.10
Sub-total of cash inflow from operating activities		840,087,725.12	693,263,299.59
Cash paid for goods and services		522,398,068.28	463,983,070.40
Cash paid to and on behalf of employees		123,435,407.62	128,129,742.54
Cash paid for taxes and surcharges		21,671,978.07	26,785,767.50
Other cash paid relating to operating activities		179,911,352.15	33,068,238.19
Sub-total of cash outflow from operating activities		847,416,806.12	651,966,818.63
Net cash flow from operating activities		-7,329,081.00	41,296,480.96
<b>II. Cash flows generated by investment activities:</b>			
Cash received from return of investments		799,000,000.00	925,289,791.67
Cash received from investment income		69,768,631.17	86,205,777.57
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		37,472.00	13,500.00
Net cash received from disposal of subsidiaries and other business entities			
Other cash received relating to investment activities			
Sub-total of cash inflow from investment activities		868,806,103.17	1,011,509,069.24
Cash paid for purchase of fixed assets, intangible assets and other long-term assets		68,479,692.63	33,353,949.18
Cash paid for investment		767,079,509.52	885,418,000.00
Net cash paid for the acquisition of subsidiaries and other business entities			
Other cash paid relating to investment activities			
Sub-total of cash outflow from investment activities		835,559,202.15	918,771,949.18
Net Cash Flows from Investing Activities		33,246,901.02	92,737,120.06
<b>III. Cash flows generated by financing activities:</b>			
Cash received from investment absorption			
Cash received from borrowings			
Other cash received relating to financing activities			
Sub-total of cash inflow from financing activities			
Cash paid for debt repayment			

Cash paid for distribution of dividends and profits or payment of interest		29,800,056.00	57,307,800.00
Other cash payments relating to financing activities		303,332.00	16,237,973.06
Sub-total of cash outflow from financing activities		30,103,388.00	73,545,773.06
Net Cash Flows from Financing Activities		-30,103,388.00	-73,545,773.06
<b>IV. Impact of exchange rate changes on cash and cash equivalents</b>		706,126.48	309,047.97
<b>V. Net increase in cash and cash equivalents</b>		-3,479,441.50	60,796,875.93
Add: Cash and cash equivalents at the beginning of the period		184,332,060.13	123,535,184.20
<b>VI. Balance of cash and cash equivalents at ending of period</b>		180,852,618.63	184,332,060.13

Person in charge of the company: Liu Jianbo Chief accountant officer: Zhang Zuqing Person in charge of accounts: Wu Jianzhong

**Consolidated Statement of Changes in Equity**

From January 2025 to December 2022

Unit: yuan Currency: RMB

Item	For the year ended December 31, 2025													Minor ity inter ests	Total owners' equity
	Owners' Equity Attributable to Holding Company											Sub-total			
	Paid-up capital (or equity)	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehen sive income	Speci al reser ves	Surplus reserve	Provis ion for norma l risks	Retained earnings		Othe rs		
	Prefer red stock	Perpet ual bond	Othe rs												
I. Closing balance of previous year	298,401,36 0.00				910,807,34 4.75	15,059,60 3.37	402,376.2 7		61,946,25 9.67		477,127,82 4.59		1,733,625,5 61.91		1,733,625,5 61.91
Add: Change in accounting policies															
Correc tion of prior errors															
Others															
II. Opening balance of current year	298,401,36 0.00				910,807,34 4.75	15,059,60 3.37	402,376.2 7		61,946,25 9.67		477,127,82 4.59		1,733,625,5 61.91		1,733,625,5 61.91
III. Amount of increase or decrease in current period (decrease expressed with "-")					6,430,441. 31		910,425.0 6		7,890,485 .28		83,246,373 .80		98,477,725. 45		98,477,725. 45
(I) Total comprehen sive income							910,425.0 6				120,936,91 5.08		121,847,340 .14		121,847,340 .14
(II) Capital contribution and					6,430,441. 31								6,430,441.3 1		6,430,441.3 1

reduction from owners															
1. Ordinary shares invested by the owner															
2. Capital contribution from holders of other equity instruments															
3. Amount of share-based payment added to owners' equity					6,430,441.31								6,430,441.31		6,430,441.31
4. Others															
(III) Profit distribution									7,890,485.28		-37,690,541.28		-29,800,056.00		-29,800,056.00
1. Appropriation of surplus reserves									7,890,485.28		-7,890,485.28				
2. Appropriation of general risk provision															
3. Distribution to owners (shareholders)											-29,800,056.00		-29,800,056.00		-29,800,056.00
4. Others															
(IV) Internal carry-forwa															

rd of shareholder s' equity																
1. Capital reserve transferred to paid-in capital (or equity)																
2. Surplus reserve transferred to paid-in capital (or equity)																
3. Surplus reserve for making up losses																
4. Carry-over retained earnings for changes in defined benefit plan																
5. Carry-over retained earnings for other comprehensive income																
6. Others																
(V) Special reserve																
1. Withdrawal in current period																
2. Use in current																

Annual Report of Kunshan Dongwei Technology Co., Ltd. in 2025

period														
(VI) Others														
IV. Closing balance of current period	298,401,360.00				917,237,786.06	15,059,603.37	1,312,801.33		69,836,744.95		560,374,198.39		1,832,103,287.36	1,832,103,287.36

Item	For the year ended December 31, 2024													
	Owners' Equity Attributable to Holding Company												Minority interests	Total owners' equity
	Paid-up capital (or equity)	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserve	Provision for normal risks	Retained earnings	Others		
	Preferred stock	Perpetual bond	Others											
I. Closing balance of previous year	229,632,000.00				979,576,704.75		-1,940.06		50,657,222.80		476,451,769.92		1,736,315,757.41	1,736,315,757.41
Add: Change in accounting policies														
Correction of prior errors														
Others														
II. Opening balance of current year	229,632,000.00				979,576,704.75		-1,940.06		50,657,222.80		476,451,769.92		1,736,315,757.41	1,736,315,757.41
III. Amount of increase or decrease in current period (decrease expressed with "-")	68,769,360.00				-68,769,360.00	15,059,603.37	404,316.33		11,289,036.87		676,054.67		-2,690,195.50	-2,690,195.50
(I) Total comprehensive income							404,316.33				69,272,891.54		69,677,207.87	69,677,207.87

(II) Capital contribution and reduction from owners						15,059,603.37							-15,059,603.37	-15,059,603.37
1. Ordinary shares invested by the owner														
2. Capital contribution from holders of other equity instruments														
3. Amount of share-based payment added to owners' equity														
4. Others						15,059,603.37							-15,059,603.37	-15,059,603.37
(III) Profit distribution								11,289,036.87		-68,596,836.87			-57,307,800.00	-57,307,800.00
1. Appropriation of surplus reserves								11,289,036.87		-11,289,036.87				
2. Appropriation of general risk provision														
3. Distribution to owners (shareholders)										-57,307,800.00			-57,307,800.00	-57,307,800.00

4. Others															
(IV) Internal carry-forward of shareholders' equity	68,769,360.00				-68,769,360.00										
1. Capital reserve transferred to paid-in capital (or equity)	68,769,360.00				-68,769,360.00										
2. Surplus reserve transferred to paid-in capital (or equity)															
3. Surplus reserve for making up losses															
4. Carry-over retained earnings for changes in defined benefit plan															
5. Carry-over retained earnings for other comprehensive income															
6. Others															
(V) Special reserve															
1. Withdrawal															

in current period														
2. Use in current period														
(VI) Others														
IV. Closing balance of current period	298,401,360.00				910,807,344.75	15,059,603.37	402,376.27		61,946,259.67		477,127,824.59		1,733,625,561.91	1,733,625,561.91

Person in charge of the company: Liu Jianbo Chief accountant officer: Zhang Zuqing Person in charge of accounts: Wu Jianzhong

**Parent Company Statement of Changes in Equity**  
From January 2025 to December 2022

Unit: yuan Currency: RMB

Item	For the year ended December 31, 2025										
	Paid-up capital (or equity)	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserve	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bond	Others							
I. Closing balance of previous year	298,401,360.00				910,807,344.75	15,059,603.37			61,946,259.67	311,370,527.63	1,567,465,888.68
Add: Change in accounting policies											
Correction of prior errors											
Others											
II. Opening balance of current year	298,401,360.00				910,807,344.75	15,059,603.37			61,946,259.67	311,370,527.63	1,567,465,888.68
III. Amount of increase or decrease in current period (decrease expressed with "-")					6,430,441.31				7,890,485.28	41,214,311.50	55,535,238.09
(I) Total										78,904,852.78	78,904,852.78

comprehensive income											
(II) Capital contribution and reduction from owners					6,430,441.31						6,430,441.31
1. Ordinary shares invested by the owner											
2. Capital contribution from holders of other equity instruments											
3. Amount of share-based payment added to owners' equity					6,430,441.31						6,430,441.31
4. Others											
(III) Profit distribution								7,890,485.28	-37,690,541.28		-29,800,056.00
1. Appropriation of surplus reserves								7,890,485.28	-7,890,485.28		
2. Distribution to owners (shareholders)									-29,800,056.00		-29,800,056.00
3. Others											
(IV) Internal carry-forward of shareholders' equity											
1. Capital reserve transferred to paid-in capital (or equity)											
2. Surplus reserve transferred to paid-in capital (or equity)											

3. Surplus reserve for making up losses											
4. Carry-over retained earnings for changes in defined benefit plan											
5. Carry-over retained earnings for other comprehensive income											
6. Others											
(V) Special reserve											
1. Withdrawal in current period											
2. Use in current period											
(VI) Others											
IV. Closing balance of current period	298,401,360.00				917,237,786.06	15,059,603.37			69,836,744.95	352,584,839.13	1,623,001,126.77

Item	For the year ended December 31, 2024										
	Paid-up capital (or equity)	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserve	Retained earnings	Total owners' equity
Preferred stock	Perpetual bond	Others									
I. Closing balance of previous year	229,632,000.00				979,576,704.75				50,657,222.80	267,076,995.80	1,526,942,923.35
Add: Change in accounting policies											
Correction of prior errors											
Others											
II. Opening balance of	229,632,000.00				979,576,704.75				50,657,222.80	267,076,995.80	1,526,942,923.35

current year											
III. Amount of increase or decrease in current period (decrease expressed with “-”)	68,769,360.00				-68,769,360.00	15,059,603.37			11,289,036.87	44,293,531.83	40,522,965.33
(I) Total comprehensive income										112,890,368.70	112,890,368.70
(II) Capital contribution and reduction from owners						15,059,603.37					-15,059,603.37
1. Ordinary shares invested by the owner											
2. Capital contribution from holders of other equity instruments											
3. Amount of share-based payment added to owners' equity											
4. Others						15,059,603.37					-15,059,603.37
(III) Profit distribution									11,289,036.87	-68,596,836.87	-57,307,800.00
1. Appropriation of surplus reserves									11,289,036.87	-11,289,036.87	
2. Distribution to owners (shareholders)										-57,307,800.00	-57,307,800.00
3. Others											
(IV) Internal carry-forward of shareholders' equity	68,769,360.00				-68,769,360.00						

1. Capital reserve transferred to paid-in capital (or equity)	68,769,360.00				-68,769,360.00						
2. Surplus reserve transferred to paid-in capital (or equity)											
3. Surplus reserve for making up losses											
4. Carry-over retained earnings for changes in defined benefit plan											
5. Carry-over retained earnings for other comprehensive income											
6. Others											
(V) Special reserve											
1. Withdrawal in current period											
2. Use in current period											
(VI) Others											
IV. Closing balance of current period	298,401,360.00				917,237,786.06	15,059,603.37			61,946,259.67	311,370,527.63	1,567,465,888.68

Person in charge of the company: Liu Jianbo Chief accountant officer: Zhang Zuqing Person in charge of accounts: Wu Jianzhong

### III、 Basic information of the Company

#### 1 Company Overview

√Applicable "□Not applicable"

Kunshan Dongwei Technology Co., Ltd. (hereinafter referred to as “the Company” or “we”, collectively with its subsidiaries as “the Group”), formerly known as Kunshan Dongwei Machinery Co., Ltd., was established on December 29, 2005.

According to the resolution of the Shareholders General Assembly of the limited company on April 30, 2019, the limited company was changed into a joint stock company limited as a whole. The shareholding ratio of each shareholder remained unchanged before and after the change. Based on the audited and evaluated net assets of the limited company as of February 28, 2019, the shares held by the shareholders were converted into the share capital of the joint stock company limited based on the proportion of each shareholder’s equity in the limited company. After the application for change, the registered capital of the Company was RMB 100,000,000.00, and the company name was changed to Kunshan Dongwei Technology Co., Ltd.

The Company publicly offered 36.8 million ordinary shares (A shares) in June 2021, with a par value of RMB 1 per share. The stock abbreviation is “Dongwei Technology” and the stock code is “688700”. After the offering, the Company’s share capital was changed to RMB 147,200,000.00.

In accordance with the resolution of the Meeting of Shareholders General Assembly 2022 held on April 28, 2023 and the amended articles of association, the Company converted a total of 70,656,000 shares with a par value of RMB 1.00 per share to all shareholders through the capital reserve fund at the ratio of 4.8 shares for every 10 shares. The total increase in share capital was RMB 70,656,000.00. The total share capital of the Company increased to RMB 217,856,000.

On June 13, 2023 (Swiss time), the global depositary receipts (hereinafter referred to as “GDR”) issued by the Company were listed on the Swiss Stock Exchange (full name of GDR securities: Kunshan Dongwei Technology Co., Ltd. GDR, and GDR listing code: KUDO). The issue price of GDR is \$17.80 per share, and a total of 5,888,000 GDRS are issued, and the corresponding new underlying securities are 11,776,000 A-shares of the Company. After the listing of the new underlying A-shares, the total share capital of the Company was changed to 229,632,000 shares. The above equity change was registered with the industrial and commercial authorities on July 26, 2023.

In accordance with the resolution of the Meeting of Shareholders General Assembly in 2023 held by the Company on May 20, 2024, the Company converted a total of 68,769,360 shares with a par value of RMB 1.00 per share to all shareholders through the capital reserve fund at the ratio of 3 shares for every 10 shares. After this increase, the share capital increased by RMB 68,769,360.00. The total share capital of the Company increased to RMB 298,401,360.

The Company is located at No. 505, Dongding Road, Bacheng Town, Kunshan City, Unified Social Credit Code: 913205837820996571.

The Company is engaged in the manufacturing of special equipment.

The business scope of the Company includes technology development, technical services, technical consulting, technology transfer, and related equipment maintenance in the field of mechanical equipment; production and sales of electroplating equipment and automated production equipment; development, sales, and after-sales service of embedded software for automation control equipment; installation and maintenance of mechanical equipment; sales of equipment parts and consumables; import and export business of self-operated and agency goods and technology.

The Company's actual controller is Liu Jianbo.

These financial statements were approved by the board of directors of the Company on April 25, 2026. According to the Articles of Association of the Company, the financial statements shall be submitted to the Meeting of Shareholders General Assembly for review.

#### **IV、 Basis of preparation of financial statements**

##### **1 Basis of preparation**

The financial statements of the Group are prepared based on actual transactions and events, in accordance with the "Enterprise Accounting Standards" and its application guidelines, interpretations, and other relevant regulations issued by the Ministry of Finance (hereinafter referred to as the "Enterprise Accounting Standards"), as well as the disclosure regulations of the China Securities Regulatory Commission (hereinafter referred to as the "CSRC") No. 15 General Provisions on Financial Reporting for Companies Issuing Securities to the Public (revised in 2023).

##### **2 Going concern**

Applicable Not applicable"

Based on the evaluation of continuous operating capacity for 12 months from December 31, 2025, the Group found no matters or circumstances that raised significant doubts about the continuous operating capacity. The financial statements are presented on a going concern basis.

#### **V、 Important accounting policies and accounting estimates**

Tips for specific accounting policies and accounting estimates:

Applicable" Not applicable"

The Group is mainly engaged in the research and development, design, production, and sales of high-end precision electroplating equipment and its supporting equipment. The Company and its subsidiaries have prepared and developed certain specific accounting policies and accounting estimates for transactions and events such as revenue recognition in accordance with the actual production and operation characteristics and pursuant to relevant accounting standards. For details, please refer to the description of Item 34 "Revenue recognition principles and measurement methods" of Note V.

**1 Statement of compliance with accounting standards for business enterprises**

The financial statements conform to the requirements of the Accounting Standards for Business Enterprises and provide a true, accurate and complete reflection of the Company's and Group's financial position, operating results and cash flows, etc. at the close of December 31, 2025.

**2 Accounting period**

The accounting year of the Group starts from Jan. 1 and ends at Dec. 31 of each calendar year.

**3 Business cycle**

Applicable Not applicable"

Normal business cycle refers to the period from the Company purchases assets for processing to it realizes cash or cash equivalents. The Group takes 12 months as a business cycle and partition criterion of the liquidity of the assets and liabilities.

**4 Recording currency**

The Company and its domestic subsidiaries adopt RMB as the recording currency.

Dongwei Technology (Thailand) Co., Ltd., a subsidiary of the Group, determines its recording currency based on the main economic environment in which it operates. The Group converts its financial statements into RMB using the method described in Note V (10) "Translation of Foreign Currency Transactions and Foreign Currency Financial Statements".

**5 Determination method and selection basis for the standard of materiality**

Applicable Not applicable"

Item	Importance standard
Accounts receivable with a significant single amount, significant accounts receivable	Single amount more than RMB 30 million
Significant prepayments	Single amount more than RMB 10 million
Other receivables with a significant single amount, significant other receivables	Single amount more than RMB 5 million
Important projects under construction	Budget amount of a single project more than RMB 10 million
Significant accounts payable	Single amount more than RMB 10 million
Significant contract liabilities	Single amount more than RMB 30 million
Significant other payables	Single amount more than RMB 5 million

**6 Accounting treatment method of business combination under common control and non-common control**

Applicable Not applicable"

(1) Business combination under the same control

Enterprises participating in the business combination are ultimately controlled by the same party or parties before and after the merger, and the control is not temporary, this kind of business combination shall be the one under the same control.

As a merging party, the assets and liabilities acquired by the Group under the same control of the business combination shall be measured at the book value in the consolidated statement of the ultimate controller at the combination date. If the difference between the book value of the net assets and the book value of the merger consideration paid, and the adjustment of the capital reserve; if the capital reserve is not sufficient to offset, the retained earnings shall be adjusted.

## (2) Business combination not under the same control

All parties participating in the merger are not ultimately controlled by the same party or the same parties before and after the merger, and it is a business merger not under the same control.

As the acquirer, the Group's identifiable assets, liabilities and contingent liabilities of the acquiree acquired in the enterprise merger not under the same control shall be measured at fair value on the acquisition date. The cost of enterprise merger shall refer to the fair value of the cash or non-cash assets, the issued or assumed liabilities, the issued equity securities which are paid by the Group to obtain control of the acquiree on the acquisition date, and the sum of the direct related expenses (for the enterprise merger achieved through multiple transactions in a step-by-step manner, the cost of the merger shall be the sum of the costs of each individual transaction). In the case that the combination cost is higher than the share of fair value of net identifiable assets acquired from the acquiree, the balance shall be recognized as goodwill; in the event that the combination cost is less than the share of fair value of net identifiable assets acquired from the acquiree at the acquisition date, the fair value of the identifiable assets, liabilities and contingent liabilities acquired in the merger, and the combination cost shall be reviewed firstly; if the combination cost is still less than the share of fair value of net identifiable assets acquired from the acquiree, the balance shall be included in the current profits and losses.

## 7 Judgment criteria for control and preparation method of consolidated financial statements

Applicable Not applicable

The consolidated scope of the consolidated financial statements of the Group shall be determined on the basis of control, which shall include the Company and all subsidiaries it controls over. The Group's criteria for determining control are that the Group has the power over the investee, enjoys a variable return by participating in the relevant activities of the investee, and has the ability to use the power over the investee to influence the amount of the return.

At the time of preparing the Consolidated Financial Statements, if the accounting policies or accounting periods adopted by the subsidiaries are inconsistent with those of the Company, the

necessary adjustments shall be made to the financial statements of the subsidiaries in accordance with the accounting policies or accounting periods of the Company.

The effect of internal transactions between the Company and its subsidiaries and between subsidiaries on the consolidated financial statements shall be offset at the time of consolidation. The portion not attributable to the parent company in the subsidiary's owner's equity and the portion of minority equity in the current net profit or loss, other comprehensive income and total comprehensive income shall be presented separately in the "Minority Equity, Minority Interest Income, Other Comprehensive Income Attributable to Minority Shareholders" in the consolidated financial statements.

For the subsidiary acquired by merger of enterprises under the same control, its operating results and cash flows shall be included in the consolidated financial statements from the beginning of the current period of consolidation. In the preparation of comparative consolidated financial statements, the relevant items of the financial statements of the previous year shall be adjusted, and it shall be deemed that the reporting entity formed after the consolidation has been existing since the time when the ultimate controlling party began to control.

If the equity of the investee under the same control is obtained through multiple transactions and the final merger is formed, the handling method in the consolidated financial statements shall be supplemented in the reporting period in which the control is obtained. For example, for the shares in the invested organization under the same control acquired through multiple transactions step by step, finally resulting in the enterprise merger, the current status shall be deemed as existing for adjustment when the final controlling party starts to control when preparing the consolidated financial statements; when preparing the comparative statements, the relevant assets and liabilities of the merged party shall be consolidated into the comparative statements in the consolidated financial statements of the Group prior to the time point at which the Group and the merged party is put under the same control of the final controlling party, and the relevant item under the owner's equity in the comparative statement shall be adjusted for the net assets increased arising from such merger. In order to avoid double counting the value of the net assets of the merged party, for the long-term equity investment held by the Group before the merger is reached, the changes in profit or loss, other comprehensive income and other net assets have been recognised between the date of obtaining the original equity and the date when the combined party and the combining party are under the final control of the same party, whichever is later, and the combination date, the retained earnings at the beginning of the period of the comparative report and the current profit and loss should be written off separately.

For the subsidiary acquired by merger of enterprises not under the same control, the operating results and cash flows shall be included in the consolidated financial statements from the date when the Group acquired the control. In the preparation of the consolidated financial statements, the

financial statements of the subsidiaries shall be adjusted based on the fair values of the identifiable assets, liabilities and / or contingent liabilities determined on the acquisition date.

If the equity of the investee not under the same control is obtained through multiple transactions and the final merger is formed, the handling method in the consolidated financial statements shall be supplemented in the reporting period in which the control is obtained. For example, for the step-by-step acquisition of the equity of the investee under the same control through multiple transactions, when the merger is finally formed and the consolidated statement is prepared, the equities of the acquiree held before the purchase date shall be re-measured according to the fair value of the equities on the purchase date and the difference between the fair value and the book value shall be included in the investment revenues of the current period; the equity of the acquiree held before the relevant purchase date relates to other comprehensive income under the equity method and net profit and loss, other comprehensive income and Changes in other owners' equity other than profit distribution are transferred to investment gains and losses on the date of purchase, except for other comprehensive income arising from the remeasurement of the net benefit or net assets of the defined benefit plan.

The Group partly disposes the long-term equity investments in the subsidiaries when the control is not lost. In the consolidated financial statements, the capital premium or share premium shall be adjusted according to the difference between the disposal price and net asset share in the subsidiaries corresponding to the disposed long-term equity investments from the acquisition date or the combination date. If the capital reserve is insufficient for write-off, the retained earnings shall be adjusted.

In the event that the Group lost the control over the investee for disposal of part of the equity investments or other reasons, the remaining equity shall be re-calculated at the fair value on the date when the control is lost in the preparation of the consolidated financial statements. The difference between the sum of the consideration obtained from the disposal of equity and the fair value of the remaining shares and the share of net assets in the original subsidiary to be enjoyed from the acquisition date or the combination date shall be included into the investment profit and loss of the period when the control power is lost. Meanwhile, the goodwill shall be offset. Other comprehensive income related to the equity investment in the original subsidiary shall be transferred to the current investment profit and loss when the control power is lost.

When the Group has disposed of the equity investment in the subsidiaries step by step through multiple transactions until the loss of control, if all the transactions that dispose of the equity investment of the subsidiary until the loss of control belong to the package deal, such transactions shall be conducted accounting treatment as a transaction that disposes of the subsidiary and loses control. But, before the loss of control power, the difference between every disposal cost and the share of net assets of the subsidiary corresponding to the disposed investment shall be recognized as other comprehensive income in the consolidated financial statement and shall be included into the

current investment profits and losses in the period when the control power is lost. If the Company disposes the equity investments in the subsidiary until the loss of control by multiple transactions and such transactions are package deals, accounting treatment shall be conducted for each transaction according to whether the control right is lost.

## **8 Classification of joint arrangement and accounting treatment method of joint operation**

√Applicable "□Not applicable"

The joint arrangements of the Group includes the joint operations and joint ventures. A joint operation refers to a joint arrangement in which the joint venture party enjoys the relevant assets of the arrangement and assumes the relevant liabilities of the arrangement; Joint ventures shall refer to the joint arrangement of which the joint venture party only enjoys the net assets.

For the project under the joint operation, the Group shall, as the joint venturing party in the joint operation, shall recognize the assets and liabilities held separately, as well as the assets and liabilities held and assumed according to the shares, and shall recognize the relevant incomes and expenses separately or according to the shares. In the event that he purchase and sale under the joint operation does not constitute the transaction in assets of the business, only the part of the profits and losses arising from such transaction attributable to the other participants in the joint operation shall be recognized.

## **9 Determination criteria on cash and cash equivalents**

The Cash listed in the cash flow statement shall refer to the cash on hand and the deposits payable at any time. The cash equivalents referred to in the cash flow statement shall mean the short-term (no more than 3 months) investments with strong liquidity and little value change risk, which are readily convertible into known amount of cash.

## **10 Translation of foreign currency transaction and foreign currency statements**

√Applicable "□Not applicable"

### **(1) Foreign currency transactions**

When the Group's foreign currency transactions are initially recognized, the foreign currency amount is translated into the recording currency amount using the exchange rate at the beginning of the month when the transaction occurs (usually refers to the middle price of the day's foreign exchange quotation announced by the People's Bank of China, the same below). On the balance sheet date, the foreign currency monetary items are translated at the spot exchange rate on the balance sheet date. The translation difference generated shall be directly recognized in the current profit and loss, except for the exchange difference generated from special borrowings in foreign currency borrowed for the purchase or production of assets that meet the capitalization conditions

and treated according to the principle of capitalization; the foreign currency non-monetary items measured at historical cost shall still be translated at the spot exchange rate on the date of transaction, without changing the amount of the recording currency; the foreign currency non-monetary items measured at fair value are translated using the spot rate on the determination date of fair value. The difference between the translated amount of the recording currency and the original amount of the recording currency shall be accounted for as changes in fair value (including exchange rate changes) and included in the current profit and loss; the capital invested by investors in foreign currency shall be converted at the spot rate on the date of transaction. There is no difference in the translation of foreign currency capital between the capital invested in foreign currency and the amount of the recording currency of the corresponding monetary item.

## (2) Translation of foreign currency financial statements

When preparing consolidated financial statements, the Group translates the financial statements of overseas operations into RMB. Among them: the assets and liabilities in the foreign currency balance sheet shall be translated at the spot rate on the balance sheet date; among the items of owners' equity, except for the undistributed profits, other items shall be translated adopt the spot exchange rate on the date of transaction; The income and expense items in the income statement are translated at the average exchange rate during the transaction period. The foreign currency translation differences arising from the above translation shall be presented in other comprehensive income. Foreign currency cash flows are translated at the average exchange rate of the month on the date of the transaction on the date of occurrence thereof. The impact of exchange rate changes on cash is presented separately in the Cash Flow Statement.

## 11 Financial Instruments

√Applicable "□Not applicable"

### (1) Recognition and de-recognition of financial instruments

The Group recognizes a financial asset or financial liability when it becomes a party to a financial instrument contract.

If the following conditions are met, financial assets will be derecognised, that is, written off from their accounts and balance sheets: 1) The right to receive cash flows from the financial assets expires; 2) The right to receive the cash flow from financial assets is transferred, or the obligation to timely pay the full amount of the cash flow received to a third party under the "transfer agreement" is undertaken; and (a) almost all risks and rewards in the ownership of the financial assets are substantially transferred, or (b) although almost all risks and rewards in the ownership of the financial assets are neither transferred nor retained, the control over the financial assets is waived.

If the liability for a financial liability has been fulfilled, canceled or expired, the financial liability shall be de-recognized. If the existing financial liability is replaced by another financial liability

with substantially different terms by the same creditor, or if the terms of the existing liability are substantially modified, such replacement or modification shall be treated as the de-recognition of the original liability and recognition of the new liability, and the difference shall be included in the current profit and loss.

The financial assets available for sales in a conventional manner are in the accounting recognition and derecognition at the transaction date.

## (2) Classification and measurement method of financial assets

The Group classifies the financial assets at initial recognition into the financial assets measured at amortized cost, the financial assets measured at fair value through other comprehensive income and the financial assets measured at fair value through current profit and loss based on the business model of the financial assets management and the contractual cash flow characteristics of the financial assets. All affected financial assets concerned are reclassified only if the Group changes the business model for managing financial assets.

When judging the business model, the Group considers the ways in which the Company evaluates and reports the performance of financial assets to key managers, the risks affecting the performance of financial assets and their management methods, and the way in which relevant business managers are paid, etc. When evaluating whether to collect contractual cash flow as the goal, the Group needs to analyze and judge the sales reasons, time, frequency, and value of the financial assets before the maturity date.

When judging the characteristics of contract cash flow, the Group needs to determine whether the contractual cash flow is paid only for principal and the interest based on the outstanding principal; when evaluating the correction of the time value of money, it is necessary to judge whether there is a significant difference compared with the benchmark cash flow, and whether the fair value of the prepayment characteristics is very small for the financial assets with prepayment characteristics; for financial assets with prepayment characteristics, it is necessary to judge whether the fair value of prepayment characteristics is very small, etc.

Financial assets are measured at fair value when initially recognized. However, if the accounts receivable or notes receivable from the sale of goods or the provision of services do not contain significant financing components or do not take into account the financing components not exceeding one year, the initial measurement shall be made according to the transaction price.

For financial assets measured at fair value through current profit and loss, the relevant transaction expenses shall be directly included in the current profit and loss; for other financial assets, the relevant transaction costs shall be included in the initially recognized amount.

The subsequent measurement of financial assets depends on their classifications:

### 1) Financial assets measured at amortized cost

Financial assets that meet the following conditions at the same time are classified as financial assets measured at amortized cost: i) The business model for managing the financial assets is aimed at collecting contractual cash flows. ii) According to the terms of the contract on the financial assets, the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding amount of principal. The Group's financial assets in this category mainly include: monetary funds, accounts receivable, notes receivable, and other receivables, etc.

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

Financial assets that meet the following conditions at the same time are classified as financial assets measured at fair value through other comprehensive income: i) the business model for managing the financial assets is aimed at both collecting contractual cash flows and selling such financial assets. ii) According to the terms of the contract on the financial assets, the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding amount of principal. The interest income of such financial assets is recognized using the effective interest rate method. Except for interest income, impairment losses and exchange differences recognized as current gains and losses, the remaining changes in fair value are included in other comprehensive income. In the event of de-recognition of the financial assets, the accumulated gains or losses previously included in other comprehensive income shall be transferred from other comprehensive income into current profit and loss. The Group's financial assets in this category mainly include receivables financing, etc.

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

Except for above financial assets that are classified or designated as financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income, the Group classifies them as measured at fair value through current profit and loss of financial assets. Such financial assets shall be measured according to their fair value, and all changes in fair value shall be recorded into current profits and losses except those related to hedge accounting. The Group's financial assets in this category mainly include trading financial assets, etc.

In the event that the contingent consideration recognized by the Group in a business merger not under the same control constitutes a financial asset, such financial asset shall be classified as a financial asset measured at fair value through current profit or loss.

#### (3) Classification, recognition basis and measurement method of financial liabilities

Except for financial guarantee contracts signed, loan commitments for loans with interest rates lower than the market rate, and financial liabilities formed due to the transfer of financial assets not meeting the de-recognition conditions or continuing to be involved in the transferred financial assets, the financial liabilities of the Group are classified as follows at initial recognition: financial liabilities measured at fair value through profit or loss, and financial liabilities measured at amortized cost. For the financial liabilities measured at fair value with the changes included in

current profit or loss, the related transaction costs are directly accounted into the current profit or loss. For financial liabilities measured at amortized cost, the related transaction costs are included in their amount of initial recognition.

The subsequent measurement of financial liabilities depends on their classifications:

1) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost are subsequently measured at amortized cost by use of the effective interest method.

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

The financial liabilities measured at fair value through current profit and loss (including derivatives that are financial liabilities), including the financial liabilities held for trading , and those designated as financial liabilities measured at fair value through current profit and loss at initial recognition. The financial liabilities held for trading (including derivative instruments belonging to a financial liability) are subsequently measured at fair value, all changes in fair value (except those in relation to hedge accounting) are included in current profit and loss. For financial liabilities designated to be measured at fair value through current profit and loss, subsequent measurement shall be made at fair value. Except that the changes in the fair value caused by the changes in the Group's own credit risk are included in other comprehensive income, other changes in the fair value are included in the current profit and loss; if changes in the fair value caused by changes in the Group's own credit risks are included in other comprehensive income, which may cause or expand accounting mismatches in the profit and loss, the Group shall include all changes in the fair value (including the amount affected by changes in its own credit risks) in current profit and loss.

(4) Impairment of Financial Instruments

The Group recognizes loss reserves on the basis of expected credit losses for financial assets measured at amortized cost, claim investments measured at fair value through other comprehensive income, contract assets, lease receivables, loan commitments, and financial guarantee contracts.

The expected credit loss refers to the weighted average of the credit losses of financial instruments that are weighted by the risk of default. Credit loss shall refer to the difference between all contractual cash flows receivable from the contract by the Group, which are discounted at the original actual interest rate, and all cash flows expected to be received by the Company, that is, the present value of all cash shortages. When considering the method of measuring expected credit losses, the Group reflects the following elements: 1) the unbiased probability weighted average amount determined by evaluating a series of possible results; 2) the time value of money; 3) the reasonable and well-founded information about past events, status quo and future economic conditions that can be obtained on the balance sheet date without unnecessary additional costs or efforts.

The Group assesses the expected credit losses of financial instruments on an individual and portfolio basis. When assessing on a portfolio basis, the Group classifies financial instruments into different groups based on common credit risk features. The common credit risk characteristics adopted by the Group include: type of financial instrument, credit risk rating, debtor's geographical location, debtor's industry, overdue information, accounts receivable aging, etc.

The Group uses the expected credit loss model to evaluate the impairment of financial instruments and contract assets. The application of the expected credit loss model requires significant judgments, estimates and all reasonable and supporting information, including forward-looking information, needs to be considered. When making these judgments and estimates, the Group infers the expected changes in the debtor's credit risk based on historical repayment data, and the economic policies, macroeconomic indicators, industry risks and other factors. Different estimates may affect the provision for impairment, and the actual provision for impairment may not be equal to the actual amount of impairment losses in the future.

#### 1) Impairment test method of accounts receivable and contract assets

For receivables such as accounts receivable, notes receivable, receivables financing, contract assets and other receivables that do not contain significant financing components and are formed due to daily operating activities such as selling goods and providing services, etc., the Group uses a simplified measurement method to measure the loss provision based on the expected credit loss amount over the whole duration.

The Group recognizes the accounts receivable of specific customers as receivables with significant individual amounts. The Group conducts separate impairment tests on receivables with significant individual amounts.

For accounts receivable, except for those with significant individual amounts and credit impairment that have occurred, their credit losses are usually determined based on a portfolio of common credit risk characteristics, considering the elements that should be reflected in the measurement method of expected credit loss and referring to the experience of historical credit loss, the company prepares the comparison table of aging of accounts receivable and default loss rate, and calculates the expected credit loss on this basis. If a customer's credit risk characteristics are significantly different from other customers in the portfolio, or if the customer's credit risk characteristics undergo significant changes, for example, if the customer encounters serious financial difficulties and the expected credit loss rate of the accounts receivable from the customer is significantly higher than the expected credit loss rate in the aging and overdue range, the Group shall make provision for losses on a single item basis for the amounts receivable from this customer.

#### 2) The portfolio category and determination basis of accounts receivable (and contract assets)

Based on information such as the aging, nature, credit risk exposure, and historical collection status of accounts receivable (and contract assets), the Group groups them according to the similarity and

correlation of credit risk characteristics. For accounts receivable (and contract assets), the Group determines that aging is the main influencing factor of its credit risk. Therefore, the Group evaluates its expected credit losses based on an aging portfolio. The Group recognizes the aging of accounts receivable according to the date of recognition of accounts receivable.

### 3) Portfolio categories of notes receivable and basis for determination

Based on the common risk characteristics of the acceptor credit risk of notes receivable, the Group divides notes receivable into different portfolios and determines the accounting estimation policy for expected credit losses: a. For bank acceptance bills issued by banks, the Group evaluates such funds as having lower credit risk and does not recognize the expected credit losses; b. For bank acceptances, commercial acceptances, and supply chain bills such as DiChain, where the acceptor is a finance company, the expected loss rate shall be recognized and provision for losses shall be made by reference to the Group's policy on accounts receivable, and the portfolio classification is the same as that for accounts receivable.

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

For financial asset transfer transactions, the Group has transferred almost all the risks and rewards in the ownership of the financial asset to the transferee, and the recognition of the financial asset is terminated; where almost all the risks and rewards in the ownership of the financial asset are retained, the recognition of the financial asset shall not be terminated; where almost all the risks and rewards in the ownership of the financial asset are neither transferred nor retained, and the control over the financial asset is abandoned, the recognition of the financial asset and the recognition of the assets and liabilities arising therefrom shall be terminated; if the control over the financial asset is not given up, the relevant financial asset shall be recognized according to the extent to which it continues to be involved in the transferred financial asset, and the relevant liability shall be recognized accordingly.

If the entire transfer of financial assets meets the derecognition criteria, the balance between the book value of transferred financial assets on the date of derecognition and the sum of consideration received from transfer and accumulated amount (the financial assets involved in the transfer also meet the following conditions: 1) The business model of managing this financial asset by the group is aimed at both collecting contract cash flows and selling the financial asset; 2) The contractual terms of this financial asset stipulate that the cash flows generated on a specific date are only for the payment of principal and interest based on the unpaid principal amount) due to changes in fair value originally recorded in other comprehensive income is accounted into the current profit or loss.

In the event that the partial transfer of financial assets meets the conditions for de-recognition, the book value of the whole transferred financial assets will be apportioned between the derecognized portion and the non-derecognized portion according to their respective fair values; the difference between the sum of the consideration received from the transfer and the amount corresponding to

the derecognized part in the cumulative amount of changes in fair value originally included in other comprehensive income that should be allocated to the derecognized part (the financial assets involved in the transfer also meet the following conditions: 1) The business model of managing this financial asset by the group is aimed at both collecting contract cash flows and selling the financial asset; 2) The contractual terms of this financial asset stipulate that the cash flows generated on a specific date are only for the payment of principal and interest based on the unpaid principal amount), and the allocated book value of the above financial assets shall be included in current profit and loss.

In case of continued involvement by means of providing financial guarantee for the transferred financial assets, the assets resulting from the continued involvement shall be recognized according to the lower of the book value of the financial assets and the amount guaranteed. The financial guarantee amount is the maximum amount to be repaid in the consideration received.

#### (6) Distinction and related treatment method of financial assets and equity instruments

The Group distinguishes financial liabilities and equity instruments according to the following principles: (1) If the Group is unable to avoid unconditionally performing a contractual obligation by delivering cash or other financial assets, the contractual obligation shall comply with the definition of financial liabilities. Some financial instruments, although not explicitly containing the terms and conditions of delivery of cash or other financial assets obligations, may indirectly form contractual obligations through other terms and conditions. (2) If a financial instrument shall or may be settled with the Group's own equity instruments, it is necessary to consider if the Group's equity instruments used to settle the instrument are the substitute for cash or other financial assets, or enable the holder of the instrument to enjoy the residual equity of the asset after the issuer deducts all liabilities. For the former case, such instrument shall be the financial liabilities of the issuer; for the latter case, the instrument shall be the equity instrument of the issuer. In the event that a financial instrument contract requires that the Group shall or may settle the financial instrument with its equity instrument, and that the amount of contractual rights or contractual obligations equals to the product by multiplying the number of equity instruments available or to be delivered by the fair value in the settlement, whether the amount of the contractual rights or contractual obligations is fixed, or is variable with the prices of the variables (including interest rate, the price of certain commodity price or certain financial instrument) other than the market price of the Group's equity instrument in whole or in part, the contract shall be classified as financial liabilities.

The Group has taken all terms and conditions between the group members and the holders of financial instruments when it classifies financial the financial instruments (or their components) in a consolidated statements. If the Group as a whole assumes the obligations to pay cash, other financial assets or make settlement in other means of causing the instrument to become a financial liability, such instrument shall be classified as a financial liability.

**(7) Offset of financial assets and financial liabilities**

The financial assets and financial liabilities of the Group shall be respectively listed in the balance sheet, not offsetting each other. However, if both of the following conditions are met, the net amount after offsetting shall be listed in the balance sheet: (1) The Group shall have the statutory right to offset the recognized amount, and such statutory right is currently enforceable; (2) The Group plans to settle with net amount, or to realize the financial assets and pay off the financial liabilities.

**12 Notes receivable**

Applicable Not applicable"

The Group measures the loss provision for notes receivable at an amount equal to the expected credit loss for the entire duration. Based on the credit risk characteristics, notes receivable are divided into different portfolios:

<b>Item</b>	<b>Basis for determining the portfolio</b>
Portfolio 1: Banker's acceptance with acceptor as bank	The acceptor is a bank
Portfolio 2: Banker's acceptance with acceptor as finance company	The portfolio takes the aging as the credit risk characteristics.
Portfolio 3: commercial acceptance bills	The portfolio takes the aging as the credit risk characteristics.
Portfolio 4: Di Lian and other supply chain bills	The portfolio takes the aging as the credit risk characteristics.

For the measurement of impairment loss of this account, please refer to “(4) Impairment of Financial Instruments” in “11. Financial Instruments in this report.

**Portfolio category and determination basis of bad debt provision based on the combination of credit risk characteristics**

Applicable Not applicable"

Please refer to Note V.11 “Financial Instruments” to this report for details.

**Method for calculating aging based on the combination of credit risk characteristics confirmed by aging**

Applicable Not applicable"

Please refer to Note V.11 “Financial Instruments” to this report for details.

**Judgment criteria for individual provision for bad-debt provision based on individual provision**

Applicable Not applicable"

**13 Accounts receivable**

Applicable Not applicable"

**Portfolio category and determination basis of bad debt provision based on the combination of credit risk characteristics**

Applicable Not applicable"

For accounts receivable that does not contain a significant financing component, the Group measures the loss provision based on the expected credit loss amount over the whole duration.

For accounts receivable, contract assets and lease receivables that contain a significant financing component, the Group chooses to always measure the loss provision based on the expected credit loss amount over the whole duration.

Except for accounts receivable and contract assets of which the credit risk is individually assessed, receivables are divided into different portfolios based on their credit risk characteristics:

Item	Portfolio determination basis
Aging portfolio	Aging of receivables as credit risk characteristics.
Related party portfolios within the scope of consolidation	Credit risk characteristics based on whether the debtor is a related party within the scope of consolidation

The Group calculates the expected credit loss on accounts receivable on the balance sheet date. If the expected credit loss is greater than the carrying amount of the current impairment provision for accounts receivable, the Company will recognize the difference as an impairment loss for accounts receivable, debit the "credit impairment loss" and credit the "bad debt provision". On the contrary, the Company will recognize the difference as impairment gains and keep the opposite accounting record.

If the Group has actually incurred a credit loss and determines that the relevant accounts receivable cannot be recovered, the Company shall debit the "bad debt provision" and credit the "accounts receivable" according to the approved write-off amount. If the write-off amount is greater than the loss provision already drawn, the "credit impairment loss" shall be debited according to the difference.

On the balance sheet date, the Group makes provision for impairment of contract assets with reference to the treatment method of expected credit losses of accounts receivable.

**Method for calculating aging based on the combination of credit risk characteristics confirmed by aging**

Applicable Not applicable"

Please refer to Note V.11 "Financial Instruments" to this report for details.

**Judgment criteria for individual provision shall be determined for bad-debt provision based on individual provision**

Applicable Not applicable"

Please refer to Note V.11 "Financial Instruments" to this report for details.

**14 Receivables financing**

Applicable Not applicable"

**Portfolio category and determination basis of bad debt provision based on the combination of credit risk characteristics**

Applicable Not applicable"

The Group endorses or discounts some bank acceptance bills in its daily fund management, both for the purpose of collecting contractual cash flows and for the sale of financial assets. Therefore, the Company reclassified these notes receivable into financial assets measured at fair value through other comprehensive income on and after January 1, 2019 and presented them as receivables financing.

The financing of receivables at the end of this reporting period are bank acceptance bills issued by banks with higher credit ratings. The risk of this type of bill being unable to be redeemed upon maturity is minimal and the credit risk is low. The recognition is terminated upon endorsement or discounting by the Company, therefore no provision for bad debts has been made.

**Method for calculating aging based on the combination of credit risk characteristics confirmed by aging**

Applicable Not applicable"

**Judgment criteria for individual provision for bad-debt provision based on individual provision**

Applicable Not applicable"

**15 Other receivables**

Applicable Not applicable"

**Portfolio category and determination basis of bad debt provision based on the combination of credit risk characteristics**

Applicable Not applicable"

Based on whether the credit risk of other receivables has significantly increased since the initial recognition, the Group measures the impairment loss according to the amount equivalent to the expected

credit loss within the next 12 months or the whole duration. Except for other receivables of which the credit risk is individually assessed, receivables are divided into different portfolios based on their credit risk characteristics:

Item	Basis for determining the portfolio
Aging portfolio	Aging of receivables as credit risk characteristics.
Related party portfolios within the scope of consolidation	Credit risk characteristics based on whether the debtor is a related party within the scope of consolidation

For the measurement of impairment loss of this account, please refer to “(4) Impairment of Financial Instruments” in “11. Financial Instruments in this report.

**Method for calculating aging based on the combination of credit risk characteristics confirmed by aging**

Applicable Not applicable"

Please refer to Note V.11 “Financial Instruments” to this report for details.

**Judgment criteria for individual provision for bad-debt provision based on individual provision**

Applicable Not applicable"

**16 Inventory**

Applicable Not applicable"

**Categories of inventories, valuation methods for inventories sent out, inventory rules, and amortization methods for low-value consumables and packages.**

Applicable Not applicable"

The Group's inventories mainly include raw materials, work in progress, stocked goods and goods sold, etc.

The inventories shall be initially measured at cost. Inventory costs include purchase costs, processing costs, and other costs. The perpetual inventory system is implemented for inventory, and the actual cost of inventory is determined using the weighted average method when received or sent out. The low-value consumption goods and packing of the Company shall be amortized by one-time write-off method.

**Recognition criteria and withdrawal method of inventory revaluation reserve**

Applicable Not applicable"

The inventories shall be measured at the lower of cost and net realizable value on the balance sheet date. The difference of inventory impairment provision shall be made and included in current profit and loss if the inventory cost is higher than the net realizable value. Net realisable value is the estimated selling price of inventories minus the estimated cost of completion, estimated selling expenses and related taxes and fees in daily activities.

Inventory depreciation provisions are accrued for the Group's inventory based on individual inventory items. When determining its net realizable value, stocked goods, products in progress, and materials used for sale directly used for sale shall be determined based on the estimated selling price of the inventory minus the estimated selling expenses and related taxes and fees; the net realizable value of material inventory held for production is determined by subtracting the estimated

cost to be incurred until completion, estimated sales expenses, and related taxes from the estimated selling price of the produced goods.

**Classification and determination basis of inventory depreciation reserves based on combinations, and the basis for determining the net realizable value of different categories of inventories**

Applicable Not applicable"

**Calculation method and the basis for determining the net realizable value of inventory based on inventory age**

Applicable Not applicable"

**17 Contract assets**

Applicable Not applicable"

**Recognition method and standard of contract assets**

Applicable Not applicable"

Contractual assets shall mean that the Group has transferred goods to a customer and have the right to receive the consideration, and the right depends on other factors than the passage of time. In the event that the Group sells two clearly distinguishable goods to a customer and thus has the right to receive the payment because one of the goods has been delivered, but the payment depends on the delivery of another kind of goods, the Group shall take the right to collection right as a contractual asset.

**Portfolio category and determination basis of bad debt provision based on the combination of credit risk characteristics**

Applicable Not applicable"

Please refer to Note V.11 "Financial Instruments" to this report for details.

**Method for calculating aging based on the combination of credit risk characteristics confirmed by aging**

Applicable Not applicable"

Please refer to Note V.11 "Financial Instruments" to this report for details.

**Judgment criteria for individual provision shall be determined for bad-debt provision based on individual provision**

Applicable Not applicable"

Please refer to Note V.11 "Financial Instruments" to this report for details.

**18 Held-for-sale non-current assets or disposal group**

Applicable Not applicable"

**Recognition criteria and accounting treatment of non-current assets or disposal groups classified as held for sale**

Applicable Not applicable"

**Recognition criteria and presentation methods for discontinued operations**

Applicable Not applicable"

## 19 Long-term equity investment

√Applicable "□Not applicable"

The long-term equity investments of the Group include the investments in subsidiaries, associates and joint ventures.

### (1) Judgment for major impact and joint control

The Group's equity investments with which the investor has significant influence on investee, namely the equity investments in associates. Significant influence refers to that the Group has the right to participate in the decision-making on financial and operating policies of the investee, but cannot control or jointly control the preparation of the policies together with other parties. When the Company directly or indirectly owns more than 20% but less than 50% of the voting rights of the invested entity through its subsidiaries, it is generally considered to have a significant impact on the invested entity, unless there is clear evidence that the Group cannot participate in the production and operation decisions of the invested entity or form control over the invested entity.

The equity investment in a joint venture in which the Group exercises joint control with other joint venture parties over the invested entity and has the right to the net assets of the invested entity. Common control refers to the common control over a certain arrangement in accordance with the relevant agreement, and the related activities of the arrangement must be decided by the unanimous consent of participants who share the control power. The Group's judgment on joint control is based on the collective control of the arrangement by all participants or groups of participants, and the decision-making of the relevant activities of the arrangement shall be unanimously agreed by the participants who collectively control the arrangement.

### (2) Accounting treatment method

The Group initially measures long-term equity investments acquired at the initial investment cost.

For long-term equity investments acquired through a business combination under the same control, the initial investment cost shall be the share of the book value of the net assets of the merged party acquired on the merger date in the consolidated statements of the ultimate controller; if the net asset book value of the merged party on the merger date is negative, the initial investment cost shall be determined at zero.

For the long-term equity investments acquired in business merger not under the same control, the cost of combination shall be the initial investment cost.

Except for long-term equity investments formed through business merger, the initial investment cost of long-term equity investments acquired by making cash payment shall be based on the actual purchase price paid and the expenses, taxes, and other necessary expenses directly related to the acquisition of long-term equity investments; the initial cost of a long-term equity investment

obtained on the basis of issuing equity securities shall be the fair value of the equity securities issued;

The Company's investments in subsidiaries shall be accounted for by the cost method in individual financial statements. The long-term equity investment accounted for using the cost method shall be calculated as per the initial investment cost. The book value of the costs of long-term equity investments shall be increased as per the fair value of the costs paid and the related transaction costs incurred in the additional investment. The cash dividends or profits declared by the investee to be distributed shall be recognized as the current investment income as per the amount due.

The investment of the Group in associates and joint ventures shall be accounted for by the equity method. When the equity method is used, if the initial investment cost of a long-term equity investment is greater than the share of the fair value of the net identifiable assets of the invested entity at the time of investment, the book value of the long-term equity investment shall not be adjusted; if the initial investment cost of a long-term equity investment is less than the share of the fair value of the net identifiable assets of the invested entity, the difference is adjusted to increase the book value of the equity investment and is included in the profit or loss of the period in which the investment was acquired.

For long-term equity investments accounted for using the equity method for subsequent measurement, during the holding period, the book value of the long-term equity investment is adjusted to increase or decrease accordingly with changes in the owner's equity of the invested entity. When the share of the net profit and loss of the invested entity is recognized, the net profit of the invested entity shall be recognized after adjustment by offsetting the portion of unrealized internal transaction gains and losses attributable to the Group in proportion to the proportion to which it is entitled arising from transactions with associates and joint ventures that do not constitute business (fully recognized if the loss of internal transaction is an asset impairment loss) during the accounting policy and accounting period of the Group based on the fair value of identifiable assets of the invested entity when the investment is acquired. The Group recognizes the net loss incurred by the investee to the extent that the long-term equity investment and other long-term equity that substantially constitutes the net investment of the investee are reduced to zero (except that the Group bear the additional loss obligation).

In the disposal of the long-term equity investment, the difference between the book value and the actual purchase price shall be included in the current profits.

For long-term equity investments accounted for adopting the equity method, the relevant other comprehensive income previously accounted for adopting the equity method shall be accounted for on the same basis as the invested entity's direct disposal of related assets or liabilities when the equity method is terminated. For the owner's equity recognized due to changes in other owner's equity of the investee other than net profit and loss, other comprehensive income and profit

distribution, it shall be fully transferred to the current investment income when the equity method is terminated.

If the residual equity after the disposal of part of the equity is still accounted for by the equity method, the relevant other comprehensive income originally accounted for by the equity method shall be accounted for on the same basis as the direct disposal of the relevant assets or liabilities by the invested entity and shall be carried forward in proportion; the owner's equity recognized due to changes in the owner's equity of the invested party other than net profit and loss, other comprehensive income, and profit distribution shall be carried forward proportionally to the current investment income.

If the joint control or significant influence on the investee is lost after the disposal of part of the equity, the remaining equity after disposal shall be accounted for in accordance with the Accounting Standards for Business Enterprises No. 22- Recognition and Measurement of Financial Instruments (C.K. [2017] No. 7). The difference between the fair value and book value of the remaining equity on the date of loss of joint control or significant impact shall be included in the current profit and loss.

If the control over the investee for the disposal of part of the long equity investment, the remaining equity after the disposal that may impose common control or significant influence on the investee shall be accounted for by the equity method; the difference between the book value of disposed equity and the disposal consideration shall be included in investment income and shall be deemed to have been adjusted by the equity method as acquired; for the remaining equity after the disposal may not impose common control over or significant influence on the investee, accounting treatment shall be carried out in accordance with the Accounting Standards for Business Enterprises No. 22- Recognition and Measurement of Financial Instruments (Accounting [2017] No. 7); the difference between the book value of the disposed equity and the disposal consideration shall be included in the income investment; the difference between the fair value and book value on the date that control ceases shall be included in the current profit and loss.

In the event that the transactions disposing the equity step-by-step to the loss of control are not a package deal, each transaction shall be accounted for separately. If the transactions belong to a package deal, the transactions shall be accounted for as a transaction disposing the subsidiary and losing the control. Before the loss of control, the difference between every disposal cost and the book value of long-term equity investment corresponding to the disposed equity shall be recognized as other comprehensive income and then will be included into the current profit and loss on loss of control when the control right is lost.

## **20 Investment property**

Not applicable

**21 Fixed assets****(1). Recognition conditions**

√Applicable"□Not applicable"

The Group's fixed assets shall refer to the tangible assets held for the producing goods, providing service or leasing or operating management with a service life more than 1 accounting year. Fixed assets are only recognized if the economic benefits associated with the fixed assets are likely to flow into the Group and their costs can be reliably measured. The fixed assets of the Group include buildings and constructions, machinery equipment, transportation equipment, office equipment, electronic equipment, fixed asset decoration, and others.

**(2). Depreciation methods**

√Applicable"□Not applicable"

Category	Depreciation methods	Depreciable life (year)	Residual value rate	Annual depreciation rate
Houses and buildings	Straight-line method	20.00-30.00	0.00-5.00	3.17-5.00
Machinery equipment	Straight-line method	10.00	0.00-5.00	9.50-10.00
Transportation Equipment	Straight-line method	5.00	0.00-5.00	19.00-20.00
Office equipment	Straight-line method	5.00	0.00-5.00	19.00-20.00
Electronic equipment	Straight-line method	5.00	0.00-5.00	19.00-20.00
Decoration of fixed assets	Straight-line method	3.00-10.00	-	10.00-33.33
Others	Straight-line method	3.00-5.00	0.00-5.00	19.00-31.67

Except for the fixed assets which have been fully depreciated and still remain in use and the land separately priced, all the fixed assets shall be depreciated by the Group. The depreciation shall be made by the straight-line method. The classified depreciation life, expected net residual value and depreciation rate of the Group's fixed assets are as above: The Group reviews the estimated useful life, estimated net residual value and depreciation method of fixed assets at the end of the year. If a change occurs, it is treated as a change in accounting estimate.

**22 Construction in progress**

√Applicable "□Not applicable"

The cost of the construction in progress shall be determined according to the actual construction expenditures, including the necessary construction expenditures during the construction period, the capitalized borrowing costs and other related expenses before the construction is ready for the intended use.

The construction in progress shall be carried forward to fixed assets as per the estimated value according to the construction budget, construction cost and actual cost from the date the when it reaches the intended use; the depreciation shall be made from the following month; the original value of the fixed assets shall be adjusted after the final account for completion. The construction-in-progress shall be transferred into fixed assets when it is ready for the intended use.

The construction in progress shall be transferred to fixed assets when it reaches the intended use, and the standards are as follows:

Item	Standards for carrying forward fixed assets
Houses and buildings	The main construction project has been substantially completed and has reached the intended use
Decoration of fixed assets	The decoration project has been substantially completed and has reached the intended use

### 23 Borrowing costs

√Applicable Not applicable"

The Group will capitalize borrowing costs incurred that are directly attributable to the acquisition, construction or production of assets that meet the capitalization criteria and include them in the cost of the related assets. Other borrowing costs are included in the current profit or loss. The assets eligible for capitalization determined by the Group include the borrowing costs of fixed assets, investment real estate and inventories that need more than one year of acquisition and construction or production activities to reach the expected serviceable or marketable status. Capitalization begins when asset expenditures have occurred, borrowing costs have occurred, and the acquisition and construction or production activities necessary to make the assets reach the expected serviceable or marketable status have started; When the purchased or produced assets that meet the capitalization conditions reach their intended usable or saleable status, the capitalization shall be ceased, and the borrowing expenses incurred thereafter shall be included in current profit and loss. In case of over 3 months' abnormal interruption of the asset eligible for capitalization in the construction or production, the capitalization of borrowing costs shall be suspended until the restart of the construction or production activities.

During each accounting period during the capitalization period, the Group recognizes the capitalized amount of borrowing costs using the following method: for special borrowings, the capitalized amount shall be determined according to the actual interest expenses incurred in the current period, after deducting the interest income obtained from depositing the unused loan funds in the bank or the investment income obtained from temporary investment; for general borrowings, the capitalized amount shall be determined based on the weighted average of the excess of accumulated asset expenditures over the portion of special borrowings multiplied by the capitalization rate of the occupied general borrowings. The capitalization rate shall be determined based on the weighted average interest rate of general borrowings.

## 24 Biological assets

Applicable Not applicable"

## 25 Oil and natural gas assets

Applicable Not applicable"

## 26 Intangible assets

### (1). Useful life and determination basis, estimation, amortization method or review procedure

Applicable"Not applicable"

The intangible assets of the Group include land use rights, non-patented technologies, patent rights and software usage rights,, which shall be measured at the actual cost as acquired. for the purchased intangible assets, the actual price paid and other relevant expenses shall be taken as the actual costs; The actual cost of the intangible assets invested by the investor shall be recognized according to the value agreed in the investment contract or agreement; for the unfair value agreed upon in the investment contract or agreement, it shall be determined at fair value. However, for intangible assets acquired from the acquired party in a merger not under the same control but not recognized in its financial statements, the intangible assets shall be recognized and measured at fair value in the initial recognition.

The land use right shall be averagely amortized during the transfer period from the date of transfer; software usage rights shall be evenly amortized during shorter of the estimated service life, the benefit period specified in contract and the effective period stipulated by law. The amortization amount shall be included in the relevant asset cost and current profit and loss according to its benefit object. The estimated service life and amortization method of intangible assets with a finite service life are reviewed at the end of each year. Any change shall be treated as changes in accounting estimates.

### (2). Scope of collection and related accounting treatment of R&D expenditure

Applicable"Not applicable"

The collection scope of R&D expenditure of the Group includes salaries of R&D personnel, direct investment expenses, depreciation and deferred expenses, design expenses, equipment debugging expenses, commissioned R&D expenses and other expenses.

The Group classified the expenditures for internal R&D items into research phase expenditures and development phase expenditures according to their nature and whether the intangible assets ultimately formed by research and development activities have great uncertainty. The expenditures in the research stage shall be included in current profit and loss as incurred, and expenditures in the development stage shall be capitalized when all the following conditions are met: the Group

assesses that it is technically feasible to complete the intangible asset so that it can be used or sold; the Group has the intention to complete the intangible asset and use or sell it; intangible asset is expected to bring economic benefits to the Group; the Group has sufficient technical, financial and other resources to complete the development of the intangible asset and has the ability to use or sell the intangible asset; the expenditures attributable to the development stage of the intangible asset can be reliably measured. Development stage expenses that do not meet the capitalization conditions are recognized in the current profit and loss when incurred.

## 27 Long-term Asset Impairment

√Applicable "□Not applicable"

The Group will inspect the long-term equity investment, fixed assets, construction in progress, right-of-use assets, intangible assets with limited service lives and other items on each balance sheet date. When there is any indication of impairment, the Group shall conduct an impairment test. For goodwill, intangible assets with uncertain useful lives, and development expenses that have not yet reached their intended usable state, impairment tests are conducted at the end of each year, regardless of whether there are signs of impairment.

Impairment of non-current assets other than financial assets (excluding goodwill)

In the impairment test, the Group determines the recoverable amount based on the higher of the net amount of the fair value of the asset less the disposal cost and the present value of the expected future cash flows of the asset. After the impairment test, if the book value of the asset exceeds its recoverable amount, the difference shall be recognized as impairment loss.

The Group estimates its recoverable amount based on individual assets; if it is difficult to estimate the recoverable amount of the single asset, the recoverable amount of the asset group shall be recognized based on the asset group which the asset belongs to. The identification of an asset group is based on whether the main cash inflow generated by the asset group is independent of the cash inflow of other assets or asset groups.

The net amount of the fair value after deducting the disposal expense shall be recognized by deducting the incremental cost directly attributable to the disposal of the asset with the reference to the sales agreement price of the similar assets in the fair trade or the observable market price. When estimating the present value of future cash flow, the Management shall estimate the expected future cash flow of the asset or asset group, and choose the appropriate discount rate to determine the present value of the future cash flow.

Once the above asset impairment loss is recognized, it will not be reversed in the future accounting periods.

## **28 Long-term deferred expenses**

√Applicable Not applicable"

The long-term deferred expenses of the Group include the decoration expenses of leased fixed assets, mold expenses and other expenses that have been paid by the Group but should be apportioned in the current period and subsequent periods for a period of more than one year. These expenses are amortized evenly over the beneficial period. If the long-term deferred expenses cannot benefit the later accounting period, the amortized value of the unamortized project shall be transferred to the current profits and losses.

## **29 Contract liabilities**

√Applicable Not applicable"

Contract liabilities reflect the obligation of the Group to transfer goods to and from customers in consideration of the customer's consideration. Before the Group transfers the goods to the customer, if the customer has already paid the contract consideration or the Group has obtained the unconditional right to receive the contract consideration, At the early stage of the customer's actual payment and due payment, the contract liability is recognized according to the amount received or receivable.

## **30 Employee benefits**

### **(1). Accounting treatment method of short-term benefits**

√Applicable Not applicable"

Short-term compensation mainly includes wages, bonuses, allowances and subsidies, employee benefits, medical insurance premium, maternity insurance premium, industrial injury insurance premium, housing provident fund, labor union expenditure, employee education fund and non-monetary benefits, etc. During the accounting period in which the employee provides services to the Company, the actual short-term remuneration shall be recognized as a liability, and included in the current profit or loss or relevant asset cost according to beneficiaries.

### **(2). Accounting treatment method of post-employment benefits**

√Applicable Not applicable"

Post-employment benefits mainly include basic endowment insurance premiums and unemployment insurance premiums, which are classified into defined contribution plan according to the risks and obligations assumed by the Company. For the defined contribution plan, the deposits paid to the individual entities in accordance with the services provided by the employees in the accounting period on the balance sheet date are recognized as liabilities, and are included in the current profit and loss or related asset costs according to the beneficiaries.

**(3). Accounting treatment method of the termination benefits**

Applicable Not applicable"

Termination benefits: termination of employment relationship with employees before the employment contracts or to encourage employees to accept voluntary redundancy compensation proposal, the employee compensation liabilities from the termination benefits shall be recognized and included in current profit and loss on the earlier of (i) the date when the Group cannot unilaterally withdraw the termination benefits provided for the plan on the termination of labor relationship or the redundancy proposal, and (ii) the date when the Group recognizes the costs related to the reorganization of the termination benefits. If, however, the dismissal benefits are not expected to be fully paid within twelve months after the end of the annual reporting period, it is required to be treated in accordance with other long-term employee benefits.

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

Applicable Not applicable"

If other long-term employee benefits provided by the Group to the employees are in line with the defined contribution plan, it is necessary to perform accounting treatment according to the defined contribution plan; otherwise, the accounting treatment is carried out according to the defined benefit plan.

**31 Estimated liabilities**

Applicable Not applicable"

When the business activities related to external guarantees, discount of commercial acceptance bills, pending litigation or arbitration, product quality assurance and other contingencies meet all the following conditions, the Group shall recognize them as liabilities: (1) such obligation is the Group's present obligation; (2) the performance of the obligation may lead to the outflow of economic interests; (3) the amount of the obligation can be measured reliably.

The estimated liabilities shall be initially measured according to the best estimates of the expenses required to perform the relevant present obligations as well as the risks, uncertainties, currency time values and other factors related to contingencies. The Group reviews the current best estimate and adjusts the book value of estimated liabilities on the balance sheet date.

**32 Share-based payments**

Applicable Not applicable"

The equity-settled share-based payment in return for employee services shall be measured at the fair value of the equity instruments granted to the employees. In case that it is exercisable immediately after the granting, it shall be included in the relevant cost or expense as per the fair value of equity instrument on the date of granting, and the capital reserve shall be increased accordingly. If it is not exercisable until the services within the cooling-off period are completed or the specified performance conditions are met, the services obtained in current period shall be included in the relevant costs or expenses and capital reserves according to the fair value of the equity instruments on the grant date based on the best estimate of the number of exercisable equity instruments. If the equity-settled share-based payment terms are modified, the services obtained shall be recognized at least in accordance with the unmodified terms. Moreover, in case of any modification increasing the fair value of the equity instruments granted, or the changes beneficial to the employees in the modification date, the increase in the service obtained shall be recognized.

If the share-based payment settled in equity is cancelled, it shall be treated with accelerating exercise on the cancellation date and the unrecognized amount shall be recognized immediately. If the employees or other parties can choose to meet the conditions for the non-vesting right but fail to do so in the waiting period, it shall be treated with the cancellation of the share-based payment settled in equity. However, if the new equity instrument is granted and the granted equity instrument is ascertained to replace the equity investment to be cancelled on the grant date of the new equity instrument, the alternative equity instrument to be granted shall be treated in the same way of treating the modification of the terms and conditions of the originally equity instrument.

The cash-settled share-based payment shall be measured according to the fair value of the Group's liabilities based on the shares or other equity instruments. If the right may be exercisable immediately after the vesting, it shall be recorded into the relevant costs or expenses on the date of vesting at the fair value bear the liability, and the liabilities shall be increased accordingly; if the right cannot be exercised until the vesting period comes to an end or until the prescribed performance conditions are met, on each balance sheet date within the vesting period, based on the best estimate of the exercisable rights, the services obtained in the current period shall be recorded into the costs or expenses at the amount of the fair value of the liabilities undertaken by the Group, and the liabilities shall be adjusted accordingly. The Company shall, on each balance sheet date and on each account date prior to the settlement of the relevant liabilities, re-measure the fair values of the liabilities and record the changes in the current profits and losses.

### **33 Preferred stocks outstanding, perpetual bonds and other financial instruments.**

Applicable Not applicable"

## 34 Income

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

Applicable Not applicable

The Group shall recognize the income after it has fulfilled its performance obligations in the Contract, that is, when the customer obtains the control of the relevant goods or services. Obtaining control over relevant goods or services means being able to direct the use of the goods or the provision of the services and obtain almost all economic benefits from them.

Where the Contract includes two or more performance obligations, it shall, at the beginning of the Contract, allocate the transaction price to each individual performance obligation according to the relative proportion of the individual sales price of the goods or services promised by each individual performance obligation, and measure the income according to the transaction price allocated to each individual performance obligation.

The transaction price is the expected amount of consideration to be collected for the transfer of goods or services to customers, excluding payments received on behalf of third parties. The transaction price recognized does not exceed the amount that the accumulated revenue is likely to not be significantly reversed when the relevant uncertainty is eliminated. As a liability, the amount that is expected to be refunded to the customer shall not be included in the transaction price. Where there is a significant financing component in the Contract, the transaction price shall be determined based on the amount payable in cash when the customer obtains the control of the goods or services. The difference between the transaction price and the contract consideration shall be amortized using the effective interest method during the term of the Contract. On the effective date of the Contract, if it expects that the interval between the date when the customer obtain the control over the purchase of goods or services and the date of the payment of the price is not more than one year, the major financing components existing in the Contract will not be taken in to consideration.

If any of the following conditions is met, the performance obligation shall be performed within a certain period of time; otherwise, the performance obligation shall be performed at a certain time point: the customer obtains and consumes the economic benefits brought by the performance of obligation by the Group while the Group is performing the obligation; the customer can control the goods under construction during the Group's performance; the goods produced by the Group during the performance of the contract have irreplaceable uses, and the Group is entitled to receive payment for the part of the performance accumulated to the date during the entire contract period.

For the performance obligations performed during a certain period of time, it shall recognize the income according to the progress of the performance during the period. If the progress of the performance cannot be reasonably determined, and the costs incurred are expected to be

compensated, the income shall be recognized according to the amount of costs incurred, until the progress of the performance can be reasonably determined.

For performance obligations fulfilled at a certain point in time, the Group usually recognizes revenue at the point when control of the goods is transferred to the purchaser, taking into account the following factors: the current collection right of the commodity, the transfer of the main risks and rewards of the ownership of the commodity, the transfer of the legal ownership of the commodity, the transfer of the physical assets of the commodity, and the customer's acceptance of the commodity.

The Group's right to receive the consideration of the goods or services transferred to the customer shall be presented as contract assets. The contract assets shall be depreciated based on the expected credit losses. The right to unconditionally receive consideration from the customer shall be presented as receivables. The obligation to transfer goods or services to the customer after the consideration has been received or receivable from the customer shall be presented as contract liabilities.

The specific accounting policies related to the Group's principal activities for generating revenue are described below:

(1) For goods that require installation and commissioning, when the goods are shipped out or declared for export, when the installation and debugging of the goods are completed according to the contract agreement and the customer's acceptance documents are obtained after the goods are shipped or declared for export, the control of the goods is transferred, and the Group recognizes sales revenue at that time point;

(2) For goods that do not require installation and commissioning, when the products are transferred to the other party or declared for export according to the contract, the control of the products is transferred, and the Group recognizes the sales revenue at this point.

**(2). Similar businesses adopting different business models involve different revenue recognition and measurement methods**

Applicable Not applicable"

**35 Contract cost**

Applicable Not applicable"

(1) Method for determining the amount of assets related to contract costs

The assets related to contract costs of the Group include contract performance costs and contract acquisition costs. Based on their liquidity, contract performance costs are presented respectively in inventory and other non-current assets, and contract acquisition costs are presented respectively in other current assets and other non-current assets.

The contract performance costs, that is, the costs incurred by the Group for the performance of the contract, which are not within the scope of relevant standards and regulations for inventory, fixed assets, or intangible assets and meets the following conditions simultaneously, shall be recognized as an asset as the contract performance costs: Such costs are directly related to a current or anticipated contract, including direct labor costs, direct materials costs, manufacturing costs (or similar expenses), the costs specified to be borne by the customer, and other costs incurred solely for the contract; such costs increased the resources of the Group for the fulfillment of performance obligations in the future; such costs are expected to be recovered.

The cost of contract acquisition, which is the expected recovery of the incremental costs incurred by the Group in obtaining the contract, is recognized as an asset as the cost of contract acquisition. If the amortization period of the asset does not exceed one year, the Group shall recognize it in current profit or loss as incurred. Incremental cost refers to costs that would not occur without acquiring a contract, such as sales commissions. Except for the incremental costs that are expected to be recoverable, the expenditures (such as the travel expenses incurred regardless of whether the contract is obtained or not) of the Group shall be included in current profit and loss as incurred, but those specified to be borne by the customer shall not be included in.

#### (2) Amortization of assets related to contract costs

The Group's assets related to the contract costs shall be amortized on the same basis as the recognition of the income from the goods related to the assets, and shall be included in current profit and loss.

#### (3) Impairment of assets related to contract costs

If the book value of the Group's assets related to contract costs is higher than the difference between the following two items, the Group will make impairment provisions for the excess and recognize it as asset impairment losses: 1) the remaining consideration that the enterprise expects to obtain from the transfer of goods related to the asset; 2) the estimated cost to be incurred for the transfer of the relevant goods.

### **36 Government subsidies**

√Applicable "□Not applicable"

Government subsidies shall be recognized when the requirements attached thereto can be met and the government subsidies are receivable. The government subsidies which are monetary assets shall be measured in accordance with the amount received; for the subsidies paid according to fixed quota standards, or when there is conclusive evidence at the end of the year that it can meet the relevant conditions stipulated in the financial support policy and is expected to receive financial support funds, it shall be measured according to the amount receivable; the government subsidies

which are non-monetary assets shall be measured at fair value. If the fair value cannot be obtained reliably, it shall be measured at the nominal amount (RMB 1.00).

The Group's government subsidies include the asset-related government subsidies and income-related government subsidies. The asset-related government subsidies shall mean the government subsidies obtained by the Group for the construction of long-term assets or otherwise method forming the long-term assets; the income-related government subsidies shall refer to the government subsidies other than the asset-related government subsidies. In the event that the subsidy object is not clearly specified in the government document, and that the Group has difficulty to make judgment according to the above-mentioned distinction principle, it shall be classified as income-related government subsidy in whole.

Government subsidies related to assets shall be offset against the book value of the relevant assets or recognized as deferred income (recognized by the enterprise in one way). Government subsidies related to assets recognized as deferred income shall be included in the current profit or loss evenly by installments within the service life of the relevant assets. If the related assets are sold, transferred, abandoned or damaged before the end of the service life, the undistributed balance of the deferred income shall be transferred to the profit and loss of the asset disposal period.

The income-related government subsidies used as compensation for the relevant expenses or losses in subsequent period shall be recognized as deferred income, and shall be included in the current profits and losses or offset against the relevant costs (recognized by the enterprise in one way) during the period when the relevant cost expenses or losses are recognized. The government subsidies related to the daily activities shall be included in other gains or offset the related costs and expenses in accordance with the nature of the economic business. The government subsidies that are unrelated to the daily activities shall be included in the non-operating income and expense.

If the Group obtains interest discounts for policy-based preferential loans, it shall distinguish between two situations where the government allocates interest discount funds to the lending bank and the government directly allocates interest discount funds to the Group, and the accounting treatment shall be carried out in accordance with the following principles: (1) In the event that the department of finance pays the interest subsidy to the lending bank, and then the lending bank provides the loan to the Group at the policy-based preferential interest rate, the amount of the received borrowings shall be the entry value of the borrowings; the borrowing expenses shall be calculated according to the loan principal and the policy-based preferential interest rate (or use the fair value of the borrowings as the entry value, and calculate the borrowing expenses by the effective interest method. The difference between the actual amount received and the fair value of the borrowings shall be recognized as deferred income. The deferred income shall be amortized using the effective interest method over the duration of the borrowings, and the related borrowing costs shall be offset; (2) if the department of finance directly disburse the interest subsidies to the Group, the relevant interest subsidies shall be used to offset the borrowing cost.

### 37 Leasing

√Applicable "□Not applicable"

#### **Judgment basis and accounting treatment to simplify the accounting of short-term lease and low-value asset lease as a lessee**

√Applicable "□Not applicable"

##### (1) Identification of lease

On the beginning date of the contract, the Group shall evaluate whether the contract is a lease or includes a lease. If a party to the contract transfers the right to control the use of one or more identified assets for a certain period of time in exchange for consideration, the contract is a lease or includes a lease.

When a contract contains multiple separate leases at the same time, the Group will split the contract and conduct accounting treatment for each separate lease. If both the leased and non-leased parts are included in the contract, the Group will split the leased and non-leased parts for accounting treatment.. Each lease part shall be accounted for in accordance with the lease standards, and the non-lease part shall be accounted for in accordance with other applicable accounting standards for enterprises. However, if a contract includes embedded derivative that should be split, the Group will not consolidated them with the leased portion for accounting treatment.

##### (2) The Group as a lessee

###### 1) Recognition of lease

Except for short-term leases and low-value asset leases, the Group recognizes right-of-use assets and lease liabilities for leases on the commencement date of the lease period.

The right-of-use asset refers to the right of the Group as the lessee to use the leased assets during the lease term, and is initially measured at cost. This cost includes: 1) the initial measurement amount of the lease liability; 2) the lease payment amount paid on or before the start date of the lease term minus the amount related to the lease incentive already enjoyed; 3) the initial direct costs incurred; 4) costs expected to be incurred for dismantling and removing the leased assets, restoring the site where the leased assets are located, or restoring the leased assets to the state stipulated in the lease terms, except those incurred for the production of inventories. If the Group remeasures the lease liabilities in accordance with the relevant provisions of the lease standards, the book value of the right of use assets shall be adjusted accordingly.

The Group depreciates the right of use assets adopting the straight-line method based on the expected consumption of economic benefits related to the right of use assets. If it can be reasonably determined that the ownership of leased assets can be obtained at the expiration of the lease term, the fixed assets shall be depreciated within the remaining service life of the leased assets; if it cannot be reasonably determined that the ownership of leased assets can be obtained at the

expiration of the lease term, the fixed assets shall be depreciated within the shorter of the lease term and the remaining service life of the leased assets. The depreciation amount provisioned is included in the cost or current profit and loss of the relevant assets based on the purpose of the right to use asset.

The Group initially measures lease liabilities based on the present value of the unpaid lease payments at the beginning date of the lease term. The lease payment amount includes: 1) the fixed payment amount and substantial fixed payment amount, deducting the amount related to lease incentives; 2) the variable lease payments depending on index or ratio; 3) the Group reasonably determines the exercise price of the purchase option when exercising it; 4) the lease term reflects the amount to be paid when the Group exercises the option to terminate the lease; 5) the estimated amount to be paid based on the remaining value of the guarantee provided by the Group.

When calculating the present value of lease payments, the Group uses the incremental borrowing rate as the discount rate because it is unable to determine the interest rate implicit in the lease. The Group calculates the interest expense of the lease liability during each period of the lease term according to a fixed periodic interest rate, and includes it in the current profit and loss, except for those that should be capitalized.

After the commencement of the lease term, the Group increases the carrying amount of the lease liability when it recognizes the interest on the lease liability; and reduces the carrying amount of lease liability when making lease payments. In case of the change in the substantial fixed payment, the change in the amount payable estimated by guaranteed residual value, the change in the index or ratio used to determine the amount of lease payment, and the change in the evaluation results or actual exercises of the call option, renewal option or termination option, the Group re-measures the lease liabilities at the present value of the lease payment after such changes.

## 2) Lease change

Lease change refers to the change of lease scope, lease consideration and lease term beyond the terms of the original contract, including increasing or terminating the right to use one or more leased assets, extending or shortening the lease term specified in the contract, etc. The effective date of the lease change refers to the date when both parties reach an agreement on the lease change.

If the lease is changed and the following requirements are met at the same time, the Group will regard the lease change as a separate lease for accounting treatment: 1) the lease change expands the lease scope or extends the lease term by adding the use right of one or more leased assets; 2) the increased consideration is equivalent to the amount adjusted according to the conditions of the contract.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Group will apportion the consideration of the changed contract in accordance with the relevant provisions of the lease standards and re determine the lease term after the change; the revised

discount rate is adopted to discount the changed lease payment to re measure the lease liability. With regard to the impact of the above lease liability adjustment, the Group makes accounting treatment under the following circumstances: 1) if the lease change causes the lease scope to be reduced or the lease period is shortened, the lessee shall reduce the book value of the right-of-use asset, and records the gains or losses related to the partial termination or complete termination of the lease into the current profits and losses. 2) If the lease liabilities are remeasured due to other lease changes, the lessee shall adjust the book value of the right to use assets accordingly.

### 3) Short term leases and low value asset leases

The Group chooses not to recognize the right to use assets and lease liabilities for short-term leases with a lease term of no more than 12 months and low value asset leases with a lower value when the single leased asset is a new asset. The Group will include the lease payment amount of short-term lease and low-value asset lease into the relevant asset cost or current profit and loss according to the straight-line method or other systematic and reasonable methods during each period of the lease term.

### **Classification criteria and accounting treatment methods for the lease as a lessor**

Applicable Not applicable"

The Group, as a lessor, classifies a lease as a finance lease if it substantially transfers almost all of the risks and rewards associated with the ownership of the leased asset, and classifies other lease as an operating lease.

#### 1) Financial lease

On the starting date of the lease term, the Group recognizes the financial lease receivables for the financial lease and terminates the recognition of the financial lease assets. When the Group initially measures the financial lease receivables, the net lease investment is used as the entry value of the financial lease receivables.

The net lease investment is the sum of the unguaranteed residual value and the present value of the lease receipts that have not been received on the start date of the lease term discounted at the implicit interest rate of the lease. The Group calculates and recognizes the interest income during each period of the lease term based on a fixed periodic interest rate. The variable lease payment collected by the Group which is not included in the measurement of the net lease investment is recorded into the current profits and losses when actually occurring.

#### 2) Operating lease

During each period of the lease term, the Group uses the straight-line method to recognize the lease receipts from operating leases as rental income.

The initial direct expenses incurred by the Group related to the operating lease shall be capitalized to the cost of the leased object asset and included in the current profit and loss by stages on the same recognition basis as the rental income during the lease term. The variable lease payments obtained by the Group related to the operating lease and not included in the lease receipt shall be recorded into the current profits and losses when actually occurring.

If there is a change in the operating lease, the Group will treat it as a new lease for accounting treatment from the effective date of the change, and the amount of the advance or the amount of the lease receivables related to the lease before the change shall be regarded as the receipt of the new lease.

### **38 Deferred income tax assets/deferred income tax liabilities**

√Applicable "□Not applicable"

The deferred income tax assets and deferred income tax liabilities of the Group shall be recognized based on the difference between the tax basis of the assets and liabilities and their book value, as well as the temporary difference arising from the difference between the tax basis and their book value of items that have not been recognized as assets and liabilities but can be determined according to tax laws.

The Group recognizes deferred income tax liabilities for all taxable temporary differences except: (1) Temporary differences arise from the initial recognition of goodwill or the initial recognition of assets or liabilities arising from non-business combinations that do not affect accounting profits or taxable income (or deductible losses); (2) For taxable temporary differences related to investments in subsidiaries, associates, and joint ventures, the Group is able to control the timing of the reversal of temporary differences, and such temporary differences are likely not to be reversed in the foreseeable future.

The Group, with future taxable income that is likely to be obtained for offsetting deductible temporary differences, deductible losses and tax deductions as the limit, recognizes deferred income tax assets for deductible temporary differences, deductible losses, and tax deductions arising except for the following circumstances: (1) The temporary differences arise from the initial recognition of assets or liabilities arising from non-business combination transactions that affect neither accounting profit nor taxable income (or deductible losses); (2) Deductible temporary differences related to investments in subsidiaries, associates, and joint ventures that cannot simultaneously meet the following conditions: temporary differences are likely to be reversed in the foreseeable future and taxable income to offset the deductible temporary differences is likely to be obtained in the future.

The Group shall recognize deferred income tax assets for all unused deductible losses to the extent it is likely that sufficient taxable income will be available to offset deductible losses. The

Management uses a large amount of judgment to estimate the time and amount of future taxable income, combined with tax planning strategies, to determine the amount of deferred income tax assets that should be recognized, resulting in uncertainty.

On the balance sheet date, the deferred income tax assets and deferred income tax liabilities shall be measured in accordance with the applicable tax rate of the period when the assets are expected to be recovered or the liabilities are expected to be liquidated.

### 39 Other significant accounting policies and accounting estimates

Applicable Not applicable"

### 40 Changes in significant accounting policies and accounting estimates

For details, please refer to the "Analysis and explanation of the Company on the reasons and impacts of the changes in accounting policies and accounting estimates or corrections of significant accounting errors" under "Important Matters".

### 41 The first implementation of the new accounting standards or the interpretations from 2025 involves the adjustment of the financial statements at the beginning of the first implementation year

Applicable Not applicable"

### 42 Others

Applicable Not applicable"

## VI、 Taxes

### 1 Major taxes and tax rates

Major taxes and tax rates

Applicable"Not applicable"

Tax categories	Tax basis	Tax rate
VAT	Taxable sales	Output tax is calculated for taxable income at the rate of 13%, 9% and 6%, and VAT is levied according to the difference after the deduction of the deductible input VAT.
Urban maintenance and construction tax	Turnover tax payable	Paid on the basis of 7% and 5% of turnover tax actually paid.
Enterprise income tax		See table below
Education surcharge	Turnover tax payable	Paid on the basis of 3% of turnover tax actually paid.
Local education surcharge	Turnover tax payable	Paid on the basis of 2% of turnover tax actually paid.

If there are taxpayers with different enterprise income tax rates, the information shall be disclosed

Applicable"Not applicable"

Name of taxpayers	Income tax rate (%)
Kunshan Dongwei Technology Co., Ltd.	15

Guangde Dongwei Technology Co., Ltd.	15
Shenzhen Kunshan Dongwei Technology Co., Ltd.	25
Dongguan Dongwei Technology Co., Ltd.	20
Changshu Dongwei Technology Co., Ltd.	15
Dongwei (Thailand) Technology Co., Ltd.	20

## 2 Tax incentives

√Applicable "□Not applicable"

### (1) VAT

According to the provisions of the "Notice on VAT Policies for Software Products (CS [2011] No. 100) issued by the Ministry of Finance and the State Taxation Administration and the "Notice on Issuing Several Policies to Further Encourage the Development of the Software Industry and Integrated Circuit Industry (GF [2011] No. 4) issued by the State Council, for the sales of self-developed and produced software products by the Company, after levying VAT at a statutory tax rate of 13%, the actual tax burden exceeding 3% will be subject to a policy of immediate collection and refund.

3. According to the "Announcement of the Ministry of Finance and the State Administration of Taxation on the VAT Additional Deduction Policy for Advanced Manufacturing Enterprises" (Announcement No. 43 in 2023), from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct the VAT payable by adding 5% to the current deductible input tax. The advanced manufacturing enterprises referred to in this announcement are general taxpayers in the manufacturing industry among high-tech enterprises (including their unincorporated branches). Kunshan Dongwei Technology Co., Ltd. and Guangde Dongwei Technology Co., Ltd. enjoy this preferential policy.

### (2) Enterprise income tax:

The Company obtained the High-tech Enterprise Certificate (Certificate No.:GR202532004782) jointly issued by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance and Jiangsu Provincial Taxation Bureau of the State Administration of Taxation on November 18, 2025, which shall be valid for three years. According to relevant tax regulations, the Company will enjoy relevant preferential tax policies for high-tech enterprises for three consecutive years from 2025 to 2027, and pay enterprise income tax at a preferential rate of 15%.

On October 28, 2025, Guangde Dongwei Technology Co., Ltd. obtained the high-tech enterprise certificate jointly issued by the Anhui Provincial Department of Industry and Information Technology, the Anhui Provincial Department of Finance, and the State Taxation Administration, Anhui Taxation Bureau. The certificate number is GR202534000988, and the validity period is three years. According to relevant tax regulations, Guangde Dongwei Technology Co., Ltd. will

enjoy relevant preferential tax policies for high-tech enterprises for three consecutive years from 2025 to 2027, and pay enterprise income tax at a preferential rate of 15%.

On December 19, 2025, Changshu Dongwei Technology Co., Ltd. obtained the high-tech enterprise certificate jointly issued by the Department of Science and Technology of Jiangsu Province, the Department of Finance of Jiangsu Province, and the State Taxation Administration, Jiangsu Taxation Bureau. The certificate number is GR202532009252, and the validity period is three years. According to relevant tax regulations, Changshu Dongwei Technology Co., Ltd. will enjoy relevant preferential tax policies for high-tech enterprises for three consecutive years from 2025 to 2027, and pay enterprise income tax at a preferential rate of 15%.

According to the "Announcement of the Ministry of Finance and the State Administration of Taxation on Further Implementing Preferential Income Tax Policies for Small and Micro Enterprises" (Ministry of Finance and State Administration of Taxation Announcement No.13 of 2022) and the "Announcement on Tax and Fee Policies to Further Support the Development of Small and Micro Enterprises and Individual Business Owners" issued by the Ministry of Finance and State Administration of Taxation (Ministry of Finance and State Administration of Taxation Announcement No. 12 of 2023), from January 1, 2022 to December 31, 2027, the part of annual taxable income more than 1 million but not more than RMB 3 million of small low-profit enterprises shall be reduced to 25% and the enterprise income tax shall be paid at the tax rate of 20%.

According to the "Announcement on Preferential Income Tax Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households" (Ministry of Finance and State Administration of Taxation Announcement No.6 of 2023) and the "Announcement on Tax and Fee Policies to Further Support the Development of Small and Micro Enterprises and Individual Business Owners" issued by the Ministry of Finance and State Administration of Taxation (Ministry of Finance and State Administration of Taxation Announcement No. 12 of 2023), from January 1, 2023 to December 31, 2027, the part of annual taxable income not more than RMB 1 million of small low-profit enterprises shall be reduced to 25% and the enterprise income tax shall be paid at the tax rate of 20%.

In accordance with the Announcement of the Ministry of Finance and the State Taxation Administration on the Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Industrial and Commercial Households (CZBSWZJGG [2023] No. 12), the taxable income of a small low-profit enterprise shall be calculated at the reduced rate of 25%, and the policy of payment of enterprise income tax at the rate of 20% shall continue to be implemented until December 31, 2027. From January 1, 2023 to December 31, 2027, a small-scale VAT taxpayer, a small low-profit enterprise, or an individual industrial and commercial household may be subject to one-half reduced resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp tax (excluding

securities trading stamp tax), farmland occupation tax, educational surtax, or local education surcharges.

### 3 Others

Applicable Not applicable"

## VII、 Notes to consolidated financial statement

In the data to be disclosed in the following financial statements, unless otherwise stated, the beginning of year refers to January 1, 2025, the end of year refers to December 31, 2025, the current year refers to January 1, 2025 to December 31, 2019, and the previous year refers to January 1, 2024 to December 31, 2018, and the currency unit is RMB.

### 1 Monetary funds

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Cash on hand	63,289.20	16,291.20
Cash in bank	249,018,165.82	223,270,231.61
Other cash and bank balance	450,000.00	450,000.00
Deposits with financial companies		
Total	249,531,455.02	223,736,522.81
Including: total amount deposited overseas	3,699,373.25	2,207,001.19

#### Other notes

For specific information on restricted funds at the end of the year, please refer to the relevant content of Note VII. 31 Assets with restricted ownership or the right to use In addition, the Company does not have any other funds whose use is restricted due to mortgage, pledge or freezing, or which are deposited overseas and subject to repatriation restriction.

### 2 Held-for-trading financial assets

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance	Specify the reasons and basis
Financial assets measured at fair value through current profit or loss	123,203,367.67	96,966,416.67	/
Including:			
Financial management product	123,203,367.67	96,966,416.67	/
Financial assets designated as measured at fair value through current profit or loss			
Including:			
Total	123,203,367.67	96,966,416.67	/

Other notes:

Applicable Not applicable"

### 3 Financial derivative assets

Applicable Not applicable"

### 4 Notes receivable

#### (1). List of notes receivable by categories

Applicable Not applicable"

Item	Unit: yuan Currency: RMB	
	Closing balance	Opening balance
Bank Acceptance Bill	50,464,839.73	38,404,794.22
Acceptance bills of financial companies	662,400.91	2,395,742.19
Commercial acceptance bills	7,312,596.87	3,388,465.22
Di Lian and other supply chain bills	449,398.30	2,431,200.00
Provision for bad debts	-651,977.66	-1,435,687.92
Total	58,237,258.15	45,184,513.71

#### (2). Pledged notes receivable by the company at the end of the period.

Applicable Not applicable"

#### (3). The closing notes receivable endorsed or discounted by the Company not matured at the balance sheet date

Applicable Not applicable"

Item	Unit: yuan Currency: RMB	
	Closing amount derecognized	Closing amount not derecognized
Bank Acceptance Bill		43,499,330.15
Acceptance bills of financial companies		659,860.91
Commercial acceptance bills		5,992,848.51
Di Lian and other supply chain bills		
Total		50,152,039.57

**(4). Disclosure by classification of bad debt accrual methods**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Additions proportion (%)		Amount	Proportion (%)	Amount	Additions proportion (%)	
Accrued bad-debt provision by individual										
Including:										
Accrued bad-debt provision by portfolio	58,889,235.81	100.00	651,977.66	1.11	58,237,258.15	46,620,201.63	100.00	1,435,687.92	3.08	45,184,513.71
Including:										
Bank Acceptance Bill	50,464,839.73	85.69			50,464,839.73	38,404,794.22	82.38			38,404,794.22
Acceptance bills of financial companies	662,400.91	1.12	104,853.63	15.83	557,547.28	2,395,742.19	5.14	927,208.18	38.70	1,468,534.01
Commercial acceptance bills	7,312,596.87	12.42	534,805.53	7.31	6,777,791.34	3,388,465.22	7.27	309,879.74	9.15	3,078,585.48
Di Lian and other supply chain bills	449,398.30	0.77	12,318.50	2.74	437,079.80	2,431,200.00	5.21	198,600.00	8.17	2,232,600.00
Total	58,889,235.81	/	651,977.66	/	58,237,258.15	46,620,201.63	/	1,435,687.92	/	45,184,513.71

Accrued bad-debt provision by individual:

□Applicable "√Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

Portfolio accrual items: acceptance bills of financial companies

Unit: yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Additions proportion (%)
Acceptance bills of financial companies	662,400.91	104,853.63	15.83
Total	662,400.91	104,853.63	15.83

Bad-debt provision withdrawn by combination

Applicable Not applicable"

Portfolio accrual items: commercial acceptance bills

Unit: yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Additions proportion (%)
Commercial acceptance bills	7,312,596.87	534,805.53	7.31
Total	7,312,596.87	534,805.53	7.31

Bad-debt provision withdrawn by combination

Applicable Not applicable"

Portfolio accrual items: Di Lian and other supply chain bills

Unit: yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Additions proportion (%)
Di Lian and other supply chain bills	449,398.30	12,318.50	2.74
Total	449,398.30	12,318.50	2.74

Bad-debt provision withdrawn by combination

Applicable Not applicable"

The provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Please refer to Note V.11 "Financial Instruments" to this report for details.

Explanation of the significant changes in the book balance of accounts receivable for which the provision for loss has changed in the current period:

Applicable Not applicable"

#### (5). Bad debt provision

Applicable Not applicable"

Unit: yuan Currency: RMB

Category	Opening balance	Amount changed in current period				Closing balance
		Provision	Recovered or reversed	Write-off	Other changes	
Acceptance bills of	927,208.18	-822,354.55				104,853.63

financial companies						
Commercial acceptance bills	309,879.74	224,925.79				534,805.53
Di Lian and other supply chain bills	198,600.00	-186,281.50				12,318.50
Total	1,435,687.92	-783,710.26				651,977.66

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

None

#### (6). Notes receivable with actual written-off during the current period

Applicable Not applicable"

Including: significant written-off of notes receivable:

Applicable Not applicable"

Write-off instructions of notes receivable:

Applicable Not applicable"

Other notes

Applicable Not applicable"

### 5 Accounts receivable

#### (1). Disclosed by aging

Applicable Not applicable"

Aging	Ending book balance	Unit: yuan Currency: RMB	
		Beginning book balance	
Within 1 year (inclusive)	465,767,337.45	373,240,117.08	
1-2 years	155,775,259.61	211,568,468.26	
2-3 years	135,711,155.79	113,395,225.49	
More than 3 years			
3-4 years	64,628,257.07	27,223,860.92	
4-5 years	13,371,725.63	8,188,185.52	
More than 5 years	10,351,226.24	7,807,807.59	
Total	845,604,961.79	741,423,664.86	

**(2). Disclosure by classification of bad debt accrual methods**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Additions proportion (%)		Amount	Proportion (%)	Amount	Additions proportion (%)	
Accrued bad-debt provision by individual	6,305,575.17	0.75	6,305,575.17	100.00		6,105,575.17	0.82	5,329,655.17	87.29	775,920.00
Including:										
Client 1	4,079,600.00	0.49	4,079,600.00	100.00		3,879,600.00	0.52	3,103,680.00	80.00	775,920.00
Client 2	1,391,555.94	0.16	1,391,555.94	100.00		1,391,555.94	0.19	1,391,555.94	100.00	
Client 3	834,419.23	0.10	834,419.23	100.00		834,419.23	0.11	834,419.23	100.00	
Accrued bad-debt provision by portfolio	839,299,386.62	99.25	126,816,399.69	15.11	712,482,986.93	735,318,089.69	99.18	96,478,051.62	13.12	638,840,038.07
Including:										
Aging portfolio	839,299,386.62	99.25	126,816,399.69	15.11	712,482,986.93	735,318,089.69	99.18	96,478,051.62	13.12	638,840,038.07
Total	845,604,961.79	/	133,121,974.86	/	712,482,986.93	741,423,664.86	/	101,807,706.79	/	639,615,958.07

Accrued bad-debt provision by individual:

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Name	Closing balance			
	Book balance	Provision for bad debts	Additions proportion (%)	Reasons for withdrawal
Client 1	4,079,600.00	4,079,600.00	100.00	Not expected to be recovered
Client 2	1,391,555.94	1,391,555.94	100.00	Not expected to be recovered

Client 3	834,419.23	834,419.23	100.00	Not expected to be recovered
Total	6,305,575.17	6,305,575.17	100.00	/

Description of accrued bad-debt provision by individual:

Applicable Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

Portfolio accrual items: aging portfolio

Unit: yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Additions proportion (%)
Within 1 year (inclusive)	465,767,337.45	23,288,366.87	5.00
1-2 years	155,575,259.61	15,557,525.96	10.00
2-3 years	135,711,155.79	40,713,346.74	30.00
3-4 years	64,628,257.07	32,314,128.54	50.00
4-5 years	13,371,725.63	10,697,380.51	80.00
More than 5 years	4,245,651.07	4,245,651.07	100.00
Total	839,299,386.62	126,816,399.69	15.11

Bad-debt provision withdrawn by combination:

Applicable Not applicable"

The provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Please refer to Note V.11 "Financial Instruments" to this report for details.

Explanation of the significant changes in the book balance of accounts receivable for which the provision for loss has changed in the current period:

Applicable Not applicable"

### (3). Bad debt provision

Applicable Not applicable"

Unit: yuan Currency: RMB

Category	Opening balance	Amount changed in current period				Closing balance
		Provision	Recovered or reversed	Write-off	Other changes	
Individual provision for bad debts	5,329,655.17	975,920.00				6,305,575.17
Portfolio provision for bad debts	96,478,051.62	33,054,056.37		2,716,993.63	1,285.33	126,816,399.69
Total	101,807,706.79	34,029,976.37		2,716,993.63	1,285.33	133,121,974.86

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

None

### (4). Accounts receivable actually written off in the current period

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Amount written-off
Accounts receivable actually written-off	2,716,993.63

Including: significant written-off of accounts receivable  
Applicable Not applicable"

Unit: yuan Currency: RMB

Name of entity	Nature of accounts receivable	Amount written-off	Reason for written-off	Write-off procedures fulfilled	Whether the payment is generated by related-party transactions
Client 4	Payment for goods	2,581,376.69	Bankruptcy liquidation	Approved on the meeting of general manager office	No
Client 5	Payment for goods	135,616.94	Bankruptcy liquidation	Approved on the meeting of general manager office	No
Total	/	2,716,993.63	/	/	/

Write-off notes for accounts receivable:

Applicable Not applicable"

#### (5). Top five accounts receivable and contract assets for closing balance collected by the debtor:

Applicable Not applicable"

Unit: yuan Currency: RMB

Name of entity	Accounts receivable balance at the end of the period	Balance of contract assets at the end of the period	Balance of accounts receivable and contract assets at the end of the period	Proportion in total balance of accounts receivable and contract assets at the end of the period (%)	Closing balance of bad debts reserve
Client 1	53,846,760.00		53,846,760.00	6.09	5,221,563.00
Client 2	43,193,654.88		43,193,654.88	4.87	2,184,147.94
Client 3	41,216,000.00		41,216,000.00	4.65	12,364,800.00
Client 4	34,246,774.40		34,246,774.40	3.86	1,712,381.12
Client 5	24,343,053.66	9,336,800.00	33,679,853.66	3.80	1,683,992.69
Total	196,846,242.94	9,336,800.00	206,183,042.94	23.27	23,166,884.75

Other notes

None

Other notes:

Applicable Not applicable"

## 6 Contract assets

### (1). Profile of contract assets

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Sales contract payment	40,577,934.53	2,028,896.73	38,549,037.80	37,394,279.83	1,869,713.99	35,524,565.84

Total	40,577,934.53	2,028,896.73	38,549,037.80	37,394,279.83	1,869,713.99	35,524,565.84
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**(2). The amount and reason for the significant change in the book value during the reporting period**

Applicable Not applicable"

**(3). Disclosure by classification of bad debt accrual methods**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts			Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Additions proportion (%)	Book value	Amount	Proportion (%)	Amount	Additions proportion (%)	Book value
Accrued bad-debt provision by individual										
Including:										
Accrued bad-debt provision by portfolio	40,577,934.53	100.00	2,028,896.73	5.00	38,549,037.80	37,394,279.83	100.00	1,869,713.99	5.00	35,524,565.84
Including:										
Sales contract payment	40,577,934.53	100.00	2,028,896.73	5.00	38,549,037.80	37,394,279.83	100.00	1,869,713.99	5.00	35,524,565.84
Total	40,577,934.53	/	2,028,896.73	/	38,549,037.80	37,394,279.83	/	1,869,713.99	/	35,524,565.84

Accrued bad-debt provision by individual:

□Applicable "√Not applicable"

Description of accrued bad-debt provision by individual:

□Applicable "√Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

Portfolio accrual items: sales contract payment

Unit: yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Additions proportion (%)
Sales contract payment	40,577,934.53	2,028,896.73	5.00
Total	40,577,934.53	2,028,896.73	5.00

Bad-debt provision withdrawn by combination

Applicable Not applicable"

The provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Please refer to Note V.11 "Financial Instruments" to this report for details.

Explanation of the significant changes in the book balance of contract assets for which the provision for loss has changed in the current period:

Applicable Not applicable"

#### (4). Provision for bad debts of contract assets in the current period

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Amount changed in current period				Closing balance	Cause
		Provision for the current period	Recovered or reversed in current period	Write-off /verification in current period	Other changes		
Sales contract payment	1,869,713.99	159,182.74				2,028,896.73	Refer to the treatment method for expected credit losses of accounts receivable to make provision for impairment
Total	1,869,713.99	159,182.74				2,028,896.73	/

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

None

#### (5). Contract assets written off in this period

Applicable Not applicable"

Major contract assets written off

Applicable Not applicable"

Explanation of written-off contract assets

Applicable Not applicable"

Other notes:

Applicable Not applicable"

## 7 Receivables financing

### (1). Classification and presentation of receivables financing

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Notes receivable	15,859,847.15	8,775,864.78
Including: Banker's Acceptance Bill	15,859,847.15	8,775,864.78
Total	15,859,847.15	8,775,864.78

### (2). Company's pledged receivables financing at the end of the period:

Applicable Not applicable"

### (3). The Company's closing accounts receivable financing endorsed or discounted not matured at the balance sheet date

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing amount derecognized	Closing amount not derecognized
Bank Acceptance Bill	227,425,620.40	
Total	227,425,620.40	

### (4). Disclosure by classification of bad debt accrual methods

Applicable Not applicable"

Accrued bad-debt provision by individual:

Applicable Not applicable"

Description of accrued bad-debt provision by individual:

Applicable Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

The provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Not applicable

Explanation of the significant changes in the book balance of receivables financing for which the provision for loss has changed in the current period:

Applicable Not applicable"

**(5). Bad debt provision**

Applicable Not applicable"

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

The receivables financing at the end of the year consist entirely of bank acceptance bills issued by banks with high credit ratings, and the risk of failure to accept upon maturity for these bills is very low. The Group derecognizes such bills upon endorsement or discounting; due to the low credit risk involved, no bad-debt provision has been recognized.

**(6). Receivables financing with actual write-off in the current period**

Applicable Not applicable"

Including: significant written-off of receivables financing

Applicable Not applicable"

Explanation of write-off:

Applicable Not applicable"

**(7). Changes in increase and decrease of receivables financing and changes in fair in the current period:**

Applicable Not applicable"

Item	Opening balance	Closing balance	Current changes	Changes in fair value
Receivables financing	8,775,864.78	15,859,847.15	7,083,982.37	
Total	8,775,864.78	15,859,847.15	7,083,982.37	

**(8). Other notes:**

Applicable Not applicable"

**8 Prepayments****(1). Prepayments are listed by aging**

Applicable Not applicable"

Aging	Closing balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	13,740,149.29	97.18	7,623,722.92	79.53
1-2 years	384,967.95	2.72	666,209.18	6.95
More than 2 years	13,444.95	0.10	1,296,000.00	13.52
Total	14,138,562.19	100.00	9,585,932.10	100.00

Unit: yuan Currency: RMB

Notes on the reason for the non-timely settlement of the advance payment with important amount aging more than 1 year:

None

**(2). Top five advance payments for the closing balance per the objects of advance payment**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Name of entity	Closing balance	Proportion in total closing balance of prepayments (%)
Entity I	3,900,000.00	27.58
Entity II	693,653.08	4.91
Entity III	552,329.32	3.91
Entity IV	539,200.00	3.81
Entity V	530,000.00	3.75
Total	6,215,182.40	43.96

Other notes:

None

Other notes

□Applicable "√Not applicable"

**9 Other receivables****Listed by item**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable		
Other receivables	5,079,520.71	6,337,218.54
Total	5,079,520.71	6,337,218.54

Other notes:

□Applicable "√Not applicable"

**Interests receivable****(1). Classification of interests receivable**

□Applicable"√Not applicable"

**(2). Significant overdue interest**

□Applicable"√Not applicable"

**(3). Disclosure by classification of bad debt accrual methods**

□Applicable "√Not applicable"

Accrued bad-debt provision by individual:

□Applicable "√Not applicable"

Description of accrued bad-debt provision by individual:

□Applicable "√Not applicable"

Accrued bad-debt provision by portfolio:

□Applicable "√Not applicable"

**(4). The provision for bad debts is made according to the general model of expected credit losses**

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Not applicable

Explanation of the significant changes in the book balance of interests receivable for which the provision for loss has changed in the current period:

Applicable Not applicable"

**(5). Bad debt provision**

Applicable Not applicable"

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

None

**(6). Interests receivable with actual written-off in the current period**

Applicable Not applicable"

Major interests receivable written off

Applicable Not applicable"

Explanation of write-off:

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**Dividends receivable**

**(1). Dividends receivable**

Applicable Not applicable"

**(2). Important dividends receivable aging over 1 year**

Applicable Not applicable"

**(3). Disclosure by classification of bad debt accrual methods**

Applicable Not applicable"

Accrued bad-debt provision by individual:

Applicable Not applicable"

Description of accrued bad-debt provision by individual:

Applicable Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

**(4). The provision for bad debts is made according to the general model of expected credit losses**

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

None

Explanation of the significant changes in the book balance of dividends receivable for which the provision for loss has changed in the current period:

Applicable Not applicable"

**(5). Bad debt provision**

Applicable Not applicable"

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

None

**(6). Dividends receivable actually written off in the current period**

Applicable Not applicable"

Major dividends receivable written off

Applicable Not applicable"

Explanation of write-off:

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**Other receivables****(1). Disclosed by aging**

Applicable Not applicable"

Unit: yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive)	4,916,059.57	3,608,189.00
1-2 years	72,307.00	2,518,210.00
2-3 years	2,369,560.00	898,500.00
More than 3 years		
3-4 years	594,471.68	11,400.00
4-5 years	7,400.00	42,000.00
More than 5 years	1,064,550.00	1,218,550.00
Total	9,024,348.25	8,296,849.00

**(2). Classification by nature of fund**

Applicable Not applicable"

Unit: yuan Currency: RMB

Nature of fund	Ending book balance	Beginning book balance
----------------	---------------------	------------------------

Deposit and margin	3,361,467.15	3,080,271.01
Export tax refund receivable	1,670,102.96	1,706,415.71
Employee reserve fund	930,204.30	533,330.17
Others	3,062,573.84	2,976,832.11
Total	9,024,348.25	8,296,849.00

**(3). Information of bad-debt provision**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses in the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance as of January 1, 2025	1,959,630.46			1,959,630.46
Balance on January 1, 2025 in the current period				
--Transfer to the stage 2				
--Transfer to the stage 3	-230,460.00		230,460.00	
--Transfer back to the stage 2				
--Transfer back to the stage 1				
Provision for the current period	-89,479.09		2,074,140.00	1,984,660.91
Reversed in current period				
Written off in current period				
Write-off in this period				
Other changes	536.17			536.17
Balance as of December 31, 2025	1,640,227.54		2,304,600.00	3,944,827.54

Classification basis and bad-debt provision ratio for each stage

Please refer to Note V.11 "Financial Instruments" to this report for details.

Explanation of the significant changes in the book balance of other receivables for which the provision for loss has changed in the current period:

□Applicable "√Not applicable"

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has significantly increased:

□Applicable "√Not applicable"

**(4). Bad debt provision**√Applicable Not applicable"

Unit: yuan Currency: RMB

Category	Opening balance	Amount changed in current period				Closing balance
		Provision	Recovered or reversed	Write-off	Other changes	
Accrued bad-debt provision by individual		2,304,600.00				2,304,600.00
Accrued bad-debt provision by portfolio	1,959,630.46	-319,939.09			536.17	1,640,227.54
Total	1,959,630.46	1,984,660.91			536.17	3,944,827.54

Of which: the bad debt provision reversed or recovered with important amount in the current period:

Applicable"√Not applicable"

Other notes

None

**(5). Other accounts receivable with actual write-off during the period.**Applicable"√Not applicable"

Including: significant written-off of accounts receivable:

Applicable"√Not applicable"

Explanation for Write-off of other accounts receivable:

Applicable"√Not applicable"**(6). Top five other accounts receivable for closing balance collected by the debtor.**√Applicable" Not applicable"

Unit: yuan Currency: RMB

Name of entity	Closing balance	Proportion in total closing balance of other receivables (%)	Nature of fund	Aging	Closing balance of bad debts reserve
Entity I	2,304,600.00	25.54	Others	2-3 years	2,304,600.00
Entity II	1,670,102.96	18.51	Export tax refund receivable	Within 1 year	83,505.15
Entity III	1,010,000.00	11.19	Deposit and margin	More than 5 years	1,010,000.00
Entity IV	638,000.00	7.07	Deposit and margin	Within 1 year	31,900.00
Entity V	511,289.99	5.67	Deposit and margin	Within 1 year	25,564.50
Total	6,133,992.95	67.98	/	/	3,455,569.65

**(7). Presented in other receivables due to centralized management of funds**

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**10 Inventory****(1). Inventory classification**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Inventory depreciation reserve / depreciation reserve for contract performance costs	Book value	Book balance	Inventory depreciation reserve / depreciation reserve for contract performance costs	Book value
Raw materials	95,702,460.21	4,328,252.44	91,374,207.77	82,442,055.33	3,283,242.81	79,158,812.52
Work in progress	70,578,893.55		70,578,893.55	54,689,468.00		54,689,468.00
Stocked goods	85,043,605.13		85,043,605.13	71,013,714.90	213,864.28	70,799,850.62
Reusable materials						
Consumable biological assets						
Contract performance cost						
Goods shipped	802,818,143.62	19,056,010.49	783,762,133.13	445,447,799.35	15,947,571.79	429,500,227.56
Total	1,054,143,102.51	23,384,262.93	1,030,758,839.58	653,593,037.58	19,444,678.88	634,148,358.70

**(2). Data resources recognized as inventory**

□Applicable "√Not applicable"

**(3). Inventory depreciation reserve and the depreciation reserve for contract performance costs**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Amount of increase in current period		Amount of decrease in current period		Closing balance
		Provision	Others	Reversals or written-off	Others	
Raw materials	3,283,242.81	1,045,009.63				4,328,252.44
Work in progress						
Stocked goods	213,864.28	66,371.67		280,235.95		
Reusable materials						
Consumable biological assets						
Contract performance cost						
Goods shipped	15,947,571.79	12,613,017.20		9,504,578.50		19,056,010.49
Total	19,444,678.88	13,724,398.50		9,784,814.45		23,384,262.93

Reasons for inventory revaluation reserve for reversal or write-off in current period

√Applicable "□Not applicable"

Item	Basis of inventory revaluation reserve for additions	Reasons for write-off of inventory revaluation reserve in current year
Raw materials	Net realizable value lower than book value	
Goods shipped	Net realizable value lower than book value	Sold this year
Stocked goods	Net realizable value lower than book value	Sold this year

Provision for inventory depreciation reserve by combination

□Applicable "√Not applicable"

Standard for provision of inventory depreciation reserve by combination

□Applicable "√Not applicable"

**(4). Capitalized amount of borrowing costs contained in the closing balance of inventories and its calculation standard and basis**

□Applicable "√Not applicable"

**(5). Description of the current amortization amount of contract performance costs**

□Applicable "√Not applicable"

Other notes

□Applicable "√Not applicable"

**11 Held-for-sale assets**

Applicable Not applicable"

**12 Non-current assets due within one year**

Applicable" Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Debt investment due within one year		
Other debt investments due within one year	485,172,066.95	
Total	485,172,066.95	

**Debt investment due within one year**

Applicable Not applicable"

**Other debt investments due within one year**√Applicable Not applicable"**(1). Other debt investments due within one year**√Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Accrued interest	Interest adjustment	Changes in fair value in current period	Closing balance	Cost	Accumulative changes in fair value	Accumulated loss provision recognized in other comprehensive income	Remarks
Certificates of deposit		35,172,066.95			485,172,066.95	450,000,000.00			
Total		35,172,066.95			485,172,066.95	450,000,000.00			/

Changes in provision for impairment of other debt investments due within one year in the current period

Applicable Not applicable"**(2). Other significant debt investments due within one year at the end of the period**√Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance					Opening balance				
	Book value	Coupon rates of interest	Actual interest rate	Expiration date	Overdue principal	Book value	Coupon rates of interest	Actual interest rate	Expiration date	Overdue principal
Certificates of deposit	10,000,000.00	3.10	3.10	2/20/2026						
Certificates of deposit	10,000,000.00	3.10	3.10	3/8/2026						
Certificates of deposit	20,000,000.00	3.10	3.10	3/20/2026						
Certificates	10,000,000.00	3.25	3.25	5/19/2026						

of deposit										
Certificates of deposit	100,000,000.00	3.10	3.10	6/30/2026						
Certificates of deposit	200,000,000.00	3.10	3.10	7/4/2026						
Certificates of deposit	100,000,000.00	3.00	3.00	7/13/2026						
Total	450,000,000.00	/	/	/			/	/	/	

**(3). Withdraw of impairment provision**

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage  
Not applicable

Explanation of the significant changes in the book balance for which the provision for loss has changed in the current period:  
Applicable Not applicable"

The amount of provision for impairment in the current period and the basis for assessing whether the credit risk of financial instruments has significantly increased:  
Applicable Not applicable"

**(4). Other debt investments due within one year written off in current period**

Applicable Not applicable"

Write-off of other significant debt investments due within one year  
Applicable Not applicable"

Explanation on the write-off of other debt investments due within one year:  
Applicable Not applicable"

Other notes:  
Applicable Not applicable"

Other explanations for non-current assets maturing within one year  
None

**13 Other current assets**

√Applicable □Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Contract acquisition cost		
Return cost receivable		
Prepaid taxes, input tax to be certified, and retained tax amount	19,145,825.58	19,190,640.87
Total	19,145,825.58	19,190,640.87

Other notes

None

**14 Debt investment****(1). Debt investment**

□Applicable "√Not applicable"

Changes in provision for impairment of debt investments in the current period

□Applicable "√Not applicable"

**(2). Important debt investment at the end of the period**

□Applicable "√Not applicable"

**(3). Withdraw of impairment provision**

□Applicable "√Not applicable"

Classification basis and provision ratio of depreciation reserve for each stage:

Not applicable

Explanation of the significant changes in the book balance of debt investments for which the provision for loss has changed in the current period:

□Applicable "√Not applicable"

The amount of provision for impairment in the current period and the basis for assessing whether the credit risk of financial instruments has significantly increased:

□Applicable "√Not applicable"

**(4). Debt investments written off in current period**

□Applicable "√Not applicable"

Major debt investments written off

□Applicable "√Not applicable"

Explanation of write-off debt investments:

□Applicable "√Not applicable"

Other notes

□Applicable "√Not applicable"

**15 Other debt investment****(1). Other debt investment**√Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Accrued interest	Interest adjustment	Changes in fair value in current period	Closing balance	Cost	Accumulative changes in fair value	Accumulated impairment provisions recognized in other comprehensive income	Remarks
Certificates of deposit	501,814,597.22	14,538,303.06			31,180,833.33	30,000,000.00			The changes can be found in Note VII (12) - Non-current assets maturing within one year
Total	501,814,597.22	14,538,303.06			31,180,833.33	30,000,000.00			/

Changes in provision for impairment of other debt investments in the current period

Applicable Not applicable"**(2). Other important debt investment at the end of the period**√Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance					Opening balance				
	Book value	Coupon rates of interest	Actual interest rate	Expiration date	Overdue principal	Book value	Coupon rates of interest	Actual interest rate	Expiration date	Overdue principal
Certificates of deposit						10,000,000.00	3.10	3.10	2/20/2026	
Certificates						10,000,000.00	3.10	3.10	3/8/2026	

of deposit										
Certificates of deposit						20,000,000.00	3.10	3.10	3/20/2026	
Certificates of deposit						10,000,000.00	3.25	3.25	5/19/2026	
Certificates of deposit						100,000,000.00	3.10	3.10	6/30/2026	
Certificates of deposit						200,000,000.00	3.10	3.10	7/4/2026	
Certificates of deposit						100,000,000.00	3.00	3.00	7/13/2026	
Certificates of deposit	30,000,000.00	2.60	2.60	7/4/2027		30,000,000.00	2.60	2.60	7/4/2027	
Total	30,000,000.00	/	/	/		480,000,000.00	/	/	/	

**(3). Withdraw of impairment provision**

Applicable Not applicable"

Classification basis and provision ratio of depreciation reserve for each stage:

Not applicable

Explanation of the significant changes in the book balance of other debt investments for which the provision for loss has changed in the current period:

Applicable Not applicable"

The amount of provision for impairment in the current period and the basis for assessing whether the credit risk of financial instruments has significantly increased:

Applicable Not applicable"

**(4). Other debt investments written off in current period**

Applicable Not applicable"

Other major debt investments written off

Applicable Not applicable"

Explanation of other write-off debt investments:

Applicable Not applicable"

Other notes:

Applicable Not applicable"

“Other debt investments” at the end of the year consist entirely of large-denomination certificates of deposit held at banks. Given the low expected credit risk, no impairment provision has been recognized.

## 16 Long-term accounts receivable

### (1). Long-term accounts receivable

Applicable Not applicable"

### (2). Disclosure by classification of bad debt accrual methods

Applicable Not applicable"

Accrued bad-debt provision by individual:

Applicable Not applicable"

Description of accrued bad-debt provision by individual:

Applicable Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

### (3). The provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Not applicable

Explanation of the significant changes in the book balance of long-term accounts receivable for which the provision for loss has changed in the current period:

Applicable Not applicable"

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has significantly increased

Applicable Not applicable"

### (4). Bad debt provision

Applicable Not applicable"

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

None

### (5). Long-term receivables actually written off in the current period

Applicable Not applicable"

Major long-term receivables written off

Applicable Not applicable"

Write-off instructions of long-term receivables:

Applicable Not applicable"

Other notes

Applicable Not applicable"

**17 Long-term equity investment**

**(1). Long-term equity investments**

Applicable"Not applicable"

**(2). Impairment test of long-term equity investments**

Applicable "Not applicable"

Other notes

None

**18 Other equity instruments investment****(1). Investment in other equity instruments**

Applicable Not applicable"

**(2). Explanation of de-recognition in current period**

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**19 Other non-current financial assets**

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**20 Investment property**

Measurement mode of investment property

Not applicable

**21 Fixed assets****Listed by item**

Applicable Not applicable"

Item	Unit: yuan Currency: RMB	
	Closing balance	Opening balance
Fixed assets	415,614,940.95	359,370,561.88
Disposal of fixed assets		
Total	415,614,940.95	359,370,561.88

Other notes:

Applicable Not applicable"

**Fixed assets****(1). Fixed assets**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Houses and buildings	Machinery equipment	Transportation Equipment	Office and electronic equipment	Decoration of fixed assets	Others	Total
<b>I. Original book value:</b>							
1. Opening balance	282,297,013.95	55,703,668.53	14,738,180.43	15,310,865.97	57,863,393.56	2,179,985.32	428,093,107.76
2. Amount of increase in current period	57,860,340.18	7,587,280.41	1,810,066.78	3,345,893.48	14,869,184.00	611,410.89	86,084,175.74
(1) Purchase	57,740,096.87	7,585,773.42	1,753,510.82	3,305,996.49	4,459,121.38	611,410.89	75,455,909.87
(2) Transferred from construction in progress					10,410,062.62		10,410,062.62
(3) Increase of business merger							
(4) Other increases	120,243.31	1,506.99	56,555.96	39,896.99			218,203.25
3. Amount of decrease in current period	164,468.47	847,121.29	629,967.31	1,005,556.37			2,647,113.44
(1). Disposal or retirement	164,468.47	847,121.29	629,967.31	1,005,556.37			2,647,113.44
4. Closing balance	339,992,885.66	62,443,827.65	15,918,279.9	17,651,203.08	72,732,577.56	2,791,396.21	511,530,170.06
<b>II. Accumulated depreciation</b>							
1. Opening balance	25,030,658.51	17,141,210.78	7,415,722.45	7,522,294.40	10,286,032.64	1,326,627.10	68,722,545.88
2. Amount of increase in current period	12,211,048.04	5,550,493.64	2,345,341.98	2,533,673.72	5,887,240.87	531,460.44	29,059,258.69
(1) Additions	12,210,479.63	5,550,427.50	2,319,537.49	2,552,115.46	5,887,240.87	531,460.44	29,051,261.39
(2) Other increases	568.41	66.14	25,804.49	-18,441.74			7,997.30
3. Amount of decrease in current period	66,404.04	337,230.79	587,679.87	875,260.76			1,866,575.46
(1). Disposal or retirement	66,404.04	337,230.79	587,679.87	875,260.76			1,866,575.46
4. Closing balance	37,175,302.51	22,354,473.63	9,173,384.56	9,180,707.36	16,173,273.51	1,858,087.54	95,915,229.11

III. Impairment provision							
1. Opening balance							
2. Amount of increase in current period							
(1) Additions							
3. Amount of decrease in current period							
(1). Disposal or retirement							
4. Closing balance							
IV. Book value							
1. Ending book value	302,817,583.15	40,089,354.02	6,744,895.34	8,470,495.72	56,559,304.05	933,308.67	415,614,940.95
2. Beginning book value	257,266,355.44	38,562,457.75	7,322,457.98	7,788,571.57	47,577,360.92	853,358.22	359,370,561.88

Note: other increases are attributable to the effects of foreign currency financial statement translation and reclassifications.

**(2). Fixed assets temporarily idle**

Applicable"Not applicable"

**(3). Fixed assets leased-out through operating lease**

Applicable"Not applicable"

**(4). Fixed asset requiring the collection of certificate of title**

Applicable"Not applicable"

Unit: yuan Currency: RMB

Item	Book value	The reason for not completing the certificate of title
PCB vertical continuous electroplating equipment expansion (Phase I) plant of Guangde Dongwei Technology Co., Ltd.	57,283,823.83	Under approval by relevant departments
Total	57,283,823.83	

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

Applicable "Not applicable"

Other notes:

Applicable"Not applicable"

**Disposal of fixed assets**

Applicable"Not applicable"

**22 Construction in progress****Listed by item**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	81,825,394.82	12,421,651.89
Construction materials		
Total	81,825,394.82	12,421,651.89

Other notes:

□Applicable "√Not applicable"

**Construction in progress****(1). Profile of construction in progress**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
New Energy Equipment Expansion Project of Kunshan Dongwei Technology Co., Ltd.	81,825,394.82		81,825,394.82	12,421,651.89		12,421,651.89
Total	81,825,394.82		81,825,394.82	12,421,651.89		12,421,651.89

**(2). Changes to important construction in process in current period**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item name	Budget	Opening balance	Amount of increase in current period	Amount transfers to fixed assets in current period	Amount of other decreases in current period	Closing balance	Proportion of accumulated project input in budget (%)	Project progress	Cumulative amount of interest capitalization	Including: amount of interest capitalization of current period	Proportion of interest capitalization in current period (%)	Sources of funds
New Energy Equipment Expansion Project of Kunshan Dongwei Technology Co., Ltd.	118,600,000.00	12,421,651.89	69,403,742.93			81,825,394.82	68.99	Incomplete				Fundraising
Total	118,600,000.00	12,421,651.89	69,403,742.93			81,825,394.82	/	/			/	/

**(3). Construction in progress with provision for impairment during this reporting period:**

□Applicable"√Not applicable"

**(4). Impairment test of construction in progress**

Applicable Not applicable"

Other notes

Applicable" Not applicable"

**Construction materials**

**(1). Construction materials**

Applicable"Not applicable"

**23 Bearer biological assets**

**(1). Productive biological assets using cost measurement model**

Applicable"Not applicable"

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

Applicable "Not applicable"

**(3). Productive biological assets using the fair value measurement model**

Applicable"Not applicable"

Other notes

Applicable"Not applicable"

**24 Oil and natural gas assets**

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

Applicable"Not applicable"

**(2). Impairment test of oil and gas assets**

Applicable "Not applicable"

Other notes:

None

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

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Houses and buildings	Total
<b>I. Original book value</b>		
1. Opening balance	6,818,057.01	6,818,057.01
2. Amount of increase in current period	11,093,320.58	11,093,320.58
(1) Lease in	11,093,320.58	11,093,320.58
3. Amount of decrease in current period	4,327,726.81	4,327,726.81
(1) Disposal	4,327,726.81	4,327,726.81
4. Closing balance	13,583,650.78	13,583,650.78
<b>II. Accumulated depreciation</b>		
1. Opening balance	3,157,891.70	3,157,891.70
2. Amount of increase in current period	2,054,006.96	2,054,006.96
(1) Additions	2,054,006.96	2,054,006.96
3. Amount of decrease in current period	2,404,292.77	2,404,292.77
(1) Disposal	2,404,292.77	2,404,292.77
4. Closing balance	2,807,605.89	2,807,605.89
<b>III. Impairment provision</b>		
1. Opening balance		
2. Amount of increase in current period		
(1) Additions		
3. Amount of decrease in current period		
(1) Disposal		
4. Closing balance		
<b>IV. Book value</b>		
1. Ending book value	10,776,044.89	10,776,044.89
2. Beginning book value	3,660,165.31	3,660,165.31

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

□Applicable "√Not applicable"

Other notes:

None

**26 Intangible assets****(1). Profile of intangible assets**

√Applicable "□Not applicable"

Item	Land use rights	Non-patented technology	Patent rights	Unit: yuan	Currency: RMB
				Software licenses	Total
<b>I. Original book value</b>					
1. Opening balance	85,727,479.40	1,796,116.51	50,000.00	5,047,634.38	92,621,230.29
2. Amount of increase in current period				1,389,920.96	1,389,920.96
(1) Purchase				1,389,920.96	1,389,920.96
(2) Internal research and development					
(3) Increase of business merger					
3. Amount of decrease in current period					
(1) Disposal					
4. Closing balance	85,727,479.40	1,796,116.51	50,000.00	6,437,555.34	94,011,151.25
<b>II. Accumulated amortization</b>					
1. Opening balance	5,279,348.76	1,511,731.42	42,083.28	3,394,342.05	10,227,505.51
2. Amount of increase in current period	1,847,884.34	179,611.77	4,999.92	890,023.17	2,922,519.20
(1) Additions	1,847,884.34	179,611.77	4,999.92	890,023.17	2,922,519.20
3. Amount of decrease in current period					
(1) Disposal					
4. Closing balance	7,127,233.10	1,691,343.19	47,083.20	4,284,365.22	13,150,024.71
<b>III. Impairment provision</b>					
1. Opening balance					
2. Amount of increase in current period					
(1) Additions					
3. Amount of decrease in current period					

(1) Disposal					
4. Closing balance					
IV. Book value					
1. Ending book value	78,600,246.30	104,773.32	2,916.80	2,153,190.12	80,861,126.54
2. Beginning book value	80,448,130.64	284,385.09	7,916.72	1,653,292.33	82,393,724.78

At the end of the period, intangible assets which are formed through the company's internal research and development account for 0% of intangible assets balance.

**(2). Data resources recognized as intangible assets**

Applicable Not applicable"

**(3). The Company's land use rights requiring the collection of certificate of title.**

Applicable Not applicable"

**(3). Impairment test of intangible assets**

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**27 Goodwill**

**(1). Original book value of goodwill**

Applicable Not applicable"

**(2). Provision for impairment of goodwill**

Applicable Not applicable"

**(3). Relevant information on the assets group or portfolio of asset groups on which the goodwill is contained**

Applicable Not applicable"

Changes in asset group or combination of asset groups

Applicable Not applicable"

Other notes

Applicable Not applicable"

**(4). Specific method for determining the recoverable amount**

The recoverable amount is determined at the net amount of fair value less disposal costs

Applicable Not applicable"

The recoverable amount is determined at the present value of estimated future cash flows

Applicable Not applicable"

Reasons for significant discrepancies between the aforesaid information and the information or external information used in the impairment test of the previous year

Applicable Not applicable"

Reasons for significant discrepancies between the information used in the Company impairment tests of the previous year and the actual situation of the current year

Applicable Not applicable"

#### (5). Performance commitments and corresponding goodwill impairment

There is a performance commitment when goodwill is formed and the reporting period or the period prior to the reporting period is within the performance commitment period

Applicable Not applicable"

Other notes

Applicable Not applicable"

### 28 Long-term deferred expenses

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Amount of increase in current period	Amount of amortization in current period	Other amount of increase	Closing balance
Decoration costs	22,144.06	1,862,448.90	58,630.41		1,825,962.55
Molds	90,658.66		66,371.56		24,287.10
Others	39,587.72		27,944.40		11,643.32
Total	152,390.44	1,862,448.90	152,946.37		1,861,892.97

Other notes:

None

### 29 Deferred income tax assets/deferred income tax liabilities

#### (1). Deferred tax assets without offsetting

Applicable Not applicable"

Unit: yuan Currency:RMB

Item	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Asset impairment provision and credit impairment loss	163,519,298.13	24,745,588.24	126,976,338.02	19,356,765.04
Estimated liabilities	31,630,403.17	4,752,874.74	30,773,950.88	4,687,846.88
Deferred income	28,375,413.16	4,256,311.97	19,266,666.68	4,390,000.00
Unrealized profits from internal transactions	24,947,457.29	3,742,118.59	19,178,902.17	2,876,835.33
Lease liability	11,456,306.84	2,264,157.21	4,039,526.83	749,989.38
Recoverable losses	11,930,235.47	2,126,933.57	11,577,895.22	2,557,075.56
Equity incentive	6,430,441.30	1,079,303.66		
Employee benefits payable	7,074,355.80	1,061,153.37	5,347,623.80	851,515.72
Total	285,363,911.16	44,028,441.35	217,160,903.60	35,470,027.91

**(2). Deferred tax liability without offsetting**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Other debt investment \ Accrued interest	28,175,789.17	4,226,368.37	21,625,916.67	3,243,887.50
Right-of-use asset	10,776,044.89	2,143,339.45	3,660,165.31	678,255.53
Differences in fixed asset depreciation	8,879,057.27	1,331,858.59	10,199,605.75	1,529,940.86
Changes of fair value of held-for-trading financial assets	203,367.67	30,505.15	466,416.67	69,962.51
Total	48,034,259.00	7,732,071.56	35,952,104.40	5,522,046.40

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

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance		Opening balance	
	Set-off amount of the deferred income tax assets and liabilities	Balance of deferred income tax assets or liabilities after offsetting	Set-off amount of the deferred income tax assets and liabilities	Balance of deferred income tax assets or liabilities after offsetting
Deferred tax assets	7,732,071.56	36,296,369.79	678,255.53	34,791,772.38
Deferred tax liabilities	7,732,071.56		678,255.53	4,843,790.87

**(4). List of unrecognized deferred income tax assets**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance
Deductible temporary difference	75,895.69
Deductible losses	25,762,603.30
Total	25,838,498.99

**(5). Deductible losses of deferred income tax assets unrecognized will mature in the following year.**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Year	Closing amount	Remarks
2027		
2028	4,183,671.81	
2029	12,307,346.06	
2030 and subsequent years	9,271,585.43	
Total	25,762,603.30	/

Other notes:

□Applicable"√Not applicable"

**30 Other non-current assets**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Contract acquisition cost						
Contract performance cost						
Return cost receivable						
Contract assets						
Prepayment for equipment	13,518,668.26		13,518,668.26	4,316,837.17		4,316,837.17
Total	13,518,668.26		13,518,668.26	4,316,837.17		4,316,837.17

Other notes:

None

**31 Assets with restricted ownership or the right to use**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Ending				Opening			
	Book balance	Book value	Type of restriction	Restrictions	Book balance	Book value	Type of restriction	Restrictions
Cash and bank balance	450,000.00	450,000.00	Pledge	L/G deposit	450,000.00	450,000.00	Pledge	L/G deposit
Notes receivable								
Inventory								
Including: data resource								
Fixed assets								
Intangible assets								
Including: data resource								
Total	450,000.00	450,000.00	/	/	450,000.00	450,000.00	/	/

Other notes:

None

### 32 Short-term borrowings

#### (1). Classification of short-term borrowings

Applicable"Not applicable"

#### (2). Short-term borrowings overdue but outstanding:

Applicable"Not applicable"

In which, the important outstanding short-term loans are as follows:

Applicable"Not applicable"

Other notes

Applicable"Not applicable"

### 33 Held-for-trading financial liabilities

Applicable "Not applicable"

Other notes:

Applicable "Not applicable"

### 34 Financial derivative liabilities

Applicable"Not applicable"

### 35 Notes payable

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

Applicable"Not applicable"

Unit: yuan Currency: RMB

Categories	Closing balance	Opening balance
Commercial acceptance bills		
Bank Acceptance Bill	220,640,151.82	117,366,029.52
Total	220,640,151.82	117,366,029.52

The total amount of unpaid notes payable at the end of the period is RMB 0. Reason for overdue payment: Nil.

### 36 Accounts payable

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

Applicable"Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Material fund	426,209,963.80	302,228,608.11
Payments for project and equipment	22,808,898.13	25,172,595.14
Others	6,944,391.35	9,162,640.33
Total	455,963,253.28	336,563,843.58

**(2). Significant accounts payable aged over 1 year or overdue**

Applicable"Not applicable"

Other notes

Applicable"Not applicable"

**37 Advances from customers****(1). List of advances from customers**

Applicable"Not applicable"

**(2). Significant advances from customers aged over one year.**

Applicable"Not applicable"

**(3). The amount and reason for the significant change in the 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
Contract payment in advance	693,907,020.61	368,115,462.30
Total	693,907,020.61	368,115,462.30

**(2). Significant contract liabilities with an aging of over 1 year**

Applicable "Not applicable"

**(3). The amount and reason for the significant change in the book value during the reporting period**

Applicable "Not applicable"

Other notes:

Applicable "Not applicable"

**39 Employee benefits payable****(1). List of employee benefits payable**

Applicable"Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
I. Short-term remuneration	44,925,845.25	277,310,958.96	267,142,091.89	55,094,712.32
II. Post-employment benefits - defined	9,568.77	13,745,516.24	13,745,906.11	9,178.90

contribution plans				
III. Termination benefits		30,494.25	30,494.25	
IV. Other benefits due within one year				
Total	44,935,414.02	291,086,969.45	280,918,492.25	55,103,891.22

**(2). List of short-term remuneration**

√Applicable"□Not applicable"

Item	Unit: yuan			Currency: RMB
	Opening balance	Increase in current period	Decrease in current period	Closing balance
I. Salaries, bonuses, allowances and subsidies	44,802,994.55	259,700,772.88	249,602,976.79	54,900,790.64
II. Employee welfare	103,039.32	4,555,434.50	4,478,044.11	180,429.71
III. Social insurance premiums		6,345,587.14	6,345,587.14	
Including: Medical insurance premiums		5,131,064.20	5,131,064.20	
Work-related injury insurance premiums		862,832.99	862,832.99	
Maternity insurance premiums		351,689.95	351,689.95	
IV. Housing Provident Fund		4,440,766.00	4,440,766.00	
V. Labor union funds, employee education funds	19,811.38	2,268,398.44	2,274,717.85	13,491.97
VI. Short-term compensated absences				
VII. Short-term profit-sharing plan				
Total	44,925,845.25	277,310,958.96	267,142,091.89	55,094,712.32

**(3). List of defined contribution plan**

√Applicable"□Not applicable"

Item	Unit: yuan			Currency: RMB
	Opening balance	Increase in current period	Decrease in current period	Closing balance
1. Basic pension insurance premiums	9,568.77	13,307,262.28	13,307,652.15	9,178.90
2. Unemployment insurance premiums		438,253.96	438,253.96	
3. Enterprise annuity payment				
Total	9,568.77	13,745,516.24	13,745,906.11	9,178.90

Other notes:

□Applicable"√Not applicable"

**40 Taxes payable**

√Applicable"□Not applicable"

Item	Unit: yuan		Currency: RMB
	Closing balance	Opening balance	
VAT	11,063,690.12	572,902.47	
Enterprise income tax	8,010,360.70	6,436,338.97	

Urban maintenance and construction tax	1,443,653.57	120,681.66
Property tax	779,675.15	497,604.53
Education surcharge	708,589.17	68,971.58
Personal Income Tax	516,515.56	349,399.13
Local education surcharge	472,826.12	45,981.05
Stamp duty	382,594.48	221,987.70
Land use taxes	281,129.44	281,129.44
Environmental protection tax	102,070.93	118,266.07
Water conservancy construction fund	23,301.38	14,435.20
<b>Total</b>	<b>23,784,406.62</b>	<b>8,727,697.80</b>

Other notes:

None

#### 41 Other payables

##### (1). Listed by item

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Interests payable		
Dividends payable		
Other payables	10,182,110.54	4,634,788.08
<b>Total</b>	<b>10,182,110.54</b>	<b>4,634,788.08</b>

Other notes:

□Applicable "√Not applicable"

##### (2). Interests payable

Classification presentation

□Applicable"√Not applicable"

Overdue significant interest payable:

□Applicable"√Not applicable"

Other notes:

□Applicable"√Not applicable"

##### (3). Dividends payable

Classification presentation

□Applicable"√Not applicable"

##### (4). Other payables

Other payables presented by nature of fund

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Accrued expenses	9,243,580.49	4,093,486.33
Others	938,530.05	541,301.75
<b>Total</b>	<b>10,182,110.54</b>	<b>4,634,788.08</b>

Significant other payables aged over 1 year or overdue

Applicable"Not applicable"

Other notes:

Applicable"Not applicable"

#### 42 Held-for-sale liabilities

Applicable"Not applicable"

#### 43 Non-current liabilities due within one year

Applicable"Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Long-term loan due within one year		
Bonds payable maturing within one year		
Long-term payables due within one year		
Lease liabilities due within one year	2,666,584.19	1,578,570.99
Total	2,666,584.19	1,578,570.99

Other notes:

None

#### 44 Other current liabilities

Other current liabilities

Applicable "Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Endorsed acceptance bill that has not yet expired	50,152,039.57	34,721,290.75
The amount of pending changoover output tax that does not meet the value-added tax obligation	10,795,755.09	10,373,669.94
Total	60,947,794.66	45,094,960.69

Increasing or decreasing of short-term bonds payable

Applicable"Not applicable"

Other notes:

Applicable"Not applicable"

#### 45 Long term borrowings

##### (1). Classification of long-term borrowings

Applicable"Not applicable"

Other notes

Applicable"Not applicable"

**46 Bonds payable**

**(1). Bonds payable**

Applicable"Not applicable"

**(2). Bonds payable: (Excluding preferred stocks, perpetual bonds, and other financial instruments classified as financial liabilities)**

Applicable Not applicable"

**(3). Explanation of convertible corporate bonds**

Applicable Not applicable"

Accounting treatment and judgment basis for equity transfer

Applicable Not applicable"

**(4). Description of other financial instruments divided into financial liabilities**

Basic statement preferred stocks outstanding at the end of the period, perpetual bonds and other financial instruments.

Applicable Not applicable"

Statement of changes in preferred stocks outstanding at the end of the period, perpetual bonds, and other financial instruments.

Applicable Not applicable"

Statement of basis of other financial instruments divided as financial liabilities

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**47 Lease liability**

Applicable Not applicable"

Item	Closing balance	Unit: yuan    Currency: RMB
		Opening balance
Undiscounted amount of lease payments payable	12,438,729.84	4,328,884.91
Less: Unrecognized financing costs	982,423.00	289,358.08
The part due within one year	2,666,584.19	1,578,570.99
Total	8,789,722.65	2,460,955.84

Other notes:

None

**48 Long-term accounts payable****Listed by item**

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**Long-term accounts payable****(1). Long-term payables listed based on nature of fund**

□Applicable"√Not applicable"

**Special payables****(1). Special payables listed based on nature of fund**

□Applicable"√Not applicable"

**49 Long-term employee benefits payable**

□Applicable"√Not applicable"

**50 Estimated liabilities**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance	Causes
External guarantee			
Pending litigation			
Product quality assurance	31,630,403.17	30,773,950.88	Product after-sales service during warranty period
Restructuring obligations			
The onerous contracts to be executed			
Payment for return payable			
Others			
Total	31,630,403.17	30,773,950.88	/

Other notes, including related significant assumptions about important projected liabilities and interpretation of estimation:

None

**51 Deferred income**

Details of deferred proceeds

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Other changes	Closing balance	Causes
Government subsidies	19,266,666.68	13,730,000.00	4,277,253.52	-344,000.00	28,375,413.16	Government subsidies related to assets
Total	19,266,666.68	13,730,000.00	4,277,253.52	-344,000.00	28,375,413.16	/

Other notes:

Applicable Not applicable"

Other changes are due to the refund of excessive enterprise development incentives from the government.

## 52 Other non-current liabilities

Applicable Not applicable"

## 53 Equity

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Increase (+) decrease (-) in current period					Closing balance
		Issuance of new shares	Bonus shares	Shares converted from reserves	Others	Sub-total	
Total number of shares	298,401,360.00						298,401,360.00

Other notes:

None

## 54 Other equity instruments

(1). **Basic statement preferred stocks outstanding at the end of the period, perpetual bonds and other financial instruments.**

Applicable Not applicable"

(2). **Statement of changes in preferred stocks outstanding at the end of the period, perpetual bonds, and other financial instruments.**

Applicable Not applicable"

Notes to increase or decrease in other equity instruments during the period, the reasons for the changes, and the basis for the relevant accounting treatment:

Applicable Not applicable"

Other notes:

Applicable Not applicable"

## 55 Capital reserve

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
Capital premium (Share premium)	910,807,344.75			910,807,344.75
Other capital reserves		6,430,441.31		6,430,441.31
Total	910,807,344.75	6,430,441.31		917,237,786.06

Other notes, including notes to increase or decrease in the period and the reasons for such changes:

The amortization of restricted stock expenses during the year led to an increase of RMB 6,430,441.31 in other capital reserves.

#### 56 Treasury stock

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
Stock repurchase for equity incentive	15,059,603.37			15,059,603.37
Total	15,059,603.37			15,059,603.37

Other notes, including notes to increase or decrease in the period and the reasons for such changes:

None

**57 Other comprehensive income**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Amount incurred in the current period						Closing balance
		Current amount before the income tax in this period	Less: other consolidated income of prior periods are accrued to the current profit and loss	Less: other consolidated income of prior periods are accrued to the current retained earnings	Less: income tax expense	Attributed to the parent company after tax	Attributed to minority shareholders after tax	
I. Other comprehensive income which cannot be reclassified into profit or loss								
Including: Re-measure changes in defined benefit plans								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Changes in fair value of other equity instruments investment								
Changes in fair value of the company's own credit risk								
II. Other comprehensive	402,376.27	910,425.06				910,425.06		1,312,801.33

income which can be reclassified into profit or loss								
Including: Other comprehensive income that can be transferred to profit or loss under the equity method								
Changes in fair value of other debt investments								
Amount of financial assets reclassified into other comprehensive income								
Provision for credit impairment of other debt investments								
Cash flow hedge reserve								
Translation difference in foreign currency financial statements	402,376.27	910,425.06				910,425.06		1,312,801.33
Total of other consolidated income	402,376.27	910,425.06				910,425.06		1,312,801.33

Other explanations include the adjustment of the effective part of the hedging profit and loss of the cash flow transferring into the initial confirmed amount of the hedged item:

None

### 58 Special reserves

Applicable"Not applicable"

**59 Surplus reserve**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Opening balance	Increase in current period	Decrease in current period	Closing balance
Statutory surplus reserve	61,946,259.67	7,890,485.28		69,836,744.95
Discretionary surplus reserve				
Reserve fund				
Enterprise Development Fund				
Others				
Total	61,946,259.67	7,890,485.28		69,836,744.95

Notes to surplus reserves, including including notes to increase or decrease in the period and the reasons for such changes:

According to the Company Law and the Articles of Association of this company, the Company appropriate the statutory surplus reserve on the basis of 10% of net profit.

**60 Retained earnings**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Current period	Last period
Retained earnings at the end of the previous period before adjustment	477,127,824.59	476,451,769.92
Total adjusted undistributed profit at the beginning of period (increase +, decrease -)		
Beginning retained earnings after adjustment	477,127,824.59	476,451,769.92
Add: Net profit attributed to owners of parent company in current period	120,936,915.08	69,272,891.54
Less: Appropriation of statutory surplus reserve	7,890,485.28	11,289,036.87
Appropriation of discretionary surplus reserve		
Appropriation of general risk provision		
Common shares dividends payables	29,800,056.00	57,307,800.00
Ordinary shares dividends converted to shares		
Ending retained earnings	560,374,198.39	477,127,824.59

Note: The "Proposal on the 2024 Annual Profit Distribution Plan" was examined and approved at the 2024 Annual Meeting of Shareholders General Assembly held on May 16, 2025. The profit distribution was based on the total share capital registered on the equity distribution record date, minus the shares in the Company's special securities repurchase account. A cash dividend of RMB 1.00 (inclusive of tax) was distributed to all shareholders for every 10 shares, totaling RMB 29,800,056.00.

Details of adjustment of undistributed profits at the beginning of the period:

1. Due to the retrospective adjustment of the Accounting Standards for Business Enterprises and related new regulations, the undistributed profit at the beginning of the period was affected by RMB 0.
2. Due to change of accounting policy, the undistributed profit at the beginning of the period was affected by RMB 0.
3. Due to correction of significant account errors, the undistributed profit at the beginning of the period was affected by RMB 0.
4. Due to change of scope of consolidation under the same control, the undistributed profit at the beginning of the period was affected by RMB 0.
5. The total impact of other adjustments on the undistributed profit at the beginning of the period is RMB 0.

## 61 Operating income and operating costs

### (1). Situation of operating income and operating costs

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Main business	1,093,108,121.12	720,515,489.58	742,594,329.48	497,856,206.27
Other operations	5,278,657.53	9,543.36	7,403,175.47	902,347.34
Total	1,098,386,778.65	720,525,032.94	749,997,504.95	498,758,553.61

### (2). Breakdown information of operating income and operating costs

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Contract classification	Amount incurred this year		Total	
	Operating income	Operating cost	Operating income	Operating cost
Goods type	1,098,386,778.65	720,525,032.94	1,098,386,778.65	720,525,032.94
Including: equipment and others	1,093,108,121.12	720,515,489.58	1,093,108,121.12	720,515,489.58
Other operations	5,278,657.53	9,543.36	5,278,657.53	9,543.36
Classification by place of business	1,098,386,778.65	720,525,032.94	1,098,386,778.65	720,525,032.94
Including: domestic	792,026,520.88	545,538,967.21	792,026,520.88	545,538,967.21
Overseas	306,360,257.77	174,986,065.73	306,360,257.77	174,986,065.73
Type of Contract	1,098,386,778.65	720,525,032.94	1,098,386,778.65	720,525,032.94
Including: purchases and sales contract	1,098,386,778.65	720,525,032.94	1,098,386,778.65	720,525,032.94
Classification by time of goods transfer	1,098,386,778.65	720,525,032.94	1,098,386,778.65	720,525,032.94
Including: recognize at a certain time point	1,098,386,778.65	720,525,032.94	1,098,386,778.65	720,525,032.94
Classification by sales channel	1,098,386,778.65	720,525,032.94	1,098,386,778.65	720,525,032.94
Including: direct sales	1,039,130,926.61	688,192,831.84	1,039,130,926.61	688,192,831.84
	59,255,852.04	32,332,201.10	59,255,852.04	32,332,201.10

Distribution				
Total	1,098,386,778.65	720,525,032.94	1,098,386,778.65	720,525,032.94

Other notes

Applicable Not applicable"

**(3). Description of performance obligations**

Applicable Not applicable"

**(4). Description of allocation to remaining performance obligations**

Applicable Not applicable"

**(5). Significant contract changes or significant transaction price adjustments**

Applicable Not applicable"

Other notes:

None

**62 Tax and surcharge**

Applicable" Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Urban maintenance and construction tax	4,190,604.17	2,094,810.21
Property tax	3,212,724.14	1,932,707.75
Education surcharge	2,013,775.84	1,067,149.69
Local education surcharge	1,342,517.23	711,433.11
Stamp duty	1,250,962.81	862,627.59
Land use taxes	1,126,260.53	1,029,764.90
Water conservancy construction fund	279,616.56	173,222.40
Environmental protection tax	172,278.69	400,767.84
Vehicle and vessel tax	5,520.00	5,620.00
Others	15,010.67	272.68
Total	13,609,270.64	8,278,376.17

Other notes:

None

**63 Selling and distribution expenses**

Applicable" Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Employee benefits	33,989,840.54	24,644,569.84
Including: share-based payments	1,338,218.44	
Advertising and business promotion fee	5,536,170.62	4,219,753.80
Business entertainment expenses	4,189,995.09	3,503,529.97
Travel expenses	2,785,121.00	2,679,416.25

Others	5,309,824.17	3,561,543.81
Total	51,810,951.42	38,608,813.67

Other notes:

None

#### 64 General and administrative expenses

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Employee benefits	38,848,684.60	33,704,252.55
Including: share-based payments	1,080,086.32	
Asset depreciation and amortization expenses	10,062,182.35	9,059,401.91
Service fees	4,209,947.77	3,381,213.74
Property rental fees	2,713,883.58	1,841,586.41
Business entertainment expenses	2,248,533.97	1,128,318.54
Administrative expenses	1,690,833.01	758,344.73
Vehicle fee	1,456,192.42	1,418,571.26
Travel expenses	567,151.09	548,563.23
Others	7,152,909.64	5,205,677.50
Total	68,950,318.43	57,045,929.87

Other notes:

None

#### 65 R & D expenses

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Employee benefits	56,631,700.03	50,109,668.88
Including: share-based payments	2,500,778.16	
Material fee	31,404,979.50	19,331,955.52
Asset depreciation and amortization expenses	4,388,099.70	5,752,506.45
Travel expenses	3,031,027.13	3,132,025.88
Rent	991,763.99	1,253,450.44
Others	3,617,510.17	3,061,568.01
Total	100,065,080.52	82,641,175.18

Other notes:

None

#### 66 Financial expenses

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Interest expense	237,195.97	252,632.22
Interest income	-1,671,574.06	-1,750,463.80
Exchange gains and losses	-642,933.79	-2,110,746.43
Fees and other	83,975.01	70,310.84
Total	-1,993,336.87	-3,538,267.17

Other notes:

None

**67 Other income**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Classification by nature	Amount incurred in current period	Amount incurred in the previous period
Government subsidies	21,487,175.04	19,243,216.81
Including: immediate levy and refund of software VAT	12,278,075.35	13,547,457.63
Government subsidies related to assets	4,277,253.52	533,333.32
Input tax deduction	6,938,000.36	3,531,820.66
Others	302,720.17	32,750.00
Total	28,727,895.57	22,807,787.47

Other notes:

None

**68 Investment income**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Long-term equity investment income accounted by equity method		
Investment income from disposal of long-term equity investment		
Investment gains from financial assets held for trading during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from debt investment during the holding period		
Other interest income from debt investment during the holding period	13,990,636.39	14,486,083.34
Investment gains from disposal of financial assets held for trading	841,526.45	3,053,687.24
Investment gains from disposal of other equity instrument investments		
Investment gains from disposal of debt investments		
Investment gains from disposal of other debt investments	547,016.67	
Income from debt restructuring		
Total	15,379,179.51	17,539,770.58

Other notes:

None

**69 Net exposure hedge income**

□Applicable "√Not applicable"

**70 Income from change in fair value**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Source of income from change in fair value	Amount incurred in current period	Amount incurred in the previous period
Held-for-trading financial assets	524,334.34	594,655.56
Including: Income from changes in fair value caused by derivative financial instruments		
Financial management product	524,334.34	594,655.56
Held-for-trading financial liabilities		
Investment property measured at fair value		
Total	524,334.34	594,655.56

Other notes:

None

**71 Credit impairment loss**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Bad debt loss on notes receivable	783,710.26	-1,130,911.92
Loss from bad debts of accounts receivable	-34,029,976.37	-20,632,448.85
Loss from bad debts of other receivables	-1,984,660.91	-718,902.97
Loss from debt investment impairment		
Loss from other debt investment impairment		
Loss from bad debts of long-term receivables		
Impairment losses related to financial guarantee		
Total	-35,230,927.02	-22,482,263.74

Other notes:

None

**72 Loss from assets impairment**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
I. Loss from contract assets impairment	-159,182.74	1,016,901.87
II. Inventory falling price loss and contract performance cost impairment loss	-13,724,398.50	-13,979,810.62
III. Impairment loss on long-term equity investment		
IV. Impairment losses of investment property		

V. Impairment loss of fixed assets		
VI. Impairment losses from construction materials		
VII. Impairment losses from construction in process		
VIII. Impairment losses of bearer biological assets		
IX. Impairment losses from assets		
X. Impairment losses from intangible assets		
XI. Impairment losses from goodwill		
XII. Others		
Total	-13,883,581.24	-12,962,908.75

Other notes:

None

### 73 Gains from disposal of assets

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Gains and losses from disposal of right-of-use assets	306,881.74	
Fixed asset disposal gains and losses	-197,752.42	92,845.68
Total	109,129.32	92,845.68

Other notes:

None

### 74 Non-operating income

Non-operating income

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period	Amount accounted into the current non-recurring profits and losses
Total gains on disposal of non-current assets			
Including: Gains from disposal of fixed assets			
Gains from disposal of intangible assets			
Gains from exchange of non-monetary assets			
Acceptance of donations			
Government subsidies			
Compensation payments		3,890.00	

Others	16,075.30	1,030.24	16,075.30
Total	16,075.30	4,920.24	16,075.30

Other notes:

Applicable"Not applicable"

## 75 Non-operating expenditure

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period	Amount accounted into the current non-recurring profits and losses
Total loss on disposal of non-current assets	131,725.69	28,594.81	131,725.69
Including: loss from disposal of fixed assets	131,725.69	28,594.81	131,725.69
Losses from disposal of intangible assets			
Losses from exchange of non-monetary assets			
External donations	410,809.40	90,937.20	410,809.40
Fines and late fees	1,046,716.21	78,838.87	1,046,716.21
Others		10,220.00	
Total	1,589,251.30	208,590.88	1,589,251.30

Other notes:

None

## 76 Income tax expense

### (1). Index of income tax expense

Applicable"Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Current income tax expense	24,883,789.25	11,281,571.12
Deferred income tax expense	-6,348,388.28	-6,965,322.88
Total	18,535,400.97	4,316,248.24

### (2). Adjustment process of accounting profit and income tax expense

Applicable"Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period
Total profit	139,472,316.05
Income tax expense calculated as per statutory/applicable tax rates	20,920,847.41
Influence of subsidiaries applicable to different tax rates	-145,106.34

Influence of adjustment of prior period income tax	3,476,777.31
Impact of non-taxable income	
Influence of non-deductible costs, expenses and loss	1,102,222.09
Influence of the deductible losses of unrecognized deferred income tax assets in previous period	-711,759.79
Influence of the deductible temporary differences or deductible losses of unrecognized deferred income tax assets in current period	1,869,475.30
The adjustment of the tax rate leads to changes in the deferred income tax assets / liabilities at the beginning of the year	2,218,856.98
Impact of additional deduction of R & D expenses	-10,195,911.99
Income tax expense	18,535,400.97

Other notes:

Applicable"Not applicable"

#### 77 Other comprehensive income

Applicable"Not applicable"

See Note 57 for details.

#### 78 Item of cash flow statement

##### (1). Cash relating to operating activities

Other cash received relating to operating activities

Applicable"Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Other government subsidy income except for tax refunds	18,661,846.17	17,961,913.18
Received deposit and margin	7,188,100.35	6,149,545.50
Received bank interest	1,671,797.30	1,891,124.27
Others	343,242.72	1,767,402.59
Total	27,864,986.54	27,769,985.54

Other cash received relating to operating activities:

None

Other cash paid relating to operating activities

Applicable"Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Out-of-pocket expenses	55,913,328.74	47,118,066.00
Payment of deposit and margin	7,982,621.92	5,227,942.00
Payment of bank handling charges	63,628.53	21,449.43
Other current	981,007.00	26,566.48
Total	64,940,586.19	52,394,023.91

Explanation of other cash payments related to operating activities:

None

**(2). Cash relating to investment activities**

Cash received relating to significant investing activities

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Structured deposits	702,000,000.00	925,120,000.00
Certificates of deposit	130,000,000.00	40,000,000.00
Other financial products		43,169,791.67
Total	832,000,000.00	1,008,289,791.67

Cash received relating to significant investing activities

None

Cash paid relating to significant investing activities

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Structured deposits	728,500,000.00	801,500,000.00
Certificates of deposit	130,000,000.00	30,000,000.00
Other financial products		53,000,000.00
Total	858,500,000.00	884,500,000.00

Cash paid relating to significant investing activities

None

Other cash received relating to investing activities

Applicable Not applicable"

Other cash paid relating to investing activities

Applicable Not applicable"**(3). Cash relating to financing activities**

Other proceeds relating to financing activities

Applicable Not applicable"

Other cash payments relating to financing activities

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Pay rent on right-of-use assets	1,558,556.79	3,327,467.60
Payment of share repurchase funds		15,059,685.46
Total	1,558,556.79	18,387,153.06

Other cash paid relating to investing activities:

None

Changes in liabilities arising from financing activities

Applicable Not applicable"

**(4). Explanation for presentation of cash flows on a net basis**

□Applicable "√Not applicable"

**(5). Significant activities and financial impacts that do not involve current cash flows but affect the financial condition of the enterprise or may affect the cash flow of the enterprise in the future**

□Applicable "√Not applicable"

**79 Supplemental Information of Cash Flow Statement****(1). Supplemental Information of Cash Flow Statement**

□Applicable "□Not applicable"

Unit: yuan Currency: RMB

Supplementary information	Amount in current period	Amount in previous period
<b>1. Adjust the net profit as cash flow from operating activities:</b>		
Net profit	120,936,915.08	69,272,891.54
Add: Asset impairment provision	13,883,581.24	12,962,908.75
Credit impairment loss	35,230,927.02	22,482,263.74
Depreciation of fixed assets, depletion of oil and natural gas assets, deprecation of bearer biological assets	29,051,261.39	22,045,097.53
Amortization of right-of-use assets	2,054,006.96	3,190,496.83
Amortization of intangible assets	2,922,519.20	2,650,639.89
Amortization of long-term deferred expenses	152,946.37	1,366,860.78
Loss from disposal of fixed assets, intangible assets and other long-term assets (gains expressed with "-")	-109,129.32	-92,845.68
Loss from retirement of fixed assets (gains expressed with "-")	131,725.69	28,594.81
Loss from changes in fair value (gains expressed with "-")	-524,334.34	-594,655.56
Financial expenses (gains expressed with "-")	237,195.97	252,632.22
Investment losses (gains expressed with "-")	-15,379,179.51	-17,539,770.58
Decrease in deferred tax assets (increase expressed with "-")	-1,504,597.41	-8,762,122.31
Increase of deferred income tax liabilities (decrease expressed with "-")	-4,843,790.87	1,796,799.43
Decrease in inventories (increase expressed with "-")	-409,871,625.28	-226,433,296.26
Decrease in operating receivables (increase expressed with "-")	-136,170,275.86	-6,440,423.70
Increase in operating payables (decrease expressed with "-")	602,314,205.28	217,357,997.09
Amortization expense of stock ownership incentives	6,430,441.31	
Net cash flow from operating activities	244,942,792.92	93,544,068.52
<b>2. Investment and financing activities not involved in significant cash deposit and withdrawal:</b>		
Conversion of debt into capital		
Convertible bonds maturing within		

one year		
Fixed assets acquired under finance leases		
<b>3. Net change in cash and cash equivalents:</b>		
Cash at the end of the period	249,081,455.02	223,286,522.81
Less: Cash at the beginning of the period	223,286,522.81	152,237,607.75
Add: Cash equivalents at the end of the period		
Less: Cash equivalents at the beginning of the period		
Net increase in cash and cash equivalents	25,794,932.21	71,048,915.06

**(2). Net cash paid for the acquisition of subsidiaries in current period**

Applicable"Not applicable"

**(3). Net cash from disposal of subsidiaries in current 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	249,081,455.02	223,286,522.81
Including: cash on hand	63,289.20	16,291.20
Bank deposits available for payment at any time	249,018,165.82	223,270,231.61
Other monetary fund available for payment at any time		
Central bank deposits available for payment at any time		
Amount due from placements with banks and other financial institutions		
Amount call loan to banks		
II. Cash equivalents		
Including: bond investment maturing within three months		
III. Balance of cash and cash equivalents at ending of period	249,081,455.02	223,286,522.81
Including: the parent company or its subsidiaries use the restricted cash and cash equivalents		

**(5). Situations where the scope of use is limited but it is still listed as cash and cash equivalents**

Applicable "Not applicable"

**(6). Monetary fund not belonging to cash and cash equivalents**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance	Reasons
L/G deposit	450,000.00	450,000.00	Pledge
Total	450,000.00	450,000.00	/

Other notes:

□Applicable"√Not applicable"

**80 Notes to the owner's equity changing statement**

Explain the “other” items for adjusting the balance at the end of the previous year and the adjustment amount:

□Applicable"√Not applicable"

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

√Applicable"□Not applicable"

Unit: RMB

Item	Closing balance in foreign currency	Exchange rate for translation	Ending balance for RMB translation
Cash and bank balance	-	-	
Including: USD	455,141.77	7.0288	3,199,101.00
THB	5,491,208.26	0.2225	1,221,897.70
HKD			
Accounts receivable	-	-	
Including: USD	12,534,827.69	7.0288	88,104,796.87
EUR	52,850.00	8.2355	435,246.18
KRW	20,000,000.00	0.00486	97,200.00
THB	4,838,930.02	0.2225	1,076,753.45
Other receivables	-	-	
Of which: Thai Baht	1,465,545.70	0.2225	326,111.64
Accounts payable			
Of which: Thai Baht	690,373.64	0.2225	153,621.19

Other notes:

None

**(2). The description of overseas operating entity, including the important overseas operating entity, shall disclose its main overseas operating place, account standard currency and selection basis, and the reasons of changing bookkeeping base currency shall be disclosed for reasons.**

√Applicable"□Not applicable"

Dongwei Technology (Thailand) Co., Ltd., a subsidiary of the Group, determines its recording currency based on the main economic environment in which it operates. The Group converts its financial statements into RMB using the method described in V (10) “Translation of Foreign Currency Transactions and Foreign Currency Financial Statements”.

**82 Leasing****(1). As a lessee**

Applicable Not applicable"

Variable lease payments not included in the measurement of the lease liability

Applicable Not applicable"

Expenses of simply treated short-term leases or low-value asset leases

Applicable Not applicable"

Item	Amount incurred this year
Interest expense on lease liability	237,195.97
Short-term lease expenses with simplified treatment included in current profit and loss	2,646,051.73
Low-value asset leasing expenses (except short-term leases) with simplified treatment included in current profits and losses	
Variable lease payments not included in the measurement of the lease liability	
Including: the part generated from the sale and leaseback transaction	
Income from sublease of right-of-use assets	
Total cash outflow related to lease	4,204,608.52

Sale and leaseback transactions and judgment basis

Applicable Not applicable"

Total cash outflow related to leasing 4,204,608.52 (Unit: Yuan      Currency: RMB)

**(2). As a lessor**

Operating lease as a lessor

Applicable Not applicable"

Finance lease as a lessor

Applicable Not applicable"

Reconciliation sheet of undiscounted lease collection and net lease investments

Applicable Not applicable"

Undiscounted lease collection in the next five years

Applicable Not applicable"

**(3). Recognition of the profit and loss of sales of finance lease as a manufacturer or distributor**

Applicable Not applicable"

Other notes

None

**83 Data resource**

Applicable Not applicable"

**84 Others**

ApplicableNot applicable"

**VIII、 R&D expenditure****1 By nature of expenses**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Employee benefits	56,631,700.03	50,109,668.88
Including: share-based payments	2,500,778.16	
Material fee	31,404,979.50	19,331,955.52
Assert depreciation and amortization expenses	4,388,099.70	5,752,506.45
Travel expenses	3,031,027.13	3,132,025.88
Rent	991,763.99	1,253,450.44
Others	3,617,510.17	3,061,568.01
Total	100,065,080.52	82,641,175.18
Including: Expensed R&D expenditure	100,065,080.52	82,641,175.18
Capitalized R&D expenditures		

Other notes:

None

**2 Development expenditure on R&D projects eligible for capitalization**

□Applicable"√Not applicable"

Significant capitalized R&amp;D projects

□Applicable "√Not applicable"

Provision for impairment of development expenditure

□Applicable "√Not applicable"

Other notes

None

**3 Significant outsourcing research projects**

□Applicable "√Not applicable"

**IX、 Changes in the scope of consolidation****1 Combination of enterprises not under the same control**

□Applicable"√Not applicable"

**2 Combination of enterprises under the same control**

□Applicable"√Not applicable"

**3 Reverse purchase**

□Applicable"√Not applicable"

#### **4 Disposal of subsidiaries**

Whether there is a transaction or event of loss of control over a subsidiary in the current period

Applicable"Not applicable"

Other notes:

Applicable"Not applicable"

Whether there are situations in which disposing the investment of subsidiaries step by step through multiple transactions and losing the right of control in the current period

Applicable"Not applicable"

Other notes:

Applicable "Not applicable"

#### **5 Changes in scope of consolidation for other reasons**

Describe change of scope of consolidation (such as newly established subsidiaries and liquidating subsidiaries) and relevant information by other causes.

Applicable"Not applicable"

#### **6 Others**

Applicable "Not applicable"

**X、 Equity in other entities****1 Equity in subsidiaries****(1). Constitution of enterprise group**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Name of subsidiary	Main region of business	Registered capital	Place of registration	Nature of business	Shareholding ratio (%)		Means of acquisition
					Direct	Indirect	
Guangde Dongwei Technology Co., Ltd.	Anhui Guangde	RMB 180 million	Anhui Guangde	Production base	100.00		Newly-established
Shenzhen Kunshan Dongwei Technology Co., Ltd.	Shenzhen, Guangdong	RMB 70 million	Shenzhen, Guangdong	After sales center	100.00		Newly-established
Dongguan Dongwei Technology Co., Ltd.	Dongguan, Guangdong	RMB 50 million	Dongguan, Guangdong	Production base	100.00		Newly-established
Changshu Dongwei Technology Co., Ltd.	Changshu, Jiangsu	RMB 405 million	Changshu, Jiangsu	Production base	100.00		Newly-established
Dongwei (Thailand) Technology Co., Ltd.	Thailand	THB 230 million	Thailand	Production base	20.00	80.00	Newly-established

Explanation for the shareholding ratio of subsidiaries differs from voting rights

None

Basis for with half or less voting right but still controlling the invested body, and half and more voting right but not controlling the invested body:

None

Basis that key structural entity control is incorporated into the scope of consolidation

None

Basis for determining whether the company is an agent or a client:

None

Other notes:

None

**(2). Key non-wholly owned subsidiaries**

□Applicable"√Not applicable"

**(3). Key financial information of key non-wholly owned subsidiaries**

□Applicable"√Not applicable"

**(4). Significant restrictions on the use of the assets and settlement of debts of the enterprise group .**

Applicable"Not applicable"

**(5). Financial support or other support for the structural entity incorporated into the scope of consolidated financial statements**

Applicable "Not applicable"

Other notes:

Applicable"Not applicable"

**2 Transactions with changes in the owner's equity in the subsidiary but still controlling the subsidiary:**

Applicable"Not applicable"

**3 Interests in joint ventures or associates**

Applicable"Not applicable"

**4 Important joint operations**

Applicable"Not applicable"

**5 Rights of the structural entities not incorporated into the scope of consolidated financial statements**

Related explanation of the structured main body not included in the scope of the consolidated financial statements:

Applicable"Not applicable"

**6 Others**

Applicable "Not applicable"

**XI、 Government subsidies**

**1 Government subsidies recognized by receivables at the end of the reporting period**

Applicable "Not applicable"

Reason for failure to receive the expected amount of government subsidies at the expected time point

Applicable "Not applicable"

**2 Liabilities involving government subsidies**

Applicable "Not applicable"

Unit: yuan Currency: RMB

Item of finan	Opening balance	Increase of subsidy amount in	Amou nt includ	Other income transferred in in the current	Other changes in the current	Closing balance	A ss et

cial state ment		current period	ed in non-o perati ng incom e in curren t period	period	period		s/i nc o m es -r el at ed
Deferr ed incom e	19,266,666.68	13,730,000.00		4,277,253.52	-344,000.00	28,375,413.16	Re lat ed to ass ets
Total	19,266,666.68	13,730,000.00		4,277,253.52	-344,000.00	28,375,413.16	/

Note: Other changes are due to the refund of excessive enterprise development incentives from the government.

### 3 Government subsidy included in the current profit and loss

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Type	Amount incurred in current period	Amount incurred in the previous period
Others	21,487,175.04	19,243,216.81
Total	21,487,175.04	19,243,216.81

Other notes:

None

## XII、 Risks related to financial instruments

### 1 Risks of financial instruments

√Applicable"□Not applicable"

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimize the adverse impacts of risks on the Group's operation performance, and maximize the benefits of the shareholders and their other equity investors. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyse the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implement risk management, and monitor regularly and effectively these exposures to ensure the risks are monitored within a certain level.

#### 1. Various risk management objectives and policies

##### (1) Market risk

##### Risks of exchange rate

The foreign exchange risk of the Group is mainly related to the US dollar. Except for some businesses sold in USD, EUR, and KRW, other major business activities of the Group are dominated and settled in RMB. As of December 31, 2025, except for the assets as described in the table below in US dollars, euros, and Korean won balances, the Group's assets and liabilities are all

in RMB balances. The exchange rate risk arising from the assets and liabilities of these foreign currency balance may have an impact on the Group's operating results.

<b>Item</b>	<b>Closing balance</b>	<b>Opening balance</b>
Cash and bank balance - USD	455,141.77	2,292,734.98
Cash and bank balance - EUR		1,711,538.07
Cash and bank balance - THB	5,491,208.26	10,245,620.30
Accounts receivable - USD	12,534,827.69	2,093,857.60
Accounts receivable - EUR	52,850.00	
Accounts receivable - KRW	20,000,000.00	20,000,000.00
Accounts receivable - THB	4,838,930.02	
Other receivables-THB	1,465,545.70	407,650.13
Accounts payable - THB	690,373.64	

The Group closely monitors the effects of changes in the foreign exchange rates on the Group.

## (2) Credit Risk

The Group manages the credit risks by portfolio. Credit risks mainly arise from monetary funds, notes receivable, accounts receivable, receivables financing and other receivables, etc.

To reduce credit risk, the Group sets up a special department to determine credit lines, conduct credit approvals, and implement other monitoring procedures to ensure that the necessary steps are taken to recover overdue claims. In addition, the Group reviews the recovery of each individual account receivable on each balance sheet date to ensure that sufficient provision is made for the bad debts. Therefore, the Group's Management considers that the Group's credit risk has been significantly reduced.

The Group's working capital is deposited in banks with high credit ratings, thus the low credit risk of working capital.

The Group has adopted the necessary policies to ensure that all the sales customers have a good credit history. Except for the top five accounts receivable and contract assets, the Group has no other significant concentrated credit risks. The total amount of the top five accounts receivable and contract assets of the Group is RMB 206,183,042.94, accounting for 23.27% of the total accounts receivable and contract assets of the Company.

## (3) Liquidity risk

The liquidity risk is the risk that the Group will not be able to meet its financial obligations on the maturity date. The Group adopts the approach to managing liquidity risk, that is to ensure that fund liquidity is sufficient to meet its maturity obligations, without causing unacceptable losses or damage to corporate reputation. The Group regularly analyzes the liability structure and maturity, so as to ensure the sufficient funds. The Management of this Group monitors the use of bank loans and ensures compliance with loan agreements. At the same time, the financing consultations are conducted with financial institutions, so as to maintain a certain credit line and reduce liquidity risk.

The term-to-maturity analysis of remaining undiscounted contractual obligations of financial assets and financial liabilities held by the Group is as follows:

Item	Within 1 year	1 to 2 years	2-5 years	More than 5 years	Total
<b>Financial assets</b>					
Cash and bank balance	249,531,455.02				249,531,455.02
Held-for-trading financial assets	123,203,367.67				123,203,367.67
Notes receivable	58,889,235.81				58,889,235.81
Accounts receivable	845,604,961.79				845,604,961.79
Receivables financing	15,859,847.15				15,859,847.15
Other receivables	9,024,348.25				9,024,348.25
Other debt investment	485,172,066.95	31,180,833.33			516,352,900.28
<b>Financial liabilities</b>					
Notes payable	220,640,151.82				220,640,151.82
Accounts payable	455,963,253.28				455,963,253.28
Other payables	10,182,110.54				10,182,110.54
Employee benefits payable	55,103,891.22				55,103,891.22
Lease payments	3,024,898.22	2,498,215.61	6,915,616.01		12,438,729.84
Other current liabilities	60,947,794.66				60,947,794.66

## 2. Sensitivity analysis:

The Group adopts sensitive analyzing techniques to analyze reasonableness of risk variables and possible influences on current profit or loss or shareholder's equity. For any risk variants do not change lonely, relevancy between variants has significant impacts on final influential amount from change of variants. The following assumptions are based on change of each variant alone.

Sensitivity analysis of foreign exchange risk

Assumptions for the foreign exchange risk sensitivity analysis: all hedges of net investment in overseas business and cash-flow hedge are highly effective.

Based on the above assumptions, and under the circumstance that all other variables remain the same, the after-tax influence of possible reasonable changes in the exchange rate on the current profit and loss and equity is as follows:

Item	Exchange rate changes	For the year ended December 31, 2025		For the year ended December 31, 2024	
		Impact on net profit	Impact on owner's equity	Impact on net profit	Impact on owner's equity
USD	Appreciation of 1% against RMB	913,038.98	913,038.98	315,325.82	315,325.82
USD	Depreciation of	-913,038.98	-913,038.98	-315,325.82	-315,325.82

	1% against RMB				
EUR	Appreciation of 1% against RMB	4,352.46	4,352.46	128,805.22	128,805.22
EUR	Depreciation of 1% against RMB	-4,352.46	-4,352.46	-128,805.22	-128,805.22
KRW	Appreciation of 1% against RMB	972.00	972.00	988.00	988.00
KRW	Depreciation of 1% against RMB	-972.00	-972.00	-988.00	-988.00
THB	Appreciation of 1% against RMB		24,711.42		22,648.85
THB	Depreciation of 1% against RMB		-24,711.42		-22,648.85

## 2 Hedging

### (1). The Company carries out hedging business for risk management

Applicable Not applicable"

Other notes

Applicable Not applicable"

### (2). The Company conducts eligible hedging business and applies hedging accounting

Applicable Not applicable"

Other notes

Applicable Not applicable"

### (3). The Company conducts hedging business for risk management and expects to achieve risk management goals, but has not applied hedging accounting

Applicable Not applicable"

Other notes

Applicable Not applicable"

## 3 Transfer of financial assets

### (1). Classification of transfer mode

Applicable Not applicable"

Unit: yuan Currency: RMB

Transfer mode	Nature of transferred financial assets	Amount of transferred financial assets	De-recognition	Judgment basis for de-recognition
Endorsement	Notes receivable	50,152,039.57	Not derecognized	Almost all risks and rewards were retained, including the related default risks
Endorsement	Receivables financing	227,425,620.40	Derecognition	Almost all risks and rewards were transferred, including the

				related risks	default
Total	/	277,577,659.97	/	/	/

**(2). Financial assets de-recognized due to transfer**

□Applicable "√Not applicable"

**(3). Transferred financial assets continuously involved**

□Applicable "√Not applicable"

Other notes

□Applicable "√Not applicable"

**XIII、 Disclosure of fair value****1 Closing fair value of the assets and liabilities measured by fair value**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Closing fair value			
	Measurement of the first level of fair value	Measurement of the second level of fair value	Measurement of the third level of fair value	Total
<b>I. Continued fair value measurement</b>				
(I) Held-for-trading financial assets		123,203,367.67		123,203,367.67
1. Financial assets measured at fair value through current profit or loss				
(1) Debt instruments investment				
(2) Equity instruments investment				
(3) Financial derivative assets				
(4) Bank financial products		123,203,367.67		123,203,367.67
2. Financial assets designated as measured at fair value through current profit or loss				
(1) Debt instruments investment				
(2) Equity instruments investment				
(II) Other debt investment		31,180,833.33		31,180,833.33
(III) Other equity instruments investment				
(IV) Investment property				
1. Land use right for leasing				
2. Leasing buildings				
3. Land use right held and				

to be transferred after adding values				
(V) Biological assets#				
1. Consumable biological assets				
2. Bearer biological assets				
(vi) Receivables financing		15,859,847.15		15,859,847.15
(VII) Non-current assets due within one year		485,172,066.95		485,172,066.95
<b>Continuing total assets measured at fair value</b>		655,416,115.10		655,416,115.10
(VI) Held-for-trading financial liabilities				
1. Financial liabilities at fair value through current profit or loss				
Wherein: issued transaction bonds				
Financial derivative liabilities				
Others				
2. Financial liabilities designated to be measured at fair value through profit or loss				
<b>The total amount of liabilities measured constantly at fair value</b>				
<b>II. Non-continuing fair value measurement</b>				
(I) Held-for-sale assets				
<b>Non-continuing total assets measured at fair value</b>				
<b>Non-continuing total liabilities measured at fair value</b>				

## 2 Basis for determining the measurement of market price of items through continuous and non-continuing first-level fair value

√Applicable "□Not applicable"

The first-level input value is unadjusted quoted price of the same assets or liabilities in the active market on the measurement date.

## 3 For the continuous and non-continuing measurement of second-level fair value, valuation techniques and qualitative and quantitative information with important parameters adopted.

√Applicable "□Not applicable"

For bank financial products held by the Group, the fair value is determined adopting the discounted cash flow model and market quotes of similar instruments as valuation techniques. The input values

of valuation techniques mainly include the expected rate of return agreed in the contract; for the financing of accounts receivable of the Company, the aging of accounts receivable is within 1 year, and the difference between their fair value and amortized cost is obviously insignificant, and its amortized cost is approximated as the fair value of receivable financing.

**4 For the continuous and non-continuing measurement of third-level fair value, valuation techniques and qualitative and quantitative information with important parameters adopted.**

Applicable Not applicable"

The third-level input value refers to non-observable input values of relevant assets or liabilities.

**5 For the continued measurement of third-level fair value, the adjustment information between opening and closing book value and the sensitivity analysis of non-observable parameters.**

Applicable Not applicable"

**6 For the continued fair value measurement item, the reason for the conversion and the policy for determining the conversion time and point if there is conversion between various levels in the current period.**

Applicable Not applicable"

There is no conversion among the various levels in the current year.

**7 The changes in valuation techniques in the current period and reasons of change**

Applicable Not applicable"

**8 Information of fair value of financial assets and financial liabilities not measured with fair value**

Applicable Not applicable"

The financial assets and liabilities measured at amortized cost by the Group mainly include: notes receivable, accounts receivable, other receivables, notes payable, accounts payable, other payables, non-current liabilities maturing within one year, and lease liabilities. There is no significant difference between the book value and fair value of financial assets and liabilities measured at amortized cost of the Group as of December 31, 2025.

**9 Others**

Applicable Not applicable"

**XIV、 Related parties and related party transactions**

**1 Parent company of the Enterprise**

Applicable Not applicable"

## **2 Information of subsidiaries of the enterprise**

For the details of the Company's subsidiaries, please refer to the notes.

Applicable Not applicable

For details of the subsidiaries, please refer to the relevant contents of “X.1.(1): Composition of the Enterprise Group” of this Note.

## **3 Information on joint ventures and joint ventures of the enterprise**

For important joint ventures or associates of the Company, please refer to notes.

Applicable Not applicable

Other joint ventures or associates that have related party transactions with the Company in the current period or have related party transactions with the Company in the previous period and have formed a balance are as follows:

Applicable Not applicable

Other notes

Applicable Not applicable

## **4 Other related parties**

Applicable Not applicable

## **5 Related transactions**

### **(1). Related transactions of goods purchase and sales, provision and acceptance of labor services**

Fact sheet of goods purchase / services acceptance

Applicable Not applicable

Fact sheet of sale of goods / services provision

Applicable Not applicable

Related transactions of goods purchase and sales, provision and acceptance of labor services

Applicable Not applicable

### **(2). Referring to fiduciary management/ undertaking and authorizing management/entrusting statement:**

The company's fiduciary management /undertaking information form:

Applicable Not applicable

Statement of related deposit/ undertake

Applicable Not applicable

Authorizing management/ entrusting statement of the company

Applicable Not applicable

Statement of related management/entrusting

Applicable Not applicable

### **(3). Related-party lease**

The Company as a lessor:

Applicable Not applicable

The Company as a lessee:

Applicable"Not applicable"

Related-party lease

Applicable"Not applicable"

**(4). Profile of related guarantee**

The Company as the guarantor  
Applicable"Not applicable"

The company as the guaranteed party  
Applicable"Not applicable"

Profile of related guarantee:  
Applicable"Not applicable"

**(5). Related-party fund lending**

Applicable"Not applicable"

**(6). Asset transfer and debt restructuring of related parties**

Applicable"Not applicable"

**(7). Remuneration of key managers**

Applicable"Not applicable"

Unit: 0,000 yuan    Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Remuneration of key managers	1,435.86	1,419.50

**(8). Other related transactions**

Applicable "Not applicable"

**6 Accounts receivable from and payable to related parties and other unsettled items****(1). Receivables**

Applicable "Not applicable"

**(2). Payables**

Applicable "Not applicable"

**(3). Other projects**

Applicable "Not applicable"

**7 Commitment of related parties**

Applicable "Not applicable"

**8 Others**

Applicable "Not applicable"

**XV、 Share-based payments****1 Equity instruments****(1). Details**

Applicable "Not applicable"

On April 24, 2025, the Company held the 21st meeting of the second board of directors and the 18th meeting of the second board of supervisors, and examined and approved the Proposal on Granting Restricted Stocks for the First Time to the Incentive Objects of the Restricted Stock Incentive Plan 2025. The Company agreed to set April 22, 2025 as the initial grant date and to grant 1,820,500 restricted shares to 187 incentive recipients who met the grant conditions at a grant price of RMB 20.17 per share.

On October 22, 2025, the Company held its 3rd meeting of the third board of directors, which examined and approved the "Proposal on Adjusting Relevant Matters of the 2025 Restricted Stock Incentive Plan". In accordance with the "2025 Restricted Stock Incentive Plan of Kunshan Dongwei Technology Co., Ltd". (hereinafter referred to as the "Incentive Plan" or "this Incentive Plan") and the authorization of the Company's first interim shareholders general assembly in 2025, the board of directors adjusted the grant price (including the reservation) of the 2025 Restricted Stock Incentive Plan, which was adjusted from RMB 20.17/share to RMB 20.07/share.

On October 22, 2025, the Company held its 3rd meeting of the third board of directors, which examined and approved the "Proposal on Granting Reserved Restricted Shares under the 2025 Restricted Stock Incentive Plan to Incentive Recipients". The Board agreed to set October 22, 2025 as the reserved grant date and to reserve and grant 229,500 restricted shares to 36 incentive recipients who meet the grant conditions at a grant price of RMB 20.07 per share.

Category of grant object	Quantity unit: Share		Amount unit: yuan		Currency: RMB			
	Granted in current period		The right exercised in the current period		Unlocked in current period		The right invalidated in the current period	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Research personnel	1,097,000.00	14,353,667.00					408,900.00	5,257,683.00
Production personnel	421,500.00	5,617,671.00					69,000.00	843,012.00
Sales personnel	294,000.00	3,672,594.00					30,800.00	372,680.00
Administrative staff	237,500.00	2,946,425.00					26,600.00	321,860.00
Total	2,050,000.00	26,590,357.00					535,300.00	6,795,235.00

**(2). Stock options or other equity instruments outstanding at the end of the period**

Applicable Not applicable

**2 Equity-settled share-based payments**

Applicable Not applicable

Unit: yuan Currency: RMB

Object of equity-settled share-based payment	R&D personnel, production personnel, sales personnel, and management personnel
Method of determining the fair value of equity instruments at the date of grant	Black-Scholes model
Important parameters of fair value of equity	Underlying stock price, time to expiration,

instruments on the grant date	historical volatility, risk-free interest rate and dividend yield
Basis for determination of quantities of the exercisable equity tools	Number of restricted stocks that meet vesting conditions
Cause for great difference between the current estimates and the previous estimates	Not applicable
Cumulative amount of capital reserve for equity-settled share-based payment	6,430,441.31

Other notes

None

**3 Cash-settled share-based payments**Applicable"Not applicable"**4 Share-based payment expenses in current payment**Applicable "Not applicable"

Unit: yuan Currency: RMB

Category of grant object	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Research personnel	2,500,778.16	
Production personnel	1,511,358.39	
Sales personnel	1,338,218.44	
Administrative staff	1,080,086.32	
Total	6,430,441.31	

Other notes

None

**5 Modification and termination of share payments**Applicable "Not applicable"**6 Others**Applicable "Not applicable"**XVI、 Commitments and contingencies****1 Significant commitments**Applicable"Not applicable"

Important commitments and their natures and amounts on the date of balance sheet.

Item	Closing balance	Opening balance
Capital commitments that have been entered into but have not been recognized in the financial statements		
- Commitment for purchase and construction of long-term asset (Kunshan production base)	24,300,747.29	106,126,142.11
- Commitment to investing in production base in Thailand	30,950,000.00	46,950,000.00
Total	55,250,747.29	153,076,142.11

**2 Contingencies****(1). Important contingencies existing on the balance sheet date**

Applicable Not applicable"

**(2). The Company not involving key significant issues to be disclosed shall be declared.**

Applicable Not applicable"

As of the balance sheet date, the Group has no major contingencies to be disclosed.

**3 Others**

Applicable Not applicable"

**XVII、 Events after the date of Balance Sheet****1 Important non-adjustment matters**

ApplicableNot applicable"

**2 Profit distribution**

ApplicableNot applicable"

At the 5th meeting of the third board of directors held on April 25, 2026, the "Proposal on the Company's 2025 Annual Profit Distribution Plan" was examined and approved. The Company plans to distribute a cash dividend of RMB 2.00 (inclusive of tax) per 10 shares to all shareholders, without transferring capital reserves to share capital or issuing bonus shares. As of March 31, 2026, the total share capital of the Company is 298,401,360.00 shares, and the total number of shares in the repurchase special securities account is 400,800 shares, based on which a total cash dividend of RMB 59,600,112.00 is proposed to be paid. The plan still needs to be submitted to the 2025 shareholders general assembly of the Company for consideration.

	Unit: yuan	Currency: RMB
Profits or dividends to be distributed		59,600,112.00
Declared and issued profits or dividends after review and approval		59,600,112.00

**3 Sales return**

ApplicableNot applicable"

**4 Description of other events after the date of Balance Sheet**

Applicable Not applicable"

**XVIII、 Other important matters****1 Correction of previous accounting errors**

For details, please refer to the "Analysis and explanation of the Company on the reasons and impacts of the changes in accounting policies and accounting estimates or corrections of significant accounting errors" under "Important Matters".

**2 Major debt restructuring**

Applicable Not applicable"

**3 Asset replacement**

**(1). Non-monetary asset exchange**

Applicable Not applicable"

**(2). Replacement of other assets**

Applicable Not applicable"

**4 Annual annuity plan**

Applicable Not applicable"

**5 Discontinued operations**

Applicable Not applicable"

**6 Segment information**

**(1). Basis of determining the reporting segment and the accounting policy**

Applicable Not applicable"

**(2). Financial information of the reporting segment**

Applicable Not applicable"

**(3). If the Company has no reporting segment or cannot disclose the total assets and liabilities of each reporting segment, the reasons shall be explained.**

Applicable Not applicable"

**(4). Other notes**

Applicable Not applicable"

**7 Other important transactions and matters that have an impact on investors' decision making**

Applicable Not applicable"

**8 Others**

Applicable Not applicable"

**XIX、 Notes to main items in parent company financial statement**

**1 Accounts receivable**

**(1). Disclosed by aging**

Applicable Not applicable"

Unit: yuan      Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive)	345,404,206.61	327,279,498.24
1-2 years	123,275,100.59	202,210,934.62
2-3 years	130,737,599.97	104,902,854.24
More than 3 years		
3-4 years	58,922,755.90	26,253,709.36
4-5 years	12,889,299.07	8,183,775.52
More than 5 years	10,202,648.50	7,666,139.85
Provision for bad debts	-118,974,466.09	-94,452,260.15
Total	562,457,144.55	582,044,651.68

**(2). Disclosure by classification of bad debt accrual methods**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Additions proportion (%)		Amount	Proportion (%)	Amount	Additions proportion (%)	
Accrued bad-debt provision by individual	6,305,575.17	0.93	6,305,575.17	100.00		6,105,575.17	0.90	5,329,655.17	87.29	775,920.00
Including:										
Client 1	4,079,600.00	0.61	4,079,600.00	100.00		3,879,600.00	0.57	3,103,680.00	80.00	775,920.00
Client 2	1,391,555.94	0.20	1,391,555.94	100.00		1,391,555.94	0.21	1,391,555.94	100.00	
Client 3	834,419.23	0.12	834,419.23	100.00		834,419.23	0.12	834,419.23	100.00	
Accrued bad-debt provision by portfolio	675,126,035.47	99.07	112,668,890.92	16.69	562,457,144.55	670,391,336.66	99.10	89,122,604.98	13.29	581,268,731.68
Including:										
Aging portfolio	675,126,035.47	99.07	112,668,890.92	16.69	562,457,144.55	651,517,747.91	96.31	89,122,604.98	13.68	562,395,142.93
Related party portfolios within the scope of consolidation						18,873,588.75	2.79			18,873,588.75
Total	681,431,610.64	/	118,974,466.09	/	562,457,144.55	676,496,911.83	/	94,452,260.15	/	582,044,651.68

Accrued bad-debt provision by individual:

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Name	Closing balance			Reasons for withdrawal
	Book balance	Provision for bad debts	Additions proportion (%)	
Client 1	4,079,600.00	4,079,600.00	100.00	Not expected to be recovered
Client 2	1,391,555.94	1,391,555.94	100.00	Not expected to be recovered
Client 3	834,419.23	834,419.23	100.00	Not expected to be recovered
Total	6,305,575.17	6,305,575.17	100.00	/

Description of accrued bad-debt provision by individual:

□Applicable "√Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

Portfolio accrual items: aging portfolio

Unit: yuan Currency: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Additions proportion (%)
Within 1 year (inclusive)	345,404,206.61	17,270,210.33	5.00
1-2 years	123,075,100.59	12,307,510.06	10.00
2-3 years	130,737,599.97	39,221,279.99	30.00
3-4 years	58,922,755.90	29,461,377.95	50.00
4-5 years	12,889,299.07	10,311,439.26	80.00
More than 5 years	4,097,073.33	4,097,073.33	100.00
Total	675,126,035.47	112,668,890.92	16.69

Bad-debt provision withdrawn by combination:

Applicable Not applicable"

The provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Please refer to Note V.11 "Financial Instruments" to this report for details.

Explanation of the significant changes in the book balance of accounts receivable for which the provision for loss has changed in the current period:

Applicable Not applicable"

### (3). Bad debt provision

Applicable Not applicable"

Unit: yuan Currency: RMB

Category	Opening balance	Amount changed in current period				Closing balance
		Provision	Recovered or reversed	Write-off	Other changes	
Individual provision for bad debts	5,329,655.17	975,920.00				6,305,575.17
Portfolio provision for bad debts	89,122,604.98	26,127,662.63		2,581,376.69		112,668,890.92
Total	94,452,260.15	27,103,582.63		2,581,376.69		118,974,466.09

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes

None

### (4). Accounts receivable actually written off in the current period

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Amount written-off
Accounts receivable actually written-off	2,581,376.69

Including: significant written-off of accounts receivable

Applicable Not applicable"

Unit: yuan Currency: RMB

Name of entity	Nature of accounts receivable	Amount written-off	Reason for written-off	Write-off procedures fulfilled	Whether the payment is generated by related-party transactions
Client 4	Payment for goods	2,581,376.69	Bankruptcy liquidation	Approved on the meeting of general manager office	No
Total	/	2,581,376.69	/	/	/

Write-off notes for accounts receivable:

Applicable Not applicable"**(5). Top five accounts receivable and contract assets for closing balance collected by the debtor:**Applicable Not applicable"

Unit: yuan Currency: RMB

Name of entity	Accounts receivable balance at the end of the period	Balance of contract assets at the end of the period	Balance of accounts receivable and contract assets at the end of the period	Proportion in total balance of accounts receivable and contract assets at the end of the period (%)	Closing balance of bad debts reserve
Client 1	53,444,992.00		53,444,992.00	7.48	5,201,474.60
Client 2	41,216,000.00		41,216,000.00	5.77	12,364,800.00
Client 3	34,246,774.40		34,246,774.40	4.79	1,712,381.12
Client 4	26,967,652.48	1,767,816.86	28,735,469.34	4.02	1,436,773.47
Client 5	25,624,000.00		25,624,000.00	3.59	1,281,200.00
Total	181,499,418.88	1,767,816.86	183,267,235.74	25.65	21,996,629.19

Other notes

None

Other notes:

Applicable Not applicable"**2 Other receivables****Listed by item**Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable		
Other receivables	179,811,896.51	1,552,194.28
Total	179,811,896.51	1,552,194.28

Other notes:

Applicable Not applicable"

## Interests receivable

### (1). Classification of interests receivable

Applicable Not applicable"

### (2). Significant overdue interest

Applicable Not applicable"

### (3). Disclosure by classification of bad debt accrual methods

Applicable Not applicable"

Accrued bad-debt provision by individual:

Applicable Not applicable"

Description of accrued bad-debt provision by individual:

Applicable Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

The provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Not applicable

Explanation of the significant changes in the book balance of interests receivable for which the provision for loss has changed in the current period:

Applicable Not applicable"

### (4). Bad debt provision

Applicable Not applicable"

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

None

### (5). Interests receivable with actual written-off in the current period

Applicable Not applicable"

Major interests receivable written off

Applicable Not applicable"

Explanation of write-off:

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**Dividends receivable**

**(1). Dividends receivable**

Applicable Not applicable"

**(2). Important dividends receivable aging over 1 year**

Applicable Not applicable"

**(3). Disclosure by classification of bad debt accrual methods**

Applicable Not applicable"

Accrued bad-debt provision by individual:

Applicable Not applicable"

Description of accrued bad-debt provision by individual:

Applicable Not applicable"

Accrued bad-debt provision by portfolio:

Applicable Not applicable"

The provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable"

Classification basis and bad-debt provision ratio for each stage

Not applicable

Explanation of the significant changes in the book balance of dividends receivable for which the provision for loss has changed in the current period:

Applicable Not applicable"

**(4). Bad debt provision**

Applicable Not applicable"

Of which: the bad debt provision recovered or reversed with important amount in the current period:

Applicable Not applicable"

Other notes:

None

**(5). Dividends receivable actually written off in the current period**

Applicable Not applicable"

Major dividends receivable written off

Applicable Not applicable"

Explanation of write-off:

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**Other receivables****(1). Disclosed by aging**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive)	179,615,718.74	1,219,046.64
1-2 years	10,000.00	63,000.00
2-3 years	63,000.00	470,000.00
More than 3 years		
3-4 years	450,000.00	
4-5 years		42,000.00
More than 5 years	1,054,550.00	1,212,550.00
Total	181,193,268.74	3,006,596.64

**(2). Classification by nature of fund**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Nature of fund	Ending book balance	Beginning book balance
Current of related parties	177,977,274.42	
Deposit and margin	2,387,750.00	2,251,155.00
Employee reserve fund	350,833.08	283,319.44
Others	477,411.24	472,122.20
Total	181,193,268.74	3,006,596.64

**(3). Information of bad-debt provision**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses in the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance as of January 1, 2025	1,454,402.36			1,454,402.36
Balance on January 1, 2025 in the current period	1,454,402.36			1,454,402.36
--Transfer to the stage 2				
--Transfer to the stage 3				
--Transfer back to the stage 2				
--Transfer back to the stage 1				
Provision for the current period	-73,030.13			-73,030.13
Reversed in current period				
Written off in current period				

Write-off in this period				
Other changes				
Balance as of December 31, 2025	1,381,372.23			1,381,372.23

Classification basis and bad-debt provision ratio for each stage  
Please refer to Note V.11 “Financial Instruments” to this report for details.

Explanation of the significant changes in the book balance of other receivables for which the provision for loss has changed in the current period:

Applicable Not applicable"

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has significantly increased:

Applicable Not applicable"

#### (4). Bad debt provision

Applicable Not applicable"

Unit: yuan Currency: RMB

Category	Opening balance	Amount changed in current period				Closing balance
		Provision	Recovered or reversed	Write-off	Other changes	
Provision for bad debts by aging portfolio	1,454,402.36	-73,030.13				1,381,372.23
Total	1,454,402.36	-73,030.13				1,381,372.23

Of which: the bad debt provision reversed or recovered with important amount in the current period:

Applicable Not applicable"

Other notes

None

#### (5). Other accounts receivable with actual write-off during the period.

Applicable Not applicable"

Including: significant written-off of accounts receivable:

Applicable Not applicable"

Explanation for Write-off of other accounts receivable:

Applicable Not applicable"

#### (6). Top five other accounts receivable for closing balance collected by the debtor.

Applicable Not applicable"

Unit: yuan Currency: RMB

Name of entity	Closing balance	Proportion in total closing balance of other receivables (%)	Nature of fund	Aging	Closing balance of bad debts reserve
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Entity I	173,008,808.22	95.48	Current of related parties	Within 1 year	
Entity II	4,968,466.20	2.74	Current of related parties	Within 1 year	
Entity III	1,010,000.00	0.56	Deposit and margin	More than 5 years	1,010,000.00
Entity IV	638,000.00	0.35	Deposit and margin	Within 1 year	31,900.00
Entity V	200,000.00	0.11	Deposit and margin	3-4 years	100,000.00
Total	179,825,274.42	99.24	/	/	1,141,900.00

**(7). Presented in other receivables due to centralized management of funds**

Applicable Not applicable"

Other notes:

Applicable Not applicable"

**3 Long-term equity investment**

Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment in subsidiaries	435,920,252.98		435,920,252.98	342,120,490.48		342,120,490.48
Investment in associates and joint ventures	5,695,627.91		5,695,627.91	1,278,841.11		1,278,841.11
Total	441,615,880.89		441,615,880.89	343,399,331.59		343,399,331.59

**(1). Investment in subsidiaries**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Investee	Opening balance (Book value)	Opening balance of depreciation reserves	Increase or decrease in current period				Closing balance (Book value)	Closing balance of depreciation reserves
			Additional investment	Reduction of investment	Withdrawal of depreciation reserves	Others		
Guangde Dongwei Technology Co., Ltd.	180,000,000.00					783,289.06	180,783,289.06	
Shenzhen Kunshan Dongwei Technology Co., Ltd.	5,000,000.00		65,000,000.00			1,002,870.14	71,002,870.14	
Dongguan Dongwei Technology Co., Ltd.	29,488,490.48		4,011,509.52			289,008.73	33,789,008.73	
Changshu Dongwei Technology Co., Ltd.	127,632,000.00		22,368,000.00			345,085.05	150,345,085.05	
Total	342,120,490.48		91,379,509.52			2,420,252.98	435,920,252.98	

**(2). Investment in associates and joint ventures**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Investor	Opening balance (Book value)	Increase or decrease in current period								Closing balance (Book value)	Closing balance of depreciation reserves
		Additional investment	Reduction of investment	Investment gains and losses	Adjustment of other comprehensive	Other changes in	Distribution of cash dividend or	Withdrawal of depreciation	Others		

			t	recognized under equity method	e income	equity	profit declared	n reserves			
I. Joint ventures											
Sub-total											
II. Associates											
Dongwei (Thailand) Technolog y Co., Ltd.	1,278,841.1 1	3,200,000.0 0		1,216,786.8 0						5,695,627.9 1	
Sub-total	1,278,841.1 1	3,200,000.0 0		1,216,786.8 0						5,695,627.9 1	
Total	1,278,841.1 1	3,200,000.0 0		1,216,786.8 0						5,695,627.9 1	

**(3). Impairment test of long-term equity investments**

Applicable Not applicable"

Other notes:

None

**4 Operating income and operating costs****(1). Situation of operating income and operating costs**√Applicable Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Main business	812,693,143.37	609,909,964.29	651,888,424.02	474,415,156.67
Other operations	996,322.09	9,543.36	5,148,298.88	902,347.34
Total	813,689,465.46	609,919,507.65	657,036,722.90	475,317,504.01

**(2). Breakdown information of operating income and operating costs**√Applicable Not applicable"

Unit: yuan Currency: RMB

Contract classification	Amount incurred this year		Total	
	Operating income	Operating cost	Operating income	Operating cost
Goods type	813,689,465.46	609,919,507.65	813,689,465.46	609,919,507.65
Including: equipment and other main businesses	812,693,143.37	609,909,964.29	812,693,143.37	609,909,964.29
Other operations	996,322.09	9,543.36	996,322.09	9,543.36
Classified by operating region	813,689,465.46	609,919,507.65	813,689,465.46	609,919,507.65
Including: domestic	737,644,032.95	554,077,716.32	737,644,032.95	554,077,716.32
Overseas	76,045,432.51	55,841,791.33	76,045,432.51	55,841,791.33
Type of Contract	813,689,465.46	609,919,507.65	813,689,465.46	609,919,507.65
Including: purchases and sales contract	813,689,465.46	609,919,507.65	813,689,465.46	609,919,507.65
Classification by time of goods transfer	813,689,465.46	609,919,507.65	813,689,465.46	609,919,507.65
Including: recognize at a certain time point	813,689,465.46	609,919,507.65	813,689,465.46	609,919,507.65
Classification by sales channel	813,689,465.46	609,919,507.65	813,689,465.46	609,919,507.65
Including: direct sales	800,577,607.37	601,065,442.46	800,577,607.37	601,065,442.46
Distribution	13,111,858.09	8,854,065.19	13,111,858.09	8,854,065.19
Total	813,689,465.46	609,919,507.65	813,689,465.46	609,919,507.65

Other notes

Applicable Not applicable"**(3). Description of performance obligations**Applicable Not applicable"**(4). Description of allocation to remaining performance obligations**Applicable Not applicable"**(5). Significant contract changes or significant transaction price adjustments**Applicable Not applicable"

Other notes:

None

**5 Investment income**

√Applicable "□Not applicable"

Unit: yuan Currency: RMB

Item	Amount incurred in current period	Amount incurred in the previous period
Long-term equity investment income accounted by cost method	60,000,000.00	80,000,000.00
Long-term equity investment income accounted by equity method	1,216,786.80	-1,500,382.82
Investment income from disposal of long-term equity investment		
Investment gains from financial assets held for trading during the holding period		
Dividend income from other equity instrument investments during the holding period		
Interest income from debt investment during the holding period		
Other interest income from debt investment during the holding period	12,056,583.33	14,486,083.34
Investment gains from disposal of financial assets held for trading	804,786.72	2,870,758.23
Investment gains from disposal of other equity instrument investments		
Investment gains from disposal of debt investments		
Investment gains from disposal of other debt investments	547,016.67	
Income from debt restructuring		
Total	74,625,173.52	95,856,458.75

Other notes:

None

**6 Others**

□Applicable "√Not applicable"

**XX、 Supplementary information****1 List of non-recurring gains and losses in current period**

√Applicable"□Not applicable"

Unit: yuan Currency: RMB

Item	Amount	Notes
Gains and losses from disposal of non-current assets include the written-off part of provision for asset impairment	109,129.32	Section VIII - VII - 73, 75
The governmental subsidy included into current profit and loss, except for the governmental subsidy which is closely related to the Company's normal business operations, complies with regulations of national policies, is owned according to established standards and exerts sustainable influence on the Company's profit and loss	4,931,846.17	Section VIII - VII - 67
Changes in fair value recognized in profit and loss	1,912,877.46	Section VIII - VII - 68,

generated by financial assets and financial liability owned by non-financial enterprises and the profit and loss generated by disposing financial assets and financial liability, except for the effective hedging business related with Company's normal business operations		70
Fund possession cost which are collected from non-financial enterprises and which are recorded into current profit and loss		
Profit or loss from commissioned investment or asset management		
Profit and loss from commissioned loans		
Various assets loss generated by force majeure factors, such as natural disaster		
Reversal of impairment provision of accounts receivable for independent impairment test		Section VIII - VII - 5
Gains generated when the company's acquisition costs of subsidiaries, associates and joint ventures are less than the fair value of identifiable net asset of investee to be enjoyed at the time of investment		
Net current profit or loss of the subsidiary formed under the merger of enterprises under the same control from the beginning date to consolidated date		
Losses and gains from exchange of non-monetary assets		
Losses and gains from debt restructuring		
Non-recurring expenses generated by the non-continuation of the Company's related business activities, such as expenses for employment settlement		
Non-recurring influence generated by adjusting laws and rules of taxation, accounting, etc.		
Share payment expenses recognized by cancelling or modifying share incentive plans in one time		
The profit and loss generated by the change of fair value of employee pay payable after the vesting date (for the share payment in cash settlement)		
Profit and loss from changes in fair value of investment property using the fair value model for subsequent measurement		
Income generated by transactions where the trading price is obviously unfair		
Gains and losses generated by contingencies unrelated to normal business operations of the Company		
Custodian fee income from entrusted operations		
Other non-operating income and expenses, except the aforesaid items	-1,573,176.00	Section VIII - VII - 74, 75
Other profit and loss items in line with the definition of non-recurring gains and losses	302,720.17	Section VIII - VII - 67
Less: Income tax impacted amount	891,987.91	
Impacted amount of minority interests (after-tax)		
Total	4,791,409.21	

Where the Company identifies the items not listed in the Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1—Non-Recurring Profits and Losses as non-recurring profit and loss and the amount is significant, and defines the non-recurring profit and loss listed in the Explanatory Announcement on Information Disclosure of Companies Publicly Offering Securities No. 1 - Non-recurring Profit and loss as recurring profit and loss, the reasons shall be explained.

Applicable"Not applicable"

Other notes

Applicable "Not applicable"

## 2 Return on equity for net assets and earnings per share

Applicable"Not applicable"

Profit during the reporting period	Weighted average return on equity (%)	Earnings per share	
		Basic EPS	Diluted EPS
Net profit attributable to the company's ordinary shareholders	6.79	0.41	0.41
Net profit attributable to the company's ordinary shareholders after the deduction of non-recurring gains and losses	6.52	0.39	0.39

## 3 Differences in accounting data under domestic and overseas accounting standards

Applicable"Not applicable"

## 4 Others

Applicable "Not applicable"

Chairman: Liu Jianbo

Submission date approved by the Board of Directors: April 25, 2026

## Revision information

Applicable"Not applicable"