Guangdong Dongfang Precision Science & Technology Co., Ltd.

Semi-Annual Report 2026

【Date of Disclosure】28 July 2026

Part I Important Notes, Table of Contents and Definitions

T The Board of Directors (or the "Board") as well as the directors and senior management of Guangdong Dongfang Precision Science & Technology Co., Ltd. (hereinafter referred to as the "Company") hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements, or material omissions, and collectively and individually accept legal responsibility for such contents.

Tang Zhuolin, the Company's legal representative, Shao Yongfeng, the Company's Financial Controller, and Shao Yongfeng, the Company's Accounting Supervisor hereby guarantee that the financial statements carried in this Report are truthful, accurate and complete.

All directors of the Company attended in person the board meeting for the approval of this Report.

For possible risks with respect to the Company, please refer to "X Risks Faced by the Company and Countermeasures" of "Part III Management Discussion and Analysis" herein. And investors are kindly advised to read through the aforesaid contents.

The profit distribution proposal approved by the Board of Directors is as follows: Based on the total share capital on the record date for the implementation of the dividend plan, a cash dividend of RMB 2.00 (including tax) per 10 shares will be distributed to all shareholders, with no bonus shares (including tax) and no capitalization of reserves.

Special Declaration

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

Table of Contents

Documents Available for Reference

1. The financial statements signed and sealed by the Company's legal representative, Chief Financial Officer, and the person-in-charge of the financial organ.

2. All the originals of the Company's announcements and documents that were disclosed to the public during the Reporting Period on the media designated by the CSRC for information disclosure.

3. The 2026 Semi-Annual Report carrying the signature of the legal representative.

4. The documents above are lodged in the Securities Department of the Company, No. 2 Qiangshi Road, Shishan Town, Nanhai District, Foshan City, Guangdong Province, China.

Definitions

Term	Definition
Dongfang Precision, or the "Company"	Guangdong Dongfang Precision Science & Technology Co., Ltd., and its consolidated subsidiaries, except where the context otherwise requires
Dongfang Precision (China)	The corrugated box packaging machinery division of Guangdong Dongfang Precision Science & Technology Co., Ltd.
Dongfang Precision (Europe)/EDF	EDF Europe S.r.l.
Dongfang Precision (Netherland)	Dong Fang Precision (Netherland) Cooperatief U.A.
Dongfang Precision (HK)	Dong Fang Precision (HK) Limited
DongFang Primo	DongFang Primo Robotic (Guangdong) Co., Ltd
Leju Robotics	Leju（Shenzhen）Robotics Co.Ltd.
Parsun Power	Suzhou Parsun Power Machine Co., Ltd.
Suzhou Jinquan	Suzhou High-Tech Zone Jinquan Business Management Partnership (Limited Partnership)
Shunyi Investment	Suzhou Shunyi Investment Co., Ltd.
Jaten Robot	Guangdong Jaten Robot & Automation Co., Ltd.
Wonder Digital	Shenzhen Wonder Digital Technology Co., Ltd.
Dongfang Digicom	Dongfang Digicom Technology (Guangdong) Co., Ltd.
Yineng Investment	Hainan Yineng Investment Co., Ltd.
Yineng International	Dongfang Yineng International Holding Co., Ltd.
Fosber Italy	Fosber S.p.A.
Fosber Asia	Guangdong Fosber Intelligent Equipment Co., Ltd.
Fosber America	Fosber America, Inc.
Fosber Tianjin	Fosber Machinery (Tianjin) Co., Ltd.
Fosber Group	The business group including subsidiaries Fosber Italy, Fosber America, Qcorr, Tiruña Group, etc.
Tiruña Group	Tiruña Slu
Tiruña America	Tiruña America Inc.
Tiruña Asia	Tiruña (Guangdong) Intelligent Equipment Manufacturing Co., Ltd
QCorr	QuantumCorrugated S.r.l.
Outboard motors	Outboard motors are a kind of detachable power units that are mounted on the stern plate of a boat to drive the boat to sail.
Electric trolling motors	The electric trolling motor (also known as the "marine electric propeller" or "electronic anchor") is an auxiliary power device installed on fishing ships. Its primary function is to achieve ship positioning and stability. Through GPS/Beidou satellite positioning combined with power compensation technology, a ship can remain in the predetermined location without the need for traditional anchoring. Even in the face of wind, waves, and currents, the motor can automatically adjust the thrust direction to maintain the ship's orientation.
General utility small gasoline motors/General machines	General machines are a collective term for general-purpose power products and their supporting terminal products, mainly including general utility small gasoline motors, general utility diesel engines, and general terminal products

	powered by them, such as generator sets (e.g., emergency portable power generation equipment, field operation power supplies), agricultural machinery (e.g., water pump units, micro-tillers), garden machinery (e.g., lawn mowers, chainsaws), and small construction machinery (e.g., cutting machines, tamping machines, concrete mixers, leveling machines), which are widely used; they are a type of thermo-dynamic machinery with a wide range of applicability, characterized by small size, light weight, and easy operation, and are usually used as a power engine for a variety of terminal products.
Humanoid robot	An intelligent robot with human-like dimensions, physical characteristics, and mobility capabilities, which achieves humanoid movement functions through full-body coordination, while possessing capabilities such as semantic understanding, human-machine interaction, and autonomous decision-making based on general-purpose algorithms and generative AI.
Bipedal humanoid robot	A humanoid robot that adopts a biomimetic bipedal design and moves by means of bipedal walking, featuring a complete human-like body structure, including a head, torso, arms, and legs, capable of completing various complex movements and tasks with high flexibility and adaptability.
Wheeled humanoid robot	A hybrid humanoid robot whose design integrates a humanoid upper body (including head, torso, arms, and hands) with a wheeled mobile chassis.
Full-sized humanoid robot	A humanoid robot with a height similar to the average human height, generally designed to be over 1.5 meters tall, providing services adapted to most human production and living scenarios. It offers strong motion performance and high load capacity, designed to handle relatively complex tasks.
Data collection	The technical process of using sensor devices to perform real-time recording, storage, and preliminary processing of the movements, operations, interactions, and other behaviors of humanoid robots in specific scenarios. Its purpose is to obtain high-quality datasets required to build humanoid robots, used to train the robots' perception, decision-making, and control models.
Real-world machine data	A whole-process dataset generated through actual operation, tasks, and testing of physical robots (excluding simulation environments, digital twin models, or laboratory prototypes) under real or near-real application scenarios.
Corrugated box	Corrugated box is a rigid paper container made of corrugated boards through die cutting, indenting, nailing, or gluing. Corrugated box is one of the most widely used packaging containers in modern business and trade.
Corrugated box printing and packaging production line equipment	Corrugated box printing and packaging production line equipment include corrugated box printing and packaging line and stand-alone products that integrates pre-feeding, printing, grooving, die cutting, forming and packaging functions in whole or in part, which is highly functionally integrated, highly automated and highly technical, can save the capital and manpower investment, reduce workers' workload and improve the production efficiency of box manufacturers, and requires equipment manufacturers to be highly competent in design, technological innovation, assembly and finishing of parts.
Pre-printing and post-printing intelligent automatic packaging machinery	Pre-printing and post-printing intelligent automatic packaging machinery refers to equipment that is compatible with the corrugated box printing line or stand-

	alone products and can provide functions related to pre-printing and post-printing processes of corrugated box printing and packaging. It includes the pre-feeder, stripper conveyor, intelligent stacker, and folder gluer.
CSRC	China Securities Regulatory Commission
SZSE, or the "Stock Exchange"	Shenzhen Stock Exchange
RMB yuan, RMB'0,000	Expressed in the Chinese currency of Renminbi, expressed in tens of thousands of Renminbi
The "Reporting Period" or "Current Period"	The period from 1 January 2026 to 30 June 2026

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	Dongfang Precision	Stock code	002611
Stock exchange	Shenzhen Stock Exchange		
Company name in Chinese	广东东方精工科技股份有限公司		
Abbr.	东方精工		
Company name in English (if any)	Guangdong Dongfang Precision Science & Technology Co., Ltd		
Abbr. (if any)	Dongfang Precision		
Legal representative	Tang Zhuolin		

II Contact Information

	Board Secretary	Securities Representative
Name	Feng Jia	Zhu Hongyu
Office address	No. 2 Qiangshi Road, Shishan Town, Nanhai District, Foshan City, Guangdong Province, China	No. 2 Qiangshi Road, Shishan Town, Nanhai District, Foshan City, Guangdong Province, China
Tel.	0757-86695473	0757-86695473
Fax	0757-86695473	0757-86695473
Email address	ir@vmtdf.com	ir@vmtdf.com

III Other Information

1. Contact information of the company

Whether the company's registered address, company office address and its postal code, company website and e-mail address have changed during the reporting period.

□ Applicable ☑ Not applicable

The company's registered address, company office address and its postal code, the company's website and e-mail address remain unchanged during the reporting period, which can be found in the 2025 Annual report.

2. Information disclosure and location.

Whether the information disclosure and location have changed during the reporting period.

☑ Applicable □ Not applicable

Website of the stock exchange where the Company discloses its semi-annual report	CNINFO (www.cninfo.com.cn).

Names and websites of media designated for disclosure of the Company's semi-annual report	The Company's 2026 Semi-Annual Report is published in China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily and on CNINFO (www.cninfo.com.cn).
Place where the semi-annual report of the Company is available for inspection	Company Security Dept., No. 2 Qiangshi Road, Shishan Town, Nanhai District, Foshan City, Guangdong Province, China
Inquiry date on the designated website for disclosure of interim announcements (if applicable)	28 July 2026
Inquiry index on the designated website for disclosure of interim announcements (if applicable)	CNINFO (www.cninfo.com.cn).

3. Other relevant information

Whether other relevant information has changed in the reporting period

□ Applicable √ Not applicable

IV Key Financial Information

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

□ Yes √ No

	2026H1	2025H1	change (%)
Operating revenue (RMB yuan)	1,690,857,649.54	2,158,956,857.88	-21.68%
Net profit attributable to the listed company's shareholders (RMB yuan)	3,846,229,995.51	397,440,989.86	867.75%
Net profit attributable to the listed company's shareholders before non-recurring gains and losses (RMB yuan)	86,095,715.37	256,886,325.80	-66.48%
Net cash generated from/used in operating activities (RMB yuan)	257,970,090.29	355,284,471.35	-27.39%
Basic earnings per share (RMB yuan /share)	3.22	0.33	875.76%
Diluted earnings per share (RMB yuan /share)	3.20	0.33	869.70%
Weighted average return on equity (%)	50.88%	7.58%	43.30%
	30 June 2026	30 June 2025	Change (%)
Total assets (RMB yuan)	11,800,449,680.48	8,723,974,411.66	35.26%
Equity attributable to the listed company's shareholders (RMB yuan)	9,475,926,785.79	5,773,817,881.00	64.12%

Note 1: During the reporting period, the exchange loss caused by foreign exchange rate fluctuations affected the Net profit attributable to the listed company's shareholders before non-recurring gains and losses by RMB 18.90 million. Excluding the impact of the exchange loss, the Net profit attributable to the listed company's shareholders before non-recurring gains and losses for the reporting period was RMB 104.9975 million.

Note 2: During the reporting period, the Company's main businesses consist of three segments: Intelligent Marine Equipment,

Intelligent Packaging Equipment and Embodied Intelligent Robot Equipment. Details are as follows:
(1) Intelligent Packaging equipment segment: revenue increased by 17% year-on-year on a comparable basis; excluding the impact of exchange loss, the Net profit attributable to the listed company's shareholders before non-recurring gains and losses contributed by this segment rose by 74% year-on-year;
(2) Intelligent Marine equipment segment: revenue increased by 35% year-on-year on a comparable basis; excluding the impact of exchange loss, the Net profit attributable to the listed company's shareholders before non-recurring gains and losses contributed by this segment grew by 18% year-on-year.

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

1. Net Profit and Equity under CAS and IFRS

□ Applicable ☑ Not applicable

No difference for the Reporting Period.

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

□ Applicable ☑ Not applicable

No difference for the Reporting Period.

VI Non-recurring Gains and Losses

☑ Applicable □ Not applicable

Unit: RMB yuan

Item	Numbers	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	4,384,641,341.89	
Government subsidies included in current profit and loss (excluding those closely related to the company's normal business operations, in compliance with national policies, enjoyed according to specified standards, and having a continuous impact on the company's profit and loss)	3,566,838.27	
Gains and losses from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains and losses from the disposal of financial assets and financial liabilities, excluding effective hedging related to the company's normal business operations	400,107,501.33	
Non-operating income and expenses other than the above	678,293.30	
Other profit or loss items meeting the definition of Non-recurring Gains and Losses.	-22,815,747.53	

Minus: Income tax effects	1,004,857,320.50	
Non-controlling interests effects (net of tax)	1,186,626.62	
Total	3,760,134,280.14	--

Details of other profit and loss items that meet the definition of non-recurring profit or loss.

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

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

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

Part III Management Discussion and Analysis

I Principal Operations of the Company in the Reporting Period

In the first half of 2026, Dongfang Precision completed the closing of the major asset sale of 100% equity in Fosber Group, Fosber Asia, and Tiruña Asia, the former business entities of the corrugated cardboard production line division, achieving a total divestment of the corrugated cardboard production line-related business. Taking this as an opportunity, the Company firmly promoted the implementation of its technology transformation strategy, shifting its strategic focus toward technological upgrading. Through practical actions of strategic transformation, the Company actively responded to the call and guidance of the *Outline of the 15th Five-Year Plan for National Economic and Social Development of the People's Republic of China* regarding the development of new quality productive forces and the expansion of emerging industries during the 15th Five-Year Plan period.

During the Reporting Period, based on its three decades of accumulated expertise and heritage in the high-end intelligent equipment manufacturing sector, Dongfang Precision concentrated its resources on the technology sector and emerging industries, and redefined and repositioned its core business segments. After the adjustment, the Company's main business segments focus on three core pillars: intelligent marine equipment, embodied intelligence robotic equipment, and intelligent packaging equipment. This repositioning of the Company's principal business segments is intended to focus on the main tracks of national strategy, capitalize on the strategic development window, and further deepen its industrial layout. With the three core businesses as the foundation for the listed company's development, Dongfang Precision strives to forge a new hallmark of high- quality development.

(I) Industries in which the Company principally operates

According to the Classification of Strategic Emerging Industries (2018) and the Industrial Classification for National Economic Activities (GB/T 4754-2017), the industries in which the Company principally operates are shown below:

The Company's Principal Business Divisions and Their Industries

Strategic emerging industry	Industry	Principal business division	Primary products and their applications
High-end equipment manufacturing	Manufacturing of ship auxiliary equipment	Intelligent marine equipment	Outboard motors and electric trolling motors, which are widely used in water leisure and sports activities, fishing, water traffic, emergency rescue, shore landing and maritime patrol.
Intelligent manufacturing equipment	Other general equipment manufacturing	Embodied intelligence robotic equipment	Production and assembly of bodies and key components of embodied intelligence robots.

Strategic emerging industry	Industry	Principal business division	Primary products and their applications
	Specialized equipment manufacturing	Intelligent packaging equipment	Corrugated converting lines and printers, which are used for processing corrugated cardboard into various specifications of corrugated boxes, and widely used by various enterprises directly producing corrugated boxes in the corrugated packaging field.
			Digital printers, which utilize digital inkjet printing technology and are widely used by various enterprises directly producing corrugated boxes in the corrugated packaging field.

(II) Industry overview

1. Industry of the intelligent marine equipment business segment

1.1 Outboard motor industry

(1) Application scenarios of outboard motors

Outboard motors are the key auxiliary equipment for small- and medium-sized ships and are characterized by their compact structures, light weights, convenient installation and maintenance, easy operations, and low noise, they have become indispensable key equipment in the modern aquatic leisure and entertainment sector. The performance of outboard motors directly determines the navigation efficiency and user experience of vessels. The downstream of the outboard motor industry involves the shipbuilding industry, primarily applied in areas such as yachts, sailboats, and other vessels, encompassing applications including leisure and sports, commercial operations, and governmental maritime administration.

Applications of Parsun Power's Outboard Motors

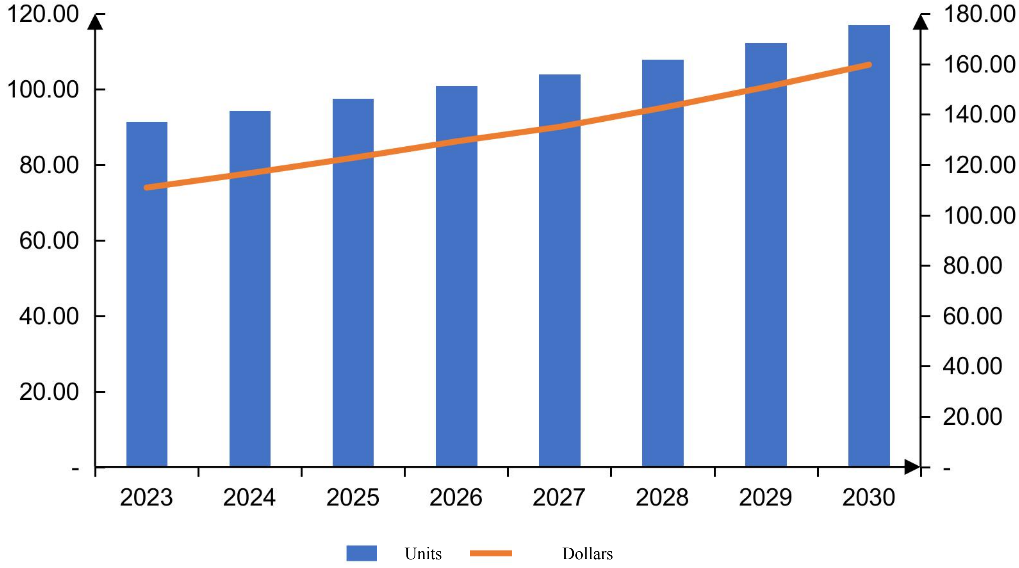
Field	Scenario	Example
Recreational	Recreational fishing, sailing and water sports	

Field	Scenario	Example
Commercial	Fishing, water traffic and waterway maintenance	
Governmental	Emergency rescue and maritime patrol Beach landing and water reconnaissance	

(2) Market size and development trends of outboard motors

Global Market: According to a report by the international market research agency GMI, the global market sales for outboard motors are expected to reach USD15,975 million by 2030, with a compound annual growth rate (CAGR) of 5.35% from 2023 to 2030.

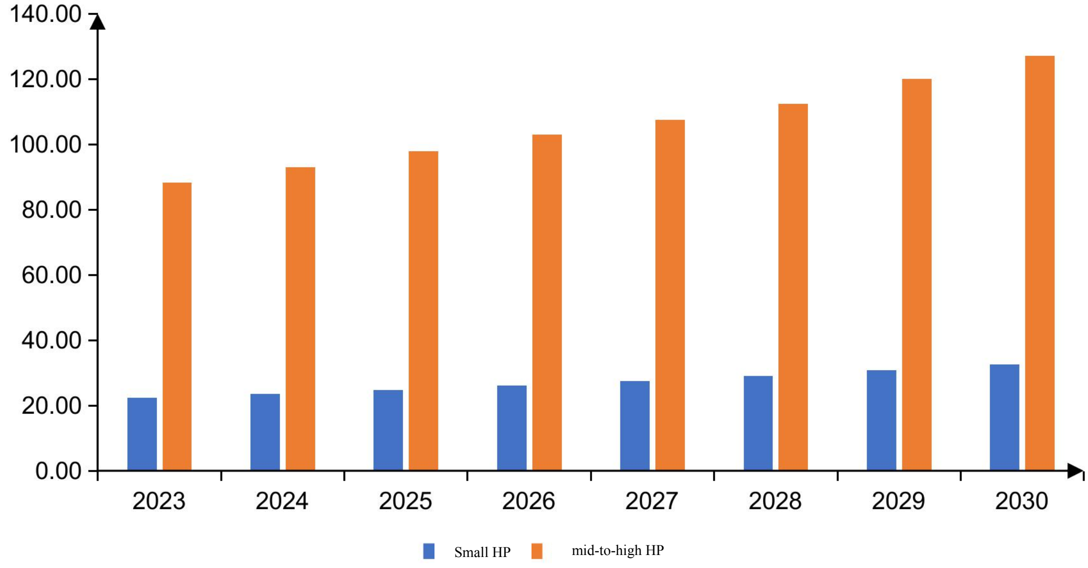
Figure: Global Outboard Motor Sales Volume and Market Size, 2023–2030 (in ten thousands of units, in hundreds of millions of US dollars)



By Application Field: The recreational boating sector is the largest downstream application market for outboard motors. By 2030, it is expected that the market share of outboard motors used in water-based leisure sports will account for 73.22% globally. Yachts are one of the main downstream products equipped with outboard motors. In recent years, the global yacht industry has shown a trend of expanding scale. According to a report by the China Association of the National Shipbuilding Industry, the global leisure boat market size is expected to grow from USD16.4 billion in 2021 to USD23.6 billion in 2027, with a CAGR of approximately 6.20%. Benefiting from the rapid growth of the downstream yacht market, the global outboard motor market for water leisure sports is expected to grow steadily.

By Power Size: The global outboard motor market exhibits a distinct horsepower segmentation pattern. Low-Horsepower outboard motors are mainly used in scenarios such as recreational fishing, small yachts, and short-distance water transportation. Mid-to-high horsepower outboard motors carry higher unit prices and account for a large share of the overall market scale. They are primarily applied in high-performance yachts, commercial operations, and governmental and maritime sectors. The market share of mid-to-high horsepower outboard motors accounts for more than three-quarters of the total market. In 2023, the mid-to-high power outboard motor market share in the global outboard motor market was 79.72%. North America and Europe are the main markets for mid-to-high power outboard motors. From 2023 to 2030, the compound annual growth rate (CAGR) of the mid-to-high power outboard motor market in the Asia-Pacific region is expected to reach 8.97%.

Figure: Market Size and Forecast of Outboard Motors by HP, 2023–2030 (in hundreds of millions of US dollars)



Chinese Market: By 2030, the market size of outboard motors in China is expected to reach USD588 million, with a compound annual growth rate (CAGR) of 9.79% from 2022 to 2030, significantly higher than the global CAGR. Benefiting from the rapid growth of China's economy and changes in residents' recreational habits, China has become one of the fastest-growing countries in the global outboard motor market.

(3) Industry policies related to the outboard motor sector

With steady economic growth, rising household income and evolving consumption habits, China's aquatic tourism and leisure industry has achieved rapid development in recent years. Government authorities at all levers in China have provided substantial policy support for the development of boat and yacht-related industries.For example, the National Development and Reform Commission has included high-performance ships, such as superyachts, luxury cruise ships, marine surveillance vessels, and small-waterplane-area twin hulls, among items for encouragement. The Ministry of Industry and Information Technology has proposed developing brand products, such as luxury superyachts, sightseeing boats, and official boats. The State Council has also proposed vigorously developing marine tourism, manufacturing localised tourism equipment such as cruises and cruise yachts, and vigorously developing cruise yacht tourism. China's yacht industry will usher in rapid development.

Jointly issued by the Ministry of Industry and Information Technology, the National Development and Reform Commission, the Ministry of Finance, the Ministry of Ecology and Environment, and the Ministry of Transport, the "Action Plan for the Green Development of the Shipbuilding Industry (2024—2030)" states:"Actively and steadily promote the research and development and demonstration application of battery-powered ship types that meet the necessary conditions; actively and steadily expand the scope of application of traction batteries in ships." The "Action Plan for Promoting the High-Quality Development of the Marine Economy in Guangdong Province (2025—2027)" points out:"Strengthen the research, development and manufacturing of new types of special ships such as new energy ships, intelligent ships, and advanced cruise ships and ferries; accelerate the research and development of unmanned ship and boat technologies." And, the "Action Plan for the Development of the Electric Ship Industry in Fujian Province (2026—2028)" proposes:"Vigorously promote the application of electric ships in inland rivers, lakes, and other water areas; accelerate the mass construction of electric cruise ships and electric cargo ships; support the construction and commissioning of coastal electric sightseeing ships, ferries, and yachts; promote the electrified upgrading and renewal of official ships used by departments such as transportation, water conservancy, cultural tourism, marine fisheries, environmental protection, and natural resources."

(4) Market competition landscape in the outboard motor sector

The major participants in the global outboard motor market are Japanese and American brands, including Yamaha and Suzuki from Japan, and Mercury from the United States. Compared to international competitors, Parsun Power, relying on its product performance that is close to the competitors' and its clear price advantage, competes globally with American and Japanese manufacturers by offering high cost-performance products.

Parsun Power, a holding subsidiary, is a leading company in the domestic outboard motor industry. The company is a national "Little Giant" enterprise specializing in innovation, a national high-tech enterprise, the Jiangsu Province Outboard Motor Engineering Technology Research Center, a recognized enterprise technology center in Jiangsu Province, a leading enterprise in the Chinese internal combustion engine industry, and a member unit of the Small Gasoline Engine Branch of the China Internal Combustion Engine Industry Association. At the same time, its outboard motor products have also received various honors, including the National Torch Program Industrialization Demonstration Project Certificate, China Machinery Industry Innovative Products, Jiangsu Province Famous Brand Products, and Suzhou City Famous Brand Products.

(5) Development trends of the outboard motor industry

Domestic substitution has become the mainstream trend in the development of China's outboard motor industry. Against the backdrop of economic development and changes in the consumption structure of recreational sports, national encouragement for import substitution of domestic equipment, and the rise of domestic outboard motor brands represented by Parsun Power, China, as one of the fastest-growing major outboard motor markets globally, is expected to usher in a new stage of prosperous development for domestic outboard motor enterprises. Leading domestic outboard motor enterprises are expected to enjoy the dual dividends of high industry growth and domestic substitution.

Continuous improvement in intelligent manufacturing: The *Outline of the 15th Five-Year Plan for National Economic and Social Development of the People's Republic of China* proposes to "promote technological transformation and upgrading, and develop intelligent manufacturing, green manufacturing, and service-oriented manufacturing". To align with national policies and industry trends that promote the transition of China's manufacturing toward intelligent and green manufacturing, the domestic outboard motor industry has taken proactive measures. By continuously promoting the intelligent and information-based transformation and upgrading of the outboard motor production and manufacturing process, the industry has achieved cost reduction, quality improvement, and efficiency enhancement. The intelligent and digital upgrading of production lines is also an inevitable choice for modern manufacturing enterprises to enable rapid response and flexible production of large-volume, diversified product portfolios.

Outboard motor horsepower continues to increase, evolving toward green and environmental protection:

Driven by the growing global demand for water- based leisure and sports activities, the rising environmental awareness across countries, and the impact of China's "carbon peaking and carbon neutrality" policies, the trend of global outboard motor products developing toward four-stroke medium-to-large horsepower and new energy is becoming increasingly evident. Against the backdrop of increasing demand for medium-to-large horsepower fuel-powered outboard motors for vessels such as recreational and luxury yachts, medium-to-large horsepower fuel-powered outboard motors are simultaneously evolving toward technical solutions with lower emissions and greater environmental sustainability. Driven by the rapid development of technologies such as electric motors and batteries, the development of electric outboard motors has continued to accelerate in recent years. Electric outboard motors feature zero pollution and ultra-quiet operation, meeting the needs of specific scenarios such as tourist attractions, aquaculture, and fishing. With the continuous development and breakthroughs in related technologies, electric outboard motors are expected to move toward higher power outputs and broader application scopes in the future.

1.2 Electric trolling motor industry

The electric trolling motor is mainly used in recreational fishing and competitive fishing events, and can also serve as an auxiliary electric propulsion device for position holding or course adjustment.

According to the Fact.MR report, the global market size for electric trolling motors is expected to grow from approximately USD583 million in 2023 to around USD851 million by 2034. Among them, bow-mounted models will account for over 60% of the total electric trolling motor market. In a global context, North America and Europe are currently the main markets for electric trolling motors, with regions such as East Asia and Southeast Asia developing at a faster pace. Domestically, the use of electric trolling motors is concentrated in areas where recreational fishing culture is popular, such as coastal provinces in China and locations where fishing enthusiasts gather.

The Chinese electric trolling motor market is in its growth phase. Due to the continuous increase in the number of participants in water-based recreational sports, greater product awareness, and more affordable pricing. electric trolling motors are gradually penetrating from the professional sea fishing tackle market into the broader mass-market water recreation sector. With ongoing trends like technological innovations (such as multi-mode satellite navigation, high-precision positioning control systems, energy system optimization brought by motor and battery technology advancements) and domestic substitution, the Chinese electric trolling motor market has substantial potential for development.

1.3 General machine industry

General machines are widely used in fields including agricultural machinery, garden machinery, and small construction machinery, serving a broad range of purposes.

Global market: In developed countries and regions such as Europe and the United States, general machines have widely entered households as consumer tools. These products enjoy substantial demand, feature short replacement cycles, and exhibit relatively stable market demand. In other developing countries across Asia, Africa, and Latin America, significant demand for general machines has also emerged due to incomplete national power infrastructure and increasing mechanization rates.

From the perspective of the global market, the demand for general machines remains above 60 million units per year. Regions such as North America and Europe, certain Southeast Asian countries, and the Middle East are economically developed with high living standards, making them the primary consumer markets for general machines. Emerging markets such as Africa and Latin America have also generated significant demand for these products due to economic growth, increased infrastructure construction, and the trend of machinery replacing manual labor. In developing countries across regions such as the Middle East and Africa with large populations, landscaping management and agricultural production have long been predominantly manual labor- based, resulting in low productivity. Gardening machinery and agricultural machinery can serve as effective substitutes for manual labor, significantly improving both work efficiency and production output. In recent years, investment in garden and agricultural machinery in developing countries has increased year by year, making them important markets for general machines.

Chinese market: In China, general machines are used as supporting power and are widely applied in generator sets, water pumps, small construction machinery, and other fields closely related to the national economy, covering industry, agriculture, transportation, emergency rescue and disaster relief. According to statistics from the China Internal Combustion Engine Industry Association, currently more than 80% of China's general machines are exported, and production accounts for approximately 40% to 50% of total global output, making China the world's largest producer.

2. Industry of the embodied intelligence robotic equipment business segment

Embodied intelligence robots are physical robots equipped with the embodied intelligence paradigm. The core is to provide AI with a physical body to complete a closed-loop interaction of "perception-understanding-planning-execution-feedback" in the real three-dimensional physical world, enabling autonomous learning and adaptive adjustment through dynamic interaction with the environment. Currently, the primary forms of embodied intelligence robots include humanoid robots, quadruped robots, specialized non-standard robots, and desktop-level small embodied robots.

Specifically, the humanoid robot is an intelligent robot with human-like dimensions, physical features, and mobility. Because its humanoid structure provides the interaction interface best suited for human environments, it is considered the optimal carrier for embodied intelligence. From the perspective of size, functional applications, and target scenarios, humanoid robots can be categorized into full-size, medium-sized, and small-sized humanoid robots. From the perspective of mobility, humanoid robots can be categorized into bipedal and wheeled humanoid robots.

(1) Industry policies related to embodied intelligence robots

The embodied intelligence robot industry is one of the most potential and promising industries in the global technology field today. It deeply integrates numerous fundamental disciplines such as artificial intelligence (AI), mechanical engineering, electronic technology, and materials science, and has become a critical battleground for countries competing for the commanding heights of the AI industry. It is also an important carrier for China to develop new quality productive forces and cultivate emerging industries. As an advanced form of AI, embodied intelligence robots are propelled by AI and embodied intelligence technologies as core drivers. They are rapidly transitioning from technical validation to large-scale deployment. Their industrial development deeply aligns with the core requirements of new quality productive forces, which are "led by technological innovation and oriented toward high-quality development".

Since 2023, national and local authorities have successively issued a series of policies to support the development of the embodied intelligence industry. The main highlights are as follows:

In October 2023, the Ministry of Industry and Information Technology issued the *Guiding Opinions on the Innovative Development of Humanoid Robots*, proposing that: By 2027, the technological innovation capability of humanoid robots will be significantly improved, a safe and reliable industrial chain and supply chain system will be formed, an internationally competitive industrial ecosystem will be built, and comprehensive strength will reach the world's advanced level. To expand the scenario applications of humanoid robots, on one hand, typical manufacturing scenarios should be created. With a focus on key manufacturing fields such as 3C and automobiles, it is necessary to improve the capabilities of humanoid robots in tool operation and task execution and build demonstration production lines and factories for humanoid robots to achieve deep application in typical manufacturing scenarios. Facing structured production and manufacturing processes, the application and popularization of humanoid robots in processes such as assembly, transfer, inspection, and maintenance should be promoted.

In January 2024, seven authorities, including the Ministry of Industry and Information Technology, jointly released the *Implementation Opinions on Promoting the Innovation and Development of Future Industries*, proposing that: Facing major national strategic needs and the people's needs for a better life, we should accelerate the implementation of major technical equipment breakthrough projects, achieve breakthroughs in high-end equipment products such as humanoid robots, quantum computers, ultra-high-speed trains, next-generation large aircraft, green intelligent ships, and unmanned vessels, drive the industrialization of new technologies through complete machines, and build a world-leading high-end equipment system.

In March 2025, the *Several Policy Measures of Guangdong Province to Promote the Innovation and Development of the Artificial Intelligence and Robotics Industry* proposed many initiatives, including supporting breakthroughs in key core technologies; supporting various innovation subjects such as enterprises, universities, and scientific research institutes to carry out joint research; establishing industrial innovation alliances around the upstream and downstream of the AI and robotics industrial chain; creating application scenarios; organizing and carrying out "Robot +" actions; and deeply exploring and opening up application scenarios in fields such as industry, agriculture, urban management, medical care, elderly care services, and special operations.

In December 2025, eight authorities, including the Ministry of Industry and Information Technology, jointly issued the *Implementation Opinions on the "AI + Manufacturing" Special Initiative*, proposing that: It is necessary to promote innovation in embodied intelligence products, build pilot testing bases and training grounds for humanoid robots, create benchmark production lines for humanoid robots, and take the lead in applications within typical manufacturing scenarios. Humanoid robots are positioned as the core carrier of embodied intelligence and are included in the key tasks for breakthroughs in intelligent equipment. The goal is to promote their transition from R&D to engineering, mass production, and large-scale application by 2027.

In March 2026, Chapter 5 "Cultivating and Strengthening Emerging and Future Industries" of the *Outline of the 15th Five-Year Plan for National Economic and Social Development of the People's Republic of China* proposed that: It is important to coordinate the layout of embodied intelligence training grounds, promote collaborative training and evolution through the integration of virtual and real environments, deeply research physical artificial intelligence, develop embodied models and algorithms with integrated "large and small brains", make breakthroughs in key technologies such as the main body and core components, and accelerate the upgrades and application of various product forms such as humanoid robots.

(2) Commercial applications and future development trends of embodied intelligence robots

Based on the existing application scenarios and plans of mainstream domestic and foreign manufacturers in the field of embodied intelligence robots, the existing and potential main application scenarios in the short to medium term include: scientific research and education (scientific research, secondary development, science popularization and education), commercial services (reception, guided tours and explanations, interactive entertainment), data collection, industrial manufacturing, and home services. Other application fields include labor replacement in special scenarios with high repeatability and high danger, such as firefighting and disaster relief, power grid inspection, emergency rescue, and security patrolling.

Rather than evolving independently in silos, the above application scenarios exhibit a collaborative relationship characterized by "mutual nourishment through technical iteration, phased deployment across diverse scenarios, and layered market expansion", collectively forming a complete industrial ecosystem transitioning from technical validation to large-scale commercialization.

In the medium to long term, the commercialization of embodied intelligent robots aims to penetrate both manufacturing facilities and residential environments, providing services for industrial, household, and societal applications. The order of application will be jointly determined by the degree of structure of the application scenario and the complexity of the tasks to be executed.

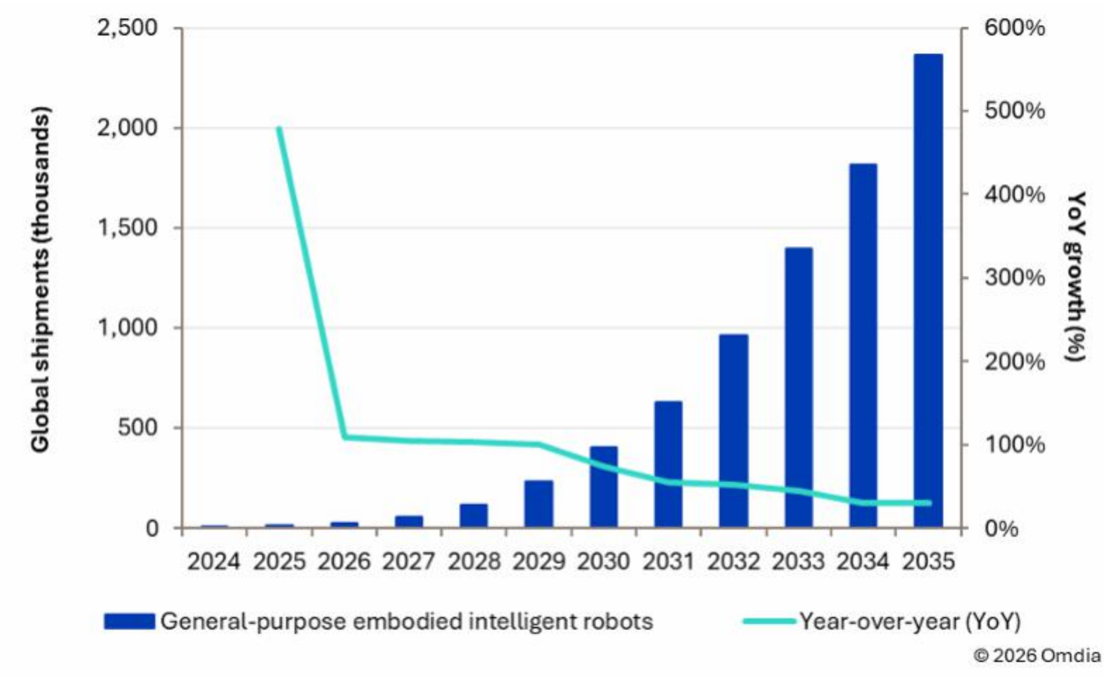
Looking forward, driven by multiple forces including breakthroughs in technology and products, the rapid development of related industries and markets, and national support policies, the embodied intelligence robot industry will exhibit the following development trends: continued expansion of application scenarios and accelerating commercialization; sustained cost reductions coupled with faster progress toward mass production; and deep collaboration across the industrial chain, where ecosystem development will emerge as the decisive factor for long- term competitiveness.

(3) Market size of the embodied intelligence robot industry

By 2025–2026, the embodied intelligence robot industry has successfully transitioned beyond its early- stage technology incubation phase. The focus of development has gradually shifted from technology R&D to market- oriented deployment and commercial value realization. 2025 is generally regarded as the inaugural year of commercialization for the industry, with humanoid robot shipments and deliveries surging from pilot- scale projects in the thousands to commercial- scale adoption in the tens of thousands, giving rise to a market valued in the tens of billions of RMB.

According to *Omdia Market Radar: General-purpose Embodied Intelligent Robots, 2026* released by the overseas research institution Omdia, the total global shipments of general-purpose embodied robots, including bipedal and wheeled humanoid robots, will reach approximately 13,300 units in 2025. Compared to the shipment volume of 2,300 units in 2024, this represents a significant growth of nearly five times. Meanwhile, the report estimates that by 2035, global shipments of embodied intelligence robots will reach 2.6 million units, with a compound annual growth rate of 85% during the 2024–2035 period, indicating the industry's enormous growth potential.

Global Embodied Intelligence Robot Shipment Forecast for 2024-2035 (Source: Omdia)



According to the *2025 Humanoid Robot Market Research Report* jointly released by domestic research institutions CCID Media and China Electronics News, global humanoid robot shipments in 2025 will be approximately 17,000 units, with a market size of RMB2.88 billion; shipments from Chinese humanoid robot companies will be approximately 14,400 units, accounting for 84.7% of total global shipments, and China's corresponding market size will reach RMB1.55 billion, accounting for approximately 53.8% of the global market size.

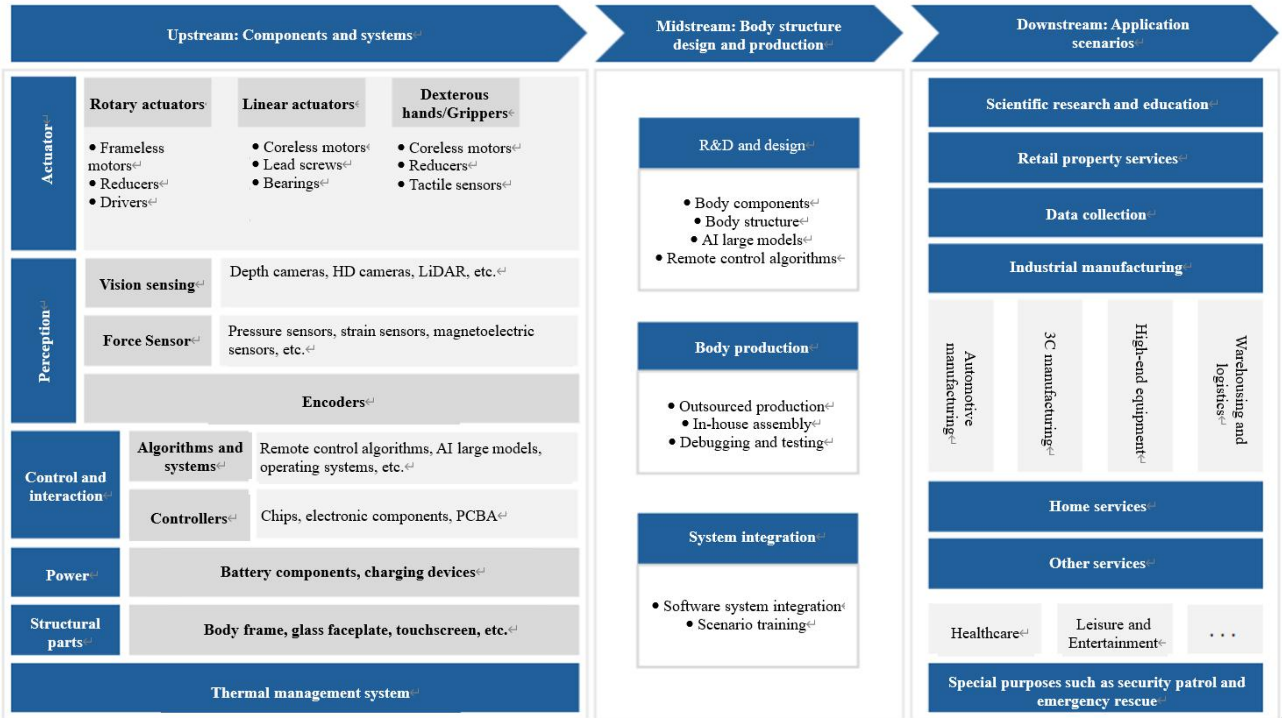
The humanoid robot industry has completed its foundational technology accumulation and entered a critical phase of commercialization. The industrial breakthroughs in 2025 further verify the feasibility of its commercial deployment. Looking ahead, driven by technological upgrades, cost reductions, and expanding application scenarios, the humanoid robot market is set to expand further. According to market agency forecasts, the global market is expected to reach a scale exceeding RMB100 billion by around 2035.

(4) Market competition and industry chain development of the embodied intelligence robot industry

The global embodied intelligence robot industry is transitioning from technology validation to the critical phase of large- scale commercial deployment, with market competition characterized by a dual-core drive from China and the United States. The U.S. robotics industry features prominent representatives including Tesla, Figure, and Boston Dynamics, while China's market is driven by enterprises such as Unitree Robotics, UBTECH, Leju Robotics, AGIBOT, GALBOT, and Dobot. This competitive landscape is further enriched by a wave of new entrants, ranging from startups to automakers like XPeng and Xiaomi, as well as AI technology firms.

The embodied intelligence robot industry chain has evolved into a development structure comprising three major segments: upstream components and systems, midstream body structure design and production, and downstream application scenarios, as shown in the figure below:

Embodied Intelligence Robot Industry Chain



Upstream components and systems cover mechanical components (joint modules, dexterous hands, body structural parts, etc.), sensing components (vision sensors, force sensors, tactile sensors, etc.), control components (drivers, reducers, encoders, etc.), and power components (high-energy-density batteries, power management modules, etc.). The midstream body structure design and production segment mainly covers the R&D, design, manufacturing, and system integration of embodied intelligence robot bodies. Downstream application scenarios mainly include scientific research and education, commercial services, data collection, industrial manufacturing, and home services.

Regarding the embodied intelligence robot equipment business segment of Dongfang Precision, the main businesses during the Reporting Period include:

1. Production and assembly of humanoid robot bodies and manufacturing of key core components for

humanoid robots: This process is positioned in the midstream of the industrial chain, and involves cooperation with the humanoid robot enterprise Leju Robotics in the production and assembly of complete humanoid robots, as well as the manufacturing of key core components for humanoid robots.

2. Humanoid robot data collection/training and scenario- based application solutions: This process is positioned downstream in the industry chain, aimed at accelerating the deployment of humanoid robots across multiple application scenarios.

3. Industry of the intelligent packaging equipment segment

Dongfang Precision's intelligent packaging equipment business segment primarily serves downstream customers in the corrugated packaging sector. The Company produces and sells complete production lines and single machines for carton manufacturing to industry customers in this field.

(1) Development trends in the packaging equipment-related industries

End demand for corrugated packaging is growing: Corrugated packaging products are used in a vast number of fields, including food and beverage, household chemicals, electronic products, and e-commerce express delivery, and are inelastically demanded by consumers. Electronic products, beverages, food, household chemicals, and express delivery take up 26%, 21%, 20%, 13% and 13%, respectively, of the downstream application market of paper packaging. China's express market and the relevant fields such as e-commerce and logistics show an increasing demand for corrugated packaging, which will drive the expansion of the capacity of corrugated packaging enterprises and thus increase the demand for corrugated packaging machinery.

Digital and intelligent upgrading brings new development opportunities. The "strategy of robot assembling line" and "smart factory" are increasingly recognized by the industry. In recent years, leading domestic enterprises in the corrugated paper/containerboard packaging field, including Nine Dragons Paper (Holdings) Limited (Nine Dragons Paper), Shanying International Holdings Co., Ltd., Xiamen Hexing Packaging Printing Co., Ltd. (HXPP), MYS Group Co. Ltd. (MYS), Shenzhen YUTO Packaging Technology Co., Ltd., and Shenzhen Jinjia Group Co., Ltd., have successively entered markets such as intelligent manufacturing one after another. The capacity upgrade in the paper packaging and printing industry continues to deepen. Against the backdrop of intelligent manufacturing, leading enterprises in the corrugated paper packaging equipment industry are also expected to embrace new development opportunities.

The rapid development of digital printing brings more development opportunities for the industry. According to the report of Smithers Pira, during the period from 2024 to 2029, the compound annual growth rate of digital inkjet printing in the packaging field will be approximately 15%. It is estimated that the global market size of digital inkjet printing in the packaging field will reach USD18.08 billion by 2029. In the Chinese market, with the continuous growth of demand for "small-batch + multi-variety + personalized + customized" packaging in the packaging field, digital inkjet printing is rapidly penetrating the packaging sector. According to the forecast of Qianzhan Research Institute, the compound annual growth rate of digital inkjet printing in China's packaging field will be about 18.0% from 2024 to 2029.

(2) Market competition in packaging equipment-related industries

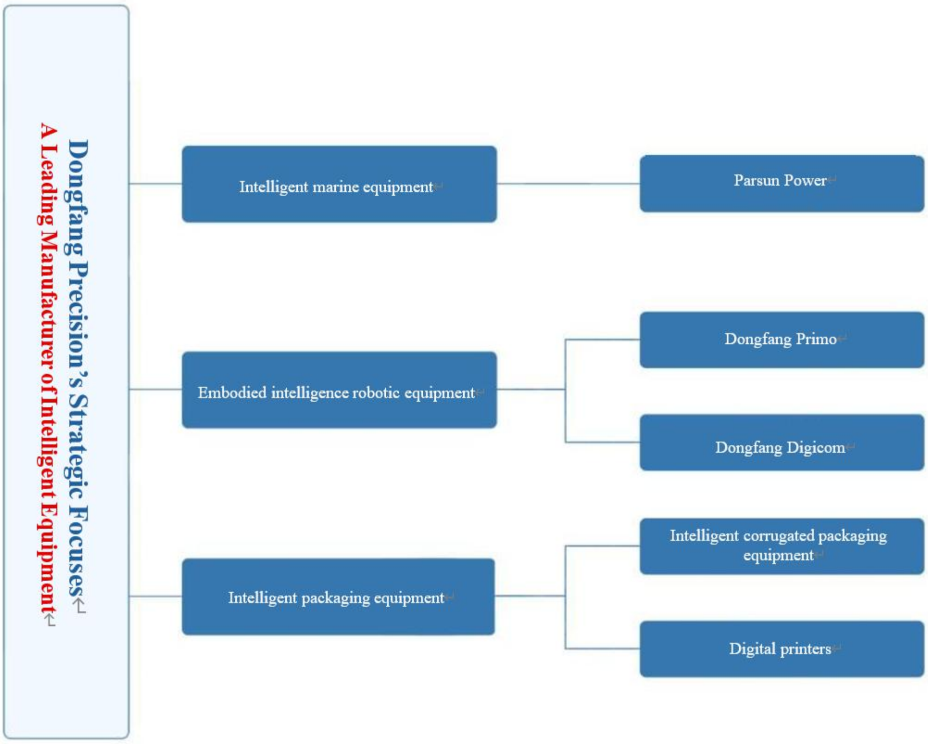
In the field of corrugated box printing and packaging equipment, the major manufacturers include Dongfang Precision, Bobst, Gopfert, Ward, Shanghai Dinglong and Guangzhou Keshenglong. Dongfang Precision is a professional manufacturer with an early start and strong comprehensive strength among domestic fellow companies, enjoying high brand awareness and customer recognition in the industry, with products exported to more than 60 countries and regions across Europe, America, Asia, Africa, Latin America, and Oceania. It can provide industry customers with dozens of products of different specifications and market positions, leading the industry in terms of the richness of its corrugated box printing and packaging equipment portfolio.

In the field of digital printers, major manufacturers include HP, EFI, Koenig & Bauer Durst, Wonder Digital, Hanway, and Atexco. Wonder Digital, a majority-owned subsidiary of Dongfang Precision, is a leader in the domestic digital printer industry, and has been committed to extending digital printing technology to such fields as paper packaging (color printing & pre-printing), advertising, home furnishing, building materials, and label printing. With its comprehensive product matrix, Wonder Digital provides paper packaging digital printers that meet the diverse needs of industry customers with different market positions and levels. Wonder Digital's digital printers have been exported to countries and regions such as Europe, America, the Middle East, Latin America, and Southeast Asia.

(III) Principal operations of the Company in the Reporting Period

With "intelligent equipment manufacturing" as its primary strategic focus, Dongfang Precision is firmly advancing the implementation of its "Technology Transformation" strategy. Currently, the Company's main business segments include "intelligent marine equipment, embodied intelligence robotic equipment, and intelligent packaging equipment".

Business Segments of Dongfang Precision



1. Intelligent marine equipment business

The main products of Parsun Power, a subsidiary, are outboard motors of various specifications and series. The product power range is broad, covering from 2 horsepower to 300 horsepower. The products are of stable quality and reliable performance, with some products offering comprehensive performance comparable to internationally renowned brands, and emissions meeting European and American standards. Most models have passed the China Classification Society (CCS) certification, European CE certification, and U.S. EPA certification. These products are widely used in water leisure sports, fisheries, water transportation, emergency rescue, coastal landing, maritime patrol, and other fields, and are exported globally.

(1) Outboard motors

Parsun Power has achieved a complete product line layout of “gasoline — diesel — electric” outboard motors. Leveraging its years of experience and leading market share in the gasoline outboard motor sector, the company is now advancing towards high-power diesel and electric outboard motors. In the future, Parsun Power's outboard motor products will gradually focus on mid-to-high power, while expanding the electric outboard motor product line to continue solidifying its position as a leading domestic outboard motor brand.

Gasoline outboard motors are the most diverse product range in Parsun Power’s portfolio, covering from 2 horsepower to 300 horsepower, including two-stroke and four-stroke models. Parsun Power has accumulated extensive experience in this field over many years, developing proprietary technologies that are applied to its products. In 2021 and 2023, Parsun Power successfully commended volume production of 115hp and 130hp gasoline outboard motors respectively. In 2024, Parsun Power launched China’s first domestically developed

300hp gasoline outboard motor. In 2025, Parsun Power achieved volume production of the 300hp gasoline outboard motor and deliver over 200 units, filling a gap in the domestic industry. It became the first Chinese enterprise to mass-produce 300hp gasoline outboard motors, positioning China as the third country worldwide—following the United States and Japan—to successfully achieve volume production of 300hp gasoline outboard motors.

The 300-horsepower outboard motor belongs to the high-power segment, with application scenarios covering recreational, commercial, and other professional fields, including sea fishing, surfing, marine cruising, fisheries, water transportation, as well as maritime law enforcement patrols, maritime search and rescue, etc. It employs a range of advanced technologies, such as four-stroke engines, electronic fuel injection (EFI), lightweight materials, and integrated electronic control systems. It is the representative of high-end positioning and high-value-added products in the global outboard motor market.

As a Chinese manufacturer, Parsun Power's breakthrough in the large-horsepower model allows it to directly target high-value markets, competing globally with the core advantages of Chinese manufacturing. Parsun Power is poised to become one of the core competitors in the global high-end outboard motor market, laying the foundation for its entry into the global high-end leisure yacht market and becoming a key driver of future revenue growth.

Diesel outboard motors retain the advantages of gasoline outboard motors, such as ease of installation, maintenance, and operation, while also offering greater fuel efficiency, lower emissions, higher torque, enhanced safety, and easier maintenance, mainly used in commercial transport, offshore oil extraction, and public law enforcement fields. The development of Parsun Power's own-brand diesel outboard motors is advancing rapidly. In March 2026, Parsun Power launched the world's only 200hp-class diesel outboard motor. This product represents a breakthrough over gasoline outboard motors in both technology and performance, including lower diesel volatility for safer operation; superior fuel efficiency that delivers greater economic value to customers amid fuel price fluctuations; and strong torque output at low engine speeds for more stable power delivery and faster response.

Electric outboard motors use rechargeable batteries as an energy source and convert electrical energy into kinetic energy via an electric motor. Compared with fuel-powered outboard motors, they feature zero emissions, lower noise, and are easier to operate. Parsun Power's electric outboard motors primarily focus on small to medium horsepower, mainly used in environmentally sensitive areas such as tourist resorts.

(2) Electric trolling motors

In 2025, Parsun Power launched and achieved volume production and delivery of its first intelligent electric trolling motor. This product is Parsun Power's first electric trolling motor and also China's first electric trolling motor product with a folding structure. During the development process of this product, Parsun Power has adhered to the "high-end positioning, positive R&D" philosophy and performed over 40 rounds of shape optimization, more than 70 structural adjustments, over 100 software version iterations, and nearly a thousand water tests, achieving core technology and production manufacturing independence and control.

(3) General machines

Parsun Power's general machine products mainly include gasoline motors; gasoline generator sets and gasoline water pump sets. Gasoline motors, primarily single-cylinder four-stroke units, utilize gasoline as fuel and are adaptable for use in agricultural machinery, gardening equipment, and other small machinery applications. Gasoline generator sets combine these motors with generators, functioning as standby power sources. The gasoline water pump sets feature centrifugal pumps driven by gasoline motors and are extensively utilized in agricultural irrigation, livestock watering, and similar domains.

Parsun Power's general machine products are mainly sold to Africa and Middle East. With a leading market layout and relying on excellent product quality and stable performance, Parsun Power has established a significant brand advantage and a good market reputation in these regions.

(4) Operational model of the Intelligent marine equipment business

Regarding the business of Outboard motors and Electric trolling motors:

In terms of sales, Parsun Power follows a global industry-standard sales model that primarily relies on distribution, supplemented by direct selling. The demand for outboard motors, which are the company's main product, is mainly distributed overseas, with end customers scattered throughout the world. Adopting a distribution-centric sales model enables Parsun Power to reach end customers to the fullest extent possible. In terms of production, Parsun Power produces outboard motor products independently, utilizing sales demand forecasts, customer orders, product inventory status, material delivery progress, and product production cycles to formulate production plans. The company then organizes the production of components in accordance with specialized processes and procedures. In procurement, following the principle of "sales determine production, production determines procurement", Parsun Power determines the procurement requirements for its outboard motor business, while also taking into account reasonable safety stock.

Regarding the business of General machines:

Parsun Power has adjusted its general machine business from the early independent production model to an OEM outsourcing model based on its strategic positioning. According to the principle of "sales determine procurement", while also taking into account reasonable safety stock, Parsun Power provides design drawings, technical specifications, and quality requirements to the OEM manufacturers. These manufacturers directly purchase raw materials, carry out customized production, and deliver finished products.

Primary Product Portfolio of Parsun Power

Brand	*Product type*	*Product image*	*Main characteristics*
PARSUN百胜	*mid-to-high power outboard motors*	300-hp(four-stroke) gasoline outboard motor 	**High-Efficiency Power System** 4.2L, V6, DOHC engine delivers powerful power output, Electronic Fuel Injection (EFI) technology precisely controls the fuel-air mixture, enabling more complete combustion and reducing fuel consumption, and Variable Valve Timing (VVT) technology enhances mid-to-low speed torque and improves acceleration performance. **Enhanced Structural Strength** Hydrodynamic exterior design reduces water resistance, delivering more stable and efficient power transmission. High-flow water pump impeller design increases cooling water pressure to ensure reliable operation. High-grade marine-grade materials improve corrosion resistance and durability of components, lowering maintenance and replacement costs. Multi-layer anti-corrosion coatings and anode protection further upgrade the corrosion protection level. **Reliable Power Transmission** The classic 1.8L L4 DOHC engine provides stable power output with high reliability. Electronic Fuel Injection (EFI) technology precisely controls the fuel-air mixture for more complete combustion, reducing fuel consumption and emissions. Mature and robust throttle and shift mechanisms with low maintenance costs.
	Intelligent control system	130/115-hp(four-stroke) gasoline outboard motor 	

Brand	*Product type*	*Product image*	*Main characteristics*
PARSUN 百胜	*Electric outboard motors*	Electronic control system Marine—grade touch screen 	**Electronic Control System:** One-button start/stop, cruise control, berthing, and automatic tilt, enabling seamless switching between multiple working conditions and human-machine interaction；Electronic throttle/shift with extreme response control, low maintenance costs, and improved handling feel and safety； **Marine-grade Touch Screen:** Real-time display of engine speed, tilt angle, steering angle, water temperature, oil pressure, fault alarms, etc., to ensure navigation safety.
	Electric trolling motors		**High-Efficiency Power System**：Sensor—less & brush—less motor technology, featuring anti-interference, high efficiency, low noise, and long service life. It provides instantaneous torque output with fast response. **Intelligent Energy Management**：High-density lithium battery pack ensures long endurance and supports multiple charging modes. The BMS (Battery Management System) monitors temperature, voltage, and current in real time and is equipped with multiple protection mechanisms. **Precise Control Experience:** Electronic throttle and direct-drive transmission structure enable millisecond-level power response.

Brand	*Product type*	*Product image*	*Main characteristics*
			**Efficient Powertrain** Senseless brushless motor technology offers strong anti-interference performance, high efficiency, low noise and long service life. It provides instantaneous torque output for faster response. **Intelligent Energy Management** High-density lithium battery packs ensure reliable endurance and support multiple charging modes. The BMS system monitors temperature, voltage and current in real time, with multiple built-in protection mechanisms. **Precise Handling Experience** Electronic throttle and direct-drive transmission structure enable millisecond-level power response.
	General Machines	  	High rotation speed, simple structure, and stable operation. Portable, cost-effective, lightweight, and easy to use and maintain. Widely used in agriculture, landscaping, engineering operations and other scenarios.

2. Embodied intelligence robotic equipment business

The operating entities of the embodied intelligence robotic equipment business under Dongfang Precision are the majority-owned subsidiary Dongfang Primo and the subsidiary Dongfang Digicom. They respectively carry out the production and assembly of embodied intelligence robot bodies, the manufacturing of key core components for embodied intelligence robots, as well as businesses related to embodied intelligence robot data collection/data training and scenario-based application solutions. During the Reporting Period, the robots produced and delivered by the Company were primarily humanoid robots.

(1) Production and assembly of humanoid robot bodies and manufacturing of key core components for humanoid robots

In March 2026, the automated humanoid robot production line, jointly created by Dongfang Precision and Leju Robotics and operated by Dongfang Precision's majority-owned subsidiary Dongfang Primo, was completed at the Foshan manufacturing base and entered the large-scale production stage. According to the production line construction plan, the designed annual production capacity of this line is expected to reach the scale of tens of thousands of units. The completion and commissioning of this production line not only mark a "zero- to- one" breakthrough for Dongfang Precision in entering the manufacturing of embodied intelligence robotic equipment, but also signifies the materialization of the strategic cooperation agreement reached with Leju Robotics in 2025 on "Dongfang Precision providing humanoid robot production and manufacturing for Leju Robotics".

During the Reporting Period, the primary products of the majority-owned subsidiary Dongfang Primo were the Kuavo (Kuavo 5) series of full-sized humanoid robots produced and assembled for Leju Robotics, including bipedal and wheeled humanoid robots (as shown in the table below).

Kuavo 5 Full-sized Humanoid Robot	***Kuavo 5-W Wheeled Humanoid Robot***
	

Leveraging its mature experience and manufacturing management capabilities in high-end equipment manufacturing and large-scale automated production line integration, Dongfang Precision assists Leju Robotics in achieving capacity ramp-up for humanoid robots, ensuring stable yield rates and timely delivery during the initial phase of mass production. According to Leju Robotics' information disclosure, it is expected that for the foreseeable future, Leju Robotics' full-sized robot products will be primarily produced by Dongfang Primo.

Currently, Dongfang Primo is dedicated to refining and maturing the production processes, manufacturing workflows, quality systems, and talent teams of the robot production line through ongoing efforts, with a key focus on building core value capabilities in three areas: quality control, delivery cycles, and production costs. If Dongfang Primo can provide customers with industry-leading commitments and services in the aforementioned three areas in the future, it will serve as the fundamental guarantee for the Company to continuously obtain orders and achieve sustained performance growth.

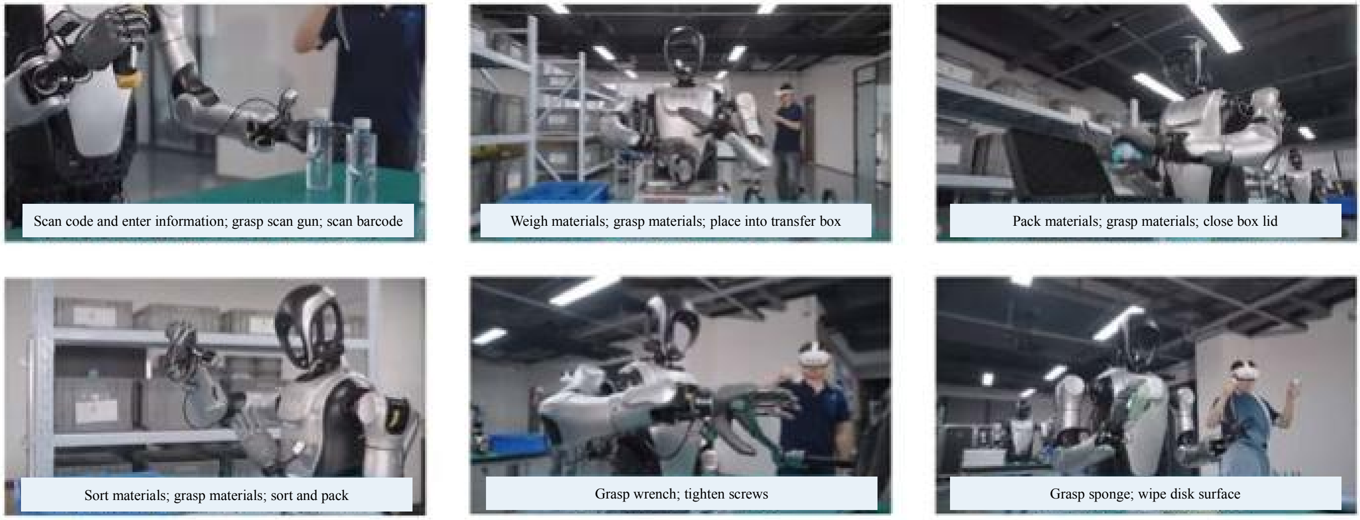
(2) Humanoid robot data collection/data training and scene-based robot application solutions

The physical attributes of humanoid robots, along with the requirement to adapt their task objectives to diverse real-world scenarios, determine that constructing a large-scale, high-quality, cross-scenario real-machine data ecosystem and generating real-machine data in real-world scenarios is the key path for humanoid robots to move toward practical application and deployment in diverse scenarios. Real-machine data is a resource widely recognized by the industry, and its value lies in providing support for subsequent scenario exploration and model optimization.

Data collection/training provides high-fidelity simulation environments covering core and long-tail scenarios across various industries and fields, enabling the large- scale generation of high- quality real- machine data. This reduces the comprehensive costs of R&D and implementation for specific robot applications, while also establishing a unified annotation framework and quality validation process to produce structured, reusable datasets. Meanwhile, large-scale data collection offers significant cost advantages by improving efficiency through multi-robot parallel operations. Furthermore, A collaborative model combining government, industry, academia, research, and users for building a shared data platform not only avoids duplication of effort and waste of resources, but also accelerates industry- wide technological progress via data trading or open- source sharing.

Systematic, large-scale, and industrialized data collection will become the core data source as the embodied intelligence robot industry enters the stage of large-scale development. It may even become the core infrastructure for industry development, spanning the entire industry lifecycle, including technological upgrades, deep scenario expansion, and the deepening of commercial deployment. Under the guidance of national policies, since 2025, many local governments in China have stepped up efforts to accelerate the construction of humanoid robot data collection centers and are actively fostering regional data collection industries for humanoid robots. The industrialized collection model generally involves professional platforms jointly established by governments, enterprises, and scientific research institutions. To date, robot data training centers or training grounds have been established in Beijing, Shanghai, Qingdao, Jiujiang, Suzhou, and other locations.

Examples of Daily Scenarios for Data Collection/Training



As professional platforms for data collection, humanoid robot data training centers or training grounds serve a diverse clientele, including robot manufacturers, embodied intelligence large model developers, and scientific research institutes. Their primary businesses include the sale of data products and the leasing of training facilities. On one hand, data collection/training provides downstream customers with standardized training datasets and offers venues and equipment for customers to independently collect customized data required for production and operations. On the other hand, the collected data feeds back into the iterative upgrading of models used by humanoid robots, ultimately forming a closed loop of “data collection—commercial monetization—model optimization—data quality improvement”, driving the continuous and healthy development of the industrial ecosystem.

In May 2026, the Guangdong-Hong Kong-Macao Greater Bay Area (Foshan) Embodied Intelligence Robot Data Training Center was officially inaugurated, jointly established by Dongfang Precision, the Administrative Committee of Foshan High- tech Industrial Development Zone, and Foshan Financial Investment Holdings Co., Ltd. Dongfang Digicom, a wholly-owned subsidiary of Dongfang Precision, is responsible for the project construction, daily operation, data training, and marketing of the data training center. The completion and operation of the aforementioned data training center mark the implementation of the cooperation direction of “jointly promoting the expansion of humanoid robot applications” under the strategic cooperation agreement reached between Dongfang Precision and Leju Robotics in 2025.

During the Reporting Period, the strategic and business positioning of the subsidiary Dongfang Digicom has gradually transformed from a “provider of industrial Internet industry solutions” to an “integrator of robot application solutions oriented toward application scenarios”. Positioned itself as the “last- mile enabler” for humanoid robot deployment, and with robot data collection/data training, industrial digital capabilities, and robot hardware sales as its core levers, the subsidiary aims to use humanoid robot application scenarios as demand guidance. Relying on high-quality real-machine datasets built by professional data collection platforms and collaborating with research and development resources within the industrial ecosystem, it co- develops application models and delivers deployable scenario- based solutions for specific humanoid robot use cases, addressing the current generalization limitations of humanoid robots in niche applications, thereby accelerating the deployment of humanoid robots across multiple scenarios such as industry, commerce, and daily life.

In recent years, Dongfang Digicom has carried out digital empowerment businesses in fields such as industrial manufacturing, helping industry customers build digital workshops and digital factories. The deep understanding, practical experience, and accumulated expertise in the digitalization of industrial manufacturing scenarios gained through the aforementioned industrial digital business will become valuable resources and important support for Dongfang Digicom to drive business transformation and conduct secondary development, model construction, and solution implementation for humanoid robots in industrial, commercial, and other application scenarios. Dongfang Digicom combines core digital capabilities such as the industrial Internet, data integration, and intelligent scheduling with embodied intelligence robots. By integrating system platforms, algorithm scheduling, data collection and integration capabilities, scenario applications, and engineering delivery capabilities, it provides integrated solutions ranging from robot scheduling middleware to on- site deployment. These solutions target scenarios such as industrial flexible manufacturing, cultural tourism and exhibition, and education and training. Through this approach, the company is transitioning from a production- line digitalization service provider to a multi- scenario embodied robotic system integrator.

3. Intelligent packaging equipment business

(1) Corrugated box printing and packaging production lines

Domestically, Dongfang Precision (China) is responsible for business operations associated with corrugated box printing and packaging equipment, while in the overseas market, it is Dongfang Precision (Europe).

Dongfang Precision (China) built its first water-based ink printing press in 1996, and in 1998 pioneered China's first bottom-fed printing-slotting-die-cutting machine. The product matrix of Dongfang Precision (China) includes corrugated converting line and single machine products that are of dozens of specifications and different market positioning, featuring fixed type/open-close type, top printing/bottom printing, and other technologies. These products mainly include “Dongfang Star” Quickset Top Printing FFG and Top Printing Open-Close Type FFG Inline, as well as “Asia Star” Bottom Printing Die Cutter Stripper Vacuum Stacker Converting Line, Bottom Printing Open-Close Type FFG Inline and Bottom Printing Open-Closed Type/FFG & Stitcher.

In addition to providing advanced corrugated carton printing and packaging complete lines and standalone equipment products to industry customers, Dongfang Precision (China) also continuously conducts businesses such as integrated smart factory planning and smart logistics and management systems. The smart logistics solutions target major logistics scenarios in the paper packaging manufacturing process, integrating technologies such as automated equipment, intelligent algorithms and digital management platforms, to help industry customers build digital factories/digital workshops and achieve intelligent upgrading, cost reduction, quality improvement and efficiency enhancement.

Dongfang Precision (Europe) specializes in high-end corrugated converting line products. Its primary products include “FD” Quickset Top Printing FFG, “HGL” Quickset Bottom Printing FFG, and Quickset Bottom Printing/Die Cutter Stripper Vacuum Line. These products are designed with non-crush feeder design, full servo control, and fully automatic control features, making them more suitable for high-definition printing.

(2) Digital Printers

The business is primarily led by the subsidiary Wonder Digital, which provides solutions for customers in the digital printing industry, including digital printers, ink, accessories, and professional services.

Wonder Digital has introduced a variety of digital printers to meet the diverse needs of different market segments and customer levels, including Multi Pass digital printer series applicable for small-batch paper packaging printing, Single Pass digital printer series applicable for large/medium/small batch paper packaging printing, Single Pass digital series applicable for pre-printing on raw paper , and Hybrid printer series that combines Multi Pass high-precision printing and Single Pass high speed printing into one.

Wonder Digital offers a diverse range of products that cover various types and specifications, from post printing to pre-printing, from water-based dye/pigment, water-based ink to spot color UV ink, from boxes, offset cartons to sheet metal. The products also support a range of application modes and scenarios, from single-sheet printing to exchange orders seamlessly with variable data printing, and from single machine printing to integration with ERP systems. Apart from digital printers, Wonder Digital also sells supporting units after printing section including slotting and varnish coating units, as well as special ink products that are compatible with its own-brand equipment. These special ink products, including water-based dye ink, water-based pigment ink, and UV ink.

(3) The operational model of the intelligent packaging equipment business

R&D model: The intelligent packaging equipment business of the Company has domestically industry-leading independent design and R&D capabilities, continually establishing high-level R&D innovation management mechanisms. The R&D team, spearheaded by industry experts, employs a blend of long and short-term product R&D planning, supported by a market-oriented R&D mechanism.

Procurement and production model: The intelligent packaging equipment business of the Company procures raw materials, such as steel plates, metal components, and electrical parts (such as motors and PLCs), from external suppliers, while producing some core components in-house. The complete lines' products adhere to a "made-to-order production" model. Upon receiving orders and partial deposits from customers, the Company purchases raw materials from suppliers based on specific customer requirements and inventory levels, and develops production plans and schedules.

The delivery period for orders of corrugated box printing and packaging complete machine equipment under the Dongfang Precision brand was 3 to 6 months, and the delivery period for orders of digital printing equipment under the Wonder Digital brand was 1 to 3 months.

Marketing Model: The intelligent packaging equipment business of the Company employs a "direct selling + distribution" marketing model. It utilizes a direct sales approach for the domestic market, and a combination of direct sales and agent distribution for overseas markets, tailoring the strategy to suit the unique needs of different countries and regions. This approach not only widens the scope of sales channels and increases sales volume but also reduces market expansion and sales costs.

The Company's complete production line and single machine products are typically one-time sales, with more significant transaction amounts. However, accessories, software, and services can be sold multiple times throughout the life-cycle of complete production line or single machine products. The growing number of existing equipment sold in the downstream industry market presents a steady stream of sales opportunities for accessories, software, and services. Additionally, providing high-quality technical support and services helps to promote the sales of complete production line products. In terms of the settlement of orders, the Company collects down payment in advance and payment by stages for the sales of corrugated box printing and packaging equipment.

Primary Products of the intelligent packaging equipment business

Product type	***Brand***	***Product image***	***Main characteristics***
Integrated corrugated box printing and packaging lines	东方精工 DONGFANG PRECISION	DONGFANG STAR I QUICKSET TOP PRINTING FFG 	Fixed type Full servo control No downtime for plate change 2 minutes quick order change Vacuum adsorption large belt, high precision cardboard transfer, long service life Energy saving up to 30 Only 2 people are needed to operate the whole line
		DONGFANG STAR II TOP PRINTING OPEN-CLOSE TYPE FFG 	Vacuum adsorption roller transfer; Computerized adjustment, easy to operate; High speed and stable operation; Patented folding structure; Improve carton molding effect Only 2-3 persons are needed to operate the whole line
	EDF EUROPE		High-end down-printing fixed in-line Spindle servo drive Quick order change Complete pre-press and post-press supporting units

Primary Product Portfolio of Dongfang Precision’s intelligent packaging Equipment Business – Digital Printers

Product type	*Brand*	*Product image*	*Main characteristics*
Digital Printers	WONDER 万德数科	WONDER INNO PRO SINGLE PASS 	- Print reference accuracy: 1200 NPI - Speed: up to 150 m/min - Printing thickness: 1.2 mm – 20 mm - Maximum printing width: 2500 mm - Printing materials: yellow/white kraft liner, honeycomb panel, coated paper - Modular freely combinable linked production line - Adaptable to diverse customer requirements
		 WD250++ Series Scanning Wide Format High Quality Carton Digital Printer	A cost-effective tool for bulk orders Adopts Epson's latest HD industrial printheads. Printing width up to 2500mm Speed up to 700 ㎡/h – 1400 ㎡/h Printing thickness 1.2mm-35mm Coated paper and honeycomb board can also be easily printed. Base accuracy 1200dpi.

II Core Competitiveness Analysis

(I) Industry-leading technology and strong capabilities of R&D and innovation

1. Regarding the Intelligent marine equipment Business

Parsun Power is a national-level “Little Giant” with specialties, refined management, unique technologies and innovation and a high-tech enterprise. It has long focused on the research and development of domestic outboard motors, accumulating rich innovative achievements. By the end of June 2026, Parsun Power had accumulated 140 intellectual property rights and participated in the formulation of several industry standards. It has also won the second prize of the China Machinery Industry Science and Technology Award twice, and has established industry-university-research cooperation with multiple renowned domestic universities and institutions.

In 2021 and 2023, Parsun Power successfully achieved mass production of 115hp and 130hp gasoline outboard motors. In 2024, it released its first domestically produced 300hp gasoline outboard motor, and in 2025, it released its first domestically produced electric trolling motors. In March 2026, it launched the world’s only 200hp-class diesel outboard motor, which represents a breakthrough over gasoline outboard motors in both technology and performance. The core technologies of the aforementioned new products are independently controllable, and their manufacturing supply chains have been localized. This has become an important milestone for China's high-end manufacturing in the field of water powersports equipment.

In recent years, Parsun Power has continuously broken through the ceiling in the domestic outboard motor sector. While maintaining independent and controllable core technologies as well as localized manufacturing and supply chains, it has enabled China’s manufacturing industry to advance from the "follower" stage to the "peer competitor" stage in the volume production and delivery of high-horsepower gasoline outboard motors, marking the formal entry of China’s outboard motor industry into the global high-end mainstream market and its ability to compete head-to-head with internationally renowned industry brands on the global stage.

Parsun Power’s High-power Outboard Motor Emission Testing Center Laboratory received the CNAS Laboratory Accreditation Certificate from the China National Accreditation Service for Conformity Assessment (CNAS) in 2025. This made Parsun Power the first company in the Chinese outboard motor industry to obtain CNAS certification for a professional laboratory, filling the gap in China’s specialized testing platform for high-horsepower gasoline outboard motors. This certification signifies that Parsun Power has established an independent R&D and testing system that leads the domestic industry and carries national credibility, providing important support for performance, emission and reliability testing of high-horsepower and various new products, and has further solidified Parsun Power’s position as an industry benchmark in the domestic gasoline outboard motor field. It also signifies that Parsun Power’s professional testing in this specialized field is now on par with international top-level standards, and the testing reports will be globally recognized.

The CNAS laboratory accreditation received by Parsun Power in the domestic gasoline outboard motor field helps shorten R&D cycles and reduce R&D costs for Parsun Power in the development and testing of high-horsepower outboard motors, thus creating a more competitive core advantage. It also provides strong localized support for other domestic companies in the same field for the R&D, production, and certification of high-performance, large-power outboard motors. This contributes to the green transformation of China’s shipbuilding industry and the achievement of the “dual carbon” goals.

Parsun Power has been awarded the “National Postdoctoral Research Workstation” certificate by the Ministry of Human Resources and Social Security and the National Postdoctoral Affairs Management Committee, which means Parsun Power’s research capabilities in the frontier field of relevant area, and its ability to nurture top talent and foster industry-academia-research collaboration has gained national recognition, and marks a new milestone in the company’s scientific research strength and talent development, as well as further enhancement of the company’s technological image and brand influence.

2. Regarding the Intelligent packaging equipment

Wonder Digital is a national-level high-tech enterprise and a "Specialized, Refined, Differential and Innovative" Little Giant Enterprise. It connects the physical and digital worlds through a comprehensive digital printing matrix and provides integrated solutions. Its branded UV digital color printing presses and high-speed digital printing presses achieve a maximum printing precision of 1800 NPI, with color printing quality comparable to traditional offset printing. Its large-format roll-to-roll high-speed digital printing presses are domestically leading, boasting comprehensive advantages in footprint, energy consumption and cost-effectiveness.

(II) Profound Know-How experience and experienced team in the industry

Dongfang Precision has a team with deep industry Know-how and extensive experience. With over 20 years of experience, the team has a profound understanding of the industry layout, development planning, R&D roadmap, production operations, marketing, and team management in the field; The core management team has a broad vision and is able to deeply grasp the overall development trends of the high-end equipment manufacturing industry. Through forward-looking strategic planning and layout, the steady and sustainable development of the Company is achieved. Furthermore, the Company practices a professional manager management model, continuously improving organizational structure, management authority, incentive systems, and cultural development. These measures help the Company attract talent and enhance the team’s combat effectiveness.

(III) High brand popularity and customer recognition worldwide

Parsun Power, a subsidiary, is a leading company in the domestic outboard motor industry. From 2020 to 2022, Parsun Power’s outboard motor products maintained the highest national market share for three consecutive years. The Parsun Power brand has received numerous honors, including “Jiangsu Province Famous Brand Product” and “Suzhou Famous Brand Product”. Overseas, Parsun Power’s sales network covers more than 100 countries and regions, establishing business partnerships with numerous customers worldwide.

The corrugated box printing and packaging lines under the Dongfang Precision brand, together with the digital printing equipment under the Wonder brand, enjoy considerable brand recognition and industry influence both in China and overseas. Dongfang Precision brand’s corrugated box printing and packaging lines are sold in more than 60 countries and regions. The holding subsidiary Wonder Digital is in the top tier of the domestic digital printer field, with its products sold in over 80 countries and regions and a market stock of over 1,600 units.

(IV) Strong capabilities of strategic control and integration

Since going public, Dongfang Precision has continuously expanded upstream and downstream in its core industries. Over many years of practice, the Company has developed strong strategic control and deep integration capabilities across its business segments, accumulating rich experience and practical knowledge. Strategic management capabilities have become the Company's core strength in successfully managing its various business entities.

In practice, the Company has developed a set of effective post-investment integration management methods by deeply understanding the industry, forecasting industry trends, and focusing on strategic goals. These methods include corporate governance standardization policy, the “Board of Directors-Supervisory Committee-General Meeting” operation mechanism, the strategic and financial control system, decentralized authorization management, complete audits, and management incentives, forming a set of measures for effective controls for post-investment integration with the Company’s own characteristics to secure the effective implementation of the strategic plan.

Since acquiring the controlling stake in Parsun Power in 2015, Dongfang Precision has helped Parsun Power enhance its R&D, marketing, supply chain, and manufacturing through strategic adjustments and the introduction of outstanding talent. Between 2020 and 2025, Parsun Power achieved a compound annual growth rate of 24% in both revenue and net profit.

(V) Dual-wheel drive of organic growth and external expansion to seize a leading position in the embodied intelligence industry chain

Dongfang Precision is firmly advancing the technological transformation of its principal business, rapidly entering the embodied intelligence equipment track through the “dual engines” of organic cultivation and external integration.

In terms of organic cultivation, the Company has taken the lead in achieving a breakthrough in mass production of robot hardware. During the Reporting Period, the automated humanoid robot production line operated by Dongfang Primo was completed and entered the stage of mass production, making the subsidiary one of the earlier equipment manufacturing enterprises in China to possess large-scale mass production capabilities. Dongfang Primo focuses on refining the three core values of production cost, quality control, and delivery cycle to build a solid foundation for sustained performance growth. In addition, the Company has proactively planned data infrastructure. The Guangdong-Hong Kong-Macao Greater Bay Area (Foshan) Embodied Intelligence Robot Data Training Center, constructed, operated, and marketed by Dongfang Digicom, was inaugurated and commenced operations during the Reporting Period. The first phase plans for 34 training stations with an annual output of approximately 1 million high-quality real-machine training data entries. In the long term, it aims to become a leading public data service foundation for embodied intelligence in China, making data collection the core engine that drives technological iteration, scenario expansion, and commercial deployment.

In terms of external integration, through multiple precise equity investments, Dongfang Precision has completed its layout covering intelligent brains, core components (including dexterous hands, edge-side chips, joint modules, etc.), hardware manufacturing, and application scenarios. This has given rise to a synergistic ecosystem that combines strategic investment with the industrialization of externally sourced businesses. The Company seeks cooperation in production, application scenarios, and market expansion by combining Dongfang

Precision's resource endowment and accumulated capabilities in the equipment manufacturing industry with the leading technologies, products, and application experience of partners within the industrial ecosystem, aiming to complement each other, amplify value together, and foster co- creation and shared benefits throughout the industry chain.

III Analysis of Principal Operations

In the first half of 2026, the national economy maintained steady progress while achieving new results in high- quality development. The intelligent transformation and upgrading of the manufacturing sector continued to intensify, and new quality productive forces were actively cultivated. Under the strong leadership of the Board of Directors and the management team, all employees worked diligently and strived for progress in the first half of 2026, promoting the steady implementation of the Company's "Technology Transformation" strategy. The principal businesses overall sustained a robust and positive growth momentum.

In the second quarter of 2026, the Company completed a major asset sale and the overall divestment of the corrugated cardboard production line business. Prior to the divestment, the business belonged to the Company's intelligent packaging equipment business segment. The completion of the asset sale resulted in a significant change in the composition of the Company's intelligent packaging equipment business segment since the second quarter of 2026, as compared with the same period of 2025.

To facilitate investors' more accurate and clear understanding of the revenue and profit performance of the Company's principal business segments in the first half of 2026, the data for the same period of the previous year has been adjusted on a comparable basis, using the composition of the Company's principal business segments as of 30 June 2026 (excluding the divested corrugated cardboard production line business) as the benchmark, as listed below:

Unit: RMB'0,000

	Operating revenue			Net profit attributable to shareholders of the listed company before non-recurring gains and losses and excluding the impact of foreign exchange gains and losses		
	The Reporting Period	Same period of the previous year	YoY change	The Reporting Period	Same period of the previous year	YoY change
Intelligent marine equipment	65,504	48,452	35%	4,870	4,136	18%
Intelligent packaging equipment	31,904	27,385	17%	4,194	2,410	74%
Embodied intelligence robotic equipment	2,981	696	328%	-809	-160	-405%
Total	**100,389**	**76,753**	**31%**	**8,255**	**6,386**	**29%**

Note 1: During the Reporting Period, the impact of exchange losses caused by foreign exchange rate fluctuations on the net profit attributable to shareholders of the listed company before non-recurring gains and losses was RMB18.9 million.

Note 2: During the Reporting Period, the Company's principal businesses included three major business segments: intelligent marine equipment, intelligent packaging equipment, and embodied intelligence robotic equipment. Specifically: (1) Intelligent packaging equipment segment: On a year-on-year comparable basis, the revenue for the Reporting Period increased by 17% year-on-year; excluding the impact of exchange losses, the net profit attributable to shareholders of the listed company before non-recurring gains and losses for the Reporting Period increased by 74% year-on-year; (2) Intelligent marine equipment segment: On a year-on-year comparable basis, the revenue for the Reporting Period increased by 35% year-on-year; excluding the impact of exchange losses, the net profit attributable to shareholders of the listed company before non-recurring gains and losses for the Reporting Period increased by 18% year-on-year.

The operating conditions of the principal businesses during the Reporting Period are as follows:

1. Intelligent marine equipment business segment

In the first half of 2026, the majority-owned subsidiary Parsun Power achieved operating revenue of RMB650 million, a year-on-year increase of approximately 35%, and achieved a net profit of RMB66 million, a year-on-year increase of approximately 14%. Both revenue and net profit once again hit record highs for the first half of the year. Parsun Power has entered a fast track of sound growth in its principal business since 2021. During the five years from the first half of 2021 to the first half of 2026, the compound annual growth rates of Parsun Power's operating revenue and net profit both exceeded 20%. The operating revenue in the first half of 2026 increased by more than three times compared to the first half of 2021.

Parsun Power launched and commenced mass production of the world's first 200- horsepower diesel outboard motor, spearheading the high- end segment of the domestic outboard motor market. In the first half of 2026, Parsun Power released the D200 high-horsepower diesel outboard motor, which is the only 200hp diesel outboard motor in the world and marks another breakthrough achievement for Parsun Power in the independent innovation of high-end domestic equipment. The high- horsepower diesel outboard motor will prove instrumental in Parsun Power's further expansion into commercial, government, and other application markets. The product was launched in March 2026 and rapidly transitioned to the phase of mass production after multiple rounds of durability testing and quality optimization. The mass production and delivery were achieved during the Reporting Period. This enables Parsun Power to once again fill the gap in the field of high-horsepower diesel outboard motors in China. With the mass production and delivery of the F300 and D200 high-horsepower outboard motors, high-horsepower models are becoming a key engine for Parsun Power to enter the global mainstream outboard motor market and drive performance growth.

The outboard motor product portfolio continues to evolve, with ever-improving product strength covering all scenarios. Parsun Power is committed to building a comprehensive outboard motor product portfolio spanning gasoline, diesel, and electric models, covering a broad range of end- use applications and power ratings from low to high, to meet diverse customer needs. In 2025, Parsun Power successfully achieved the mass production and delivery of the F300 300hp gasoline outboard motor. In the first half of 2026, it successfully achieved the mass production and delivery of the D200 200hp diesel outboard motor. These products, together with existing consumer-grade outboard motors for water leisure and sports activities, electric outboard motors, and intelligent control systems supporting outboard motors, jointly drive the continuous evolution and upgrade of Parsun Power's outboard motor portfolio toward higher horsepower, multi- fuel capability, and electrification.

Strong growth was seen in Asia, Africa, and Latin America, alongside notable breakthroughs in new product sales. Parsun Power achieved further success in Asia, Africa, and Latin America, the key focus areas for overseas market expansion. Following a year-on-year growth of over 60% in outboard motor sales in these regions in 2025 compared to 2024, the company again achieved a 60% year-on-year growth in outboard motor sales in these markets in the first half of 2026 compared to the first half of 2025. In the first half of the year, more than 50 new global distributors were added, and sales channels were established in several new countries. The layout of global sales channels is becoming increasingly refined, enabling the precise expansion of the international market footprint. Furthermore, the new products that Parsun Power has been actively nurturing in recent years delivered robust sales performance. Revenue contributions from electric outboard motors and high- horsepower outboard motors both posted significant year- on- year growth compared to the same period in 2025.

Lean operations and digitalization have mutually reinforced each other, delivering simultaneous improvements in both quality control and inventory turnover efficiency. During the Reporting Period, Parsun Power continued to deepen lean management, with inventory turnover significantly improved compared to the first halves of 2025 and 2024. Work safety was strongly guaranteed, with the Company recording zero safety incidents and zero quality incidents in the first half of the year. Digital transformation progressed steadily. While the functions of the U9 system were continuously refined, the QMS (Quality Management System) was launched and deeply integrated with the ERP system. Additionally, Parsun Power completed the CNAS laboratory reassessment and the additional assessment for general machines, further strengthening system compliance and operational efficiency.

General machine business: Strong performance drove record revenue, while capacity expansion laid a solid foundation for sustained growth. During the Reporting Period, Parsun Power's general machine business continued its growth trend, achieving a year-on-year increase in sales revenue of over 50% compared to the first half of 2025. With strong performance in both orders and delivery, it has become a powerful engine driving the company's overall performance growth. In terms of production capacity, the average monthly capacity for general machines has increased to 100,000 units, ensuring timely delivery to meet market demand; in terms of quality, the entire process from components to complete machine assembly is strictly controlled, with production quality showing steady improvement, providing a solid foundation for rapid business expansion.

2. Embodied intelligence robot equipment business segment

(1) Production and assembly of humanoid robot bodies and manufacturing of key core components for humanoid robots

In March 2026, the automated humanoid robot production line, jointly created by Dongfang Precision and Leju Robotics and operated by Dongfang Primo (a majority-owned subsidiary of Dongfang Precision), was completed and entered the large-scale production stage at Dongfang Primo's manufacturing base in Foshan. This marks Dongfang Precision's "zero- to- one" breakthrough in the field of embodied intelligent robot equipment manufacturing.

During the Reporting Period, the primary products of Dongfang Primo were the Kuavo (Kuavo 5) series of full-sized humanoid robots produced and assembled for Leju Robotics, including bipedal and wheeled humanoid robots. In the first half of 2026, Dongfang Primo signed orders totaling approximately RMB83 million, achieved mass delivery of humanoid robot products, and recognized operating revenue of RMB26.66 million.

(2) Humanoid robot data collection/data training and scene-based robot application solutions

During the Reporting Period, the Guangdong-Hong Kong-Macao Greater Bay Area (Foshan) Embodied Intelligence Robot Data Training Center, for which the subsidiary Dongfang Digicom is responsible for project construction, daily operations, and commercialization, was officially inaugurated. The center has a total construction area of over 5,500 square meters, covering humanoid robot scenario-based training, AI robot research and study, etc. The project is planned to be constructed in phases, with 2026–2027 being the first phase. According to the project plan, the first-phase goal is to achieve rotational training for 34 workstations, enabling deep integration into the production environments of Foshan's pillar industries, such as home appliances and equipment manufacturing, and achieving an annual output goal of approximately 1 million high-quality training data entries. The long-term construction goal is to become a leading domestic public data service foundation for embodied intelligence.

The Guangdong-Hong Kong-Macao Greater Bay Area (Foshan) Embodied Intelligence Robot Data Training Center utilizes Leju Robotics' "Kuavo" robots for data training and collection. It has established multiple training workstations covering three major categories of real-world scenarios: industrial manufacturing (part sorting, part off-lining, and tooling loading of the production line), commercial services (retail, express delivery), and home services. Relying on a digital collection platform, it constructs high-quality real-machine datasets through remote-controlled human-machine collaboration, digital environment simulation, and real-machine deployment optimization.

Within the framework of the joint construction of the Guangdong-Hong Kong-Macao Greater Bay Area (Foshan) Embodied Intelligence Robot Data Training Center, Dongfang Digicom also cooperates with Turing Inno to operate a robot research and study center. By fully leveraging the resources and experience of both parties in robotics and research training, they collaborate to carry out embodied intelligence robot research and study business for student groups and jointly create teaching application solutions for embodied intelligence robots. The long-term goal is to build a market-oriented practical education base for "AI + Research and Study".

3. Intelligent packaging equipment business segment

Market expansion: Against the backdrop of domestic peers actively going global and expanding into overseas markets, the corrugated box printing and packaging equipment business of Dongfang Precision (China) has continued to achieve results in overseas market expansion, leveraging its years of accumulated goodwill, leading technology levels, high-quality products, and a robust sales and service system. Dongfang Precision (China) adopted an "agency sales + direct sales" model for its overseas business, with a focus on expanding direct sales business in countries along the "Belt and Road" initiative. During the Reporting Period, the international direct sales and channel agencies of the corrugated box printing and packaging equipment business of Dongfang Precision (China) exerted efforts simultaneously, with orders on hand increasing by over 80% compared to the same period in 2025. Orders for complete and integrated line products also registered steady growth. Sales breakthroughs were achieved in select country markets, including Europe and Australia. By deepening engagement with major international corporate customers, Dongfang Precision (China) continues to strengthen the foundation for its overseas market development. Driven by sales growth in overseas markets, the corrugated box printing and packaging equipment business of Dongfang Precision (China) saw steady growth in revenue and profit. In the digital printer business segment, the majority-owned subsidiary Wonder Digital also achieved multiple breakthroughs in overseas market expansion during the Reporting Period, extending its sales footprint to several new overseas markets.

Product R&D: In the first half of 2026, Dongfang Precision (China) successfully completed the technical transformation and implementation of the vacuum stripper stacker, reaching marketable conditions and securing intended transactions. Compared with traditional models, this new product possesses multiple advantages when integrated into a line: It can accurately process "one-out-of-many" orders; the application of a vacuum structure significantly improves the waste stripping effect; and it can achieve non-stop sampling inspection to meet full automation requirements. During the Reporting Period, Wonder Digital released several new digital printer products using advanced technology, including high-definition high-speed integrated lines, high-definition direct-output all-in-one scanners, and ultra-high concentration water-based ink scanners, and secured sales orders for these new products during the Reporting Period.

4. Industrial investment segment

While focusing on the three core principle businesses of "intelligent marine equipment", "embodied intelligence robotic equipment", and "intelligent packaging equipment", Dongfang Precision also places high importance on external expansion through equity investments. Adhering to the principle of "the principal businesses as the core + extended investment as the support", the Company leads and coordinates "organic growth + external expansion" with the "1+N" development model.

"1" refers to focusing on the core businesses, firmly establishing its foundational position, continuously expanding and strengthening, and enhancing core competitiveness to maintain and increase market share amidst the trends of digitalization and intelligence. "N" refers to external expansion, which can include the following three aspects:

(1) Deepening chain extension: Mergers and acquisitions synergy, strengthening core moat

Building on the advantages of Dongfang Precision's main business, the Company focuses on acquiring high-quality companies within the same industry chain globally. By vertically integrating the supply chain, it implements precise mergers and acquisitions of high-quality targets in related fields. After the acquisition, the Company performs deep integration, outputs key capabilities, and stimulates internal industry chain synergies to further strengthen its core businesses.

(2) Breaking boundaries for ecological co-creation: Strategic investment and co-creation of "new quality productive force clusters" of strategic emerging industries

Dongfang Precision focuses on "new quality productive forces", the core theme of national strategic emerging industries and future industries. The Company is firmly promoting the implementation of its technology transformation strategy and shifting its strategic focus toward technological upgrading. Through practical actions in strategic transformation, the Company actively responds to the call and guidance of the *Outline of the 15th Five-Year Plan for National Economic and Social Development of the People's Republic of China* regarding the development of new quality productive forces and the expansion of emerging industries during the 15th Five-Year Plan period.

During the Reporting Period, Dongfang Precision's primary efforts in strategic investment focused on the field of "embodied intelligence robots". By making multiple equity investments in this field and developing a "clustered strategic investment" landscape, the Company has established an ecological layout covering the "intelligent brain", core components, hardware manufacturing, and application scenarios within the embodied intelligence industry chain.

As of the date of submission and disclosure of this Report, the equity investments in the aforementioned fields are presented in the table below:

Industrial chain segment	Name of invested enterprise	Principal products of the invested enterprise
Intelligent brain	Shenzhen Ruoyu Technology Co., Ltd.	Multimodal large model AI system
	Shanghai EBKernel Technology Co., Ltd.	Brain-inspired intelligence-driven embodied brain system
	X-Era AI (Shenzhen) Technology Co., Ltd.	Physical space intelligence engine
	Beijing Astrall Intelligent Technology Co., Ltd.	Multi-modal embodied brain system for the physical world
Core components	Hangzhou Heyman Technology Co., Ltd.	Full-scenario dexterous hand series
	Beijing Huixi Intelligent Information Technology Co., Ltd.	High-computing power edge AI chips
	Linkerbot Beijing Technology Co., Ltd.	High-DOF dexterous hands
	Wuxi Motorevo Robotics Co., Ltd.	Full series of integrated joint modules for embodied intelligence robots
	Shenzhen Heju Intelligent Control Technology Co., Ltd.	Full-link intelligent controller for embodied intelligence
Hardware manufacturing	Leju (Shenzhen) Robotics Co., Ltd.	Full series of embodied intelligence robots
	Shenzhen Astralldynamics Technology Co., Ltd.	Industrial-grade quadruped robots and core components

Industrial chain segment	Name of invested enterprise	Principal products of the invested enterprise
	Dongfang Primo	Embodied intelligence robots and components
Application scenarios	Guangdong Jaten Robot & Automation Co., Ltd.	Automated guided vehicles (AGV) and universal embodied AI chassis
	Shenzhen X-ORIGIN-AI Technology Co., Ltd.	Consumer-grade AI robots

Note: Dongfang Precision strictly complies with the *Accounting Standards for Business Enterprises* in the accounting treatment of equity investments in the enterprises listed in the table above within the Company's consolidated financial statements. According to the relevant provisions of the *Accounting Standards for Business Enterprises*, except for Dongfang Primo, a majority-owned subsidiary of Dongfang Precision, the other enterprises listed in the table above are not included in the consolidated financial statement for the current Reporting Period.

In terms of clustered strategic investment in the field of embodied intelligence robots, Dongfang Precision takes "building an entire industry chain ecosystem for embodied intelligence robots and empowering the intelligent upgrading of traditional industries" as its core mission, focusing on creating a dual-wheel drive model of "strategic investment + industrial collaboration". By deeply synergizing its industrial resources and manufacturing expertise in the high-end equipment sector with the target companies' cutting-edge technologies, proven products, and application experience in embodied intelligence and AI large models, the Company seeks to strengthen cooperation across three key dimensions: manufacturing, application deployment, and market expansion, thereby jointly creating value and achieving mutual benefits across the upstream and downstream of the industry chain.

In addition to focusing on the strategic investment ecosystem layout in the field of "embodied intelligence robots", the Company's layout in the field of "key structural materials for controlled nuclear fusion + nuclear power equipment" consists of its previous equity investment in Guizhou Aerospace Xinli Technology Co., Ltd. The Company is firmly optimistic about the application prospects and development potential of Aerospace Xinli's related products in fields such as controllable nuclear fusion, nuclear power equipment, and aerospace.

(3) Positioning on key core tracks: Forward-looking investment to build future competitiveness

In terms of industries that align with the Company's external investment business, Dongfang Precision and its subsidiary Yineng Investment closely follow the core theme of "high-quality development" in China's manufacturing industry during the 15th Five-Year Plan period. They focus on new industries and tracks guided by the outline of the 15th Five-Year Plan, paying attention to hard technology fields with significant technological barriers, broad future development potential, and national strategic value, such as aerospace and new materials. They identify excellent companies in niche sectors and obtain small equity stakes in these companies through investment. As of now, Dongfang Precision has invested in ExPace in commercial aerospace and in Sichuan Tengden UAV in the low-altitude equipment sector, aiming to yield good returns while exploring new directions and opportunities for the Company's development.

5.Analysis of key financial indicators of principal operations

Unit: RMB yuan

	2026H1	2025H1	Change (%)	Reason for any significant change
Operating revenue	1,690,857,649.54	2,158,956,857.88	-21.68%	Mainly due to the reduction in the scope of the Company's consolidated financial statements compared with the corresponding period of the prior year, resulting from asset disposals in the second quarter of the current reporting period.
Operating cost	1,294,240,018.44	1,511,618,213.45	-14.38%	Mainly due to the reduction in the scope of the Company's consolidated financial statements compared with the corresponding period of the prior year, resulting from asset disposals in the second quarter of the current reporting period.
Selling expenses	67,998,120.35	81,372,896.12	-16.44%	No significant changes.
Administrative expenses	172,974,077.38	188,675,988.67	-8.32%	No significant changes.
Finance costs	2,312,937.78	-19,645,153.25	111.77%	Mainly due to increased exchange losses arising from exchange rate fluctuations in the current reporting period.
Income tax expenses	1,025,762,979.36	67,252,009.19	1,425.25%	Mainly due to gains from asset disposals in the current reporting period.
R&D expenses	43,756,649.19	53,511,623.86	-18.23%	No significant changes.
Net cash generated from/used in operating activities	257,970,090.29	355,284,471.35	-27.39%	Mainly due to decreased cash inflows from operating activities in the current reporting period.
Net cash generated from/used in investing activities	4,434,421,304.97	514,988,451.97	761.07%	Mainly due to proceeds received from major asset disposals in the current reporting period.
Net cash generated	-132,976,975.72	-149,180,394.39	10.86%	No significant changes.

	2026H1	2025H1	Change (%)	Reason for any significant change
from/used in financing activities				
Net increase in cash and cash equivalents	4,458,702,521.83	752,254,111.58	492.71%	Mainly due to the impact of net cash flows from investing activities in the current reporting period.

There have been no significant changes in the composition or sources of the company's profits during the reporting period.

☑ Applicable □ Not applicable

On April 9, 2026, the Company completed the closing of the sale of 100% equity interests in three subsidiaries, namely Fosber Group, Fosber Asia and Tiruña Asia. In accordance with the accrual basis principle and the relevant provisions on transfer of control under the Accounting Standards for Business Enterprises, the Company derecognized all assets and liabilities of the aforesaid subsidiaries whose sale had been closed at the consolidated financial statements level in the second quarter of 2026, and they are no longer included in the scope of consolidated financial statements from the second quarter onwards. In the corresponding period of 2025, the aforesaid disposed assets were within the scope of Dongfang Precision’s consolidated financial statements. Therefore, this asset sale has resulted in material changes in the Company’s consolidated financial statements for the second quarter of 2026 compared with the corresponding period of the prior year. The gain arising from the disposal of these subsidiaries amounted to RMB 4.385 billion (converted at the spot exchange rate on the delivery date), and all of the aforesaid investment income is recorded as non-recurring gains and losses in the current reporting period.

Composition of operating revenue

Unit: RMB

	2026H1		2025H1		Change (%)
	Operating revenue	As a % of total operating revenue (%)	Operating revenue	As a % of total operating revenue (%)	
Total	1,690,857,649.54	100%	2,158,956,857.88	100%	-21.68%
By operating division					
Intelligent manufacturing	1,690,857,649.54	100.00%	2,158,956,857.88	100.00%	-21.68%
By product category					
Intelligent packaging equipment	1,006,540,252.95	59.53%	1,674,439,934.19	77.56%	-39.89%
Intelligent marine equipment	655,042,424.11	38.74%	484,516,923.69	22.44%	35.19%
Embodied intelligence robotic equipment	29,274,972.48	1.73%	0	0%	----
By operating segment					
Mainland China	604,394,757.62	35.74%	508,124,085.88	23.54%	18.95%
Other countries and regions	1,086,462,891.92	64.26%	1,650,832,772.00	76.46%	-34.19%

Operating Division, Product Category or Operating Segment Contributing over 10% of Operating Revenue or Operating Profit

√ Applicable □ Not applicable

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	Change in gross profit margin (%)
By operating division						
Intelligent manufacturing	1,690,857,649.54	1,294,240,018.44	23.46%	-21.68%	-14.38%	-6.52%
By product category						
Intelligent packaging equipment	1,006,540,252.95	734,268,390.60	27.05%	-39.89%	-35.06%	-5.42%
Intelligent marine equipment	655,042,424.11	530,346,190.39	19.04%	35.19%	39.23%	-2.34%
Embodied intelligence robotic equipment	29,274,972.48	29,625,437.45	-1.20%	----	----	----
By operating segment						
Mainland China	604,394,757.62	518,814,175.89	14.16%	18.95%	24.74%	-3.99%
Other countries and regions	1,086,462,891.92	775,425,842.55	28.63%	-34.19%	-29.23%	-5.00%

Under the circumstances that the statistical caliber of the Company's main business data is adjusted in the Reporting Period, the Company's main business data that adjusted according to the caliber at the end of the Reporting Period

□ Applicable √ Not applicable

IV Analysis of Non-Core Businesses

√ Applicable □ Not applicable

Unit: RMB yuan

	Amount	As a % of gross profit	Primary source/reason	Recurrent or not
Return on investment	4,554,263,429.02	93.14%	Mainly due to investment income recognized from the major asset sale in the current period.	Not
Gain/loss on changes in fair value	245,903,522.60	5.03%	Mainly due to changes in fair value recognized from financial asset investments in the current period.	Yes
Asset impairment loss	-11,075,509.15	-0.23%	Mainly due to the recognition of impairment provisions for long-term equity investments in the current period.	Not
Non-operating income	1,887,701.46	0.04%	No significant impact.	Not

	Amount	As a % of gross profit	Primary source/reason	Recurrent or not
Non-operating expenses	1,209,408.16	0.02%	No significant impact.	Not

V Analysis of Assets and Liabilities

1. **Significant Changes in Asset Composition**

Unit: RMB yuan

	30 June 2026		31 December 2025		Change in percentage (%)	Reason for any significant change
	Amount	As a % of total assets	Amount	As a % of total assets		
Cash and bank balances	6,493,685,956.28	55.03%	2,078,919,027.45	23.83%	31.20%	Mainly due to proceeds received from major asset disposals in the current reporting period.
Accounts receivable	249,279,926.65	2.11%	952,021,236.78	10.91%	-8.80%	Mainly due to the reduction in the scope of the Company's consolidated financial statements compared with the corresponding period of the prior year, resulting from asset disposals in the second quarter of the current reporting period.
Contract assets	28,691,700.28	0.24%	64,541,120.93	0.74%	-0.50%	No significant changes.
Inventories	446,726,872.32	3.79%	1,119,277,121.91	12.83%	-9.04%	Mainly due to the reduction in the scope of the Company's consolidated financial statements compared with the corresponding period of the prior year, resulting from asset disposals in the second quarter of the current reporting period.
Investment Properties	0	0.00%	0	0.00%	0.00%	NA
Long-term equity investments	289,388,342.68	2.45%	302,857,592.30	3.47%	-1.02%	No significant changes.
Fixed assets	562,689,997.78	4.77%	1,084,142,895.08	12.43%	-7.66%	Mainly due to the reduction in the scope of the Company's consolidated financial statements compared
Construction in progress	76,731,186.24	0.65%	195,841,811.75	2.24%	-1.59%	
Right-of-use assets	15,033,718.19	0.13%	69,324,297.36	0.79%	-0.66%	
Short-term	98,707,300.00	0.84%	185,516,009.83	2.13%	-1.29%	

	30 June 2026		31 December 2025		Change in percentage (%)	Reason for any significant change
	Amount	As a % of total assets	Amount	As a % of total assets		
borrowings						with the corresponding period of the prior year, resulting from asset disposals in the second quarter of the current reporting period.
Contract liability	181,926,384.72	1.54%	458,557,878.31	5.26%	-3.72%	
Long-term borrowings	10,030,605.62	0.09%	110,985,297.60	1.27%	-1.18%	
Lease liabilities	4,234,440.89	0.04%	53,367,241.87	0.61%	-0.57%	
Financial assets held for trading	2,205,243,932.05	18.69%	766,554,477.49	8.79%	9.90%	Mainly due to the Company's entrusted wealth management activities conducted in the current reporting period.

2. Overseas assets that take up a large percentage of the Company's net asset value:

√ Applicable □ Not applicable

Asset	Source	Asset value (RMB)	Location	Management model	Control measures to protect asset safety	Return	As a % of the Company's net asset value	Any material impairment risk or not
100% interest of Dongfang Precision (Netherland).	invested in and established	5,235,797,608.89	Netherland	Trading and investment	Integration of strategic control, authorization control, operational control and financial management	Good	53.70%	Not
100% interest of EDF S.R. L	M&A	23,587,026.13	Italy	Producing and marketing by itself	Integration of strategic control, authorisation control, operational control and financial management	Good	0.24%	Not

3. Assets and Liabilities at Fair Value

√ Applicable □ Not applicable

Unit: RMB yuan

Item	Opening amount	Gain/loss on fair-value changes in the period	Cumulative fair-value changes recognized in equity	Impairment allowance for the period	Purchased in the period	Sold in the period	Other changes	Closing amount
Financial assets								
1. Financial assets held for trading (exclusive of derivative financial assets)	766,554,477.49	141,095,187.17			5,284,345,670.16	3,986,751,402.77		2,205,243,932.05
2. Derivative financial assets	101,000.75						44,075.67	56,925.08
3.Other non-current financial assets	817,347,878.10	-122,340,176.44			229,748,245.74	18,308,818.90		906,447,128.50
Subtotal of financial assets	1,584,003,356.34	18,755,010.73			5,514,093,915.90	4,005,060,221.67	44,075.67	3,111,747,985.63
Other non-current financial assets	10,909,534.25					10,909,534.25		
Total of the above	1,594,912,890.59	18,755,010.73			5,514,093,915.90	4,015,969,755.92	44,075.67	3,111,747,985.63
Financial liabilities	98,273,045.24	-2,534.51					-94,142,555.89	4,127,954.84

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

□ Yes √ No

4. Assets to which the Company's Rights Were Restricted as at the Period-End

Unit: RMB yuan

Item	Closing carrying amount	Reason for restriction
Cash and bank balances	40,684,556.30	Deposits used for obtaining bank acceptance bills and guarantees, etc.

VI Investments Made

1. Total Investment Amount

√ Applicable □ Not applicable

Total investment amount in 2026H1 (RMB)	Total investment amount in 2025H1 (RMB)	Change (%)
2,212,572,303.27	970,338,776.80	128.02%

2. Significant Equity Investments Acquired in the Reporting Period

□ Applicable √Not applicable

3. Significant Non-Equity Investments of which the Acquisition Was Uncompleted in the Reporting Period

□ Applicable √ Not applicable

4. Financial Investments

(1) Securities Investments

√ Applicable □ Not applicable

Unit: RMB yuan

Security type	Security code	Security name	Initial investment cost	Measurement method	Opening carrying amount	Gain/loss on fair-value changes in the period	Cumulative fair-value changes recognized in equity	Purchased in the period	Sold in the period	Gain/loss in the period	Closing carrying amount	Accounting title	Funding source
Domestically/overseas listed stocks	600522	Triumph Science&Technology	243,051,668.40	Fair value	243,051,668.40	75,827,085.40	0.00	0.00	188,558,753.80	164,078,557.73	130,320,000.00	Financial assets held for trading	Self-funded
	688411	HyperStrong Technology	55,385,344.85	Fair value	0.00	11,003,013.55	0.00	55,385,344.85	0.00	11,003,013.55	66,388,358.40	Financial assets held for trading	Self-funded
	0	Others	39,711,240.74		39,711,240.74	-1,264,477.14	0.00	19,565,763.58	58,012,527.18	-7,140,197.58	0.00	Financial assets held for trading	Self-funded
Trust products	0	0	15,214,791.52	Fair value	15,214,791.52	1,829,208.48	0.00	120,000,000.00	15,000,000.00	2,355,497.66	122,044,000.00	Financial assets held for trading	Self-funded
Funds	0	0	115,852,461.38	Fair value	115,852,461.38	53,501,166.15	0.00	2,337,294,612.40	693,115,486.47	55,311,622.97	1,813,532,753.47	Financial assets held for trading	Self-funded

Others	0	0	352,724,315.45	Fair value	352,724,315.45	199,190.73		2,752,100,000.00	3,032,064,686.00	5,644,607.13	72,958,820.18	Financial assets held for trading	Self-funded
Other securities investments held as of the end of the reporting period			0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	--	--
Total			821,939,822.34	--	766,554,477.49	141,095,187.17	0.00	5,284,345,720.83	3,986,751,453.45	231,253,101.46	2,205,243,932.05	--	--
Disclosure date of the announcement about the board's consent for the derivative investment (if any)			25th March, 2026										
Disclosure date of the announcement about the general meeting's consent for the derivative investment (if any)			18th, April, 2026										

(2) Investments in Derivative Financial Instruments

√ Applicable □Not applicable

1) Derivative Investments for Hedging Purposes in the Reporting Period

√ Applicable □Not applicable

Unit: RMB'0,000

Type of derivative	Initial investment amount	Opening amount	Gain/loss on fair-value changes in the period	Cumulative fair-value changes recognized in equity	Purchased in the Reporting Period	Sold in the Reporting Period	Closing amount	Closing amount as % of the Company's closing equity

Forward Foreign Exchange	0	5,287.7	0	0	2,321.03	4,728.32	2,880.41	0.30%
Total	0	5,287.7	0	0	2,321.03	4,728.32	2,880.41	0.30%
Description of significant changes in accounting policies and specific financial accounting principles in respect of the Company's hedges for the Reporting Period as compared to the prior reporting period	No significant change							
Actual gains/losses in the Reporting Period	During the Reporting Period, the actual gain on derivative contracts for hedging purposes amounted to RMB 0.8612 million.							
Results of hedges	Currently not available							
Funding source	Self-funded							
Risk analysis of positions held in derivatives during the Reporting Period and description of control measures (Including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	The above-mentioned hedging transactions are mainly intended to avert and prevent risks arising from fluctuations in exchange rates. In the Rules on the Management of Financial Derivative Transaction Business formulated by the Company, the operating rules, review and approval authority, routine management, and risk control mechanisms on the financial derivative transaction business have been prescribed to standardize business operation as well as prevent and control related risks. The Company keeps strengthening the understanding and mastering of national policies and requirements of relevant governing bodies to avoid related credit and legal risks.							
Changes in market prices or fair value of derivative products during the Reporting Period, specific methods used, and relevant assumption and parameter settings	Undue forward forex settlement and sale contracts are measured at fair value, i.e., the difference between the signing price of an undue forward forex settlement and sale contract held at the period-end and the bank’s forward forex rates at the period-end.							

shall be disclosed for analysis of fair value of derivatives	
Legal matter (if applicable)	N/A
Disclosure date of the announcement about the board's consent for the derivative investment (if any)	24 March 2026
Disclosure date of the announcement about the general meeting's consent for the derivative investment (if any)	18 April 2026

2) Derivative Investments for Speculative Purposes in the Reporting Period

□Applicable √Not applicable

5. Use of Raised Funds

□ Applicable √ Not applicable

No such cases in the Reporting Period.

Ⅷ Sale of Major Assets and Equity Investments

1. Sale of Major Assets

√Applicable □ Not applicable

Transaction counterparty	Asset sold	Date of sale	Transaction price (RMB'0,000)	Net profit contributed by the asset to the Company from the period-begin to the date of sale (RMB'0,000)	Effect of the sale on the Company	Net profit contributed by the sale of the asset to the Company as % of its total net profit	Pricing principle	Related-party transaction or not	Relationship between the transaction counterparty and the Company (applicable for related-party transactions)	Ownership of the asset has all been transferred or not	Creditor's rights and liabilities involved have all been transferred or not	Executed as scheduled or not; if not, give reasons and measures taken	Date of disclosure	Index to disclosed information
Foresight US Bid Co, Inc., and Foresight Italy Bid Co S.p.A.	100% equity interests in Fosber Group, Fosber Asia, and Tiruña Asia	9 April 2026	651,377.72 Note	2,647.33	The sale of the assets has resulted in material changes to the Company's consolidated financial	90.07%	The transaction constitutes a market-oriented asset sale. The transaction price has been mutually agreed by	No	Not applicable	Yes	Yes	Yes	14 April 2026	http://www.cninfo.com.cn/

Transaction counterparty	Asset sold	Date of sale	Transaction price (RMB'0,000)	Net profit contributed by the asset to the Company from the period-begin to the date of sale (RMB'0,000)	Effect of the sale on the Company	Net profit contributed by the sale of the asset to the Company as % of its total net profit	Pricing principle	Related-party transaction or not	Relationship between the transaction counterparty and the Company (applicable for related-party transactions)	Ownership of the asset has all been transferred or not	Creditor's rights and liabilities involved have all been transferred or not	Executed as scheduled or not; if not, give reasons and measures taken	Date of disclosure	Index to disclosed information
					statements for the second quarter of 2026 compared with the same period of last year. The gain arising from the disposal of these subsidiaries amounted to		both parties through negotiation on the principles of fairness and voluntariness. The Company has engaged an audit firm and a valuation institution							

Transaction counterparty	Asset sold	Date of sale	Transaction price (RMB'0,000)	Net profit contributed by the asset to the Company from the period-begin to the date of sale (RMB'0,000)	Effect of the sale on the Company	Net profit contributed by the sale of the asset to the Company as % of its total net profit	Pricing principle	Related-party transaction or not	Relationship between the transaction counterparty and the Company (applicable for related-party transactions)	Ownership of the asset has all been transferred or not	Creditor's rights and liabilities involved have all been transferred or not	Executed as scheduled or not; if not, give reasons and measures taken	Date of disclosure	Index to disclosed information
					RMB4.385 billion (converted at the spot exchange rate on the settlement date), which was recognized as an exceptional gain for the Reporting		that comply with applicable laws and regulations to conduct the audits and valuations of the target companies, so as to ensure that the pricing of the transaction is fair,							

Transaction counterparty	Asset sold	Date of sale	Transaction price (RMB'0,000)	Net profit contributed by the asset to the Company from the period-begin to the date of sale (RMB'0,000)	Effect of the sale on the Company	Net profit contributed by the sale of the asset to the Company as % of its total net profit	Pricing principle	Related-party transaction or not	Relationship between the transaction counterparty and the Company (applicable for related-party transactions)	Ownership of the asset has all been transferred or not	Creditor's rights and liabilities involved have all been transferred or not	Executed as scheduled or not; if not, give reasons and measures taken	Date of disclosure	Index to disclosed information
					Period. The aforesaid asset sale has no material impact on the Company's business continuity and management stability.		equitable and reasonable.							

Note: The transaction price is denominated in RMB and converted at the spot exchange rate on the settlement date of the asset sale.

On 28 November 2025, the Company convened a meeting of the Board of Directors to review and approve matters including the Plan for Major Asset Sale. On

29 November 2025, the Company made the initial disclosure of the major asset sale, namely that the Company proposed to sell its 100% equity interests in Fosber Asia and Tiruña Asia to Foresight US Bid Co, Inc. (hereinafter referred to as “Foresight US”) by way of a cash transaction. The Company’s wholly-owned subsidiary, Dong Fang Precision (Netherland) Coöperatief U.A. (hereinafter referred to as “Dongfang Precision (Netherland)”), proposed to sell its 100% equity interests in Fosber Group to Foresight Italy Bid Co S.p.A. (hereinafter referred to as “Foresight Italy”) via a cash transaction.

On 9 April 2026, the Company, Dongfang Precision (Netherland) and the buyers completed the settlement of this transaction in accordance with the terms of the Equity Transfer Agreements and performed all respective obligations to be fulfilled at settlement (including delivery of settlement documents such as relevant share certificates, capital contribution certificates, registers of members and corporate books). Upon settlement, the buyers became the holders of 100% equity interests in Fosber Group, Fosber Asia, and Tiruña Asia. The Company and Dongfang Precision (Netherland) ceased to hold ownership of the target assets. The Company disclosed the Announcement on Completion of Settlement for Major Asset Sale on 14 April 2026.

In accordance with the accrual basis of accounting and the provisions on transfer of control under the Accounting Standards for Business Enterprises, the Company derecognized all assets and liabilities of the above-mentioned subsidiaries at the consolidated financial statements level in the second quarter of 2026. Such subsidiaries have not been included in the scope of consolidation starting from the second quarter. The above disposed assets were within the scope of consolidation of Dongfang Precision in the same period of 2025. Accordingly, the sale of the assets has resulted in material changes to the Company’s consolidated financial statements for the second quarter of 2026 compared with the same period of last year. The gain arising from the disposal of these subsidiaries amounted to RMB4.385 billion (converted at the spot exchange rate on the settlement date).

2. Sale of Major Equity Investments

□ Applicable √ Not applicable

No such cases in the Reporting Period.

Ⅷ Principal Subsidiaries and Joint Stock Companies

√ Applicable □ Not applicable

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

Unit: RMB yuan

Name	Relationship with the Company	Principal activities	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Dongfang Precision (Netherland)	Subsidiary	Investment holding, trading activities of corrugated packaging equipment and components.	EUR 40 thousand	5,324,858,366.66	5,235,797,608.89	46,861,319.36	4,815,667,655.40	4,815,668,023.10

Details of the acquisition and disposal of subsidiaries during the reporting period

√ Applicable □ Not applicable

Name of subsidiaries	Method of acquisition and disposal of subsidiaries during the reporting period	Impact on overall production, operation and performance
Fosber Group	Sale of 100% equity interest	See description below
Fosber Asia	Sale of 100% equity interest	
Tiruna Asia	Sale of 100% equity interest	

On April 9, 2026, the Company completed the closing of the sale of 100% equity interests in three subsidiaries, namely Fosber Group, Fosber Asia and Tiruña Asia. In accordance with the accrual basis principle and the relevant provisions on transfer of control under the Accounting Standards for Business Enterprises, the Company derecognized all assets and liabilities of the aforesaid subsidiaries whose sale had been closed at the consolidated financial statements level in the second quarter of 2026, and they are no longer included in the scope of consolidated financial statements from the second quarter onwards. In the corresponding period of 2025, the aforesaid disposed assets were within the scope of Dongfang Precision’s consolidated financial statements. Therefore, this asset sale has resulted in material changes in the Company’s consolidated financial statements for the second quarter of 2026 compared with the corresponding period of the prior year.

Ⅸ Structured Bodies Controlled by the Company

√ Applicable □ Not applicable

1. In March 2022, Hainan Yinen Investment Co., Ltd., a wholly-owned subsidiary of the Company, participated in the capital contribution to Changzhou Xinchen Venture Capital Partnership (Limited Partnership), for the purpose of indirectly investing in Sinoscience Fullcryo Technology Co., Ltd. (referred to as "Fullcryo" in

this Report) and Sinoscience Fullcryo (Zhongshan) Equipment Manufacturing Co., Ltd. by making a capital contribution to a limited partnership and obtained non-controlling interests of the two companies.

2. In December 2025, Hainan Yinen Investment Co., Ltd., a wholly-owned subsidiary of the Company, participated in the capital contribution to Changzhou Xinchen No.2 Venture Capital Partnership (Limited Partnership). The purpose of this partnership is to make equity investments in Sinoscience Fullcryo Technology Co., Ltd. through investing in a special fund.

As the limited partners of the above-mentioned 2 partnership, Yineng Investment accounts for 94.86% of the total capital contributions in both of the 2 partnerships. Considering the partnership's agreements on investment orientation, investment decisions, operation and management, income apportionment, and loss bearing, and the fact that Yineng Investment accounts for the majority of the capital contributions to the partnership, the above-mentioned 2 partnership is included in the consolidated statements of Dongfang Precision as a "structured body controlled by the Company" from the perspective of commercial substance and after complying with the Accounting Standard for Business Enterprises and referring to the professional opinions of the independent auditor.

Ⅹ. Possible risks and countermeasures

1. **Risk of short-term fluctuations in operational performance arising from the major asset sale**

During the current reporting period, the Company completed the overall closing of the sale of 100% equity interests in three companies, namely Fosber Group, Fosber Asia and Tiruña Asia, and completely divested the corrugated board production line (including corrugating rolls) business. The aggregate operating revenue and net profit of the aforesaid three companies accounted for a relatively high proportion of the Company’s consolidated operating revenue and net profit in the years prior to the completion of the sale. Although other existing businesses still maintain a certain scale, and the embodied intelligent robot equipment business cultivated by the Company prior to the completion of the asset sale has also been rapidly implemented during the current reporting period with substantial progress and phased achievements, it is unavoidable that, within a short period following the completion of the aforesaid asset sale transaction, the operating revenue and net profit attributable to shareholders of the parent company after deducting non-recurring gains and losses at the consolidated financial statements level of the Company will decline compared with the levels before the asset sale. While the Company will obtain considerable cash inflows and recognize investment income related to asset disposal through the aforesaid asset sale transaction, such investment income falls under non-recurring gains and losses.

Upon completion of this transaction, the Company may experience dilution of earnings per share after deducting non-recurring gains and losses for the current period as a result of this transaction. The Company hereby reminds investors of the risk of fluctuations in operating performance arising from the asset sale by the listed company.

Countermeasures:

(1) Effectively utilizing the cash proceeds recovered from the transaction, increasing investment in the Intelligent marine equipment business, and further focusing on Embodied Intelligent Robot equipment business to achieve high-quality development of the listed company.

Dongfang Precision will fully utilize the cash proceeds recovered from the transaction to provide stronger financial support for the development of its existing businesses. Upon completion of this transaction, the listed company will concentrate its efforts on developing the Intelligent marine equipment business, further focusing on Embodied Intelligent Robot equipment business, achieving high-quality development and enhancing its market competitiveness and profitability.

(2) Adhering to standardized operations, improving corporate governance, and providing institutional safeguards for the company's development. Dongfang Precision will strictly comply with the *Company Law*, the *Securities Law*, and the *Code of Corporate Governance for Listed Companies*, as well as other relevant laws, regulations and normative documents. It will continuously improve corporate governance to ensure that shareholders can fully exercise their rights, that the Company operates in a standardized manner with scientific decision-making, strong execution, effective supervision and efficient operations, safeguarding the overall interests of the Company, particularly the legitimate rights and interests of minority shareholders, and providing institutional guarantees for the company's development.

(3) Further improving the company's profit distribution system and strengthening investor returns. In accordance with the *Articles of Associations* and the *Guidelines for the Regulation of Listed Companies No. 3—Cash Dividends of Listed Companies*, as well as other relevant laws, regulations and normative documents, the Company has further clarified the specific conditions, ratios, distribution forms and conditions for stock dividends in its profit distribution, particularly cash dividends. It has also improved the decision-making procedures and mechanisms for profit distribution and the principles for adjusting profit distribution policies, thereby strengthening the protection mechanism of the rights and interests of minority investors. Upon completion of the transaction, the Company will continue to strictly implement its existing dividend policy and, where conditions for profit distribution are met, actively promote profit distribution to shareholders and strive to enhance shareholder returns.

2. **Potential risks of conducting entrusted wealth management**

Based on the phased operation and development of its main business and its cash management situation, the Company has moderately conducted entrusted wealth management with a portion of its idle self-owned funds every year since 2020, subject to approval by the shareholders' meeting and the board of directors. The purpose of the aforesaid entrusted wealth management is to improve the utilization efficiency of self-owned funds, enhance the Company's overall return on net assets, and create more value for all shareholders, on the premise of not affecting the steady development of the Company's main business, ensuring the funding requirements for normal operations of the Company in all aspects, and maintaining fund safety and controllable risks.

However, conducting the aforesaid business entails risks arising from financial market fluctuations and uncertain returns. In the wealth management business, if risk events occur in relation to the trustee's investment strategies, use of funds or other aspects, there is a potential risk that the Company may incur certain investment losses.

Countermeasures:

On the premise of ensuring that the funds required for the normal operation of the Company's main business are not affected, the Company shall reasonably control the fund scale of financial asset investments; continuously establish and improve internal control systems and mechanisms related to entrusted wealth management; continuously strengthen risk control management to ensure the safety of investment funds and strictly control risk exposure; strictly select partners, and choose to conduct entrusted wealth management business in cooperation with professional financial institutions that possess relevant professional qualifications, enjoy good reputation, have large scale, are capable of ensuring fund safety, and meanwhile have sound operating performance and strong fund operation capabilities..

3. **Risk that the development of the Embodied Intelligent Robot equipment business, may fall short of expectations**

Embodied intelligence, as a new industry and new track under the strategic guidance of *the Outline of the 15th Five-Year Plan for National Economic and Social Development*, has continuously received extensive attention from the market, industry, society and media in recent years. The embodied intelligent robot equipment business, which Dongfang Precision has strategically cultivated, achieved a "from zero to one" breakthrough in the first half of 2026 with substantial progress and phased achievements: the humanoid robot body production and assembly business carried by the controlling subsidiary DongFang Primo completed the construction of an automated humanoid robot production line and entered the large-scale production phase during the current reporting period, having achieved mass production and delivery of humanoid robots; the embodied intelligent robot data collection/data training and scenario-oriented robot application solution business operated by the subsidiary Dongfang Digicom completed the construction and official inauguration of the "Guangdong-Hong Kong-Macao Greater Bay Area (Foshan) Embodied Intelligent Robot Data Training Center" during the current reporting period.

However, the Embodied Intelligent Robot field remains in a stage of continuous technological breakthroughs, exploration of commercial application scenarios and rapid iteration. The large-scale commercialization of such technologies requires overcoming multiple barriers, including technological reliability, product quality stability, market acceptance cultivation, and adaptation to legal and regulatory frameworks. If future progress in key technological breakthroughs, product quality stability and practical application scenarios falls short of expectations, it may slow the overall development of the sector. If the cultivation of downstream application market demand lags behind, it will directly affect the overall development of the industry and, in turn, adversely impact the Company’s business expansion and revenue realization in the strategic emerging industries segment. Meanwhile, external factors such as industry regulatory policies, the development of industry standard systems and public acceptance may also constrain the commercialization of related products. If the overall progress in core technological breakthroughs, product quality and market cultivation falls short of expectations, the commercial promotion of relevant products may face a risk of material delay.

Countermeasures:

The Company will dynamically adjust capital expenditure and the pace of industrialization in line with technological development, application implementation and commercialization progress, and will reasonably control the scale of investment in the strategic emerging industries segment to avoid operational risks arising from blind and excessive investment. It will also conduct regular comprehensive assessments of factors such as the industry development environment, technological iteration, market demand and policy changes, adjust its business development strategies in a timely manner, optimize its business layout where necessary, and mitigate the impact of overall industry risks on the Company’s operations and development.

Ⅺ. Implementation of Market Value Management System and Valuation Enhancement Plan

whether the Company has formulated a market value management system.

□ Yes √ No

whether the Company has disclosed a valuation enhancement plan.

□ Yes √ No

ⅫI. Implementation of the “Quality and Earnings Dual Improvement” Action Plan

whether the Company has disclosed the “Quality and Earnings Dual Improvement” Action Plan.

□ Yes √ No

Part IV Corporate Governance, Environmental and Social Responsibilities

I Changes of Directors and Senior Management

□ Applicable ☑ Not applicable

The Company’s directors and senior management remained unchanged during the Reporting Period. For details, see the 2025 Annual Report.

II Dividend Plan for the Reporting Period

☑ Applicable □Not applicable

<table>
<tr><td>Number of Bonus Shares per 10 Shares (shares)</td><td>0</td></tr>
<tr><td>Dividend per 10 shares (yuan) (including tax)</td><td>2</td></tr>
<tr><td>Number of bonus shares issued per 10 shares</td><td>0</td></tr>
<tr><td>Base Share Capital for the Proposed Distribution (shares)</td><td>The current total issued share capital is 1,217,285,908 shares. The total share capital as of the record date for the dividend distribution, when the dividend plan is implemented in the future, will serve as the capital base for the distribution plan.</td></tr>
<tr><td>Cash Dividend Amount (Yuan) (including tax)</td><td>243,457,181.60</td></tr>
<tr><td>Amount of cash dividends paid through other means (e.g., share buybacks) (yuan)</td><td>0.00</td></tr>
<tr><td>Total Cash Dividends (including other forms) (yuan)</td><td>243,457,181.60</td></tr>
<tr><td>Distributable Profit (yuan)</td><td>929,188,077.94</td></tr>
<tr><td>Percentage of Total Profit Distribution Represented by Total Cash Dividends (Including Other Forms)</td><td>100%</td></tr>
<tr><td colspan="2">Details of This Cash Dividend Distribution</td></tr>
<tr><td colspan="2">Other</td></tr>
<tr><td colspan="2">Detailed Explanation of the Proposal for Profit Distribution or Capitalization of Capital Reserves</td></tr>
<tr><td colspan="2">As of the beginning of 2026, the parent company of Dongfang Precision had accumulated retained earnings of RMB 74,159,538.10 (representing the book balance of the Retained Earnings account on the parent company’s balance sheet as of December 31, 2025). In the first half of 2026, the parent company reported net income of RMB 1,006,838,383.03. In accordance with the provisions of the Company Law and the Articles of Association, a statutory surplus reserve of RMB 100,683,838.30 was set aside at a rate of 10%, After deducting the cash dividends for the 2025 fiscal year distributed in the first half of 2026 in the amount of RMB 51,126,004.89 (including tax), the balance of the “Retained Earnings” account in the parent company’s financial statements as of June 30, 2026, was RMB 929,188,077.94.
The interim dividend proposal for 2026 is as follows:
Based on the total share capital as of the record date for the dividend distribution, a cash dividend RMB 2 yuan (tax included) will be paid to all shareholders for every 10 shares held. No bonus shares will be issued, and no capital reserves will be used to increase share capital. As of the date of disclosure of this dividend proposal, the Company’s total issued share capital is 1,217,285,908 shares. Based on this figure, the total proposed cash dividend amounts to RMB 243,457,181.60 (including tax).
From the date of disclosure of this dividend plan until the date of its implementation, if the Company’s total issued share capital changes due to the exercise of stock options granted under equity incentive plans, share repurchases, or cancellations, the total share capital as of the record date for the dividend distribution shall serve as the basis for calculation, and the total dividend amount shall be adjusted accordingly while maintaining the cash dividend per share at the same ratio.</td></tr>
</table>

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

☑ Applicable □ Not applicable

1. Equity Incentives

During the reporting period, the Company did not implement any equity incentive plans.

2. Implementation of Employee Stock Ownership Plans

☑ Applicable □ Not applicable

The situation of all effective employee stock ownership plans during the reporting period

Scope of employees	Number of employees	Total number of shares held (shares)	Change situation	Proportion of the total share capital of the listed company	Source of funds
Company directors (excluding independent directors), senior managers who play important roles and have significant impacts on the overall performance and medium to long-term development of the company, as well as core managers and core business (technical) personnel who are employed by the company or its controlled subsidiaries	52	21,330,000	NA	1.75%	The long-term incentive award fund withdrawn by the company in accordance with the systems regarding salary management and performance management.

The shareholding of directors and senior management personnel in the employee stock ownership plan during the reporting period

Name	Office title	Opening shareholding (share)	Closing shareholding (share)	The proportion of the total share capital of the listed company.
Qiu Yezhi	Director and General Manager	4,090,000	2,454,000	0.20%
Feng Jia	Director, Board Secretary and Vice President	700,000	420,000	0.03%
Shao Yongfeng	Chief Financial Officer and Vice President	700,000	420,000	0.03%

Note: On July 28, 2026, the Company issued the “Announcement Regarding the Change of Board Secretary,” stating that Ms. Feng Jia had resigned from her positions as a director of the Company’s Fifth Board of Directors and as Board Secretary; her resignation took effect upon delivery to the Company’s Board of Directors. Changes in asset management institutions during the reporting period

Changes in asset management institutions during the reporting period

□ Applicable √ Not applicable

Changes in equity caused by holders' disposal of shares, etc. during the reporting period

√Applicable □ Not applicable

Given that the Company’s Board of Directors approved the “Proposal Regarding the Expiration of the First Lock-up Period of the 2024 Employee Stock Ownership Plan and the Fulfillment of Unlocking Conditions” on October 17, 2025, the first lock-up period of the 2024 Employee Stock Ownership Plan expired on October 25, 2025, and the unlocking conditions for the first lock-up period have been met. A total of 8,532,000 shares are eligible for unlocking. During the reporting period, following deliberation and approval by the Employee Stock Ownership Plan Management Committee, and in compliance with the “2024 Employee Stock Ownership Plan Proposal” and the “2024 Employee Stock Ownership Plan Management Measures” while ensuring legality and compliance, the Management Committee decided to sell the aforementioned 8,532,000 unlocked shares. As of the end of the reporting period, the disposal of these shares has been completed.

Exercise of Shareholder Rights During the Reporting Period

□ Applicable √ Not applicable

Other relevant matters regarding the employee stock ownership plan during the reporting period

During the reporting period, the Company convened the first 2026 meeting of participants in the 2024 Employee Stock Ownership Plan and a Board of Directors meeting, at which the “Proposal on Adjusting Matters Related to the Company’s 2024 Employee Stock Ownership Plan” was reviewed and approved. Given that the Company completed the closing of the sale of 100% of the equity interests in Guangdong Fosber Intelligent Equipment Co., Ltd. and Dylan (Guangdong) Intelligent Equipment Manufacturing Co., Ltd. in April 2026, and considering that certain employees of the two aforementioned sold companies participated in the Company’s 2024 and 2025 Employee Stock Ownership Plans as holders, in order to maintain the fairness of the incentive mechanism and to refine the handling of incentive shares under special circumstances, the Company has made relevant adjustments to the provisions of the Employee Stock Ownership Plan.

Changes in the members of the management committee of the employee stock ownership plan

√Applicable □ Not applicable

During the reporting period, the Company convened the first 2026 meeting of participants in the 2024 Employee Stock Ownership Plan. The meeting reviewed and approved the “Proposal on the Election of Members to the Management Committee of the Company’s 2024 Employee Stock Ownership Plan,” electing Qiu Yezhi, Xie Weiwei, and Wang Qiang as the new members of the Management Committee for the Company’s 2024 Employee Stock Ownership Plan. Their terms of office will coincide with the duration of the 2024 Employee Stock Ownership Plan.

The financial impact of the employee stock ownership plan on the listed company during the reporting period and relevant accounting treatments

☑ Applicable ☐ Not applicable

According to "Accounting Standards for Business Enterprises No. 11 - Share-based Payments", for equity-settled share-based payments in exchange for employees' services that can only be exercised when the services during the waiting period are completed or the stipulated performance conditions are met, on each balance sheet date during the waiting period, the services obtained in the current period should be included in relevant costs or expenses and capital reserve based on the best estimate of the number of exercisable equity instruments and in accordance with the fair value of the equity instruments on the grant date. The amortization expense of the company's employee stock ownership plan in 2026H1 was 1.640.47million yuan, which was included in relevant expense accounts and capital reserve.

The situation of the termination of the employee stock ownership plan during the reporting period.

□ Applicable √ Not applicable

3. Other Incentive Measures for Employees

□ Applicable √ Not applicable

IV Disclosure of Environment Information

☑ Applicable □ Not applicable

Whether the listed company and its major subsidiaries are included in the list of enterprises required to disclose environmental information in accordance with the law

☑ Yes □ No

Number of companies included in the list of enterprises required to disclose environmental information in accordance with the law (unit: enterprise)		2
No.	Name	Query index for reports on environmental information disclosure in accordance with the law
1	Parsun Power	Jiangsu Provincial Department of Ecology and Environment - "Environmental Protection Facemask" for Jiangsu Enterprises (One Enterprise, One File) https://sthjt.jiangsu.gov.cn/col/col83817/index.html
2	Parsun Power Technology	Jiangsu Provincial Department of Ecology and Environment - "Environmental Protection Facemask" for Jiangsu Enterprises (One Enterprise, One File) https://sthjt.jiangsu.gov.cn/col/col83817/index.html

V Social Responsibilities

The Company attached importance to fulfilling social responsibility in daily operations, intending to promote harmony and co-prosperity between it and parties related to its interests. The Company also took active measures in the protection of the rights and interests of shareholders, creditors, employees, suppliers, customers, and consumers, environmental protection, sustainable development, public relations, and social public welfare undertakings, and strived to maximize comprehensive social benefits including the sustainable development of itself.

(1) Corporate governance: During the Reporting Period, the Company strictly abided by the Company Law, the Securities Law and Code of Corporate Governance for Listed Companies, continued to refine the corporate governance structure, improve the internal control system, formed the decision-making system comprising the Shareholders' General Meeting, the Board of Directors and the Management, and timely fulfilled its obligation of information disclosure according to laws and regulations and effectively safeguarded the rights and interests of all shareholders.

(2) Rights and interests of employees: The Company provided employees with welfare and care by providing holiday gifts and holding employee birthday parties, annual meetings, and team-building activities, improved employees' professional competence by offering regular or irregular training to employees in the headquarters and domestic and foreign branches and subsidiaries, and continued to improve the competitive comprehensive remuneration system to retain and attract talents needed for the Company's sustainable development.

(3) Relationship with customers and suppliers: Long adhering to the principle of "honest business" and "mutual benefit and win-win", the Company took the initiative to construct and develop a strategic partnership with suppliers and customers and jointly built a platform of trust and cooperation, and earnestly fulfilled its social responsibilities to suppliers, customers and consumers. The Company has been well-performing contracts with suppliers and customers and ensuring that the rights and interests of all parties are highly valued and duly protected.

(4) Production safety: The Company strictly abided by the Labour Law and the Labour Contract Law, adhered to the "people-oriented" principle, attached importance to the needs of employees,strived to improve the working and living environments of employees, and has set up a labor union to effectively protect the interests of employees. It also provided labor protection supplies according to the risk factors of different posts, organized occupational health examinations for employees (before taking the post, on

the post and before leaving the post), and bought safety liability insurance for employees on highly risky posts. In 2020, Dongfang Precision extended its Grade II Production Safety Standardization Certificate for Machinery Enterprises, and Parsun Power and Fosber Asia were granted the Grade III Production Safety Standardization Certificate for Machinery Enterprises.

(5) Environmental Protection: Dongfang Precision was granted the “National Pollutant Discharge Permit” and commissions a third-party monitoring agency to conduct quarterly testing of wastewater, exhaust emissions, and noise levels, issuing third-party testing reports; it also commissions a qualified environmental protection company to transport wastewater on a monthly basis, thereby meeting the zero-discharge requirement for wastewater as specified in the environmental protection approval; Every year, the company organizes and successfully undergoes recertification reviews for the “OHSAS 18001:2007 Occupational Health and Safety Management System” and the “ISO 14001:2015 Environmental Management System.”

The subsidiary, Parsun Power, has obtained the “National Pollutant Discharge Permit” and has passed ISO 14001:2015 Environmental Management System certification. To address pollutants that may be generated during the company’s daily production processes, Parsun Power has purchased environmental protection equipment and facilities, including one 80,000 m^3/h zeolite rotor + RTO exhaust gas treatment system, one 28,000 m^3/h exhaust gas treatment system, and one wastewater reuse system, which are capable of meeting daily pollutant treatment requirements. During the reporting period, Parsun Power’s exhaust gas treatment and wastewater treatment facilities operated stably under good working conditions, with exhaust emissions meeting regulatory standards. All hazardous waste was safely transferred and disposed of by appropriately qualified entities in accordance with regulations and registered with the environmental protection authorities.

(6) Anti-fraud: The Group complied a thorough internal authorization manual that detailed provisions on internal authorization process of major matters to ensure appropriate internal control and reduce the risk of fraud. In order to create a fair, just, honest and non-corrupt internal business environment and strengthen internal monitoring, the Company also established and launched the anti-fraud reporting platform to encourage employees to report fraud findings.

Part V Significant Events

I Undertakings of the Company's Actual Controller, Shareholders, Related Parties and Acquirers, as well as the Company Itself and Other Entities Fulfilled in the Reporting Period or Unfulfilled and Overdue at the Period-End

☑ Applicable □Not applicable

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
Commitments related to reform of shareholder structure						
Commitments made in acquisition report of change of equity report						
Commitments made in asset reorganization	Tang Zhuolin, Tang Zhuomian	Other Commitments	# Letter of Commitment on the Authenticity, Accuracy and Completeness of Information Provided I. I warrant that I will promptly provide the listed company with materials and information relating to this transaction, and that all materials and information supplied by me in the course of this transaction are true, accurate and complete, without any false records, misleading statements or material omissions. If any false records, misleading statements or material omissions exist in the materials and/or information provided by me, which cause losses to the listed company or investors, I shall be liable for compensation in accordance with the law.	28 Nov 2025	The period from the announcement date of the first resolution of the board of directors of the listed company approving the proposals in relation to this transaction, to the date of full	Completed

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			II. I warrant that all materials and information provided to all intermediaries participating in this transaction are true, accurate and complete; all such materials are original written documents or duplicate copies, and such duplicates or copies are consistent with the original documents or originals. The signatures and seals on all documents are authentic, the signatories of such documents are duly authorized and have validly executed such documents, and there are no false records, misleading statements or material omissions. III. I warrant that I have fulfilled the statutory disclosure and reporting obligations, and there are no contracts, agreements, arrangements or other matters that should be disclosed but remain undisclosed. IV. In accordance with the progress of this transaction, I will promptly provide relevant information and materials pursuant to the provisions of laws, regulations, rules, the China Securities Regulatory Commission and the Shenzhen Stock Exchange, and warrant that the information and materials to be continuously provided shall continue to meet the requirements of authenticity, accuracy, completeness and validity. V. If this transaction is subject to case-filing investigation by a judicial authority or the China Securities Regulatory Commission on suspicion that the information provided or disclosed by me contains false records, misleading statements or material omissions, any shares in the listed company in which I have an interest shall not be transferred prior to the conclusion of the investigation. Within two trading days upon receipt of the notice of case-filing inspection, I shall submit a written application for suspension of transfer and my securities account to the board of directors of the listed company, which shall apply to the stock exchange and the securities depository and settlement institution for the lock-up of such shares on my behalf. If I fail to submit the lock-up application within two trading days, I hereby agree to authorize the board of directors of the listed company to		completion of the implementation of this transaction.	

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			directly submit my identity information and account information to the stock exchange and the securities depository and settlement institution for verification and apply for share lock-up. If the board of directors of the listed company fails to submit my identity information and account information to the stock exchange and the securities depository and settlement institution, I hereby agree to authorize the stock exchange and the securities depository and settlement institution to directly lock up the relevant shares. If any illegal or non-compliant circumstances are found in the investigation conclusion, I commit that the locked-up shares shall be voluntarily used for relevant investor compensation arrangements. VI. I shall bear legal liabilities in accordance with the law in the event of any breach of the above commitments. # Letter of Commitment on Compliance and Good Credit Standing I. I am a natural person with full capacity for civil conduct and civil rights, possessing and complying with the qualifications for office and obligations prescribed by the Company Law, the Listing Rules of the Shenzhen Stock Exchange and other laws, regulations, regulatory documents as well as the Articles of Association of the listed company, and my holding of office (if any) is appointed through statutory procedures. I do not have any circumstances of holding office or part-time employment prohibited by relevant laws, regulations, regulatory documents, the Articles of Association, relevant regulatory authorities or part-time employers (if any). II. I have not been subject to any administrative penalties (except those clearly unrelated to the securities market) or criminal penalties in the past five years, nor have I been involved in any material civil litigation or arbitration relating to economic disputes. As of the date hereof, there are no pending or potential material litigations, arbitrations or administrative penalties against me.			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			III. I have maintained a good credit standing in the past five years. I have not defaulted on the repayment of large-scale debts, failed to perform commitments, been subject to administrative regulatory measures by China’s securities regulatory authorities or disciplinary sanctions by stock exchanges, been listed as a joint disciplinary offender or a dishonest judgment debtor, or committed any serious bad faith acts in the securities market. In the past three years, I have not committed any material violations, been suspected of material violations, or been subject to material administrative penalties with serious circumstances. I have not been subject to case-filing investigation by a judicial authority on suspicion of committing a crime, or case-filing investigation by China’s securities regulatory authorities or other competent authorities on suspicion of violation of laws or regulations. IV. I shall bear legal liabilities in accordance with the law in the event of any breach of the above commitments. # Commitment on Non-Disclosure of Inside Information and Non-Participation in Insider Trading I. Neither I nor enterprises under my control are subject to any circumstances set forth in Article 12 of the Regulatory Guidelines for Listed Companies No. 7 – Supervision of Abnormal Stock Trading Related to Material Asset Restructuring of Listed Companies, that is, neither I nor such enterprises are under case-filing investigation or case-filing inspection in connection with suspected insider trading relating to this transaction; nor have we been subject to administrative penalties by the China Securities Regulatory Commission or criminal liability pursued by judicial authorities for insider trading related to material asset restructuring in the past thirty-six months. II. Neither I nor enterprises under my control have illegally disclosed any inside information relating to this transaction or engaged in insider trading by illegally			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			using such inside information. I warrant to take necessary measures to keep strictly confidential all materials and information involved in this transaction. III. I shall bear legal liabilities in accordance with the law in the event of any breach of the above commitments. # Explanation on Confidentiality Measures Adopted I. I have strictly fulfilled my confidentiality obligations in respect of the information relating to this transaction prior to its lawful disclosure, and adopted adequate and necessary confidentiality measures for this transaction. II. I attach great importance to the administration of inside information, cooperate with the listed company to strictly control the scope of insiders, and fill in the insider registration form. III. I have not illegally disclosed any inside information relating to this transaction and/or engaged in insider trading by illegally using such inside information, and I warrant to take necessary measures to keep strictly confidential all materials and information involved in this transaction. IV. I shall bear legal liabilities in accordance with the law in the event of any breach of the above commitments. # Letter of Commitment on Measures to Offset Diluted Immediate Returns in Respect of This Restructuring I. I commit not to interfere ultra vires with the operation and management of the listed company or encroach upon the interests of the listed company. II. I commit not to convey interests to any other entity or individual without compensation or on unfair terms, nor to impair the interests of the listed company by any other means. III. I commit to restrict my daily official consumption activities. IV. I commit not to use the assets of the listed company to engage in any			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			investment or consumption activities irrelevant to the performance of my duties. V. I commit to, within the scope of my duties and authority, make best efforts to promote the linkage between the remuneration system formulated by the board of directors or the remuneration and assessment committee of the listed company and the implementation of the measures to offset diluted returns of the listed company. VI. I commit that if the listed company launches an equity incentive plan in the future, the proposed vesting conditions of such equity incentive plan shall be linked to the implementation of the measures to offset diluted returns of the listed company. VII. From the date hereof until the completion of this transaction, if the regulatory authority issues any new regulatory provisions concerning measures to offset diluted returns and commitments thereon, and the relevant contents of this commitment fail to meet such provisions of the regulatory authority, I commit to issue a supplementary commitment in accordance with the latest provisions of the regulatory authority at that time. VIII. I will earnestly implement the relevant measures to offset diluted returns formulated by the listed company and any commitments made by me in respect thereof. If I breach the above commitments and cause losses to the listed company or investors, I agree to bear corresponding compensation liabilities in accordance with the law. # Statement and Commitment on the Absence of Related Party Relationship with the Counter-party I. As of the date of this statement and commitment letter, I have no related party relationship or relationship of acting in concert with the transaction counter-party and the enterprises or entities controlling the transaction counter-party. The			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			transaction counter-party is not an enterprise under my control. II. The contents of this statement and commitment letter are true, accurate and complete. I shall bear corresponding legal liabilities in the event of any false records, misleading statements or material omissions.			
	Tang Zhuolin, Qiu Yezhi, Feng Jia ,Li Ketian, Tu Haichuan ,Feng Zhidong, Chen Huiyi ,Shao Yongfeng	Other Commitments	# Commitment on the Authenticity, Accuracy and Completeness of Information Provided 1. I warrant that I will promptly provide the listed company with materials and information in relation to this transaction, and that all materials and information supplied by me during this transaction are true, accurate and complete, without any false records, misleading statements or material omissions. In the event that any false records, misleading statements or material omissions in the materials and/or information provided by me cause losses to the listed company or investors, I shall be liable for compensation in accordance with the law. 2. I warrant that all materials and information provided to all intermediaries participating in this transaction are true, accurate and complete; all materials furnished are original written documents or duplicate copies, and such duplicates or copies are consistent with the original documents or originals. The signatures and seals on all documents are authentic, the signatories of such documents are duly authorized and have validly executed the documents, and there exist no false records, misleading statements or material omissions. 3. I warrant that I have fulfilled my statutory disclosure and reporting obligations, and there are no contracts, agreements, arrangements or other matters that are required to be disclosed but have not been disclosed. 4. In accordance with the progress of this transaction, I will promptly provide relevant information and materials pursuant to the provisions of laws, regulations, rules, the China Securities Regulatory Commission and the Shenzhen Stock Exchange, and warrant that the information and materials to be provided	28 Nov 2025	The period from the announcement date of the first resolution of the board of directors of the listed company approving the proposals in relation to this transaction, to the date of full completion of the implementation of this transaction.	Completed

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			continuously shall continue to meet the requirements of being true, accurate, complete and valid. 5. If this transaction is placed on file for investigation by a judicial authority or the China Securities Regulatory Commission on the ground that the information provided or disclosed by me is suspected of containing false records, misleading statements or material omissions, any shares in the listed company in which I have an interest shall not be transferred prior to the issuance of the investigation conclusion. Within two trading days after receiving the notice of case-filing investigation, I shall submit a written application for the suspension of transfer and my securities account to the board of directors of the listed company, which shall apply to the stock exchange and the securities depository and clearing corporation for the lock-up of such shares on my behalf. If I fail to submit the lock-up application within two trading days, I hereby agree to authorize the board of directors of the listed company to directly submit my identity information and account information to the stock exchange and the securities depository and clearing corporation for verification and apply for the lock-up of shares. If the board of directors of the listed company fails to submit my identity information and account information to the stock exchange and the securities depository and clearing corporation, I hereby agree to authorize the stock exchange and the securities depository and clearing corporation to directly lock up the relevant shares. If any illegal or non-compliant circumstances are identified in the investigation conclusion, I commit that the locked-up shares shall be voluntarily used for relevant investor compensation arrangements. 6. I shall bear legal liabilities in accordance with the law in case of any breach of the above commitments. # Commitment on No Disclosure of Inside Information or Insider Trading 1. Neither I nor the enterprises under my control are subject to any of the			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			circumstances set forth in Article 12 of the *Regulatory Guidelines for Listed Companies No. 7 – Supervision of Abnormal Stock Trading Related to Material Asset Restructuring of Listed Companies*, that is, neither I nor such enterprises are under case-filing investigation or inspection in connection with suspected insider trading relating to this transaction; nor have we been subject to administrative penalties by the China Securities Regulatory Commission or criminal liability pursued by judicial authorities for insider trading related to material asset restructuring in the past thirty-six months. 2. Neither I nor the enterprises under my control have illegally disclosed any inside information relating to this transaction or engaged in insider trading by illegally using such inside information; I warrant to take necessary measures to keep strictly confidential all materials and information involved in this transaction. 3. I shall bear legal liabilities in accordance with the law in case of any breach of the above commitments. # Letter of Commitment on Compliance and Good Faith 1. I am a natural person with full capacity for civil conduct and civil rights, possessing and complying with the qualifications for holding office and obligations prescribed by the *Company Law*, the *Listing Rules of the Shenzhen Stock Exchange* and other laws, regulations, regulatory documents as well as the articles of association of the listed company, and my holding of office (if any) has been appointed through statutory procedures. I do not engage in any holding of office or part-time employment prohibited by relevant laws, regulations, regulatory documents, the articles of association, relevant regulatory authorities or part-time employers (if any). 2. I have not been subject to any administrative penalties (except those obviously unrelated to the securities market) or criminal penalties in the past five years, nor			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			have I been involved in any material civil litigation or arbitration relating to economic disputes. As of the date hereof, there are no pending or potential material litigations, arbitrations or administrative penalties against me. 3. I have maintained good credit standing in the past five years. I have not defaulted on the repayment of large debts, failed to perform commitments, been subject to administrative regulatory measures by China’s securities regulatory authorities or disciplinary sanctions by stock exchanges, been listed as a joint disciplinary offender or a dishonest judgment debtor, or committed any serious bad faith acts in the securities market. In the past three years, I have not committed any material violations, been suspected of material violations, or been subject to material administrative penalties with serious circumstances. I have not been placed on file for investigation by a judicial authority on suspicion of committing a crime, or placed on file for investigation by China’s securities regulatory authorities or other competent authorities on suspicion of violating laws or regulations. 4. I shall bear legal liabilities in accordance with the law in case of any breach of the above commitments. # Explanation on Confidentiality Measures Adopted 1. I have strictly fulfilled my confidentiality obligations in respect of the information relating to this transaction prior to its lawful disclosure, and adopted adequate and necessary confidentiality measures for this transaction. 2. I attach great importance to the administration of inside information, cooperate with the listed company to strictly control the scope of insiders, and fill in the insider registration form. 3. I have not illegally disclosed any inside information relating to this transaction and/or engaged in insider trading by illegally using inside information, and I warrant to take necessary measures to keep strictly confidential all materials and			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			information involved in this transaction. 4. I shall bear legal liabilities in accordance with the law in case of any breach of the above commitments. # Letter of Commitment on Measures to Mitigate Dilution of Immediate Returns Arising from This Restructuring 1. I commit not to convey interests to any other entity or individual without compensation or on unfair terms, nor to impair the interests of the listed company by any other means. 2. I commit to exercise restraint over my daily official consumption. 3. I commit not to use the assets of the listed company to conduct any investment or consumption activities irrelevant to the performance of my duties. 4. I commit to, within the scope of my duties and authority, make best efforts to promote the linkage between the remuneration system formulated by the board of directors or the Remuneration and Evaluation Committee and the implementation of the listed company’ s return mitigation measures. 5. I commit that if the listed company launches an equity incentive plan in the future, the proposed vesting conditions of the listed company’ s equity incentive plan shall be linked to the implementation of the listed company’ s return mitigation measures. 6. From the date hereof until the completion of the implementation of this transaction, if the regulatory authority issues any new regulatory provisions concerning return mitigation measures and commitments thereon, and the relevant contents of this commitment fail to meet such provisions of the regulatory authority, I commit to issue a supplementary commitment in accordance with the latest provisions of the regulatory authority at that time. 7. I will earnestly implement the relevant return mitigation measures formulated by the listed company and any commitments made by me in respect thereof. In the			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			event that I breach the above commitments and cause losses to the listed company or investors, I am willing to bear corresponding compensation liabilities in accordance with the law.			
	The Company	Other Commitments	# Commitment on the Authenticity, Accuracy and Completeness of Information Provided 1. The Company warrants that all materials and information supplied in connection with this transaction are true, accurate and complete, without any false records, misleading statements or material omissions. In the event that any false records, misleading statements or material omissions in the materials and/or information provided by the Company cause losses to investors, the Company shall be liable for compensation in accordance with the law. 2. The Company warrants that all materials and information provided to all intermediaries participating in this transaction are true, accurate and complete; all materials furnished are original written documents or duplicate copies, and such duplicates or copies are consistent with the original documents or originals. The signatures and seals on all the aforementioned documents provided by the Company are authentic, the signatories of such documents are duly authorized and have validly executed the same, and there exist no false records, misleading statements or material omissions. 3. The Company warrants that it has fulfilled its statutory disclosure and reporting obligations, and there are no contracts, agreements, arrangements or other matters that are required to be disclosed but have not been disclosed. 4. In accordance with the progress of this transaction, the Company will promptly provide relevant information and materials pursuant to the provisions of laws, regulations, rules, the China Securities Regulatory Commission and the Shenzhen Stock Exchange, and warrants that the information and materials to be provided continuously shall continue to meet the requirements of being true, accurate,	28 Nov 2025	The period from the announcement date of the first resolution of the board of directors of the listed company approving the proposals in relation to this transaction, to the date of full completion of the implementation of this transaction.	Completed

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			complete and valid. 5. The Company shall bear legal liabilities in accordance with the law in case of any breach of the above commitments. # Statement on the Absence of Insider Trading in Connection with This Material Asset Disposal 1. Neither the Company, nor its directors, senior management, controlling shareholder, actual controller, nor enterprises controlled by any of the foregoing parties are subject to any of the circumstances set forth in Article 12 of the *Regulatory Guidelines for Listed Companies No. 7 – Supervision of Abnormal Stock Trading Related to Material Asset Restructuring of Listed Companies*; that is, none of them are under case-filing investigation or inspection in connection with suspected insider trading relating to this transaction, and none of them have been subject to administrative penalties by the China Securities Regulatory Commission or criminal liability pursued by judicial authorities for insider trading related to material asset restructuring in the past thirty-six months. 2. Neither the Company, nor its directors, senior management, controlling shareholder, actual controller, nor enterprises controlled by any of the foregoing parties have illegally disclosed any inside information relating to this transaction or engaged in insider trading by illegally using such inside information; the Company warrants to take necessary measures to keep strictly confidential all materials and information involved in this transaction. 3. Any breach of the above statements and commitments shall result in legal liabilities being borne in accordance with the law. # Letter of Commitment on Compliance and Good Faith 1. The Company is a legal entity duly incorporated and validly existing under the laws and regulations of the People's Republic of China, and possesses the lawful qualification to participate in this transaction, execute transaction documents in			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			connection with this transaction, and exercise and perform the rights and obligations under the aforesaid relevant transaction documents. 2. The Company, its directors and senior management have not been subject to any administrative penalties (except those obviously unrelated to the securities market) or criminal penalties in the past five years, nor have they been involved in any material civil litigation or arbitration relating to economic disputes. As of the date hereof, there are no pending or potential material litigations, arbitrations or administrative penalties against the Company. 3. The Company, its directors and senior management have maintained good credit standing in the past five years. None of them have defaulted on the repayment of large debts, failed to perform commitments, illegally occupied funds, provided illegal external guarantees, been subject to administrative regulatory measures by China’s securities regulatory authorities or disciplinary sanctions by stock exchanges, been listed as a joint disciplinary offender or a dishonest judgment debtor, or committed any serious bad faith acts in the securities market. The interests of the listed company or the legitimate rights and interests of investors have not been seriously impaired by the controlling shareholder or actual controller in a manner that remains unresolved. 4. The Company, its directors and senior management do not fall under any of the following circumstances: (1) Having been publicly reprimanded by a stock exchange in the most recent year; (2) Being under case-filing investigation by a judicial authority on suspicion of committing a crime, or under case-filing investigation by securities regulatory authorities or other competent authorities on suspicion of violating laws or regulations; (3) Having been subject to measures by securities regulatory authorities in			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			connection with securities violations, including being identified as an inappropriate person, having business activities restricted, or being banned from the securities market, and such measures remain in effect; (4) Having been subject to measures by a stock exchange or other legally approved national securities trading venues in connection with securities violations, including refusing to accept relevant documents issued by such party for a specified period, publicly determining such party unfit to serve as a director or senior management of a listed company, or being identified by the Securities Association of China as unfit to engage in relevant businesses, and such measures remain in effect; (5) Having committed material violations, being suspected of material violations, or having been subject to material administrative penalties with serious circumstances in the past three years. 5. Any breach of the above commitments shall result in legal liabilities being borne in accordance with the law. # Commitment on Clear Title to the Target Assets and Absence of Disputes 1. The Target Company is an enterprise duly incorporated and validly existing, with no circumstances affecting its lawful existence. The Company legally holds 100% equity interest in the Target Company directly or indirectly through its Dutch subsidiary. The procedures for the Company / the Dutch subsidiary to acquire the equity interest in the Target Company are legal and compliant, and all investment consideration and/or transfer consideration have been fully paid; the registered capital / share capital of the Target Company corresponding to its equity interest has been fully contributed, with no defects in capital contribution such as under-capitalization, unlawful withdrawal of capital contributions or false capital contributions. 2. The Company legally owns full rights to the equity interest in the Target			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			Company directly or indirectly through its Dutch subsidiary. The title to the equity interest in the Target Company is clear, with no entrusted shareholding, trust shareholding or any other form of shareholding on behalf of others. No security interests such as mortgage, pledge or lien, or any other third-party rights have been created over such equity interest; there is no seal, freeze, custody or other circumstances prohibiting or restricting its transfer; there are no known or potential disputes or controversies in relation to such equity interest, nor any pending or foreseeable legal proceedings such as litigation, arbitration or judicial enforcement. 3. The Company warrants that the aforesaid status shall continue until the date on which the equity interest in the Target Company is transferred and delivered to the Buyer pursuant to the transaction agreement reached by all parties to this transaction, or the date on which this transaction is terminated (whichever occurs earlier), and that there are no material obstacles to the completion of the transfer and delivery procedures for the equity interest in the Target Company pursuant to the transaction agreement reached by all parties to this transaction. 4. In the event of any breach of the above statements and commitments, the Company shall bear legal liabilities in accordance with the law. # Explanation on Confidentiality Measures and Confidentiality Systems Adopted 1. In connection with this transaction, the Company has adopted adequate and necessary confidentiality measures and established strict and effective confidentiality systems in strict compliance with the requirements of laws, regulations and regulatory documents including the *Securities Law*, the *Measures for the Administration of Material Asset Restructuring of Listed Companies*, the *Measures for the Administration of Information Disclosure by Listed Companies*, the *Regulatory Guidelines for Listed Companies No. 5 – Rules for the Registration of Inside Information Insiders of Listed Companies*, as			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			well as the provisions of the Company’s articles of association and internal management systems. 2. When conducting preliminary consultations and follow-up communications with relevant parties regarding this transaction, the Company adopted necessary confidentiality measures, limited the scope of persons with knowledge of relevant sensitive information, and properly registered inside information insiders. 3. The Company has executed confidentiality agreements with the securities service institutions involved in this transaction, or included confidentiality clauses in relevant agreements, stipulating the confidentiality responsibilities and obligations of all parties. 4. The Company has repeatedly reminded inside information insiders to strictly abide by the confidentiality systems, fulfill confidentiality obligations, and not disclose or divulge inside information or trade the Company’s stocks using inside information before such inside information is disclosed in accordance with the law. 5. The Company attaches great importance to the administration of inside information. In accordance with the *Regulatory Guidelines for Listed Companies No. 5 – Rules for the Registration of Inside Information Insiders of Listed Companies* and other relevant provisions, it has strictly controlled the scope of inside information insiders, promptly recorded the list of inside information insiders and the planning process at the stages of negotiation, planning, demonstration and consultation, strictly prepared inside information insider files and transaction progress memoranda as required by the Shenzhen Stock Exchange, and submitted the same to the Shenzhen Stock Exchange in a timely manner. # Statement and Letter of Commitment on the Absence of Related Party Relationship with the Transaction Counterpart			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			1. As of the date of this statement and commitment letter, the Company, its controlling shareholder, actual controller, directors, senior management, and enterprises controlled by any of the foregoing parties have no related party relationship with the transaction counter-party and the enterprises or entities controlling the transaction counter-party. The transaction counter-party does not hold any shares in the Company directly or indirectly in any manner, nor has it recommended any directors or senior management to the Company. 2. The contents of this statement and commitment letter are true, accurate and complete. In the event of any false records, misleading statements or material omissions, the Company shall bear corresponding legal liabilities.			
	Tang Zhuolin, Tang Zhuomian,Qiu Yezhi, Feng Jia ,Li Ketian, Tu Haichuan ,Feng Zhidong, Chen Huiyi ,Shao Yongfeng	Other Commitments	1. During the period from the announcement date of the first board resolution of the listed company approving the proposals relating to this transaction to the completion of the implementation of this transaction, if I hold shares in the listed company, I have no plan to reduce my holdings of such shares. 2. If the listed company undertakes any ex-rights events including capitalization of reserves, bonus issues or rights issues from the date of signing this commitment letter until the completion of the implementation of this transaction, any additional shares obtained by me therefrom shall also be subject to the above commitment. 3. I shall bear legal liabilities in accordance with the law in the event of any breach of the above commitments.	28 Nov 2025	The period from the announcement date of the first resolution of the board of directors of the listed company approving the proposals in relation to this transaction, to the date of full completion of the implementation of this transaction.	Completed
	Fosber S.p.A, Fosber Asia, Tiruña Asia	Other Commitments	# Letter of Commitment on the Authenticity, Accuracy and Completeness of Information Provided 1. The Company warrants that it will promptly provide the listed company with materials and information relating to this transaction, and that all materials and information supplied in the course of this transaction are true, accurate and	28 Nov 2025	The period from the announcement date of the first resolution of the board of directors of the listed company	Completed

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			complete, without any false records, misleading statements or material omissions. In the event that any false records, misleading statements or material omissions in the materials and/or information provided by the Company cause losses to the listed company or investors, the Company shall be liable for compensation in accordance with the law. 2. The Company warrants that all materials and information provided to all intermediaries participating in this transaction are true, accurate and complete; all materials furnished are original written documents or duplicate copies, and such duplicates or copies are consistent with the original documents or originals. The signatures and seals on all the aforementioned documents provided by the Company are authentic, the signatories of such documents are duly authorized and have validly executed the same, and there exist no false records, misleading statements or material omissions. 3. The Company warrants that it has fulfilled its statutory disclosure and reporting obligations, and there are no contracts, agreements, arrangements or other matters that are required to be disclosed but have not been disclosed. 4. In accordance with the progress of this transaction, the Company will promptly provide relevant information and materials pursuant to the provisions of laws, regulations, rules, the China Securities Regulatory Commission and the Shenzhen Stock Exchange, and warrants that the information and materials to be provided continuously shall continue to meet the requirements of being true, accurate, complete and valid. 5. The Company shall bear legal liabilities in accordance with the law in case of any breach of the above commitments. # Letter of Commitment on Compliance and Good Faith 1. The Company is a legal entity duly incorporated and validly existing under the laws of its place of incorporation, and possesses the lawful qualification to		approving the proposals in relation to this transaction, to the date of full completion of the implementation of this transaction.	

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			participate in this transaction, execute transaction documents in connection with this transaction, and exercise and perform the rights and obligations under the aforesaid relevant transaction documents. 2. The Company, its directors and senior management have not been subject to administrative penalties (except those obviously unrelated to the securities market) or criminal penalties, whether inside or outside the People’s Republic of China, in the past five years, nor have they been involved in any material civil litigation or arbitration relating to economic disputes. As of the date hereof, there are no pending or potential material litigations, arbitrations or administrative penalties against the Company, whether inside or outside the People’s Republic of China. 3. The Company, its directors and senior management have maintained good credit standing in the past five years. None of them have defaulted on the repayment of large debts, failed to perform commitments, illegally occupied funds, provided illegal external guarantees, been subject to administrative regulatory measures by China’s securities regulatory authorities or disciplinary sanctions by stock exchanges, been listed as a joint disciplinary offender or a dishonest judgment debtor, or committed any serious bad faith acts in the securities market. There are no circumstances that seriously impair the legitimate rights and interests of investors and the public interests. 4. The Company, its directors and senior management do not fall under any of the following circumstances: (1) Having been publicly reprimanded by a stock exchange, whether inside or outside the People’s Republic of China, in the most recent year; (2) Being under case-filing investigation by a judicial authority, whether inside or outside the People’s Republic of China, on suspicion of committing a crime, or under case-filing investigation by securities regulatory authorities or other			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			competent authorities, whether inside or outside the People's Republic of China, on suspicion of violating laws or regulations; (3) Having been subject to measures by securities regulatory authorities, whether inside or outside the People's Republic of China, in connection with securities violations, including being identified as an inappropriate person, having business activities restricted, or being banned from the securities market, and such measures remain in effect; (4) Having been subject to measures by a stock exchange or other legally approved national securities trading venues, whether inside or outside the People's Republic of China, in connection with securities violations, including refusing to accept relevant documents issued by such party for a specified period, publicly determining such party unfit to serve as a director, supervisor or senior management of a listed company, or being identified by a securities association, whether inside or outside the People's Republic of China, as unfit to engage in relevant businesses, and such measures remain in effect; (5) Having committed material violations, being suspected of material violations, or having been subject to material administrative penalties with serious circumstances in the past three years. 5. Any breach of the above commitments shall result in legal liabilities being borne in accordance with the law. # Commitment on Non-Disclosure of Inside Information and Non-Participation in Insider Trading 1. Neither the Company, nor its directors, supervisors, senior management, controlling shareholder, actual controller, nor enterprises controlled by any of the foregoing parties are subject to any of the circumstances set forth in Article 12 of the *Regulatory Guidelines for Listed Companies No. 7 – Supervision of Abnormal Stock Trading Related to Material Asset Restructuring of Listed			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			Companies*; that is, none of them are under case-filing investigation or inspection in connection with suspected insider trading relating to this transaction, and none of them have been subject to administrative penalties by the China Securities Regulatory Commission or criminal liability pursued by judicial authorities for insider trading related to material asset restructuring in the past thirty-six months. 2. Neither the Company, nor its directors, supervisors, senior management, controlling shareholder, actual controller, nor enterprises controlled by any of the foregoing parties have illegally disclosed any inside information relating to this transaction or engaged in insider trading by illegally using such inside information; the Company warrants to take necessary measures to keep strictly confidential all materials and information involved in this transaction. 3. Any breach of the above statements and commitments shall result in legal liabilities being borne in accordance with the law. # Explanation on Confidentiality Measures Adopted 1. The Company has strictly fulfilled its confidentiality obligations in respect of the information relating to this transaction prior to its lawful disclosure, strictly controlled the scope of insiders with knowledge of inside information in connection with this transaction, and adopted adequate and necessary confidentiality measures for this transaction. 2. The Company attaches great importance to the administration of inside information, cooperates with the listed company to strictly control the scope of insiders, and fills in the insider registration form. 3. The Company has repeatedly reminded the relevant insiders to fulfill their confidentiality obligations and responsibilities, and prohibited them from trading securities of the listed company, disclosing such inside information, or advising others to trade securities of the listed company prior to the public disclosure of			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			such inside information. 4. The Company has not illegally disclosed any inside information relating to this transaction and/or engaged in insider trading by illegally using inside information, and warrants to take necessary measures to keep strictly confidential all materials and information involved in this transaction. 5. Any breach of the above statements shall result in legal liabilities being borne in accordance with the law.			
	He Baohua, Zhao Qingjun,Chen Keyu, Chen Yingpeng	Other Commitments	Letter of Commitment on the Authenticity, Accuracy and Completeness of Information Provided 1. I warrant that I will promptly provide the listed company with the necessary materials and information relating to this transaction, and that all materials and information supplied by me in the course of this transaction are true, accurate and complete, without any false records, misleading statements or material omissions. In the event that any false records, misleading statements or material omissions in the materials and/or information provided by me cause losses to the listed company or investors, I shall be liable for compensation in accordance with the law. 2. I warrant that all materials and information provided to all intermediaries participating in this transaction are true, accurate and complete; all materials furnished are original written documents or duplicate copies, and such duplicates or copies are consistent with the original documents or originals. The signatures and seals on all the aforementioned documents provided by me are authentic, the signatories of such documents are duly authorized and have validly executed the same, and there exist no false records, misleading statements or material omissions. 3. In accordance with the progress of this transaction, I will promptly provide relevant information and materials pursuant to the provisions of laws, regulations,	28 Nov 2025	The period from the announcement date of the first resolution of the board of directors of the listed company approving the proposals in relation to this transaction, to the date of full completion of the implementation of this transaction.	Completed

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			rules, the China Securities Regulatory Commission and the Shenzhen Stock Exchange, and warrant that the information and materials to be provided continuously shall continue to meet the requirements of being true, accurate, complete and valid. 4. I shall bear legal liabilities in accordance with the law in case of any breach of the above commitments. Letter of Commitment on Compliance and Good Faith 1. I am a natural person with full capacity for civil conduct and civil rights, possessing and complying with the qualifications for holding office and obligations prescribed by the Company Law of the People's Republic of China, the Listing Rules of the Shenzhen Stock Exchange and other laws, regulations, regulatory documents as well as the constitutional documents of the Target Company. My holding of office (if any) is appointed through statutory procedures; I do not engage in any holding of office or part-time employment prohibited by relevant laws, regulations, regulatory documents, the Articles of Association, relevant regulatory authorities or part-time employers (if any). 2. I have not been subject to any administrative penalties (except those obviously unrelated to the securities market) or criminal penalties in the past five years, nor have I been involved in any material civil litigation or arbitration relating to economic disputes. As of the date hereof, there are no pending or potential material litigations, arbitrations or administrative penalties against me. 3. I have maintained good credit standing in the past five years. I have not defaulted on the repayment of large debts, failed to perform commitments, been subject to administrative regulatory measures by China’s securities regulatory authorities or disciplinary sanctions by stock exchanges, been listed as a joint disciplinary offender or a dishonest judgment debtor, or committed any serious bad faith acts in the securities market. In the past three years, I have not			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			committed any material violations, been suspected of material violations, or been subject to material administrative penalties with serious circumstances. I have not been placed on file for investigation by a judicial authority on suspicion of committing a crime, or placed on file for investigation by China’s securities regulatory authorities or other competent authorities on suspicion of violating laws or regulations. 4. I shall bear legal liabilities in accordance with the law in case of any breach of the above commitments. Letter of Commitment on Non-Disclosure of Inside Information and Non-Participation in Insider Trading 1. Neither I nor the enterprises under my control are subject to any of the circumstances set forth in Article 12 of the Regulatory Guidelines for Listed Companies No. 7 – Supervision of Abnormal Stock Trading Related to Material Asset Restructuring of Listed Companies; that is, neither I nor such enterprises are under case-filing investigation or inspection in connection with suspected insider trading relating to this transaction, and neither I nor such enterprises have been subject to administrative penalties by the China Securities Regulatory Commission or criminal liability pursued by judicial authorities for insider trading related to material asset restructuring in the past thirty-six months. 2. Neither I nor the enterprises under my control have illegally disclosed any inside information relating to this transaction or engaged in insider trading by illegally using such inside information; I warrant to take necessary measures to keep strictly confidential all materials and information involved in this transaction. 3. I shall bear legal liabilities in accordance with the law in case of any breach of the above statements and commitments. Explanation on Confidentiality Measures Adopted			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			1. I have strictly fulfilled my confidentiality obligations in respect of the information relating to this transaction prior to its lawful disclosure, and adopted adequate and necessary confidentiality measures for this transaction. 2. I attach great importance to the administration of inside information, cooperate with the listed company to strictly control the scope of insiders, and fill in the insider registration form. 3. I have not illegally disclosed any inside information relating to this transaction and/or engaged in insider trading by illegally using inside information, and I warrant to take necessary measures to keep strictly confidential all materials and information involved in this transaction. 4. I shall bear legal liabilities in accordance with the law in case of any breach of the above statements.			
	Foresight Italy BidCo S.p.A.; Foresight US	Other Commitments	Commitment Letter on the Truthfulness, Accuracy and Completeness of Information Provided 1. The Company warrants that the Company and its directors/senior management personnel will promptly provide the listed company with relevant materials and information in connection with this transaction, and that all materials and information provided by the Company in the course of this transaction are true, accurate and complete, free from any false records, misleading statements or material omissions. If the provided materials and/or information contain false records, misleading statements or material omissions that cause losses to the listed company or investors, the Company shall bear compensation liability in accordance with the law. 2. The Company warrants that all materials and information provided by the Company to each intermediary institution participating in this transaction are true, accurate and complete. The provided materials are either original written materials or duplicate materials, and the duplicate copies or photocopies of the	28 Nov 2025	The period from the announcement date of the first resolution of the board of directors of the listed company approving the proposals in relation to this transaction, to the date of full completion of the implementation of this transaction.	Completed

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			materials are consistent with the original materials or originals. The signatures and seals on all documents provided by the Company are authentic, the signatories of such documents have been duly authorized and have validly signed the documents, and there are no false records, misleading statements or material omissions. 3. In accordance with the progress of this transaction, the Company and its directors/senior management personnel shall, in accordance with the relevant provisions of laws, regulations, rules, the China Securities Regulatory Commission (CSRC) and the Shenzhen Stock Exchange (SZSE), promptly provide relevant information and materials, and ensure that the continuously provided information and materials still meet the requirements of being true, accurate, complete and valid. 4. If the Company violates any of the above commitments, the Company shall bear corresponding legal liabilities in accordance with the law. Commitment Letter on Compliance and Good Faith 1. The Company is a legal entity legally established in accordance with the laws of its place of incorporation and validly existing, and has obtained all necessary approvals and authorizations to participate in and implement this transaction, sign transaction documents in connection with this transaction, and exercise and perform the rights and obligations under such transaction documents. 2. The directors and senior management personnel of the Company are natural persons with full capacity for civil conduct and civil rights, who meet and comply with the qualifications and obligations prescribed by applicable laws, regulations and the constitutional documents of the Company, and their appointment is made through legal procedures. The aforementioned personnel have no circumstances that are prohibited by applicable laws, regulations, the Company's constitutional documents, regulatory authorities or part-time employers (if any) with respect to			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			their tenure or concurrent positions. 3. In the past five years, neither the Company nor its directors and senior management personnel have been subject to any administrative penalties (except those obviously unrelated to the securities market) or criminal penalties, nor have they been involved in any major civil litigation or arbitration related to economic disputes. As of the date of this commitment letter, the Company has no pending or potential major litigation, arbitration or administrative penalties at home or abroad. 4. In the past five years, the Company and its directors and senior management personnel have maintained a good credit standing, with no defaults on large debts, failure to fulfill commitments, administrative regulatory measures imposed by securities regulatory authorities, disciplinary sanctions by stock exchanges, inclusion in the list of joint disciplinary targets or dishonest persons subject to enforcement, or serious securities market misconduct. There are no circumstances that harm the legitimate rights and interests of investors or the public interest. 5. The Company and its directors and senior management personnel do not fall under any of the following circumstances: (1) being publicly reprimanded by a stock exchange at home or abroad in the past year; (2) being subject to case-filing investigation by judicial authorities at home or abroad on suspicion of a crime, or being subject to investigation by securities regulatory authorities at home or abroad on suspicion of violating laws or regulations; (3) being subject to measures such as being identified as an inappropriate person, having business activities restricted, or being banned from the securities market by securities regulatory authorities at home or abroad, with such measures still in effect; (4) being subject to measures such as the stock exchange or other legally approved national securities trading venues refusing to accept relevant documents issued by them within a certain period, publicly determining that they are unfit to serve as			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			directors, supervisors or senior management personnel, or being identified by securities associations as unfit to engage in relevant businesses, with such measures still in effect; (5) having committed major illegal acts, being suspected of major illegal acts, or being subject to major administrative penalties with serious circumstances in the past three years. 6. If the Company violates any of the above commitments, it shall bear corresponding legal liabilities in accordance with the law. Statement and Commitment on No Insider Trading and Confidentiality 1. Neither the Company, nor its directors, supervisors, senior management personnel, controlling shareholders, actual controllers, nor the enterprises controlled by the aforementioned entities shall be subject to the circumstances specified in Article 12 of the Regulatory Guidelines for Listed Companies on Abnormal Trading Related to Major Asset Restructurings. Specifically, there shall be no case-filing investigation or investigation by judicial authorities or securities regulatory authorities at home or abroad due to suspected insider trading in connection with this transaction, and no administrative penalties or criminal liability shall be imposed by the CSRC or judicial authorities for insider trading related to major asset restructurings in the past thirty-six months. 2. Neither the Company, nor its directors, supervisors, senior management personnel, controlling shareholders, actual controllers, nor the enterprises controlled by the aforementioned entities shall have the act of illegally disclosing inside information related to this transaction, using such inside information for insider trading, or failing to keep the information confidential. The Company shall take necessary measures to strictly keep confidential all materials and information involved in this transaction. 3. The Company and its directors, supervisors and senior management personnel shall strictly perform their confidentiality obligations with respect to the			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			information related to this transaction prior to its legal disclosure, strictly control the scope of insiders of inside information in this transaction, and adopt sufficient and necessary confidentiality measures. 4. The Company and its directors, supervisors and senior management personnel attach great importance to the management of inside information, cooperate with the listed company to strictly control the scope of insiders, and fill in the insider registration form. 5. The Company has repeatedly reminded and informed the relevant insiders of their confidentiality obligations and responsibilities, and prohibited them from trading the securities of the listed company, disclosing inside information, or advising others to trade the securities of the listed company prior to the public disclosure of inside information. 6. If the Company violates any of the above statements and commitments, it shall bear corresponding legal liabilities in accordance with the law. Statement and Commitment on No Affiliated Relationship with the Listed Company 1. As of the date of issuance of this statement and commitment letter, there is no affiliated relationship between the Company, the enterprises controlled by the Company, the enterprises controlling the Company, and the listed company, its controlling shareholders, actual controllers, directors, supervisors, senior management personnel, and the enterprises controlled by the aforementioned entities of the listed company. The Company does not hold any shares of the listed company directly or indirectly in any form, nor does it recommend directors, supervisors or senior management personnel to the listed company. 2. If there is any change in the above circumstances, the Company shall promptly inform the listed company. 3. The contents of this statement and commitment letter are true, accurate and			

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
			complete. If there are any false records, misleading statements or material omissions, the Company shall bear corresponding legal liabilities. Commitment Letter on the Source of Funds for the Transaction 1. The funds used by the Company to pay the consideration for this transaction (the "Acquisition Funds") are derived from the Company’s own funds and/or funds raised through legal means. The source of the Acquisition Funds is legal and compliant, and the funds will be in place in a timely manner. There is no circumstance where the Acquisition Funds are directly or indirectly derived from the listed company, no circumstance where the listed company provides guarantees for the Company’s financing (if any) related to the Acquisition Funds, no relevant arrangements for short-term debt repayment caused by the Acquisition Funds, no circumstance where the listed company directly or through related parties provides financial assistance or compensation to the Company and its investors, and no arrangement for paying the Acquisition Funds on behalf of other third parties or holding the equity of the target company involved in this transaction on behalf of others. 2. The Company warrants that the above contents are true, accurate and complete, without any false records, misleading statements or material omissions. If the Company violates the above statements and commitments, it shall bear corresponding legal liabilities in accordance with the law.			
Commitments made in IPO or refinancing						
Commitments related to equity incentives						

Cause of Commitments	Parties of Commitments	Types of Commitments	Contents of Commitments	Date of the making of Commitments	Term of Commitments	Fulfilment of Commitments
Commitments made to minority shareholders of the Company						
Other Commitments						
Whether the Commitments were timely performed	Yes					
Where the Company failed to fulfill a commitment on time, it shall explain in detail the reasons for failing to do so and the subsequent plan	Not applicable					

II Occupation of the Company’s Capital by the Controlling Shareholder or Other Related Parties for Non-Operating Purposes

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

III Irregularities in Provision of Guarantees

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

IV Engagement and Disengagement of Independent Auditor

Whether the semi-annual financial report was audited.

□ Yes √ No

The semi-annual financial report was not audited.

V Explanations Given by the Board of Directors Regarding the Independent Auditor's “Modified Opinion” on the Financial Statements of the Reporting Period

□ Applicable ☑ Not applicable

VI Explanations Given by the Board of Directors Regarding “Modified Opinion” on the Financial Statements of Last Year

□ Applicable ☑ Not applicable

VII Insolvency and Reorganization

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

VIII Legal Matters

Significant Legal Matters

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

Other Legal Matter

□ Applicable ☑ Not applicable

IX Punishments and Rectifications

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

X Credit Quality of the Company as well as Its Controlling Shareholder and Actual Controller

□ Applicable ☑ Not applicable

XI Significant Related-Party Transactions

1. Continuing Related-Party Transactions

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

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

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

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

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

4. Amounts Due to and from Related Parties

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

5. Transactions with Related Financial Companies

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

6. Transactions between the finance company controlled by the company and related parties

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

7. Other Significant Related-Party Transactions

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

XII Significant Contracts and Execution thereof

1. Entrustment, Contracting and Leases

(1) Entrustment

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

(2) Contracting

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

(3) Leases

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

2. Significant Guarantees

☑ Applicable □ Not applicable

Guarantees provided by the Company as the parent and its subsidiaries for external parties (exclusive of those for subsidiaries)										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Security (if any)	Counter-guarantees (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not

Guarantees provided by the Company as the parent for its subsidiaries										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Security (if any)	Counter-guarantees (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Tiruña Asia	2024-03-28	No more than RMB 100 million	2024-04-28	RMB 61.9427 million	Joint liability	None	None	From the effective date of the security agreement until three years after the maturity of the loan	Yes	No
Total approved line for such guarantees in the Reporting Period (B1)		0	Total actual amount of such guarantees in the Reporting Period (B2)		RMB 61.9427 million					
Total approved line for such guarantees at the end of the Reporting Period (B3)		No more than RMB 100 million	Total actual balance of such guarantees at the end of the Reporting Period (B4)		0n					
Guarantees provided between subsidiaries										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Security (if any)	Counter-guarantees (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Parsun Power Technology, Baisheng International	2025-04-26	No more than RMB 300 million	15 May 2025	RMB 60.00 million	Joint liability	None	None	Two years from the date of expiration of the debt performance period stipulated in the relevant credit agreement	No	No
Total approved line for such guarantees in the Reporting Period (C1)		0	Total actual amount of such guarantees in the Reporting Period (C2)		RMB 60.00 million					
Total approved line for such guarantees at the end of the Reporting Period (C3)		No more than RMB 300 million	Total actual balance of such guarantees at the end of the Reporting Period (C4)		RMB60.00 million					
Total guarantee amount (total of the three kinds of guarantees above)										
Total guarantee line approved in the Reporting		0	Total actual guarantee amounts in the Reporting Period		RMB 121.9427 million					

Period (A1+B1+C1)		(A2+B2+C2)	
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)	No more than RMB 400 million	Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)	RMB 60.00 million
Total actual guarantee amount (A4+B4+C4) as % of the Company's net assets			0.63%
Of which:			
Balance of guarantees provided for shareholders, the actual controller and their related parties (D)			0
Balance of debt guarantees provided directly or indirectly for obligors with an over 70% debt/asset ratio (E)			0
Amount by which the total guarantee amount exceeds 50% of the Company's net assets (F)			0
Total of the three amounts above (D+E+F)			0
Joint liability possibly borne or already borne in the Reporting Period for outstanding guarantees (if any)			N/A
Guarantees provided in breach of prescribed procedures (if any)			N/A

Note:

In the "Announcement on the Completion of the Closing of a Major Asset Sale" disclosed by Dongfang Precision on April 14, 2026, it was clearly stated that, as of the closing date, the bank loan guarantee provided by Dongfang Precision to Tiruña Asia had been released.

3. Cash Entrusted for Wealth Management

☑ Applicable □ Not applicable

Unit: RMB'0,000

Type	Risk Characteristics	Balance of Entrusted Wealth Management Products during the Reporting Period	Uncollected Overdue Amount
Bank's wealth management product	R2	3,200.00	0
Securities firm's wealth management product	R2、R3	9,805.83	0
Mutual fund products	R2、R3	149,149.70	0
Private equity fund products	R2、R3	10,800.00	0
Trust product	R3	22,558.62	358.62

Specific circumstances where the Company, as the sole principal, entrusts financial institutions to conduct asset management, or invests in high-risk entrusted wealth management products with low security and poor liquidity.:

□ Applicable √ Not applicable

4. Other Significant Contracts

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

XIII Communications with the Investment Community such as Researches, Inquiries and Interviews

√ Applicable □ Not applicable

Office Hours	Reception Location	Reception Arrangements	Types of Visitors	Recipients of the Reception	Main Topics Discussed and Information Provided	Index of Basic Information on the Survey
May 15, 2026	Company Conference Room	Field Research	Institutes	SDIC Securities, Founder Securities, CITIC Securities, CITIC Securities Co., Ltd., Tianfeng Securities; China Merchants Fund, Pengying (Hainan) Fund, Guangzhou Falcon Asset Management, Hainan Yinzhihai Investment, Shanghai Fulele Investment, Tianyanlun (Shenzhen) Investment, Shenzhen Qianhai Hongwei Chuangshi Capital Management, Shichuan International Investment, Shenyang Shengshi Mingchen Enterprise Management Center; China Securities Journal, Securities Daily, Securities Times, Shanghai Securities News, Cailian Press, National Business Daily, 21st Century Business Herald, Titan Media, Time Weekly, etc.	Present on the implementation of the company's technology transformation strategy, the development of its embodied intelligent robotics business, and the future development plans and outlook for the company's core businesses, and answer questions from investors.	cninfo.com http://www.cninfo.com.cn

XIV Other Significant Events

□ Applicable ☑ Not applicable

XV Significant Events of Subsidiaries

□ Applicable ☑ Not applicable

Part VI Share Changes and Shareholder Information

I Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease in the period (+/-)					After	
	Shares	Percentage (%)	New issues	Shares as dividend converted from profit	Shares as dividend converted from capital reserves	Other	Subtotal	Shares	Percentage (%)
1. Restricted shares	215,383,155	17.69%	0	0	0	-2,059,647	-2,059,647	213,323,508	17.52%
1.1 Shares held by the government	0	0.00%	0	0	0	0	0	0	0.00%
1.2 Shares held by state-owned corporations	0	0.00%	0	0	0	0	0	0	0.00%
1.3 Shares held by other domestic investors	215,383,155	17.69%	0	0	0	-2,059,647	-2,059,647	213,323,508	17.52%
Including: Shares held by domestic corporations	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by domestic individuals	215,383,155	17.69%	0	0	0	-2,059,647	-2,059,647	213,323,508	17.52%
1.4 Shares held by overseas investors	0	0.00%	0	0	0	0	0	0	0.00%
Including: Shares held by overseas corporations	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by overseas individuals	0	0.00%	0	0	0	0	0	0	0.00%
2. Unrestricted shares	1,001,903,185	82.31%	0	0	0	2,059,215	2,059,215	1,003,962,400	82.48%
2.1 RMB-denominated	1,001,903,185	82.31%	0	0	0	2,059,215	2,059,215	1,003,962,400	82.48%

ordinary shares									
2.2 Domestically listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
2.3 Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
2.4 Others	0	0.00%	0	0	0	0	0	0	0.00%
3. Total shares	1,217,286,340	100.00%	0	0	0	-432	-432	1,217,285,908	100.00%

Reasons for share changes:

☑ Applicable □ Not applicable

1.Cancellation of Repurchased Shares

On June 27, 2026, the Company issued the "Announcement on the Completion of Share Repurchase and Cancellation and Changes in Shareholding." Following approval by the Company's shareholders' meeting and board of directors, the Company completed the cancellation of 432 repurchased shares held in the Company's special securities account for share repurchases through the Shenzhen Stock Exchange and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. Upon completion of the cancellation of the aforementioned shares, the Company's total issued share capital was reduced by 432 shares.

2. Changes in Restricted shares of senior management

In early 2026, China Securities Depository and Clearing Corporation, Ltd. calculated the transferable quota for the Company's shares held in 2026 based on the total number of shares held by all directors and senior executives as of the share quota determination date (December 31, 2025). Following this calculation, 1,835,100 shares were released from the lock-up period in early 2026.

During the reporting period, the lock-up ratio for shares held by former director Xie Weiwei and former supervisor He Baohua (who resigned in September 2025) was reduced from 100% to 75% (with 25% of their shares becoming unlocked six months after the date of their resignation), resulting in a total of 294,522 shares being released from the lock-up period;

75% of the shares held by former independent director Liu Da (who resigned in September 2024; his term, as determined at the time of his appointment, was set to expire in November 2026) have been restricted, resulting in an increase of 69,975 restricted shares.

Approval of Share Changes

☑ Applicable □ Not applicable

In the Reporting Period, share changes related to the company's cancellation of repurchased shares, the Company followed the applicable laws and regulations and its Articles of Association, executed the approval procedures with the general meeting and the Board of Directors, and obtained approval from the Shenzhen Stock Exchange.

Transfer of share ownership:

☑ Applicable □ Not applicable

In the Reporting Period, transfer of shares related to the cancellation of certain repurchased shares by the company ,the Company completed the transfers with the Shenzhen branch of China Securities Depository and Clearing Co., Ltd. after they were approved by the Shenzhen Stock Exchange.

Progress of implementation of share buyback

□ Applicable ☑ Not applicable

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

□ Applicable ☑ Not applicable

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

□ Applicable ☑ Not applicable

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

□ Applicable ☑ Not applicable

2. Changes in Restricted Shares

☑ Applicable □ Not applicable

Unit: share

Shareholder	Opening restricted shares	Unlocked in the period	Increase in restricted shares in the period	Closing restricted shares	Reason for restriction	Date of unlocking
Tang Zhuolin	196,068,276	1,940,100	0	194,128,176	Restricted shares of senior management	2026-01-05
He Baohua	614,088	153,522	0	460,566	Restricted shares of senior management	2026-03-31
Xie Weiwei	564,000	141,000	0	423,000	Restricted shares of senior management	2026-03-31
Liu Da	0	0	69,975	69,975	Restricted shares of senior management	--
Feng Jia	0	0	105,000	105,000	Restricted shares of senior management	--
Total	197,246,364	2,234,622	174,975	195,186,717	--	--

II Issuance and Listing of Securities

□ Applicable ☑ Not applicable

III Shareholders and Their Shareholdings

Unit: share

Number of ordinary shareholders at the period-end		119,223		Number of preference shareholders with resumed voting rights at the period-end (if any) (see note 8)			0
5% or greater ordinary shareholders or top 10 ordinary shareholders							
Name of shareholder	Nature of shareholder	Shareholding	Total ordinary	Increase/decrease	Restricted ordinary	Unrestricted	Shares in pledge, marked or frozen

		percentage	shares held at the period-end	in the Reporting Period	shares held	ordinary shares held	Status	Shares
Tang Zhuolin	Domestic individual	21.26%	258,837,568	0	194,128,176	64,709,392	In pledge	37,290,000
Tang Zhuomian	Domestic individual	7.96%	96,885,134	0	0	96,885,134	--	0
Qiu Yezhi	Domestic individual	1.92%	23,382,388	0	17,536,791	5,845,597	--	0
Huang Min	Domestic individual	1.10%	13,360,780	13,360,780	0	13,360,780	--	0
Luo Wenhua	Domestic individual	1.06%	12,846,400	12,846,400	0	12,846,400	--	0
Guangdong Dongfang Precision Science & Technology Co., Ltd. - 2024 Employee Stock Ownership Plan	Others	1.05%	12,798,000	-8,532,000	0	12,798,000	--	0
Wang Shichen	Domestic individual	0.58%	7,109,100	7,109,100	0	7,109,100	--	0
Sun Xiaotian	Domestic individual	0.57%	6,987,106	6,987,106	0	6,987,106	--	0
Sun Pengyuan	Domestic individual	0.56%	6,846,300	4,718,500	0	6,846,300	--	0
Hong Kong Securities Clearing Company Limited	Overseas corporation	0.54%	6,631,612	-1,391,783	0	6,631,612	--	0
Strategic investor or general corporation becoming a top-10 ordinary shareholder in a rights issue (if any) (see note 3)		None						
Related or acting-in-concert parties among the shareholders above		Mr. Tang Zhuolin and Mr. Tang Zhuomian are brothers. On 18 August 2010, they signed the Agreement on Acting in Concert.						
Above shareholders entrusting or entrusted with voting rights, or waiving voting rights		The holders of the Guangdong Dongfang Precision Science & Technology Co., Ltd. - 2024 Employee Stock Ownership Plan as a whole waive the shareholder voting rights enjoyed by virtue of holding the underlying stocks through participation in this employee stock ownership plan, while retaining other shareholder rights (including rights to asset returns such as dividend rights, rights to subscribe for new shares, and rights to convert capital reserve into share capital).						
Top 10 shareholders including the special account of repurchased shares (if any) (see note 11)		There are no special account among the top 10 shareholders.						

Top 10 unrestricted ordinary shareholders			
Name of shareholder	Unrestricted ordinary shares held at the period-end	Shares by type	
		Type	Shares
Tang Zhuomian	96,885,134	RMB-denominated ordinary stock	96,885,134
Tang Zhuolin	64,709,392	RMB-denominated ordinary stock	64,709,392
Huang Min	13,360,780	RMB-denominated ordinary stock	13,360,780
Luo Wenhua	12,846,400	RMB-denominated ordinary stock	12,846,400
Guangdong Dongfang Precision Science & Technology Co., Ltd. - 2024 Employee Stock Ownership Plan	12,798,000	RMB-denominated ordinary stock	12,798,000
Wang Shichen	7,109,100	RMB-denominated ordinary stock	7,109,100
Sun Xiaotian	6,987,106	RMB-denominated ordinary stock	6,987,106
Sun Pengyuan	6,846,300	RMB-denominated ordinary stock	6,846,300
Hong Kong Securities Clearing Company Limited	6,631,612	RMB-denominated ordinary stock	6,631,612
Qiu Yezhi	5,845,597	RMB-denominated ordinary stock	5,845,597
Related or acting-in-concert parties among top 10 unrestricted ordinary shareholders, as well as between top 10 unrestricted ordinary shareholders and top 10 ordinary shareholders	Mr. Tang Zhuolin and Mr. Tang Zhuomian are brothers. On 18 August 2010, they signed the Agreement on Acting in Concert.		
Description of the participation of the top 10 common shareholders in the financing and securities financing business (if any)	Huang Min holds 13,360,780 shares through a margin trading collateral securities account with Cinda Securities Co., Ltd.; Luo Wenhua holds 11,445,100 shares through a margin trading securities account with China Merchants Securities Co., Ltd.; Sun Xiaotian holds 6,987,106 shares through a margin trading collateral securities account with Xinda Securities Co., Ltd.; Sun Pengyuan holds 5,299,700 shares through a margin trading collateral securities account with Everbright Securities Co., Ltd.; Wang Shichen holds 5,233,900 shares through a margin trading securities account with SDIC Securities Co., Ltd.		

Top 10 shareholders involved in refinancing shares lending:

□ Applicable √ Not applicable

Changes in top 10 shareholders compared with the prior period:

□ Applicable √ Not applicable

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

□ Yes ☑ No

No such cases in the Reporting Period

IV Changes in the Shareholdings of Directors and Senior Management

☐Applicable ☑Not applicable

There were no changes in the shareholdings of the Company's directors and senior management during the reporting period; please refer to the 2025 Annual Report for details.

V Changes of the Company's Controlling Shareholder and Actual Controller

Controlling Shareholder changed during the Reporting Period

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

Actual Controller changed during the Reporting Period

□ Applicable ☑ Not applicable

No such cases in the Reporting Period.

VI Preference Shares

□ Applicable ☑ Not applicable

No preference shares in the Reporting Period.

Part VII Corporate Bonds

□ Applicable √ Not applicable

Part VIII Corporate Financial Statements

I Auditor's Report

Whether the semi-annual financial statements were audited.

□ Yes ☑ No

The semi-annual financial statements were not audited.

II Financial Statements

Currency unit for the tables in the notes to the financial statements: RMB yuan

1. Consolidated Balance Sheet

Prepared by: Guangdong Dongfang Precision Science & Technology Co., Ltd.

30 June 2026

Unit: RMB yuan

Item	30 June 2026	31 December 2025
Current assets:		
Cash and bank balances	6,493,685,956.28	2,078,919,027.45
Settlement provisions		0.00
Dismantling funds		0.00
Financial assets held for trading	2,205,243,932.05	766,554,477.49
Derivative financial assets	56,925.08	101,000.75
Notes receivable	21,600,342.19	48,393,159.64
Accounts receivable	249,279,926.65	952,021,236.78
Receivable financing	9,252,829.33	19,403,276.39
Prepayments	22,215,847.50	37,409,930.97
Premium receivable		0.00
Receivable reinsurance account		0.00

Provision for reinsurance contract receivable		0.00
Other receivables	11,563,941.51	31,895,695.08
Including: Interest receivable		0.00
Dividend receivable		0.00
Buy back resale financial assets		0.00
Inventories	446,726,872.32	1,119,277,121.91
Of which, Data Resources		0.00
Contract assets	28,691,700.28	64,541,120.93
Assets held for sale		0.00
Current portion of non-current assets	5,655,062.30	24,277,934.25
Other current assets	52,239,060.24	114,363,170.02
Total current assets	9,546,212,395.73	5,257,157,151.66
Non-current assets:		
Loans and advances		0.00
Debt investment		0.00
Other debt investments		0.00
Long-term receivables	2,508,508.80	6,212,768.80
Long-term equity investment	289,388,342.68	302,857,592.30
Investment in other equity instruments		0.00
Other non-current financial assets	906,447,128.50	817,347,878.10
Real estate investment		0.00
Fixed assets	562,689,997.78	1,084,142,895.08
Construction in progress	76,731,186.24	195,841,811.75
Productive biological assets		0.00
Oil and gas asset		0.00
Right-of-use assets	15,033,718.19	69,324,297.36

Intangible assets	105,764,882.34	366,942,495.27
Of which, Data Resources		0.00
Development expenditure		0.00
Of which, Data Resources		0.00
Goodwill	210,902,907.38	394,318,371.23
Long-term prepaid expenses	45,315,637.55	19,601,435.75
Deferred tax assets	3,899,591.60	180,645,019.96
Other non-current assets	35,555,383.69	29,582,694.40
Total non-current assets	2,254,237,284.75	3,466,817,260.00
Total assets	11,800,449,680.48	8,723,974,411.66
Current liabilities:		
Short-term borrowings	98,707,300.00	185,516,009.83
Borrowing from the Central Bank		0.00
Borrowed funds		0.00
Financial liabilities held for trading		0.00
Derivative financial liabilities	42,027.78	93,783,840.98
Notes payable	238,360,751.76	241,390,245.31
Accounts payable	386,113,800.50	936,107,613.22
Advance receivables		0.00
Contract liabilities	181,926,384.72	458,557,878.31
Selling back financial assets		0.00
Deposits and Interbank deposit		0.00
Agent trading securities		0.00
Agent underwriting securities		0.00
Employee benefits payable	45,956,301.53	163,568,530.12
Tax payable	122,466,157.85	46,227,078.24
Other payables	115,090,430.60	113,131,531.51
Including: Interest payable		0.00
Dividend payable	895,860.00	0.00

Fees and commissions		0.00
Reinsurance accounts payable		0.00
Liabilities held for sale		0.00
Current portion of non-current liabilities	26,277,008.14	93,012,483.04
Other current liabilities	19,191,260.77	47,297,085.80
Total current liabilities	1,234,131,423.65	2,378,592,296.36
Non-current liabilities:		
Insurance contract reserve		0.00
Long-term borrowings	10,030,605.62	110,985,297.60
Bonds payable		0.00
Including: Preference Shares		0.00
Perpetual bonds		0.00
Lease liabilities	4,234,440.89	53,367,241.87
Long-term payables		0.00
Long-term employee benefits payable	3,648,616.35	13,689,047.85
Provisions	279,548.42	113,899,182.15
Deferred income	12,215,341.66	13,073,671.66
Deferred tax liabilities	781,700,942.13	2,960,791.33
Other non-current liabilities	4,085,660.89	4,489,204.26
Total non-current liabilities	816,195,155.96	312,464,436.72
Total Liabilities	2,050,326,579.61	2,691,056,733.08
Equity:		
Share capital	1,217,285,908.00	1,217,286,340.00
Other equity instruments		0.00
Including: Preference Shares		0.00
Perpetual bonds		0.00
Capital surplus	2,950,316,210.19	2,970,559,555.17

Less: Treasury stock	71,214,679.55	115,233,041.40
Other comprehensive income	-166,713,312.74	105,828,969.82
Special reserve	13,317,304.92	19,695,621.80
Surplus reserves	178,337,780.10	77,653,941.80
General risk preparation		0.00
Retained earnings	5,354,597,574.87	1,498,026,493.81
Total equity attributable to owners of the parent	9,475,926,785.79	5,773,817,881.00
Non-controlling interests	274,196,315.08	259,099,797.58
Total equity	9,750,123,100.87	6,032,917,678.58
Total liabilities and equity	11,800,449,680.48	8,723,974,411.66

Legal representative: Tang Zhuolin Chief in charge of accounting work: Shao Yongfeng Head of accounting institution: Shao Yongfeng

2. Parent Company Balance Sheet

Unit: RMB yuan

Item	30 June 2026	31 December 2025
Current assets:		
Cash and bank balances	1,991,447,750.61	643,401,662.63
Financial assets held for trading	573,176,400.54	565,880,862.32
Derivative financial assets		0.00
Notes receivable	14,179,842.25	9,552,369.54
Accounts receivable	167,417,899.39	252,268,813.09
Receivable financing	2,959,729.56	9,443,762.10
Prepayments	6,452,559.61	3,749,452.16
Other receivables	385,234,323.46	497,240,689.48
Including: Interest receivable		0.00
Dividend receivable	20,054,612.16	186,077,102.15
Inventories	127,509,591.18	116,995,885.89

Of which, Data Resources		
Contract assets	20,500,154.64	22,397,280.63
Assets held for sale		0.00
Current portion of non-current assets	5,655,062.30	8,368,000.00
Other current assets	2,047,039.30	289,870.16
Total current assets	3,296,580,352.84	2,129,588,648.00
Non-current assets:		
Debt investment		0.00
Other debt investments		0.00
Long-term receivables	2,508,508.80	4,580,755.20
Long-term equity investment	1,034,063,657.69	1,165,593,852.19
Investment in other equity instruments		0.00
Other non-current financial assets	686,236,439.10	506,336,188.59
Real estate investment		0.00
Fixed assets	285,226,337.59	268,972,286.52
Construction in progress	75,392,337.50	75,392,337.50
Productive biological assets		0.00
Oil and gas asset		0.00
Right-of-use assets	4,930,100.16	2,873,321.59
Intangible assets	55,173,048.04	57,137,335.21
Of which, Data Resources		0.00
Development expenditure		0.00
Of which, Data Resources		
Goodwill		0.00
Long-term prepaid expenses	3,190,078.34	2,074,594.65
Deferred tax assets		121,001,418.46
Other non-current assets	8,551,981.17	5,262,840.00

Total non-current assets	2,155,272,488.39	2,209,224,929.91
Total assets	5,451,852,841.23	4,338,813,577.91
Current liabilities:		
Short-term loan	55,800,000.00	134,500,000.00
Financial liabilities held for trading		0.00
Derivative financial liabilities		0.00
Notes payable	64,388,652.09	45,620,446.78
Accounts payable	56,760,925.25	69,438,714.01
Advance receivables		0.00
Contract liabilities	44,827,719.11	30,608,762.32
Employee benefits payable	18,043,863.10	13,009,636.68
Tax payable	107,409,037.66	28,290.81
Other payables	108,002,513.32	44,048,811.95
Including: Interest payable		0.00
Dividend payable	895,860.00	0.00
Liabilities held for sale		0.00
Current portion of non-current liabilities	8,331,750.46	9,088,827.78
Other current liabilities	9,849,859.97	4,854,800.31
Total current liabilities	473,414,320.96	351,198,290.64
Non-current liabilities:		
Long-term borrowings	6,696,000.00	10,044,000.00
Bonds payable		0.00
Including: Preference Shares		0.00
Perpetual bonds		0.00
Lease liabilities	4,327,944.23	1,615,902.77
Long-term payables		0.00
Long-term employee benefits payable		0.00

Provisions	279,548.42	65,444.68
Deferred income	12,215,341.66	13,073,671.66
Deferred tax liabilities	20,561,211.40	0.00
Other non-current liabilities		0.00
Total non-current liabilities	44,080,045.71	24,799,019.11
Total Liabilities	517,494,366.67	375,997,309.75
Equity:		
Share capital	1,217,285,908.00	1,217,286,340.00
Other equity instruments		0.00
Including: Preference Shares		0.00
Perpetual bonds		0.00
Capital surplus	2,673,345,691.60	2,701,606,083.95
Less: Treasury stock	71,214,679.55	115,233,041.40
Other comprehensive income		0.00
Special reserve	7,415,696.47	7,343,405.71
Surplus reserves	178,337,780.10	77,653,941.80
Retained earnings	929,188,077.94	74,159,538.10
Total equity	4,934,358,474.56	3,962,816,268.16
Total liabilities and equity	5,451,852,841.23	4,338,813,577.91

3. Consolidated Income Statement

Unit: RMB yuan

Item	H1 2026	H1 2025
1 Total operating revenue	1,690,857,649.54	2,158,956,857.88
Including: Operating revenue	1,690,857,649.54	2,158,956,857.88
Interest income		0.00
Premiums earned		0.00
Fee and commission income		0.00
2 Total operating cost	1,593,412,844.30	1,828,531,494.60
Including: Cost of sales	1,294,240,018.44	1,511,618,213.45
Interest expense		0.00

Payment of fees and commission		0.00
Surrender fund		0.00
Net indemnity expenditure		0.00
Draw the net reserve of insurance liability contract		0.00
Policy dividend expense		0.00
Reinsurance cost		0.00
Taxes and surcharges	12,131,041.16	12,997,925.75
Selling expenses	67,998,120.35	81,372,896.12
Administrative expenses	172,974,077.38	188,675,988.67
R&D expenses	43,756,649.19	53,511,623.86
Finance costs	2,312,937.78	-19,645,153.25
Including: Interest expenses	3,716,297.15	5,246,608.14
Interest income	37,528,711.87	25,618,916.20
Add: Other income	4,193,145.21	10,467,732.86
Investment income (loss with "-" sign)	4,554,263,429.02	145,682,957.38
Including: Share of profit or loss of joint ventures and associates	-1,904,606.82	-1,762,058.16
Income from derecognition of financial assets measured at amortised cost (loss with "-" sign)		0.00
Exchange gain (loss with "-" sign)		0.00
Net exposure hedging gain (loss with "-" sign)		0.00
Gain/loss on changes in fair value (loss with "-" sign)	245,903,522.60	9,152,211.19
Credit impairment loss (loss is listed with "-" sign)	-1,753,554.87	-3,779,031.08
Asset impairment loss (loss with "-" sign)	-11,075,509.15	-9,018,836.80
Gain/loss on disposal of assets (loss with "-" sign)	-10,305.21	-32,823.11
3 Operating profit (losses are listed with "-" sign)	4,888,965,532.84	482,897,573.72
Add: Non-operating income	1,887,701.46	1,552,164.28
Less: Non-operating expenses	1,209,408.16	1,300,695.51
5 Gross profit (the gross loss shall be filled in with the sign "-")	4,889,643,826.14	483,149,042.49
Less: Income tax expenses	1,025,762,979.36	67,252,009.19
Net profit (net loss is listed with "-" sign)	3,863,880,846.78	415,897,033.30
(1) Net profit from continuing operations		
i. Net profit from continuing operations (net loss with "-" sign)	3,863,880,846.78	415,897,033.30
ii. Net profit from termination of operation (net loss with "-" sign)		

(2) Net profit classified by attribution of ownership		
i. Net profit attributable to owners of the parent	3,846,229,995.51	397,440,989.86
ii. Net profit attributable to non-controlling interests	17,650,851.27	18,456,043.44
6 Other comprehensive income/(loss), net of tax	-204,783,879.64	117,113,291.88
Other comprehensive income/(loss) attributable to owners of the parent, net of tax	-204,792,793.59	117,185,412.66
(1) Other comprehensive loss that will not be reclassified to profit or loss	270,062.55	39,378.48
i. Changes caused by remeasurements on defined benefit schemes	270,062.55	39,378.48
ii. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
iii. Changes in fair value of investments in other equity instruments		
iv. Fair value change of enterprise's own credit risk		
v. Other		
(2) Other comprehensive income/(loss) that will be reclassified to profit or loss	-205,062,856.14	117,146,034.18
i. Other comprehensive income that can be transferred to profit or loss under the equity method		
ii. Changes in fair value of other debt investments		
iii. The amount of financial assets reclassified to other comprehensive income		
iv. Provision for credit impairment of other debt investments		
v. Cash flow hedging reserve		
vi. Differences arising from the translation of foreign currency-denominated financial statements	-205,062,856.14	117,146,034.18
vii. Other		
Other comprehensive income attributable to non-controlling interests, net of tax	8,913.95	-72,120.78
Total comprehensive income	3,659,096,967.14	533,010,325.18
Total comprehensive income attributable to owners of the parent	3,641,437,201.92	514,626,402.52
Total comprehensive income attributable to non-controlling interests	17,659,765.22	18,383,922.66

Earnings per share:		
(1) Basic earnings per share	3.22	0.33
(2) Diluted earnings per share	3.20	0.33

Legal representative: Tang Zhuolin Chief in charge of accounting work: Shao Yongfeng Head of accounting institution: Shao Yongfeng

4. Parent Company Income Statement

Unit: RMB yuan

Item	H1 2026	H1 2025
1 Operating Revenue	210,018,766.16	153,322,909.97
Less: Cost of sales	118,878,721.81	94,709,822.33
Taxes and surcharges	5,918,405.57	7,194,182.20
Selling expenses	13,635,372.87	15,584,615.11
Administrative expenses	59,099,537.05	41,929,357.03
R&D expenses	11,161,376.79	11,727,590.93
Finance costs	15,647,546.23	-27,752,374.54
Including: Interest expense	1,292,012.73	1,075,740.71
Interest income	5,287,458.85	13,829,606.84
Add: other income	1,649,262.78	1,643,099.82
Investment income (loss with "-" sign)	1,113,378,374.21	436,078,398.61
Including: Share of profit or loss of joint ventures and associates	-1,682,745.69	-1,226,419.87
Termination of recognition of gains on financial assets measured at amortised cost (loss with "-" sign)		0.00
Net exposure hedging gain (loss with "-" sign)		0.00
Gain/loss on changes in fair value (loss with "-" sign)	154,649,238.77	7,373,753.98
Credit impairment loss (loss is listed with "-" sign)	-201,401.59	-1,205,400.76
Asset impairment loss (loss with "-" sign)	-7,466,827.77	395,147.09
Gain/loss on disposal of assets (loss with "-" sign)	-43,552.46	9,302.82
2 Operating profit (loss shall be listed with "-" sign)	1,247,642,899.78	454,224,018.47
Add: Non-operating income	22,419.38	-7,496.79
Less: Non-operating expenses	26,830.91	488,873.09
3 Gross profit (gross loss shall be filled in with the sign "-")	1,247,638,488.25	453,727,648.59
Less: Income tax expenses	240,800,105.22	30,152,240.13
4 Net profit (net loss is listed with "-" sign)	1,006,838,383.03	423,575,408.46
(1) Net profit from continuing operation (net loss with "-" sign)	1,006,838,383.03	423,575,408.46
(2) Net profit from termination of operation (net loss with "-" sign)		

5 Other comprehensive income/(loss), net of tax		0.00
(1) Other comprehensive loss that will not be reclassified to profit or loss		0.00
i. Re-measure the change in the benefit plan		
ii. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
iii. Changes in fair value of investments in other equity instruments		
iv. Fair value change of enterprise's own credit risk		
v. Other		
(2) Other comprehensive income/(loss) that will be reclassified to profit or loss		0.00
i. Other comprehensive income that can be transferred to profit or loss under the equity method		
ii. Changes in fair value of other debt investments		
iii. The amount of financial assets reclassified to other comprehensive income.		
iv. Provision for credit impairment of other debt investments.		
v. Cash flow hedging reserve.		
vi. Differences arising from the translation of foreign currency-denominated financial statements		
vii. Other.		
6 Total comprehensive income	1,006,838,383.03	423,575,408.46
7 Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

5. Consolidated Statement of Cash Flows

Unit: RMB yuan

Item	H1 2026	H1 2025
1 Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	1,765,824,789.59	2,312,363,630.87
Net increase in customer deposits and interbank deposits		

Net increase in borrowing from the central bank		
Net increase in funds transferred to other financial institutions		
Cash received from the premium of the original insurance contract		
Net cash received from reinsurance business		
Net increase in depositors' deposits and investment funds		
Cash that collects interest, commission, and commission		
Net increase in borrowed funds		
Net increase in funds for repurchase business		
Net cash received by agents buying and selling securities		
Receipts of taxes and surcharges refunds	38,755,300.37	32,151,919.02
Cash generated from other operating activities	51,731,410.88	29,608,879.63
Subtotal of cash generated from operating activities	1,856,311,500.84	2,374,124,429.52
Payments for goods and services	1,096,618,063.55	1,290,435,429.19
Net increase in customer loans and advances		0.00
Net increase in central bank and interbank deposits		0.00
Cash to pay the indemnity of the original insurance contract		0.00
Net increase in loan funds		0.00
Cash for the payment of interest, fees, and commissions		0.00
Cash for the payment of policy dividends		0.00
Cash payments to and on behalf of employees	305,587,614.76	450,685,536.00
Payments of all types of taxes and	74,306,138.43	131,376,866.21

surcharges		
Cash used in other operating activities	121,829,593.81	146,342,126.77
Subtotal of cash used in operating activities	1,598,341,410.55	2,018,839,958.17
Net cash generated from/used in operating activities	257,970,090.29	355,284,471.35
2 Cash flows from investing activities:		
Proceeds from disinvestment	4,013,531,216.53	1,839,186,979.20
Investment income	274,109,006.07	172,587,961.00
Net proceeds from the disposal of fixed assets, intangible assets, and other long-lived assets	486,416.86	771,432.77
Disposal of net cash received by subsidiaries and other business units	5,790,942,499.31	0.00
Cash generated from other investing activities	32,857,115.89	79,323,058.18
Subtotal of cash generated from investing activities	10,111,926,254.66	2,091,869,431.15
Payments for the acquisition of fixed assets, intangible assets, and other long-lived assets	114,763,829.00	109,440,325.73
Payments for investments	5,562,712,283.32	1,352,929,764.12
Net increase in pledged loans		0.00
Obtain net cash paid by subsidiaries and other business units		0.00
Cash used in other investing activities	28,837.37	114,510,889.33
Subtotal of cash used in investing activities	5,677,504,949.69	1,576,880,979.18
Net cash generated from/used in investing activities	4,434,421,304.97	514,988,451.97
3 Cash flows from financing activities:		
Absorb the cash received by the investment	1,238,339.92	0.00
Including: the subsidiary absorbs the cash received from the investment of minority shareholders		0.00

Borrowings raised	89,464,200.00	125,021,800.96
Cash generated from other financing activities	5,000,000.00	36,583,685.28
Subtotal of cash generated from financing activities	95,702,539.92	161,605,486.24
Repayment of borrowings	167,536,991.38	58,202,558.96
Interest and dividends paid	52,844,314.56	219,577,925.19
Including: Interest and dividends paid to minority shareholders		0.00
Cash used in other financing activities	8,298,209.70	33,005,396.48
Subtotal of cash used in financing activities	228,679,515.64	310,785,880.63
Net cash generated from/used in financing activities	-132,976,975.72	-149,180,394.39
4 Effect of foreign exchange rates changes on cash and cash equivalents	-100,711,897.71	31,161,582.65
5 Net (decrease)/increase in cash and cash equivalents	4,458,702,521.83	752,254,111.58
Add: Cash and cash equivalents, beginning of the period	1,994,298,878.15	1,652,290,548.55
6 Cash and cash equivalents, end of the period	6,453,001,399.98	2,404,544,660.13

6. Parent Company Statement of Cash Flow

Unit: RMB yuan

Item	H1 2026	H1 2025
1 Cash flow generated by business activities:		
Cash received from the sale of goods and the provision of services	285,428,351.21	196,330,066.53
Receipts of taxes and surcharges refunds	6,209,112.27	5,273,869.47
Cash generated from other operating activities	56,671,445.75	18,078,984.91
Subtotal of cash generated from operating activities	348,308,909.23	219,682,920.91

Payments for goods and services	101,236,317.41	100,488,885.59
Cash payments to and on behalf of employees	44,430,781.80	54,354,915.44
Payments of all types of taxes and surcharges	12,604,861.41	14,385,131.05
Cash used in other operating activities	31,053,901.08	27,398,404.10
Subtotal of cash used in operating activities	189,325,861.70	196,627,336.18
Net cash generated from/used in operating activities	158,983,047.53	23,055,584.73
2 Cash flows from investing activities:		
Proceeds from disinvestment	3,424,099,275.28	1,129,098,608.42
Investment income	424,011,884.10	463,632,757.83
Net proceeds from the disposal of fixed assets, intangible assets, and other long-lived assets	602,799.95	265,532.09
Disposal of net cash received by subsidiaries and other business units	1,105,272,857.89	0.00
Cash generated from other investing activities	56,075,303.39	66,236,220.51
Subtotal of cash generated from investing activities	5,010,062,120.61	1,659,233,118.85
Payments for the acquisition of fixed assets, intangible assets, and other long-lived assets	23,952,852.99	5,324,699.56
Payments for investments	3,666,574,000.00	851,496,204.10
Obtain net cash paid by subsidiaries and other business units		0.00
Cash used in other investing activities		80,404,104.12
Subtotal of cash used in investing activities	3,690,526,852.99	937,225,007.78
Net cash generated from/used in investing activities	1,319,535,267.62	722,008,111.07
3 Cash flows from financing activities:		
Absorb the cash received by the investment		0.00

Cash received for obtaining loans	29,800,000.00	70,000,000.00
Cash generated from other financing activities		0.00
Subtotal of cash generated from financing activities	29,800,000.00	70,000,000.00
Repayment of borrowings	111,848,000.00	3,848,000.00
Interest and dividends paid	51,516,607.48	159,197,786.94
Cash used in other financing activities	703,491.42	1,224,680.78
Subtotal of cash used in financing activities	164,068,098.90	164,270,467.72
Net cash generated from/used in financing activities	-134,268,098.90	-94,270,467.72
4 Effect of foreign exchange rates changes on cash and cash equivalents		0.00
5 Net (decrease)/increase in cash and cash equivalents	1,344,250,216.25	650,793,228.08
Add: Cash and cash equivalents, beginning of the period	634,275,998.33	681,128,021.05
6 Cash and cash equivalents, end of the period	1,978,526,214.58	1,331,921,249.13

7. Consolidated Statements of Changes in Equity

Amount of current period

Unit: RMB yuan

Item	H1 2026														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
I. On 31 December 2025	1,217,286,340.00				2,970,559,555.17	115,233,041.40	105,828,969.82	19,695,621.80	77,653,941.80		1,498,026,493.81		5,773,817,881.00	259,099,797.58	6,032,917,678.58
Add: Adjustments for changes in accounting policies															
Adjustments for correction of previous errors															
Other adjustments															
II. On 1 January 2026	1,217,286,340.00				2,970,559,555.17	115,233,041.40	105,828,969.82	19,695,621.80	77,653,941.80		1,498,026,493.81		5,773,817,881.00	259,099,797.58	6,032,917,678.58

Item	H1 2026														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
III. Changes for the period ("-" for decrease)	-432.00				-20,243,344.98	-44,018,361.85	-272,542,282.56	-6,378,316.88	100,683,838.30		3,856,571,081.06		3,702,108,904.79	15,096,517.50	3,717,205,422.29
(I) Total comprehensive income							-204,792,793.59				3,846,229,995.51		3,641,437,201.92	7,746,170.73	3,649,183,372.65
(II) Owner's contributions and reduction in capital	-432.00				-27,613,200.13	-44,018,361.85							16,404,729.72	7,350,346.77	23,755,076.49
1. Ordinary shares increased by owners														6,919,284.77	6,919,284.77
2. Capital increased by holders of other equity instruments															
3. Share-based payments					16,404,729.72								16,404,729.72		16,404,729.72

Item	H1 2026														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
included in equity															
4. Others	-432.00				-44,017,929.85	-44,018,361.85								431,062.00	431,062.00
(III) Profit distribution									100,683,838.30		-151,809,843.19		-51,126,004.89		-51,126,004.89
1. Appropriation to surplus reserves									100,683,838.30		-100,683,838.30				
2. Appropriation to general reserve															
3. Appropriation to owners (or shareholders)											-51,126,004.89		-51,126,004.89		-51,126,004.89
4. Others															
(IV) Transfers within equity															
1. Increase in															

Item	H1 2026														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
capital (or share capital) from capital surplus															
2. Increase in capital (or share capital) from surplus reserves															
3. Surplus reserves used to offset loss															
4. Changes in defined benefit schemes transferred to retained earnings															
5. Other comprehensive income															

Item	H1 2026														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
transferred to retained earnings															
6. Others															
(V) Special reserve								374,966.39					374,966.39		374,966.39
1. Provision in the period								1,472,484.53					1,472,484.53		1,472,484.53
2. Utilisation in the period								-1,097,518.14					-1,097,518.14		-1,097,518.14
(VI) Others					7,369,855.15		-67,749,488.97	-6,753,283.27			162,150,928.74		95,018,011.65		95,018,011.65
IV. On 30 June 2026	1,217,285,908.00				2,950,316,210.19	71,214,679.55	-166,713,312.74	13,317,304.92	178,337,780.10		5,354,597,574.87		9,475,926,785.79	274,196,315.08	9,750,123,100.87

Amount of previous period

Unit: RMB yuan

Item	H1 2025												
	Equity attributable to owners of the parent											Non-controlling interests	Total equity
	Share capital	Other equity instruments	Capital surplus	Less: Treasury	Other	Special reserve	Surplus reserves	Genera	Retained earnings	Other	Subtotal		

		Preference shares	Perpetual bonds	Others											
I. On 31 December 2024	1,219,046,340.00				2,818,982,096.52	117,233,041.40	29,809,317.74	18,106,386.75	51,830,974.45		956,837,409.23		4,977,379,483.29	246,964,378.41	5,224,343,861.70
Add: Adjustments for changes in accounting policies															
Adjustments for correction of previous errors															
Other adjustments															
II. On 1 January 2025	1,219,046,340.00				2,818,982,096.52	117,233,041.40	29,809,317.74	18,106,386.75	51,830,974.45		956,837,409.23		4,977,379,483.29	246,964,378.41	5,224,343,861.70
III. Changes for the period ("-" for decrease)	-1,760,000.00				16,129,859.95	-2,000,000.00	117,185,412.66	902,287.39			239,193,821.82		373,651,381.82	-33,918,698.24	339,732,683.58
(I) Total comprehensive income							117,185,412.66				397,440,989.86		514,626,402.52	18,383,922.66	533,010,325.18

Item	H1 2025														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
(II) Owner's contributions and reduction in capital	-1,760,000.00				16,129,859.95	-2,000,000.00							16,369,859.95	-52,302,620.90	-35,932,760.95
1. Ordinary shares increased by owners															
2. Capital increased by holders of other equity instruments															
3. Share-based payments included in equity					16,129,859.95								16,129,859.95		16,129,859.95
4. Others	-1,760,000.00					-2,000,000.00							240,000.00	-52,302,620.90	-52,062,620.90
(III) Profit distribution											-158,247,168.04		-158,247,168.04		-158,247,168.04
1.															

Item	H1 2025														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
Appropriation to surplus reserves															
2. Appropriation to general reserve															
3. Appropriation to owners (or shareholders)											-158,247,168.04		-158,247,168.04		-158,247,168.04
4. Others															
(IV) Transfers within equity															
1. Increase in capital (or share capital) from capital surplus															
2. Increase in capital (or share capital)															

Item	H1 2025														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
from surplus reserves															
3. Surplus reserves used to offset loss															
4. Changes in defined benefit schemes transferred to retained earnings															
5. Other comprehensive income transferred to retained earnings															
6. Others															
(V) Special reserve								902,287.39					902,287.39		902,287.39
1. Provision in								1,948,471.48					1,948,471.48		1,948,471.48

Item	H1 2025														
	Equity attributable to owners of the parent													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	General reserve	Retained earnings	Others	Subtotal		
		Preference shares	Perpetual bonds	Others											
the period															
2. Utilisation in the period								-1,046,184.09					-1,046,184.09		-1,046,184.09
(VI) Others															
IV. On 30 June 2025	1,217,286,340.00				2,835,111,956.47	115,233,041.40	146,994,730.40	19,008,674.14	51,830,974.45		1,196,031,231.05		5,351,030,865.11	213,045,680.17	5,564,076,545.28

8. Company Statement of Changes in Equity

Amount of current period

Unit: RMB yuan

Item	H1 2026										
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	Retained earnings	Others	Total equity
		Preference shares	Perpetual bonds	Others								
I. On 31 December 2025	1,217,286,340.00				2,701,606,083.95	115,233,041.40		7,343,405.71	77,653,941.80	74,159,538.10		3,962,816,268.16
Add: Adjustments for changes in accounting policies												
Adjustments												

Item	H1 2026											
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	Retained earnings	Others	Total equity
		Preference shares	Perpetual bonds	Others								
for correction of previous errors												
Other adjustments												
II. On 1 January 2026	1,217,286,340.00				2,701,606,083.95	115,233,041.40		7,343,405.71	77,653,941.80	74,159,538.10		3,962,816,268.16
III. Changes for the period ("-" for decrease)	-432.00				-28,260,392.35	-44,018,361.85		72,290.76	100,683,838.30	855,028,539.84		971,542,206.40
(I) Total comprehensive income										1,006,838,383.03		1,006,838,383.03
(II) Owner's contributions and reduction in capital	-432.00				-28,260,392.35	-44,018,361.85						15,757,537.50
1. Ordinary shares increased by owners												
2. Capital increased by holders of other equity instruments												
3. Share-based payments included in equity					15,757,537.50							15,757,537.50
4. Others	-432.00				-44,017,929.85	-44,018,361.85						
(III) Profit distribution									100,683,838.30	-151,809,843.19		-51,126,004.89

Item	H1 2026											
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	Retained earnings	Others	Total equity
		Preference shares	Perpetual bonds	Others								
1. Appropriation to surplus reserves									100,683,838.30	-100,683,838.30		
2. Appropriation to owners (or shareholders)										-51,126,004.89		-51,126,004.89
3. Others												
(IV) Transfers within equity												
1. Increase in capital (or share capital) from capital surplus												
2. Increase in capital (or share capital) from surplus reserves												
3. Surplus reserves used to offset loss												
4. Changes in defined benefit schemes transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												

Item	H1 2026											
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	Retained earnings	Others	Total equity
		Preference shares	Perpetual bonds	Others								
6. Others												
(V) Special reserve								72,290.76				72,290.76
1. Provision in the period								124,800.00				124,800.00
2. Utilisation in the period								-52,509.24				-52,509.24
(VI) Others												
IV. On 30 June 2026	1,217,285,908.00				2,673,345,691.60	71,214,679.55		7,415,696.47	178,337,780.10	929,188,077.94		4,934,358,474.56

Amount of previous period

Unit: RMB yuan

Item	H1 2025											
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	Retained earnings	Others	Total equity
		Preference shares	Perpetual bonds	Others								
I. On 31 December 2024	1,219,046,340.00				2,673,989,321.44	117,233,041.40		6,850,427.57	51,830,974.45	-251,255,243.36		3,583,228,778.70
Add: Adjustments for changes in accounting policies												
Adjustments for correction of previous errors												

Item	H1 2025											
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	Retained earnings	Others	Total equity
		Preference shares	Perpetual bonds	Others								
Other adjustments												
II. On 1 January 2025	1,219,046,340.00				2,673,989,321.44	117,233,041.40		6,850,427.57	51,830,974.45	-251,255,243.36		3,583,228,778.70
III. Changes for the period (“-” for decrease)	-1,760,000.00				15,353,512.51	-2,000,000.00		476,038.44		265,328,240.42		281,397,791.37
(I) Total comprehensive income										423,575,408.46		423,575,408.46
(II) Owner’s contributions and reduction in capital	-1,760,000.00				15,353,512.51	-2,000,000.00						15,593,512.51
1. Ordinary shares increased by owners												
2. Capital increased by holders of other equity instruments												
3. Share-based payments included in equity					15,353,512.51							15,353,512.51
4. Others	-1,760,000.00					-2,000,000.00						240,000.00
(III) Profit distribution										-158,247,168.04		-158,247,168.04
1. Appropriation to surplus reserves												

Item	H1 2025											
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	Retained earnings	Others	Total equity
		Preference shares	Perpetual bonds	Others								
2. Appropriation to owners (or shareholders)										-158,247,168.04		-158,247,168.04
3. Others												
(IV) Transfers within equity												
1. Increase in capital (or share capital) from capital surplus												
2. Increase in capital (or share capital) from surplus reserves												
3. Surplus reserves used to offset loss												
4. Changes in defined benefit schemes transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Others												
(V) Special reserve								476,038.44				476,038.44

Item	H1 2025											
	Share capital	Other equity instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserves	Retained earnings	Others	Total equity
		Preference shares	Perpetual bonds	Others								
1. Provision in the period								569,717.94				569,717.94
2. Utilisation in the period								-93,679.50				-93,679.50
(VI) Others												
IV. On 30 June 2025	1,217,286,340.00				2,689,342,833.95	115,233,041.40		7,326,466.01	51,830,974.45	14,072,997.06		3,864,626,570.07

III Corporate Background

Guangdong Dongfang Precision Science & Technology Co., Ltd. (the "Company"), a joint stock company with limited liability registered in Guangdong Province of the People's Republic of China and established on 9 December 1996, obtained a Business License for Enterprise Legal Person with a registration number of 440682000040868.

In August 2011, upon the approval by the China Securities Regulatory Commission (CSRC) in the Reply on Approving the Initial Public Offering of Shares by Guangdong Dongfang Precision Science & Technology Co., Ltd. (ZH.J.X.K. [2011] No. 1237), the Company issued Renminbi-denominated ordinary shares to the public, and was listed on the Shenzhen Stock Exchange in the same month. The Company started to use the unified social credit code (914406002318313119) in 2016. The Company is headquartered in 2 Qiangshi Road, Shishan Town, Nanhai District, Foshan City, Guangdong Province, China.

The Group's main businesses include three major business segments: smart marine equipment, embodied intelligent robotics equipment and smart packaging equipment.

The actual controllers of the Company are Tang Zhuolin and Tang Zhuomian.

These financial statements were authorized for issue by the Board of Directors of the Company on 24 July 2026.

IV.Basis of Preparation of the Financial Statements

These financial statements have been prepared in accordance with China’s “Accounting Standards for Business Enterprises — Basic Standards” promulgated by the Ministry of Finance and the specific accounting standards, application guidance, interpretations and other relevant regulations issued or amended thereafter (hereafter collectively referred to as “Accounting Standards for Business Enterprises” or “CAS”). In addition, the financial statements also disclose relevant financial information in accordance with the Rules No. 15 for the Preparation of Information Disclosure by Companies Offering Securities to the Public - General Provisions on Financial Reports.

The financial statements are prepared on a going concern basis.

V.Principal Accounting Policies and Accounting Estimates

The Group has formulated specific accounting policies and accounting estimates according to the characteristics of its actual production and operation, which is mainly embodied in the provision for the bad debt of accounts receivable, provision for write-down of inventories, depreciation of fixed assets, provision for product warranties, capitalization conditions for expenditure on the development phase of research and development expenses and recognition and measurement of revenue.

1. Statement of compliance

The financial statements present truly and completely the financial positions of the Group and the Company as at 30 June 2025, and the financial performance and the cash flows for the 1st half of 2026 then ended in accordance with Accounting Standards for Business Enterprises.

2. Accounting year

The accounting year of the Group is from 1 January to 31 December of each calendar year.

3. Functional currency

The Group's functional currency and the currency used in preparing the financial statements were Renminbi. The amounts in the financial statements were denominated in Renminbi yuan, unless otherwise stated.

4. Determination method and selection basis of materiality criteria

	Materiality criteria
Significant construction in progress	Budgeted amount for investment exceeds RMB50,000,000
Significant cash flows from investing activities	Amount exceeds RMB50,000,000
Significant non-wholly owned subsidiaries	Net assets of non-wholly owned subsidiaries account for more than 10% of consolidated net assets
Significant associates	The carrying amount of long-term equity investments in associates accounts for more than 5% of the consolidated net assets

5. Business combination

Business combinations are classified into business combinations involving entities under common control and business combinations not involving entities under common control.

<u>Business combinations involving entities under common control</u>

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

5. Business combination (cont'd)

Business combinations involving entities under common control (cont'd)

Assets and liabilities obtained by combining party in the business combination involving entities under common control (including goodwill arising from the acquisition of the merged party by the ultimate controller) are recognized on the basis of their carrying amounts at the combination date recorded on the financial statements of the ultimate controlling party. The difference between the carrying amount of the consideration paid for the combination (or aggregate face values of the shares issued) and the carrying amount of the net assets obtained is adjusted to capital surplus. If the capital surplus are not sufficient to absorb the difference, any excess is adjusted to retained earnings.

Business combinations not involving entities under common control

A business combination not involving entities under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination.

The acquiree's identifiable assets, liabilities and contingent liabilities are recognized at their fair values at the acquisition date. The excess of the sum of the consideration paid (or equities issued) for business combination and equity interests in the acquiree held prior to the date of acquisition over the share of the attributable net identifiable assets of the acquiree, measured at fair value, was recognized as goodwill, which is subsequently measured at cost less cumulative impairment loss. In case the fair value of the sum of the consideration paid (or equities issued) and equity interests in the acquire held prior to the date of acquisition is less than the fair value of the share of the attributable net identifiable assets of the acquiree, a review of the measurement of the fair values of the identifiable assets, liabilities and contingent liabilities, the consideration paid for the combination (or equity issued) and the equity interests in the acquiree held prior to the date of acquisition is conducted. If the review indicates that the fair value of the sum of the consideration paid (or equities issued) and equity interests in the acquiree held prior to the date of acquisition is indeed less than the fair value of the share of the attributable net identifiable assets of the acquiree, the difference is recognized in profit or loss.

6. Consolidated financial statements

The consolidation scope for consolidated financial statements is determined based on the concept of control, including the Company and all subsidiaries' financial statements. Subsidiaries are those enterprises or entities which the Company has control over (including enterprises, separable components of investee units and structured entities controlled by the Company). An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Any inconsistent accounting policies have been adjusted to become consistent with the Company's accounting policies. All assets, liabilities, equities, revenues, costs and cash flows arising from intercompany transactions are eliminated on consolidation.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

6. Consolidated financial statements (cont'd)

The excess of current loss attributable to non-controlling shareholders of a subsidiary over their entitlements to the opening balance of equity shall be charged to non-controlling interests.

For subsidiaries obtained through a business combination not involving entities under common control, the operating results and cash flows of the acquirees will be recognized in consolidated financial statements from the date the Group effectively obtains the control until the date that control is terminated. When consolidated financial statement is prepared, the subsidiaries' financial statements will be adjusted based on the fair values of the identifiable assets, liabilities and contingent liabilities at the acquisition date.

For subsidiaries acquired through combination of entities under common control, the business results and cash flows of the combined entities are included in the consolidated financial statements from the beginning of the period in which the combination occurred. When preparing and comparing the consolidated financial statements, the Group makes adjustments to relevant items of the financial statements of the previous period, deeming the reporting entity formed through combination as existing since initial implementation of control by the ultimate controlling party.

In the event of the change in one or more elements of control as a result of changes in relevant facts and conditions, the Group reassesses whether it has control over the investee.

If the control right is not lost, the change of minority shareholders' equity shall be regarded as equity transaction.

7. Cash and cash equivalents

Cash comprises cash on hand and deposits readily available for payments. Cash equivalents represent short-term highly liquid investments which are readily convertible to known amounts of cash, and subject to an insignificant risk of changes in value.

8. Foreign currency translation

For foreign currency transactions, the Group translates the foreign currency into its functional currency.

Upon initial recognition, foreign currency transactions are translated into the functional currency using the spot exchange rate of the dates on which transactions occur. At the balance sheet date, foreign currency monetary items are translated using the spot exchange rate at the balance sheet date. The translation differences arising from the settlement and foreign currency monetary items are recognized in profit or loss. Also at the balance sheet date, foreign currency non-monetary items measured at historical cost continue to be translated using the spot exchange rate at the dates of the transactions and it does not change its carrying amount in functional currency. Foreign currency non-monetary items measured at fair value are translated using the spot exchange rate. The differences arising from the above translations are recognized in current profit or loss or other comprehensive income according to the nature of foreign currency non-monetary items.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

8. Foreign currency translation (cont'd)

The Group translates the functional currencies of foreign operations into Renminbi when preparing the financial statements. Asset and liability items in the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date. Equity items, except for retained earnings, are translated at the spot exchange rates at the date when such items arose. Revenue and expense items in the income statement are translated using the average exchange rate for the periods when transactions occur. Translation differences arising from the aforesaid translation of financial statements denominated in foreign currency shall be recognized as other comprehensive income. When foreign operations are disposed, other comprehensive income relating to the foreign operation is transferred to current profit or loss. Partial disposal shall be recognized on a pro-rata basis.

Cash flows denominated in foreign currencies and foreign subsidiaries' cash flows are translated using the average exchange rate for the period when cash flows occur. The impact on cash by the fluctuation of exchange rates is presented as a separate line item of reconciliation in the statement of cash flows.

9. Financial instruments

Financial instruments refer to the contracts which give rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

Recognition and derecognition of financial instruments

The Group recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of the financial instrument.

A financial asset (or part of it, or a part of a group of similar financial asset) is derecognized when one of the following criteria is met, that is, when a financial asset is written off from its account and balance sheet:

(1) The right of receiving the cash flow generated from the financial asset has expired;
(2) The right of receiving cash flow generated by the financial assets is transferred, or an obligation of paying the full amount of cash flow received to third parties in a timely manner has been undertaken under "pass-through" agreements, where (a) substantially all risks and rewards of the ownership of such type of financial assets have been transferred, or (b) control over such type of financial assets has not been retained even though substantially all risks and rewards of the ownership of such type of financial assets have been neither transferred nor retained.

If the obligation of financial liability has been fulfilled, cancelled or expired, the financial liability is derecognized. If the present financial liability is substituted by the same debtee with another liability differing in substance, or the terms of the present liability have been substantially modified, this substitution or modification is treated as derecognition of a present liability and recognition of a new liability with any arising differences recognized in profit or loss.

Conventional dealings in financial assets are recognized or derecognized under the trade day accounting method. Conventional dealings refer to the receipt or delivery of financial assets within periods stipulated by the law and according to usual practices. The trade day is the date on which the Group undertakes to buy or sell a financial asset.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

9. Financial instruments (cont'd)

Classification and measurement of financial assets

At initial recognition, the Group classifies its financial assets into: financial assets at fair value through profit or loss, financial assets at amortized cost, or financial assets at fair value through other comprehensive income, according to the Group's business model for managing financial assets and the contract cash flow characteristics of the financial assets. When and only when the Group changes its business model of managing financial assets, all relevant financial assets affected will be re-classified.

Financial assets are measured at fair value on initial recognition, but if the accounts receivable or notes receivable generated from the sales of goods or provision of services do not contain significant financing components or do not consider financing components of no longer than one year, the initial measurement will be based on the transaction price.

For financial assets at fair value through profit or loss, the relevant transaction costs are directly recognized in profit or loss; for other financial assets, the relevant transaction costs are recognized in their initial recognition amount.

The subsequent measurement of financial assets is dependent on its classification:

Debt instruments measured at amortized cost
Financial assets fulfilling all of the following conditions are classified as financial assets at amortized cost: the objective of the Group's business management model in respect of such type of financial assets is to generate contract cash flow; the contract terms of such type of financial assets provide that cash flow generated on specific dates represents interest payment in relation to principal amounts based on outstanding principal amounts only. Interest income from such type of financial assets are recognized using the effective interest rate method, and any profit or loss arising from derecognition, amendments or impairment shall be charged to current profit or loss.

Debt instruments at fair value through other comprehensive income
Financial assets fulfilling all of the following conditions are classified as financial assets at fair value through other comprehensive income: the objective of the Group's business management model in respect of such type of financial assets is both to generate contract cash flow and to sell such type of financial assets; the contract terms of such type of financial assets provide that cash flow generated on specific dates represents interest payment in relation to principal amounts based on outstanding principal amounts only. Interest income from this type of financial assets is recognized using the effective interest rate method. Other than interest income, impairment loss and exchange differences which shall be recognized as current profit or loss, other fair value changes shall be included in other comprehensive income. Upon derecognition of the financial assets, the cumulative gains or losses previously included in other comprehensive income shall be transferred from other comprehensive income to current profit or loss.

Financial assets at fair value through profit or loss
Other than financial assets measured at amortized cost and financial assets at fair value through other comprehensive income as aforementioned, all financial assets are classified as financial assets at fair value through profit or loss, which are subsequently measured at fair value, any changes of which are recognized in current profit or loss.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

9. Financial instruments (cont'd)

Classification and measurement of financial liabilities
The Group classifies its financial liabilities at initial recognition: financial liabilities at fair value through profit or loss, and other financial liabilities. For financial liabilities at fair value through profit or loss, the relevant transaction costs are directly recognized in profit or loss; for other financial liabilities, the relevant transaction costs are recognized in their initial recognition amount.

The subsequent measurement of financial liabilities is dependent on its classification:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include mainly financial liabilities held for trading(comprising derivatives classified as financial liabilities). Financial liabilities held for trading (comprising derivatives classified as financial liabilities) are subsequently measured at fair value and all changes are recognized in current profit or loss.

Other financial liabilities
Subsequent to initial recognition, these financial liabilities are carried at amortized cost using the effective interest method.

Impairment of financial instruments

Methods for determining expected credit losses and accounting treatment methods

The Group performs impairment treatment on financial assets at amortized cost, debt instruments at fair value through other comprehensive income and contract assets based on expected credit losses (ECL) and recognizes allowances for losses.

For receivables and contract assets that do not contain significant financing components, the Group adopts a simplified measurement method to measure allowances for losses based on an amount equivalent to the lifetime expected credit losses.

Financial assets other than those measured with simplified valuation methods, the Group evaluates at each balance sheet date whether its credit risk has significantly increased since initial recognition. The period during which credit risk has not significantly increased since initial recognition is considered the first stage, at which the Group shall measure loss allowance based on the amount of expected credit loss for the next 12 months and shall compute interest income according to the book balance and effective interest rate; the period during which credit risk has significantly increased since initial recognition although no credit impairment has occurred is considered the second stage, at which the Group shall measure loss allowance based on the amount of expected credit loss for the entire valid period and shall compute interest income according to the book balance and effective interest rate; The period during which credit impairment has occurred after initial recognition is considered the third stage, at which the Group shall measure loss allowance based on the amount of the lifetime expected credit loss and shall compute interest income according to the amortized cost and effective interest rate. For financial instruments with low credit risk at the balance sheet date, the Group assumes that their credit risk has not increased significantly since initial recognition.

The Group estimates the expected credit loss of financial instruments individually and on a group basis. The Group considers the credit risk features of different customers and estimates the expected credit losses of financial instruments based on aging portfolio.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

9. Financial instruments (cont'd)

Impairment of financial instruments (cont'd)

For the Group's criteria for judging whether credit risks have significantly increased, the definition of assets subjected to credit impairment, and assumptions underlying the measurement of expected credit losses, please refer to Note IX.2.

The Group's approach to measuring ECLs on financial instruments reflects factors such as the unbiased probability-weighted average amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information about past events, current conditions and projections of future economic conditions available at the balance sheet date without undue additional cost or effort.

When the Group no longer reasonably expects to be able to fully or partially recover the contract cash flow of financial assets, the Group directly writes down the book balance of such financial assets.

Derivative financial instruments

The Group uses derivative financial instruments. Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Gains or losses arising from changes in the fair value of derivative instruments shall be directly recognized in current profit or loss.

Transfer of financial assets

If the Group has transferred substantially all the risks and rewards associated with the ownership of a financial asset to the transferee, the asset should be derecognized. If the Group retains substantially all the risks and rewards of ownership of a financial asset, the asset should not be derecognized.

When the Group has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, it may either derecognize the financial asset and recognize any associated assets and liabilities if control of the financial asset has not been retained; or recognizes the financial asset to the extent of its continuing involvement in the transferred financial asset and recognizes an associated liability if control has been retained.

Assets formed by the continuing involvement by way of the provision of financial guarantee in respect of the transferred financial assets shall be recognized as the lower of the carrying value of the financial asset and the amount of financial guarantee. The amount of financial guarantee means the maximum amount among considerations received to be required for repayment.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

10. Inventories

Inventories include raw materials, work-in-progress, finished goods, product deliveries, semi-finished goods, materials consigned for processing, etc.

Inventories are initially recorded at costs. Inventories' costs include purchasing costs, processing costs and other costs. Actual costs of product deliveries are recognized using the weighted average method. Turnover materials include low-value consumables, packaging materials, etc., which are expensed in full.

The Group adopts the perpetual inventory system.

Inventories on the balance sheet date are stated at the lower of cost or net realisable value. Inventory valuation allowance is made and recognized in profit or loss when the net realisable value is lower than cost. Net realizable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs to completion and estimated costs necessary to make the sale and related taxes. Valuation allowances for raw materials are established by category, and those for finished goods by individual item. For inventories that relate to products produced and sold in the same region, have the same or similar ultimate purpose, and are difficult to separate in measurement, valuation allowances are established on a combined basis.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

11. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates.

Long-term equity investments were recorded at initial investment cost on acquisition. For long-term equity investments acquired through the business combination of entities under common control, the initial investment cost shall be the share of carrying value of the equity of the merged party at the date of combination as stated in the consolidated financial statements of the ultimate controlling party. Any difference between the initial investment cost and the carrying value of the consideration for the combination shall be dealt with by adjusting the capital surplus(if the capital surplus are insufficient for setting off the difference, such difference shall be further set off against retained earnings). Upon disposal of the investment, other comprehensive income prior to the date of combination shall be dealt with on the same basis as if the relevant assets or liabilities were disposed of directly by the investee. Equity recognized as a result of changes in equity other than the set-off of profit and loss, other comprehensive income and profit allocation of the investee shall be transferred to current profit and loss upon disposal of the investment. Items which remain long-term equity investments after the disposal shall be accounted for on a pro-rata basis, while items reclassified as financial instruments following the disposal shall be accounted for in full. For long-term equity investments acquired through the business combination of entities not under common control, the initial investment cost shall be the cost of combination (for business combinations of entities not under common control achieved in stages through multiple transactions, the initial investment cost shall be the sum of the carrying value of the equity investment in the acquired party held at the date of acquisition and new investment cost incurred as at the date of acquisition). The cost of combination shall be the sum of assets contributed by the acquiring party, liabilities incurred or assumed by the acquiring party and the fair value of equity securities issued. Upon disposal of the investment, other comprehensive income recognized under the equity method held prior to the date of acquisition shall be dealt with on the same basis as if the relevant assets or liabilities were disposed of directly by the investee. Equity recognized as a result of changes in equity other than the set-off of profit and loss, other comprehensive income and profit allocation of the investee shall be transferred to current profit and loss upon disposal of the investment. Items which remain long-term equity investments after the disposal shall be accounted for on a pro-rata basis, while items reclassified as financial instruments following the disposal shall be accounted for in full. The initial investment cost of long-term equity investments other than those acquired through business combination shall be recognized in accordance with the following: for those acquired by way of cash payments, the initial investment cost shall be the consideration actually paid plus expenses, tax amounts and other necessary outgoings directly related to the acquisition of the long-term equity investments.

In the financial statements of the Company, the cost method is used for long term equity investments in investees over which the Company exercises control. Control is defined as the power exercisable over the investee, the entitlement to variable return through involvement in the activities of the investee and the ability to influence the amount of return using the power over the investee.

When the cost method is used, long-term equity investments are measured at initial cost on acquisition. When additional investments are made or investments are recouped, the cost of longterm equity investments shall be adjusted. Cash dividend or profit distribution declared by the investee shall be recognized as investment income for the period.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

11. Long-term equity investments (cont'd)

The equity method is used to account for long-term equity investments when the Group can jointly control or has significant influence over the invested entity. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence means having the authority to take part in the decision over the financial and operational policies but not the authority to control or jointly control with other parties the formulation of such policies.

Under the equity method, any excess of the initial investment cost over the Company's share of the net fair value of the investment's identifiable assets and liabilities is included in the initial investment cost of the long-term equity investment. When the carrying amount of the investment is less than the Company's share of the fair value of the investment's identifiable net assets, the difference is recognized in profit or loss of the current period and debited to long-term equity investments.

Under the equity method, after the long-term equity investments are acquired, investment gains or losses and other comprehensive income are recognized according to the entitled share of net profit or loss and other comprehensive income of the investee and the carrying amount of the long-term equity investment is adjusted accordingly. When recognising the Group's share of the net profit or loss of the invested entity, the Group makes adjustments based on fair values of the investees' identifiable assets and liabilities at the acquisition date in accordance with the Group's accounting policy and accounting period to investee's net profits, eliminating pro-rata profit or loss from internal transactions with associates and joint ventures attributed to investor (except that loss from inter-group transactions deemed as asset impairment loss shall be fully recognized), provided that invested or sold assets constituting businesses shall be excluded. When the invested enterprise declares profit distribution or cash dividends, the carrying amount of investment is adjusted down by the Group's share of the profit distribution and dividends. The Group shall derecognize its share of the losses of the investee after the long-term equity investment together with any long-term interests that in substance forms part of the Group's net investment in the investee are reduced to zero, except to the extent that the Group has incurred obligations to assume additional losses. The Group also adjusts the carrying amount of long-term equity investments for other changes in owner's equity of the investees (other than the net-off of net profits or losses, other comprehensive income and profit distribution of the investee), and includes the corresponding adjustment in equity.

12. Fixed assets

A fixed asset is recognized when, and only when, it is probable that future economic benefits that are associated with the fixed asset will flow to the Group and the cost can be measured reliably. Subsequent expenditures related to a fixed asset are recognized in the carrying amount of the fixed asset if the above recognition criteria are met, and the carrying value of the replaced part is derecognized; otherwise, those expenditures are recognized in profit or loss as incurred.

Fixed assets are initially recognized at cost. Cost of purchased fixed assets includes purchasing price, relevant taxes, and any directly attributable expenditure for bringing the asset to working conditions for its intended use.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

12. Fixed assets (cont'd)

Except for those incurred by using the accrued expenses for safety production, fixed assets are depreciated on a straight-line basis, and the respective estimated useful lives, estimated residual value ratios and annual depreciation rates are as follows:

	Useful life	Estimated residual value ratio	Annual depreciation rate
Buildings and constructions	20-40 years	5.00%	2.38%-4.75%
Machinery	5-18 years	5.00%	5.28%-19.00%
Transportation equipment	5-10 years	5.00%	9.5%-19.00%
Electronic equipment	3-10 years	5.00%	9.5%-31.67%
Office equipment	3-10 years	5.00%	9.5%-31.67%
Other equipment	5-10 years	5.00%	9.5%-19.00%

The Group reviews, at least at each year end, useful lives, estimated residual values, and depreciation methods of fixed assets and makes adjustments if necessary.

13. Construction in progress

Construction in progress is measured at the actual construction expenditures, including necessary project work expenses incurred during the period while construction is in progress, and other related fees.

The criteria for construction in progress to be transferred to fixed assets when it is ready for its intended use are as follows:

	Criteria
Buildings and constructions	Actual start of use
Machinery	The earlier of actual start of use/completion of installation and acceptance

14. Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized. The amounts of other borrowing costs incurred are recognised as an expense in the period in which they are incurred.

When assets that meet the capitalisation criteria are constructed or produced and reach their intended usable or saleable state, borrowing costs cease to be capitalised. Borrowing costs incurred thereafter are recognised in profit or loss for the period.

During the capitalisation period, the amount of interest capitalised for each accounting period is determined as follows: for specific borrowings, the amount is determined by deducting temporary deposit interest income or investment income from the actual interest expenses incurred during the period; for general borrowings within the Group, there were no borrowings that met the capitalisation criteria during the current year.

If the construction or production of an asset that meets the capitalisation criteria is subject to an abnormal interruption, other than those necessary to achieve the intended usable or saleable state, and the interruption lasts continuously for more than three months, capitalisation of borrowing costs is suspended. Borrowing costs incurred during the interruption period are recognised as expenses and charged to the current period's profit or loss until the construction or production activities of the asset resume.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

15. Intangible assets

Overseas land use rights and trademark rights are intangible assets with indefinite useful lives. Impairment tests shall be conducted annually regardless of whether there are indications of impairment. Such intangible assets shall not be amortized and their useful life shall be reviewed during each accounting period. If there is evidence suggesting that their useful life is limited, accounting treatment will be performed according to the above policy on intangible assets with definite useful life.

Other intangible assets are amortised on a straight-line basis over their useful lives as follows:

	Useful life	Determination basis
Land use rights	40-50 years	Term of land use right
Trademark	5-10 years	The shorter of the term of trademark rights/expected term of use
Patent	5-10 years	Expected benefit period

The land ownership of Fosber S.p.A. ("Fosber Group"), a subsidiary of the Company, in Italy has a permanent term, and the Company believes that the land ownership will be used and will bring expected inflows of economic benefits to the Company in the foreseeable future, so its useful life is regarded as indefinite. The trademarks registered by subsidiaries Fosber Group and Fosber America, Inc. ("Fosber America") have a useful life in accordance with the law, but at the expiration of the protection period, Fosber Group and Fosber America can apply for an extension at low service charges, so the Company will benefit from the above trademarks in the long term. Thus, the Company recognized the trademark use right as intangible assets with indefinite useful life. The useful life of intangible assets with indefinite useful life will be reviewed at the end of each year. After review, the useful life of the above intangible assets is still uncertain.

The Group classifies the expenses for internal research and development as research costs and development costs. All research costs are charged to the current profit or loss as incurred. Expenditure incurred on projects to develop new products is capitalized and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits (including demonstration that the product derived from the intangible asset or the intangible asset itself will be marketable or, in the case of internal use, the usefulness of the intangible asset as such), the availability of technical and financial resources to complete the project and procure the use or sale of the intangible asset, and the ability to measure reliably the expenditure during the development. Development costs which do not meet these criteria is recognized in profit or loss when incurred.

After meeting the above conditions, passing the technical feasibility and economic feasibility study, the corresponding projects of the Group enter the development stage and begin to be capitalized after being reviewed and approved.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

16. Impairment

The Group assesses impairment of assets other than inventories, contract assets and assets related to contract costs, deferred tax assets and financial assets, using the methods described below:

Impairment of assets (other than the impairment of inventories, contract assets and contract cost assets, investment properties measured using the fair value model, deferred tax assets, and financial assets) is determined in the following way: the Group assesses at the balance sheet date whether there is any indication that an asset may be impaired; if any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset and performs impairment testing; goodwill arising from a business combination, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least at each year end, irrespective of whether there is any indication that the asset may be impaired.

The recoverable amount is the higher of the asset's fair value less costs to sell and its present value of estimated future cash flows. The Group estimates recoverable value for individual assets. When it is difficult to estimate individually, the recoverable value of the cash generating units which the asset belongs to will be estimated. The definition of cash generating units is determined on the basis of whether the cash generating units generate cash flows which are largely independent of those from other cash generating units.

Where the carrying amount of an asset or a cash generating unit exceeds its recoverable amount, the asset or cash generating unit is considered impaired and is written down to its recoverable amount. The difference between the carrying amount and recoverable amount is recognized in profit or loss and allowance for impairment is made accordingly.

In connection with impairment tests for goodwill, the carrying value of goodwill arising from business combination is allocated to relevant cash generating units ("CGU") from the date of acquisition on a reasonable basis. If it is difficult to allocate such goodwill to a relevant CGU, it should be allocated to a relevant CGU group. A relevant CGU or CGU group is defined as one which can benefit from the synergies of the business combination and is not larger than the reporting segments determined by the Group.

In connection with impairment tests for CGUs or CGU groups that comprise goodwill, where indications of impairment exists in a CGU or CGU group related to goodwill, impairment tests should be performed first on CGUs or CGU groups that do not comprise goodwill and recognize impairment loss after estimating the recoverable amount. Then impairment tests on CGUs or CGU groups that comprise goodwill should be performed and the carrying value and recoverable amount should be compared. Where the recoverable amount is lower than the carrying value, the impairment loss should first be offset against the carrying value of the goodwill allocated to CGUs or CGU groups and then against assets in the CGUs or CGU groups other than goodwill in proportion to the weighting of these assets.

Previously recognized impairment losses are not reversed in subsequent periods.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

17. Long-term prepaid expenses

Long-term prepaid expenses are amortized using the straight-line method, with the amortization periods as follows:

	Amortization period
Decoration expenditures	3-5 years
Amortization of moulds	3 years
Other expenditures	3-5 years

18. Employee benefits

Employee benefits include all kinds of rewards or compensation incurred by the Group in exchange for service rendered by employees or in the termination of employment, other than share-based payment. Employee benefits include short-term benefits, retirement benefits, dismission benefits and other long-term employees' benefits. Benefits provided by the Group to the spouses, children and dependents of employees and families of deceased employees are also a part of employee benefits.

Short-term benefits

For accounting periods during which services are rendered by employees, short-term benefits that will incur is recognized as liability and included in profit and loss or related capital costs.

Retirement benefits (defined contribution schemes)

Employees of the Group participated in pension insurance and unemployment insurance schemes managed by the local government. The contribution costs are charged as asset cost or to profit or loss when incurred.

Retirement benefits (defined benefit schemes)

The Group operates a defined benefit pension scheme, which requires payments to an independently operated fund. No funds have been injected into the scheme. The cost of benefits provided under the defined benefit scheme is calculated using the expected benefit accrual unit approach.

Remeasurement arising from defined benefit pension schemes, including actuarial gains or losses, changes in the asset cap effect (deducting amounts included in net interest on net liabilities of the defined benefit schemes) and return on scheme assets (deducting amounts included in net interest on net liabilities of the defined benefit schemes) are instantly recognized in the balance sheet and charged to equity through other comprehensive income for the period during which it is incurred. It will not be reversed to profit and loss in subsequent periods.

Previous service costs are recognized as current expenses when: the defined benefit scheme is revised, or relevant restructuring costs or dismission benefits are recognized by the Group, whichever earlier.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

18. Employee benefits (cont'd)

Retirement benefits (defined benefit schemes) (cont'd)

Net interest is arrived at by multiplying net liabilities or net assets of defined benefits with a discount rate. Changes in net obligations of defined benefits are recognized as cost of sales, administrative expenses, R&D expenses, selling expenses and finance costs in the income statement. Service costs included current services costs, past service costs and settlement of profit or loss. Net interest included interest income from scheme assets, interest expenses for scheme obligations and interest of the asset cap effect.

19. Provisions

Other than contingent consideration and assumed contingent liabilities in a business combination not involving entities under common control, the Group recognizes as provision an obligation that is related to contingent matters when all of the following criteria are fulfilled:

(1) the obligation is a present obligation of the Group;
(2) the obligation would probably result in an outflow of economic benefits from the Group;
(3) the obligation could be reliably measured.

Provisions are initially measured according to the best estimate of expenses on fulfilling the current liabilities, in connection with the risk, uncertainty and timing value of the currency. The carrying value of the provisions would be reassessed on every balance sheet date. The carrying value will be adjusted to the best estimated value if there is certain evidence that the current carrying value is not the best estimate.

The contingent liabilities obtained from a business combination not involving entities under common control shall be measured at fair value at the time of initial recognition. After the initial recognition, according to the amount confirmed by provisions and the balance of the initial recognition amount after deducting the accumulated amortization determined by the revenue recognition principle, the higher of the two shall prevail for subsequent measurements.

20. Share-based payments

Share-based payments can be distinguished into equity-settled share-based payments and cash-settled share-based payments. Equity-settled share-based payments are transactions of the Group settled through the payment of shares or other equity instruments in consideration for receiving services.

Equity-settled share-based payments made in exchange for services rendered by employees are measured at the fair value of equity instruments granted to employees. Instruments which are vested immediately upon the grant are charged to relevant costs or expenses at the fair value on the date of grant and the capital surplus are credited accordingly. Instruments of which vesting is conditional upon completion of services or fulfillment of performance conditions are measured by recognising services rendered during the period in relevant costs or expenses and crediting the capital surplus accordingly at the fair value on the date of grant according to the best estimates of the number of exercisable equity instruments conducted by the Group at each balance sheet date during the pending period. The fair value of equity instruments is determined using the closing price of the Company's stock on the date of grant.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

21. Revenue generating from contracts with customers

The Group recognizes its revenue upon the fulfilment of contractual performance obligations under a contract, namely, when the customer obtains control over the relevant products or services. The acquisition control over relevant products or services shall mean the ability to direct the use of the products or the provision of the services and receive substantially all economic benefits derived therefrom.

Contract for the sales of products
The product sales contract between the Group and its customers typically includes different contractual performance obligations for the transfer of products and the rendering of services. With respect to the sales of products, the Group typically recognizes its revenue at the time when the customer takes control over the products, taking into account the following factors: the acquisition of the current right to receive payments for the products, the transfer of major risks and rewards of ownership, the transfer of the legal title of the products, the transfer of the physical assets of the products, and customers' acceptance of the products.

Contract for the rendering of installation services
The service contract between the Group and its customers includes contractual performance obligations for installation services. As the customer is able to forthwith obtain and consume the economic benefits brought by the Group's contractual performance when the Group performs a contract, the Group considers such contractual performance obligations to be obligations performed over a period of time, and revenue shall be recognized on each balance sheet date according to the progress of installation.

Significant financing component
Where a contract contains a significant financing component, the Group determines transaction prices based on amounts payable assumed to be settled in cash by customers immediately upon the acquisition of control over the products or services. The difference between such transaction price and contract consideration is amortized over the contract period using the effective interest method based on a ratio that discounts the nominal contractual consideration to the current selling price of the products or services. The Group shall not give consideration to any significant financing component in a contract if the gap between the customer's acquisition of control over the products or services and payment of consideration is expected to be less than 1 year.

Warranty clauses
The Group provides quality assurance for products sold in accordance with contract terms and laws and regulations. The accounting treatment of quality assurance in the form of warranty assuring customers products sold are in compliance with required standards is set out in Note III.20. Where the Group provides a service warranty for a standalone service in addition to the assurance of compliance of products with required standards, such warranty is treated as a standalone contractual performance obligation, and a portion of the transaction price shall be allocated to the service warranty based on a percentage of the standalone price for the provision of product and service warranty. When assessing whether a warranty is rendering a standalone service in addition to providing guarantee to customers that all sold goods are in compliance with required standards, the Group will consider whether or not such warranty is a statutory requirement, the term of the warranty and the nature of the Group's undertaking to perform its obligations.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

22. Contract assets and contract liabilities

The Group presents contract assets or contract liabilities on the balance sheet according to the relationship between contractual performance obligations and customer payments.

Contract assets
Contract assets are the right to receive consideration following the transfer of products or services to customers which is dependent on factors other than the passage of time.

For details of the Group's determination and accounting treatment of expected credit losses from contract assets, please refer to Note III.8.

Contract liabilities
Contract liabilities are the obligation to pass products or services to customers in connection with customer consideration received or receivable, for example, amounts received prior to the transfer of the promised products or services.

23. Assets relating to contract cost

The Group's assets relating to contract costs include the contract acquisition costs and contract performance costs. The costs are presented in inventory, other current assets or other non-current assets based on liquidity of the assets.

Where the Group expects the incremental costs for acquiring a contract to be recoverable, such contract acquisition costs are recognized as an asset (unless the amortisation period of the asset is not more than 1 year).

Costs incurred by the Group for the performance of a contract are recognized as an asset as contract performance costs if they do not fall under the scope of the relevant standards for inventories, fixed assets or intangible assets but meet all the following conditions:

(1) they are directly related to a current or anticipated contract, including direct labour, direct materials, manufacturing expenses (or similar expenses), to be borne by customers as specifically stipulated, and otherwise incurred solely in connection with the contract;
(2) they will increase the resources to be utilized in the Company's future performance of its contractual obligations;
(3) they are expected to be recoverable.

24. Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. The grant is measured as the amount received or receivable where it takes the form of a cash asset, or at fair value where it is not a cash asset. Where the fair value cannot be reliably obtained, it should be measured at the nominal value.

In accordance with the stipulations of the government instruments, government grants applied towards acquisition or the formation of long-term assets in other manners are asset-related government grants; the instruments unspecifically refer to the exercise of judgement based on the basic conditions for receiving the asset-related grant applied towards or the formation of long-term assets in other manners. All other grants are recognized as income-related government grants.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

24. Government grants (cont'd)

Government grants relating to income and applied to make up for related costs or losses in future periods shall be recognized as deferred income, and shall be recognized in profit or loss of the period for which related costs or loss are recognized. Government grants specifically applied for the reimbursement of incurred related costs and expenses shall be directly recognized in profit or loss.

Government grants relating to assets shall offset the carrying amount of related assets, or be recognized as deferred income and credited to profit or loss over the useful life of the asset concerned by reasonable and systematic instalments (provided that government grants measured at nominal value shall be directly recognized in profit or loss). Where the asset concerned is disposed of, transferred, retired or damaged prior to the end of its useful life, the balance of the deferred income yet to be allocated shall be transferred to "asset disposal" under current profit or loss.

25. Deferred tax assets

The Group recognizes deferred tax assets and liabilities based on temporary differences using the balance sheet liability method. Temporary differences are differences between the carrying amount of assets or liabilities in the balance sheet and their tax base on the balance sheet date. Temporary differences also include the differences between the carrying values and tax bases of items not recognized as assets or liabilities where the tax base can be calculated according to the relevant tax regulations.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(1) where the taxable temporary difference arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
(2) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized except:

(1) where the deductible temporary difference arises from transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
(2) deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures are recognized when all following conditions are met: it is probable that the temporary differences will reverse in the foreseeable future, it is probable that taxable profit against the deductible temporary differences will be available.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

25. Deferred tax assets (cont'd)

As at balance sheet date, deferred tax assets and liabilities are measured in accordance with relevant tax laws at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, and reflects the tax consequences that would follow the manner in which the Group expects, at the balance sheet date, to recover the assets or settle the carrying amount of its assets and liabilities.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset and presented as a net amount if all of the following conditions are met: the Group has the legal right to set off the current income tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, provided that the taxable entity concerned intends either to settle current income tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

26. Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group recognizes leases as the right-of-use asset and lease liabilities, except for short-term leases and leases of low-value assets.

Right-of-use assets

At the commencement date of the lease, the Group recognizes a right-of-use asset. The cost of the right-of-use asset comprises: (1) the amount of the initial measurement of the lease liability; (2) any lease payments made at or before the commencement date less any lease incentives received; (3) any initial direct cost incurred; (4) an estimate of costs incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The right-of-use assets are depreciated on a straight-line basis subsequently by the Group. If ownership of the leased asset transfers to the Group at the end of the lease term, depreciation is calculated using the estimated useful life of the asset. Otherwise, the right-of-use assets are depreciated over the shorter of the lease term and the estimated useful lives of the assets.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

26. Leases (cont'd)

Lease liabilities
At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date, except for short-term leases and low-value asset leases. Lease payments include constant payments and the substantial constant payments net of lease incentives, variable lease payments that depend on an index or ratio, the estimated payables of guaranteed residual value, and also include the exercise price of the purchase option or the amount to be paid upon vest of the termination option, provided that the Group is reasonably certain that the option will be vested or that the lease term reflects that the Group will exercise the termination option.

In calculating the present value of the lease payments, the Group uses the interest rate implicit in the lease as the discount rate. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate. The Group calculates the interest expenses of the lease liability in each period during the lease term using the constant periodic rate of interest, and recognizes such interest expenses in profit or loss, except those that in the related asset costs as required. Variable lease payments that are not included in the measurement of the lease assets are recognized in profit or loss as incurred, except those that shall be included in the related asset costs as required.

After the commencement date, the Group increases the book value of the lease liability when interest is recognized and decreases the book value of the lease liability when lease payments are made. In the event of any change to the substantial constant payments, the estimated payables of guaranteed residual value, the index or ratio used to determine lease payments, the assessment results or actual vesting of the purchase option, the renewal option or the termination option, the Group remeasures the lease liability at the present value of the modified lease payments.

Short-term leases and leases of low-value assets
A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less, and does not contains any purchase option. The Group does not recognize the right-of-use assets and lease liabilities for buildings short-term leases. The Group recognizes lease payments on short-term leases and leases of low-value assets in the related asset costs or profit or loss on a straight-line basis over the lease term.

<u>As a lessor</u>

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date.

<u>As a lessor of operating leases</u>

Rental income of operating leases is recognized in current profit or loss over the respective periods during the lease term on a straight-line basis, while variable lease payment not included in lease receipts is charged to profit or loss as and when incurred.

Initial direct costs are capitalised and recognised over the lease term on the same basis as rental income, through profit or loss.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

27. Share repurchase

The consideration and transaction costs paid to repurchase equity instruments are charged against owner's equity. Except for share-based payments, the issue (including refinancing), repurchase, disposal or retirement of the Company's own equity instruments are accounted for as changes in equity.

28. Expenses for safety production

The expenses for safety production set side as stipulated shall be included in the cost of relevant products or current profits and losses, and included in the special reserve at the same time. When such expenses are used, accounting treatment will be performed according to whether fixed assets are formed. If identified as expense expenditures, the special reserve will be written down directly; if fixed assets are formed, the expenses incurred will be collected, fixed assets will be recognized when they reach a predetermined usable state, and the equivalent amount of special reserve will be written down and the equivalent accumulated depreciation will be recognized.

29. Put option related to non-controlling interests

In the process of acquiring majority equity of subsidiaries, the Group grants to minority shareholders the option to sell the shares of subsidiaries held by them to the Group (put option). The Group recognizes the shares of subsidiaries held by minority shareholders as non-controlling interests in its consolidated financial statements; for the put option, the Group undertakes the obligation to redeem the shares of the subsidiaries held by minority shareholders in cash. The Group removes the present value of the amount payable to redeem the put option from its equity (excluding non-controlling interests) and classifies it as financial liability, which is remeasured in subsequent periods at the present value of the the amount payable to redeem the put option and recognized in profit or loss.

30. Fair value measurement

At each balance sheet date, the Group measures the fair value of derivative financial instruments and equity instrument investments. Fair value means the price receivable from the disposal of an asset or required to be paid for the transfer of a liability in an orderly transaction incurred by market participants on the measurement date.

The fair value hierarchy to which an asset or liability measured or disclosed in the financial statements at fair value will be determined on the basis of the lowest level of input which is significant for the fair value measurement as a whole. Input at the first level represents unadjusted quoted prices in an active market for the acquisition of the same asset or liability on the measurement date. Input at the second level represents directly or indirectly observable assets or liabilities apart from input at the first level. Input at the third level represents unobservable input for the asset or liability.

At each balance sheet date, the Group reassesses assets and liabilities measured at fair value on an ongoing basis recognized in the financial statements to determine whether the level of fair value measurement should be changed.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

31. Significant accounting judgements and estimates

The preparation of financial statements requires judgement and estimation of the management. Such judgement and estimation will affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities as at the balance sheet date. However, the consequence arising from the uncertain nature of such estimation may result in significant adjustment to the carrying value of the asset or liability affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Determination of standalone contractual performance obligations

The intelligent packaging equipment (printers and corrugators) business of the Group includes four kinds of product or service commitments, i.e. the sale, installation, transportation and insurance services of machinery. As the customer can benefit from the individual use of the four kinds of products or services or their use together with other readily available resources and such product or service commitments are distinctly separable from other products or service commitments, the aforesaid product or service commitments constitute standalone contractual performance obligations respectively.

Business model

The classification of financial assets at initial recognition is dependent on the Group's business model for managing the assets. Factors considered by the Group in judging the business model include enterprise valuation, the method of reporting the results of financial assets to key management members, risks affecting the results of financial assets and the method for managing such risks, as well as the form of remuneration received by the management personnel of the businesses concerned. In assessing whether the business model is aimed at receiving contract cash flow, the Group is required to analyse and exercise judgment in respect of the reasons, timing, frequency and values of any disposals prior to maturity.

Characteristics of contract cash flow

The classification of financial assets at initial recognition is dependent on the characteristics of the contract cash flow of such type of financial assets. Judgement is required to determine whether the contract cash flow represents interest payment in relation to principal amounts based on outstanding principal amounts only, including judgement of whether it is significantly different from the benchmark cash flow when assessing modifications to the time value of currencies, and judgement of whether the fair value of early repayment features is minimal where the financial assets include such early repayment features.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within subsequent financial years, are discussed below.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

31. Significant accounting judgements and estimates (cont'd)

Estimation uncertainty (cont'd)

Impairment of financial instruments and contract assets
The Group has adopted 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 judgement and estimates and the consideration of all reasonable and soundly based information, including forward-looking information. In making such judgement and estimates, the Group estimates the projected movements of the debtor's credit risk according to past repayment records, economic policies, macro-economic indicators and industry risks. Different estimates may affect impairment allowances, and established impairment allowances may not equal the actual impairment loss amount in the future.

Impairment of non-current assets other than financial assets (exclusive of goodwill)
The Group assesses at each balance sheet date whether there is an indication that a non-current asset other than financial assets may be impaired. For an intangible asset with an indefinite useful life, in addition to the annual impairment test, it is also tested when there is an indication that it may be impaired. Non-current assets other than financial assets are tested for impairment when there is an indication that the carrying amount is irrecoverable. Where the carrying amount of an asset or an asset group exceeds its recoverable amount—the higher of the asset or asset group's fair value less costs to sell and its present value of estimated future cash flows, it is considered impaired. The net amount of the fair value less costs to sell is determined based on the price of a similar asset's sales contract in a fair transaction or the observable market price less the incremental cost directly attributable to the disposal of the asset. When estimating the present value of future cash flows, the management must choose a proper discount rate.

Impairment of goodwill
Goodwill must be tested for impairment at least annually. It requires estimating the present value of future cash flows of an asset group or asset group portfolio allocated with goodwill. When estimating the present value of future cash flows, the Group needs to estimate future cash flows generating from the asset group or asset group portfolio, and at the same time choose a proper discount rate to determine the present value of future cash flows. For details, see Note V.20.

Fair value of unlisted equity investments
The unlisted equity investments have been valued based on the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. This valuation requires the Group to make estimates about expected future cash flows, credit risk, volatility and discount rates, and hence they are subject to uncertainty.

Deferred tax assets
Deferred tax assets are recognized for all unused tax losses, to the extent that it is likely that taxable profit will be available to utilize these unused tax losses. Significant judgments are needed from management to estimate the timing and amount of taxable profit in the future, with tax planning strategies, to determine the amount of the deferred tax assets that should be recognized.

V.Principal Accounting Policies and Accounting Estimates (Cont'd)

31. Significant accounting judgements and estimates (cont'd)

Estimation uncertainty (cont'd)

Lessee's incremental borrowing rate

If the interest rate implicit in the lease cannot be readily determined, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The Group discounted the lease payments using the lessee's incremental borrowing rate. The Group determines the incremental borrowing rate based on the economic environment by reference to the observable interest rate. Then the Group adjusts the reference interest rate based on its own circumstances, underlying assets, lease terms and amounts of lease liabilities to determine the applicable incremental borrowing rate.

Provisions

The Group estimates and makes corresponding provision for product quality guaranty according to contract terms, existing knowledge and past experience. When such contingencies have formed a present obligation and it is probable that an outflow of economic benefits from the Group will be required to settle the obligation, the Group recognizes the contingencies as provisions based on the best estimate of the expenditure required to settle the related present obligation. The recognition and measurement of provisions largely depend on the judgment of management. In the process of making judgment, the Group is required to assess the risks, uncertainties, time value of money and other factors related to such contingencies.

The Group will undertake the provisions for post-sale quality maintenance provided to customers for the sale, maintenance and renovation of the sold goods. The provisions have been made taking into account the Group's recent data of maintenance experience, and taking into account the risks, uncertainties and other factors related to maintenance matters. Any increase or decrease in this provision may affect the profit and loss in future years.

VI. Taxation

1. Principal tax items and tax rates

	Tax basis	Tax rate
Value-added tax (VAT)	The output tax: taxable income; VAT: difference after deducting the input tax which is allowed to be deducted in the current period	22%,13% and 6%
City maintenance and construction tax	Turnover tax actually paid	7%
Education surcharge	Turnover tax actually paid	3%
Local education Surcharge	Turnover tax actually paid	2%
Property tax	Ad valorem tax: remaining value after deducting 30% from the original value of the property; Tax levied from rent: rental income.	1.2% and 12%
Corporate income tax	Taxable income	15%-30%

The taxpaying entities subject to different corporate income tax rates are as follows:

	Income tax rate
Guangdong Dongfang Precision Science & Technology Co., Ltd.	25.0%
Suzhou Parsun Power Machine Co., Ltd. ("Parsun Power")	15.0%
Dongfang Digicom Data Technology (Guangdong) Co., Ltd. ("Dongfang Digicom")	15.0%
Shenzhen Wonder Printing System Co.,Ltd. ("Wonder Printing")	15.0%
Dong Fang Precision (HK) Limited (“Dongfang Precision (HK)”)	16.5%
Dong Fang Precision (Netherland) Cooperatief U.A.(“Dongfang Precision (Netherland)”)	20.0%
Yuanhang Holdings (Singapore) Pte Ltd (“Yuanhang (Singapore)”)	17.0%
Xinghui Precision Technology (Singapore) Pte Ltd (“Xinghui Precision (Singapore)”)	17.0%
EDF Europe s.r.l.(“EDF”)	24.0%

VI. Taxation (Cont'd)

2. Tax concessions

Suzhou Parsun Power Machine Co., Ltd., a subsidiary of the Company, passed the high-tech enterprise review by the Department of Science and Technology of Jiangsu Province, Department of Finance of Jiangsu Province and Jiangsu Provincial Tax Service of State Taxation Administration on 18 November 2022 and obtained a High-tech Enterprise Certificate (certificate no.: GR202232005866) jointly issued by the above authorities, with a validity of three years, during which the subsidiary paid the corporate income tax at a reduced rate of 15%. On 25 December 2025, Parsun Power once again passed the re-certification review as a high-tech enterprise (Certificate No.: GR202532001269), valid for three years, so the preferential tax rate of 15% was applicable to the corporate income tax of Parsun Power as at 2026.

Shenzhen Wonder Printing System Co.,Ltd., a subsidiary of the Company, passed the high-tech enterprise review by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province and Guangdong Provincial Tax Service of State Taxation Administration on 19 December 2022 and obtained a High-tech Enterprise Certificate (certificate no.: GR202244206125) jointly issued by the above authorities, with a validity of three years, during which the subsidiary paid the corporate income tax at a reduced rate of 15%. On 25 December 2025, Wonder Printing once again passed the re-certification review as a high-tech enterprise (Certificate No.: GR202544202708), valid for three years, so the preferential tax rate of 15% was applicable to the corporate income tax of Wonder Printing as at 2026.

Dongfang Digicom Data Technology (Guangdong) Co., Ltd., a subsidiary of the Company, passed the high-tech enterprise review by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province and Guangdong Provincial Tax Service of State Taxation Administration on 28 December 2024 and obtained a High-tech Enterprise Certificate (certificate no.: GR202444005593) jointly issued by the above authorities, with a validity of three years, during which the subsidiary paid the corporate income tax at a reduced rate of 15%, so the preferential tax rate of 15% was applicable to the corporate income tax of Wonder Printing as at 2026.

VII Notes to the Consolidated Financial Statements

1. Cash and bank balances

Unit: RMB yuan

Item	Closing balance	Opening balance
Cash on hand	188,454.67	388,992.02
Cash at banks	5,976,725,229.63	1,929,620,404.45
Other cash balances	516,772,271.98	148,909,630.98
Total	6,493,685,956.28	2,078,919,027.45
Of which: Total amount overseas	3,961,358,430.50	1,011,711,436.77

Other information:

The fund deposited abroad with restrictions on repatriation was equivalent to RMB3,961,358,430.50 (On 31 December 2025, the number was RMB1,011,711,436.77). Current bank deposits earn interest income based on interest rates for current deposits.

Other cash and cash equivalents include: 1) deposits secured by bank-accepted bills and loan guarantees, etc., with a carrying amount of RMB 40,684,556.30; 2) investment funds deposited, with a carrying amount of RMB 476,049,248.87; 3) funds in transit, with a carrying amount of RMB 38,466.81.

2. Financial assets held for trading

Unit: RMB yuan

	2026	2025
Financial assets at fair value through profit or loss Asset management plans	2,205,243,932.05	766,554,477.49
including		
Asset management plans	171,156,027.87	65,846,656.99
Investments in bank's wealth management products	72,958,820.18	352,724,315.45
Stocks and Funds	1,839,085,084.00	332,768,713.53
Investments in trust products	122,044,000.00	15,214,791.52
Total	2,205,243,932.05	766,554,477.49

3. Derivative financial assets

项目	2026	2025
Foreign exchange derivatives	56,925.08	101,000.75
Total	56,925.08	101,000.75

4. Notes receivable

(1) Notes receivable by type

Unit: RMB yuan

Item	Closing balance	Opening balance
Bank acceptance notes	21,600,342.19	48,393,159.64

Commercial acceptance notes		
Total	21,600,342.19	48,393,159.64

(2) At the end of the period, the company had endorsed or discounted notes receivable that had not yet matured as of the balance sheet date.

Unit: RMB yuan

Item	Amount recognised at the end of the period	Amount not derecognised at the end of the period
Bank acceptance notes		9,938,458.33
Total		9,938,458.33

5. Accounts receivable

(1) Disclosure by the aging of accounts receivable

Unit: RMB yuan

	2026	2025
Within 1 year (inclusive)	227,965,015.84	892,283,895.51
1-2 years	17,383,823.83	50,396,371.70
2-3 years	9,510,801.53	22,739,742.02
Over 3 years	13,803,495.13	22,834,845.27
3-4 years	8,346,882.58	14,658,385.94
4-5 years		4,975,011.73
Over 5 years	5,456,612.55	3,201,447.60
Total	268,663,136.33	988,254,854.50

(2) Disclosure classified by the allowance provision method of accounts receivable

Unit: RMB yuan

Type	Closing balance					Opening balance				
	Gross amount		Allowance		Carrying amount	Gross amount		Allowance		Carrying amount
	Amount	Percentage	Amount	Allowance percentage		Amount	Percentage	Amount	Allowance percentage	
Accounts receivable for which the allowances are established individually	1,250,400.00	0.47%	1,250,400.00	100.00%		4,478,756.48	0.45%	4,478,756.48	100.00%	
Of										

which:										
Accounts receivable for which the allowances are established individually	1,250,400.00	0.47%	1,250,400.00	100.00%		4,478,756.48	0.45%	4,478,756.48	100.00%	
Accounts receivable for which the allowances are established by group	267,412,736.33	99.53%	18,132,809.68	6.78%	249,279,926.65	983,776,098.02	99.55%	31,754,861.24	3.23%	952,021,236.78
Of which:										
Accounts receivable for which the allowances are established by group with similar credit risk characteristics	267,412,736.33	99.53%	18,132,809.68	6.78%	249,279,926.65	988,254,854.50	99.55%	31,754,861.24	3.23%	952,021,236.78
Total	268,663,136.33	100.00%	19,383,209.68		249,279,926.65	988,254,854.50	100.00%	36,233,617.72		952,021,236.78

Accounts receivable for which the allowances are established individually:

Unit: RMB yuan

Entity	Opening balance		Closing balance			
	Gross amount	Allowance	Gross amount	Allowance	ECL	Reason for allowance
Customer 1	641,600.00	641,600.00	641,600.00	641,600.00	100.00%	Customer's inability to settle the amount due
Customer 2	608,800.00	608,800.00	608,800.00	608,800.00	100.00%	Customer's

						inability to settle the amount due
Customer 3	3,228,356.48	3,228,356.48				
Total	4,478,756.48	4,478,756.48	1,250,400.00	1,250,400.00		

Accounts receivable for which the allowances are established by group with similar credit risk characteristics are as follows:

Unit: RMB yuan

Item	Closing balance		
	Gross amount	Allowance	ECL
Within 1 year	227,965,015.84	3,237,381.43	1.42%
1-2 years	17,383,823.83	2,532,202.41	14.57%
2-3 years	9,510,801.53	4,020,343.32	42.27%
3-4 years	8,346,882.58	4,136,669.97	49.56%
4-5 years			
Over 5 years	4,206,212.55	4,206,212.55	100.00%
Total	267,412,736.33	18,132,809.68	

（3） Allowances established orreversed in the current period

Allowances in the current period:

Unit: RMB yuan

Type	Opening balance	Change in the current period				Closing balance
		Provision	Reversed	Written off	Others	
Allowances for doubtful accounts receivable	36,233,617.72	2,564,268.15	729,457.64		-18,685,218.55	19,383,209.68
Total	36,233,617.72	2,564,268.15	729,457.64		-18,685,218.55	19,383,209.68

（4） Top five entities with respect to accounts receivable

Unit: RMB yuan

Entity	Closing balance of accounts receivable	Closing balance of contract assets	Total closing balance of accounts receivable and contract assets	As a % of the closing balance of total accounts receivable and contract asset	Total closing balance of provision for allowances of accounts receivable and provision for impairment of contract asset
Customer 4	31,965,798.57	3,572,209.37	35,538,007.94	11.89%	1,201,196.04
Customer 5	19,070,520.00	2,724,360.00	21,794,880.00	7.29%	571,025.86
Customer 6	18,952,958.00		18,952,958.00	6.34%	378,992.53
Customer 7	11,603,162.63		11,603,162.63	3.88%	232,022.46
Customer 8	9,459,729.00		9,459,729.00	3.16%	189,161.32
Total	91,052,168.20	6,296,569.37	97,348,737.57	32.56%	2,572,398.21

6. Contract assets

（1） Contract assets

Unit: RMB yuan

Type	Closing balance			Opening balance		
	Gross amount	Allowance	Carrying amount	Gross amount	Allowance	Carrying amount
Contract assets	30,264,851.92	1,573,151.64	28,691,700.28	70,210,620.34	5,669,499.41	64,541,120.93
Total	30,264,851.92	1,573,151.64	28,691,700.28	70,210,620.34	5,669,499.41	64,541,120.93

（2） Disclosure classified by the allowance provision method

Unit: RMB yuan

Type	Closing balance					Opening balance				
	Gross amount		Allowance		Carrying amount	Gross amount		Allowance		Carrying amount
	Amount	Percentage	Amount	Percentage		Amount	Percentage	Amount	Percentage	
Of which:										
Provision for allowances by group	30,264,851.92	100.00%	1,573,151.64	5.20%	28,691,700.28	70,210,620.34	100.00%	5,669,499.41	8.07%	64,541,120.93
Of which:										
Contract assets for which allowances are established by group with similar credit risk characteristics	30,264,851.92	100.00%	1,573,151.64	5.20%	28,691,700.28	70,210,620.34	100.00%	5,669,499.41	8.07%	64,541,120.93
Total	30,264,851.92	100.00%	1,573,151.64		28,691,700.28	70,210,620.34	100.00%	5,669,499.41		64,541,120.93

Accounts receivable for which the allowances are established by group:

Unit: RMB yuan

Type	Closing balance		
	Gross amount	Allowance	Percentage
Within 1 year	22,947,616.69	490,002.39	2.14%
1-2 years	6,828,070.94	861,019.75	12.61%
2-3 years	489,164.29	222,129.50	45.41%
3-4 years			
4-5 years			
More than 5 years			

Total	30,264,851.92	1,573,151.64	

（3）Allowances established orreversed in the current period

Unit: RMB yuan

Type	Established	Reversed	Written off	Reason
Provision for impairment of contract asset	233,784.95	201,401.59		
Total	233,784.95	201,401.59		

7. Receivables financing

Unit: RMB yuan

Item	Closing balance	Opening balance
Notes receivable	9,252,829.33	19,403,276.39
Total	9,252,829.33	19,403,276.39

8. Other receivables

Unit: RMB yuan

Item	Closing balance	Opening balance
Other receivables	11,563,941.51	31,895,695.08
Total	11,563,941.51	31,895,695.08

(1) Other receivables

1) Disclosure by nature

Unit: RMB yuan

Nature	Closing gross amount	Opening gross amount
Security deposits	4,487,979.94	8,180,431.48
Government subsidy		6,000,000.00
Export tax refunds		591,747.36
Employee loans and petty cash	3,140,860.51	6,988,083.81
Others	5,286,186.64	11,542,474.10
Total	12,915,027.09	33,302,736.75

2)Disclosure by the aging

Unit: RMB yuan

Aging	Closing gross amount	Opening gross amount
Within 1 year	7,263,787.41	18,354,891.41
1-2 years	268,467.48	9,763,852.83
2-3 years	3,988,143.24	641,457.00
Over 3 years	1,394,628.96	4,542,535.51
3-4 years	496,353.43	2,368,064.07

4-5 years	152,453.30	467,519.13
Over 5 years	745,822.23	1,706,952.31
Total	12,915,027.09	33,302,736.75

3) Disclosure classified by the allowances provision methods

Unit: RMB yuan

Type	Closing balance					Opening balance				
	Gross amount		Allowance		Carrying amount	Gross amount		Allowance		Carrying amount
	Amount	Percentage	Amount	Percentage		Amount	Percentage	Amount	Percentage	
Of which:										
Provision for allowances by group	12,915,027.09	100.00%	1,351,085.58	10.46%	11,563,941.51	33,302,736.75	100.00%	1,407,041.67	4.23%	31,895,695.08
Of which:										
Portfolio of credit risk characteristics	12,915,027.09	100.00%	1,351,085.58	10.46%	11,563,941.51	33,302,736.75	100.00%	1,407,041.67	4.23%	31,895,695.08
Total	12,915,027.09	100.00%	1,351,085.58	10.46%	11,563,941.51	33,302,736.75	100.00%	1,407,041.67	4.23%	31,895,695.08

Allowances：

Unit: RMB yuan

Allowances	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at 1 January 2026	907,041.67	500,000.00		1,407,041.67
Balance as at 1 January 2026 in the current period				
Provision in the current period	-55,956.09			-55,956.09
Balance as at 30 June 2026	851,085.58	500,000.00		1,351,085.58

Balances with significant changes in loss allowances in the current period:

□ Applicable ☑ Not applicable

4) Allowances established or reversed in the current period

Allowances in the current period:

Unit: RMB yuan

Type	Opening balance	Change in the current period				Closing balance
		Established	Reversed	Written off	Others	

Allowances for doubtful other receivables	1,407,041.67				-55,956.09	1,351,085.58
Total	1,407,041.67				-55,956.09	1,351,085.58

5) Top five entities with respect to other receivables

Unit: RMB yuan

Entity	Nature of other receivable	Closing balance	Aging	As a % of the closing balance of total other receivables	Closing balance of allowances for doubtful other receivables
Entity 1	Third-party receivables and payables	3,948,159.62	Within 1 year, 4-5 years	30.57%	
Entity 2	Deposits and guarantees	1,605,000.00	2-3 years, 3-4 years	12.43%	
Entity 3	Third-party receivables and payables	622,633.57	Within 1 year	4.82%	
Entity 4	Third-party receivables and payables	512,895.28	Within 1 year	3.97%	
Entity 5	Prepaid service fees	391,067.00	Within 1 year	3.03%	
Total		7,079,755.47		54.82%	

9. Prepayments

(1) Prepayments by aging

Aging	Closing balance		Opening balance	
	Amount	Percentage	Amount	Percentage
Within 1 year	19,262,948.89	86.71%	33,316,934.80	89.06%
1-2 years	319,177.28	1.44%	1,757,166.57	4.70%
2-3 years	396,872.20	1.79%	311,127.83	0.83%
Over 3 years	2,236,849.13	10.06%	2,024,701.77	5.41%
Total	22,215,847.50		37,409,930.97	

(2) Top five entities with respect to prepayments

The closing balance of total prepayments to the top five entities amounted to RMB4,898,281.24, accounting for 22.05% of the closing balance of the total prepayments.

10. Inventories

Is the Company subject to the disclosure requirements for the real estate industry?
No.

(1) Inventories by type

Unit: RMB yuan

Item	Closing balance			Opening balance		
	Gross amount	Inventory valuation allowances or impairment allowances for contract performance costs	Carrying amount	Gross amount	Inventory valuation allowances or impairment allowances for contract performance costs	Carrying amount
Raw materials	202,259,844.28	6,684,851.29	195,574,992.99	647,541,935.43	28,460,878.05	619,081,057.38
Work-in-progress	168,256,307.91	17,783,939.46	150,472,368.45	369,761,978.91	21,391,350.19	348,370,628.72
Finished goods	43,495,907.17	5,523.70	43,490,383.47	72,987,686.14	8,803,128.59	64,184,557.55
Product deliveries	7,648,904.73		7,648,904.73	41,042,557.50		41,042,557.50
Semi-finished goods	45,625,384.85	271,827.61	45,353,557.24	42,568,277.48	459,377.88	42,108,899.60
Materials consigned for processing	4,186,665.44		4,186,665.44	4,489,421.16		4,489,421.16
Total	471,473,014.38	24,746,142.06	446,726,872.32	1,178,391,856.62	59,114,734.71	1,119,277,121.91

(2) Inventory valuation allowances and impairment allowances for contract performance costs

Unit: RMB yuan

Item	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Established	Others	Reversed or written off	Others	
Raw materials	28,460,878.05	1,322,667.32			23,098,694.08	6,684,851.29
Work-in-progress	21,391,350.19			99,235.07	3,508,175.66	17,783,939.46
Finished goods	8,803,128.59			7,344.66	8,790,260.23	5,523.70
Semi-finished goods	459,377.88			187,550.27		271,827.61
Total	59,114,734.71	1,322,667.32		294,130.00	35,397,129.97	24,746,142.06

11. Current portion of non-current assets

Unit: RMB yuan

Item	Closing balance	Opening balance
Current portion of long-term receivables	5,655,062.30	13,368,400.00
Large-Denomination Certificates of Deposit Maturing Within One Year		10,909,534.25
Total	5,655,062.30	24,277,934.25

Substantial debt investments/other debt investments:

12. Other current assets

Unit: RMB yuan

Item	Closing balance	Opening balance
Input value-added tax (VAT) to be deducted	3,801,091.67	3,623,329.38
Overpaid VAT	43,432,967.34	57,771,294.63
Tax repayments	4,858,708.82	28,946,167.30
Others	146,292.41	24,022,378.71
Total	52,239,060.24	114,363,170.02

13. Long-term receivables

(1) Particulars about long-term receivables

Unit: RMB yuan

Item	Closing balance			Opening balance			Range of discount rates
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount	
Amounts receivable by installment for selling goods	2,576,000.00	67,491.20	2,508,508.80	6,370,000.00	157,231.20	6,212,768.80	
Total	2,576,000.00	67,491.20	2,508,508.80	6,370,000.00	157,231.20	6,212,768.80	

（2） Classification by bad debt provision method

Unit: RMB yuan

Item	Closing balance					Opening balance				
	Gross amount		Impairment allowance		Carrying amount	Gross amount		Impairment allowance		Carrying amount
	Amount	Percentage	Amount	Percentage		Amount	Percentage	Amount	Percentage	
Of which:										
Provision for bad debts calculated on a portfolio basis	2,576,000.00	100.00%	67,491.20	2.62%	2,508,508.80	6,370,000.00	100.00%	157,231.20	2.47%	6,212,768.80
Of which:										
Credit risk characteristics	2,576,000.00	100.00%	67,491.20	2.62%	2,508,508.80	6,370,000.00	100.00%	157,231.20	2.47%	6,212,768.80
Total	2,576,000.00	100.00%	67,491.20	2.62%	2,508,508.80	6,370,000.00	100.00%	157,231.20	2.47%	6,212,768.80

(3) Movements in allowances for doubtful long-term receivables are as follows:

Unit: RMB yuan

Type	Opening balance	Change in the current period				Closing balance
		Provision	Reversed	Written off	Others	
long-term receivables	157,231.20	0.00	81,255.64		-8,484.36	67,491.20
Total	157,231.20	0.00	81,255.64	0.00	-8,484.36	67,491.20

14、Long-term equity investments

Unit: RMB yuan

Investee	Opening balance (carrying amount)	Change in the current period								Closing balance (carrying amount)	Closing balance of impairment allowance
		Additional investment	Reduced investment	Return on investment under the equity method	Adjustment to other comprehensive income	Other equity changes	Declared cash dividends or profit	Impairment allowance	Others		
1. Joint ventures											
2. Associates											
Jaten Robot	89,220,901.64				310,847.93						89,531,749.57
Talleres Tapre	1,844,184.33									-1,844,184.33	
Nanjing Profeta	20,250,105.90				-809,188.96				9,720,458.47		9,720,458.47
RuoYu Robotics	96,840,699.35				-3,337,090.52						93,503,608.83
Heju Intelligent	3,000,000.00										3,000,000.00
Aerospace Xinli	91,701,701.08				1,930,824.73						93,632,525.81
Subtotal	302,857,592.30				-1,904,606.82				9,720,458.47	-1,844,184.33	289,388,342.68
Total	302,857,592.30				-1,904,606.82				9,720,458.47	-1,844,184.33	289,388,342.68

The recoverable amount is determined by the net amount after deducting the disposal expenses from the fair value.

□ Applicable ☑ Not applicable

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

□ Applicable ☑ Not applicable

15. Other non-current financial assets

Unit: RMB yuan

Item	Closing balance	Opening balance
Financial assets	906,447,128.50	817,347,878.10
Total	906,447,128.50	817,347,878.10

16. Fixed assets

Unit: RMB yuan

Item	Closing balance	Opening balance
Fixed assets	562,689,997.78	1,084,142,895.08
Total	562,689,997.78	1,084,142,895.08

(1) Particulars about fixed assets

Unit: RMB yuan

Item	Buildings and constructions	Machinery	Transportation equipment	Other equipment	Total
I. Gross amount					
1. Opening balance	1,077,891,032.34	653,922,242.49	35,579,793.71	90,051,164.46	1,857,444,233.00
2. Increase in the current period	10,680,931.55	49,114,877.74	2,355,512.05	7,508,178.48	69,659,499.82
(1) Purchases	10,596,516.55	36,597,284.81	2,355,512.05	5,452,105.74	55,001,419.15
(2) Transfers from construction in progress	84,415.00	12,517,592.93		2,056,072.74	14,658,080.67
(3) Increase in business combination					
(4) Effect of exchange rate movements					
3. Decrease in the current period	531,803,686.57	472,635,223.18	10,582,322.71	30,174,502.90	1,045,195,735.36
(1) Disposal or retirement		4,200.00	260,000.00	161,600.50	425,800.50
(2)Disposal of Subsidiaries Transferred Out	530,989,938.82	472,277,219.17	10,298,134.93	29,794,081.43	1,043,359,374.35
(3) Exchange Rate Fluctuations	813,747.75	353,804.01	24,187.78	218,820.97	1,410,560.51
4. Closing balance	556,768,277.32	230,401,897.05	27,352,983.05	67,384,840.04	881,907,997.46
II. Accumulated depreciation					

1. Opening balance	260,395,851.24	428,392,077.00	23,465,131.06	61,048,278.62	773,301,337.92
2. Increase in the current period	11,593,321.67	11,957,558.38	1,173,467.04	3,240,416.94	27,964,764.03
(1) Provision	11,593,321.67	11,957,558.38	1,173,467.04	3,240,416.94	27,964,764.03
(2) Effect of exchange rate movements					
3. Decrease in the current period	135,503,075.29	324,678,225.96	4,908,395.15	16,958,405.87	482,048,102.27
(1) Disposal or retirement		1,662.50	123,500.00	153,427.15	278,589.65
(2)Disposal of Subsidiaries Transferred Out	135,287,290.20	324,491,424.75	4,762,698.96	16,654,122.60	481,195,536.51
(3) Exchange Rate Fluctuations	215,785.09	185,138.71	22,196.19	150,856.12	573,976.11
4. Closing balance	136,486,097.62	115,671,409.42	19,730,202.95	47,330,289.69	319,217,999.68
III. Impairment allowances					
1. Opening balance					
2. Increase in the current period					
(1) Established					
3. Decrease in the current period					
(1) Disposal or retirement					
4. Closing balance					
IV. Carrying amount					
1. Closing carrying amount	420,282,179.70	114,730,487.63	7,622,780.10	20,054,550.35	562,689,997.78
2. Opening carrying amount	817,495,181.10	225,530,165.49	12,114,662.65	29,002,885.84	1,084,142,895.08

17. Construction in progress

Unit: RMB yuan

Item	Closing balance	Opening balance
Construction in progress	76,731,186.24	195,841,811.75
Total	76,731,186.24	195,841,811.75

(1) Particulars about construction in progress

Unit: RMB yuan

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount
Plants and buildings	75,451,743.44		75,451,743.44	171,354,681.25		171,354,681.25
Equipment installation	1,279,442.80		1,279,442.80	24,487,130.50		24,487,130.50
Total	76,731,186.24		76,731,186.24	195,841,811.75		195,841,811.75

(2) Changes in substantial construction in progress in the current period

Unit: RMB yuan

Project	Budget	Opening balance	Increase in the current period	Transferred to fixed assets in the current period	Other decreases in the current period	Closing balance	Cumulative project investment as a % of the budget	Project progress	Cumulative capitalized interest	Of which: Capitalized interest in the current period	Interest capitalization rate for the current period	Funding source
Dongfang Precision - Nanhai Water Resources Bureau Bafang Art Center Project	80,000,000.00	75,387,620.52				75,387,620.52	94.23%					Loans from Financial Institutions
Parsun Power - Plant Construction Project	256,043,300.00	13,243,593.80	309,734.51	12,602,007.93		951,320.38	98.54%					Others
Tiruña S.L.U. - Corrugated roller production equipment	71,697,343.90	6,971,076.92			6,971,076.92							Others
Fosber Group –Plant Constr	334,893,650.00	82,446,778.88			82,446,778.88							Others

uction Project												
Others		17,792,741.63	718,425.77	2,056,072.74	16,062,849.32	392,245.34						
Total	742,634,293.90	195,841,811.75	1,028,160.28	14,658,080.67	105,480,705.12	76,731,186.24						

18. Right-of-use assets

Unit: RMB yuan

Item	Buildings and constructions	Transportation equipment	Total
I. Gross amount			
1. Opening balance	133,657,643.52	45,330,955.66	178,988,599.18
2. Increase in the current period	3,031,035.44		3,031,035.44
(1) Increase in the current period	3,031,035.44		3,031,035.44
(2) Disposition of Subsidiaries Transferred Out	91,575,752.08	42,985,251.38	134,561,003.46
(3) Effect of exchange rate movements		230,088.50	230,088.50
3. Decrease in the current period	91,575,752.08	42,613,703.65	134,189,455.73
(1) Disposal		141,459.23	141,459.23
4. Closing balance	45,112,926.88	2,345,704.28	47,458,631.16
II. Accumulated depreciation			
1. Opening balance	80,716,408.37	28,947,893.45	109,664,301.82
2. Increase in the current period	6,034,433.34	1,365,630.53	7,400,063.87
(1) Established	6,034,433.34	1,365,630.53	7,400,063.87
3. Decrease in the current period	55,513,234.99	29,126,217.73	84,639,452.72
(1) Disposal		65,739.58	65,739.58
	55,513,234.99	28,997,440.88	84,510,675.87
		63,037.27	63,037.27
4. Closing balance	31,237,606.72	1,187,306.25	32,424,912.97
III. Impairment allowances			
1. Opening balance			
2. Increase in the current period			
(1) Established			
3. Decrease in the current period			
(1) Disposal			
4. Closing balance			
IV. Carrying amount			
1. Closing carrying amount	13,875,320.16	1,158,398.03	15,033,718.19

2. Opening carrying amount	52,941,235.15	16,383,062.21	69,324,297.36

19. Intangible assets

(1) Particulars about intangible assets

Unit: RMB yuan

Item	Land use rights	Patent rights	Non-patented technologies	Land ownership	Trademarks and software	Total
I. Gross amount						
1. Opening balance	177,815,306.24	144,203,457.37		17,619,881.49	236,720,062.01	576,358,707.11
2. Increase in the current period					790,443.51	790,443.51
(1) Purchases					790,443.51	790,443.51
(2) Internal R&D						
(3) Increase in business combination						
3. Decrease in the current period	67,800,939.31	68,608,760.02		17,619,881.49	197,880,390.06	351,909,970.88
(1) Disposal					3,602.57	3,602.57
(2) Disposition of Subsidiaries Transferred Out	67,800,939.31	68,603,507.84		17,619,881.49	194,607,545.40	348,631,874.04
(3) Effect of exchange rate movements		5,252.18			3,269,242.09	3,274,494.27
4. Closing balance	110,014,366.93	75,594,697.35			39,630,115.46	225,239,179.74
II. Accumulated amortization						
1. Opening balance	36,585,934.42	100,935,673.98			71,894,603.44	209,416,211.84
2. Increase in the current period						
(1) Provision	1,634,677.81	2,176,206.33			4,951,071.49	8,761,955.63
3. Decrease in the current period						
(1) Disposal					3,602.57	
(2) Disposition of Subsidiaries Transferred Out	5,406,990.51	38,227,374.75			51,807,588.52	95,441,953.78

(3) Effect of exchange rate movements		1,579.20			3,256,734.52	3,258,313.72
4. Closing balance	32,813,621.72	64,882,926.36			21,777,749.32	119,474,297.40
III. Impairment allowances						
1. Opening balance						
2. Increase in the current period						
(1) Established						
(2) Effect of exchange rate movements						
3. Decrease in the current period						
(1) Disposal						
4. Closing balance						
IV. Carrying amount						
1. Closing carrying amount	77,200,745.21	10,711,770.99			17,852,366.14	105,764,882.34
2. Opening carrying amount	141,229,371.82	43,267,783.39		17,619,881.49	164,825,458.57	366,942,495.27

20. Goodwill

(1) Gross amounts of goodwill

Unit: RMB yuan

Investee or item generating goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Generated due to business combination	Effect of exchange rate movements	Disposal	Effect of exchange rate movements	
Parsun Power	208,031,946.10					208,031,946.10
EDF	72,301,129.52				4,112,178.87	68,188,950.65
Fosber Group	169,079,586.07			169,079,586.07		
QCorr	14,335,877.78			14,335,877.78		
Wonder Digital	119,422,168.56					119,422,168.56
Total	583,170,708.03			183,415,463.85	4,112,178.87	395,643,065.31

(2) Impairment allowances for goodwill

Unit: RMB yuan

Investee or item generating	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Provision	Effect of	Disposal	Effect of	

goodwill			exchange rate movements		exchange rate movements	
Parsun Power	61,855,054.35					61,855,054.35
EDF	72,301,129.52				4,112,178.87	68,188,950.65
Wonder Digital	54,696,152.93					54,696,152.93
Total	188,852,336.80				4,112,178.87	184,740,157.93

21. Long-term prepaid expenses

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Amortization in the current period	Other decreases	Closing balance
Plant decoration expenditures	922,876.51	11,855,195.72	721,370.43	53,607.46	12,003,094.34
Expenditures on plant supporting engineering	897,309.32	3,345,234.55	125,335.48	94,159.16	4,023,049.23
Office decoration expenditures	1,608,928.07	10,421,033.76	846,613.01	13,663.36	11,169,685.46
Amortization of moulds	14,640,739.68	3,441,293.45	2,584,258.03		15,497,775.10
CE Service Fee	316,131.68	1,383,942.70	82,997.64	14,083.01	1,602,993.73
Others	1,215,450.49		144,815.95	51,594.85	1,019,039.69
Total	19,601,435.75	30,446,700.18	4,505,390.54	227,107.84	45,315,637.55

Other information:

22. Deferred tax assets/liabilities

(1) Deferred tax assets before offsetting

Unit: RMB yuan

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Asset impairment allowances	33,987,523.06	7,703,714.23	53,826,064.24	11,356,429.16
Internal unrealized profit			30,996,877.84	7,439,250.68
Deductible loss	4,635,586.23	947,038.86	860,769,498.31	131,218,404.06
Provisions—after-sales maintenance service charges	3,788,634.94	915,818.87	140,926,695.31	37,075,641.76
Deferred income	12,215,341.66	3,053,835.42	13,073,671.66	1,961,050.75
Accrued expenses	25,142,687.13	6,282,364.69	82,816,946.81	18,934,332.98
Equity incentives	37,351,634.34	8,038,551.65	26,132,389.63	3,919,858.44
Credit impairment allowances	16,645,561.52	3,549,583.55	37,066,001.20	8,042,261.63
Lease liabilities	12,342,137.90	3,055,191.72	71,507,596.87	18,803,539.96
Changes in the fair value of financial instruments measured at fair value with changes recognized in profit or loss			362,634.46	87,032.27
Others	7,354,831.01	1,561,430.62	92,394,598.15	26,027,616.92

Total	153,463,937.79	35,107,529.61	1,409,872,974.48	264,865,418.61

(2) Deferred tax liabilities before offsetting

Unit: RMB yuan

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Increase in value in asset valuation in business combination not involving entities under common control	22,769,983.20	3,415,497.48	30,652,458.94	5,207,662.83
Financial assets at fair value through profit or loss	176,794,535.19	44,188,822.92	101,116,916.41	15,213,718.56
Depreciation difference of fixed assets	27,297,545.08	4,094,631.76	64,814,194.19	11,598,415.74
Right-of-use assets	15,033,718.19	2,496,605.07	67,737,035.60	17,867,316.27
Others	4,741,958,268.10	758,713,322.90	154,666,171.68	37,294,076.58
Total	4,983,854,049.76	812,908,880.13	418,986,776.82	87,181,189.98

(3) Net balances of deferred tax assets/liabilities after offsetting

Unit: RMB yuan

Item	Offset amount between deferred tax assets and liabilities as at the period-end	Closing balance of deferred tax assets or liabilities after offsetting	Offset amount between deferred tax assets and liabilities as at the period-begin	Opening balance of deferred tax assets or liabilities after offsetting
Deferred tax assets	31,207,938.00	3,899,591.60	84,220,398.65	180,645,019.96
Deferred tax liabilities	31,207,938.00	781,700,942.13	84,220,398.65	2,960,791.33

(4) Breakdown of deferred tax assets unrecognized

Unit: RMB yuan

Item	Closing balance	Opening balance
Deductible temporary differences	6,208,454.05	11,690,059.28
Deductible losses	61,093,602.47	150,015,919.04
Total	67,302,056.52	161,705,978.32

(5) Deductible losses not recognized as deferred tax assets will expire as follows

Unit: RMB yuan

Year	Closing amount	Opening amount	Remark
2026	493,437.20	3,731,975.64	
2027	2,246,973.28	56,537,461.65	
2028	1,084,001.71	29,186,126.05	
2029	3,008,837.05	7,085,759.80	
2030	23,626,368.71	18,781,181.30	
2031	12,910,093.86	3,966,101.35	
2032	11,660,909.70	12,910,093.86	
2033	4,894,579.24	11,660,909.70	

2034	931,768.06	4,162,288.09	
2035	236,633.66	1,994,021.60	
Total	61,093,602.47	150,015,919.04	

23. Other non-current assets

Unit: RMB yuan

Item	Closing balance	Opening balance
Prepayment for acquisition of long-term assets	35,555,383.69	29,516,058.00
Others		66,636.40
Total	35,555,383.69	29,582,694.40

24. Assets with restricted ownership or right of use

Unit: RMB yuan

Item	Closing balance		Opening balance	
Cash and bank balances	40,684,556.30	Deposit, pledge and freezing	84,620,149.30	Deposit, pledge and freezing
Fixed assets		Mortgage	63,466,811.34	Mortgage
Total	40,684,556.30		148,086,960.64	

25. Short-term borrowings

(1) Short-term borrowings by type

Unit: RMB yuan

Item	Closing balance	Opening balance
Credit loan	98,707,300.00	175,365,489.83
Bills discounted		10,150,520.00
Total	98,707,300.00	185,516,009.83

26. Derivative financial liabilities held for trading

Unit: RMB yuan

Item	Closing balance	Opening balance
Option repurchase obligation		93,739,278.69
Foreign exchange derivatives	42,027.78	44,562.29
Total	42,027.78	93,783,840.98

27. Notes payable

Unit: RMB yuan

Type	Closing balance	Opening balance
Bank acceptance notes	238,360,751.76	241,390,245.31
Total	238,360,751.76	241,390,245.31

28. Accounts payable

(1) Breakdown of accounts payable

Unit: RMB yuan

Item	Closing balance	Opening balance
Purchases of inventories	386,113,800.50	936,107,613.22
Total	386,113,800.50	936,107,613.22

29. Other payables

Unit: RMB yuan

Item	Closing balance	Opening balance
Interest Payable		0.00
Dividends Payable	895,860.00	0.00
Other payables	114,194,570.60	113,131,531.51
Total	115,090,430.60	113,131,531.51

（1） Other payables

Unit: RMB yuan

Item	Closing balance	Opening balance
Accrued expenses	35,837,943.24	67,281,749.54
Equipment Engineering Payment	49,535,500.92	14,762,746.26
Sales Rebates	6,671,188.16	7,164,208.60
Equity acquisition	3,000,000.00	3,000,000.00
Employee Expenses	43,636.42	3,538,481.22
Accounts Receivable and Payable	7,363,745.22	3,132,927.29
Others	11,742,556.64	14,251,418.60
Total	114,194,570.60	113,131,531.51

30. Contract liabilities

Unit: RMB yuan

Item	Closing balance	Opening balance
Contract liabilities	181,926,384.72	458,557,878.31
Total	181,926,384.72	458,557,878.31

31. Employee benefits payable

(1) Breakdown of employee benefits payable

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I. Short-term benefits	148,610,726.32	302,559,498.43	406,315,215.23	44,855,009.52
II. Retirement benefits-defined contribution schemes	14,957,803.80	34,394,958.23	48,251,470.02	1,101,292.01
Total	163,568,530.12	336,954,456.66	454,566,685.25	45,956,301.53

(2) Breakdown of short-term benefits

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Salaries, bonuses, allowances, and subsidies	141,121,539.37	278,069,680.02	377,570,880.00	41,620,339.39
2. Employee welfare	6,393,842.65	6,503,900.87	10,549,698.17	2,348,045.35
3. Social security contributions	336,086.16	13,180,340.50	13,076,509.13	439,917.53
Including: medical insurance	178,907.79	8,346,332.96	8,357,359.51	167,881.24
Work injury insurance	139,974.26	4,467,721.33	4,353,483.58	254,212.01
Maternity insurance	17,204.11	366,286.21	365,666.04	17,824.28
4. Housing funds	625,447.00	3,817,618.78	4,264,836.78	178,229.00
5. Labour union funds and employee education funds	133,811.14	987,958.26	853,291.15	268,478.25
Total	148,610,726.32	302,559,498.43	406,315,215.23	44,855,009.52

(3) Breakdown of defined contribution schemes

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Basic endowment insurance	14,939,535.48	34,040,108.81	47,897,083.77	1,082,560.52
2. Unemployment insurance	18,268.32	354,849.42	354,386.25	18,731.49
Total	14,957,803.80	34,394,958.23	48,251,470.02	1,101,292.01

32. Tax payable

Unit: RMB yuan

Item	Closing balance	Opening balance
Value-added tax	11,085,556.68	6,127,728.27
Corporate income tax	107,896,938.58	24,069,274.37
Individual income tax	835,786.83	15,242,513.30
City maintenance and construction tax	288,669.53	238,262.37
Education surcharge	207,014.70	170,299.17
Stamp duties	39,000.00	90,981.14
Property tax	1,882,962.46	231,627.07
Land use tax	229,625.20	54,812.80
Others	603.87	1,579.75
Total	122,466,157.85	46,227,078.24

33. Current portion of non-current liabilities

Unit: RMB yuan

Item	Closing balance	Opening balance

Current portion of long-term borrowings	14,147,153.70	36,765,023.03
Current portion of lease liabilities	8,107,697.01	19,835,134.48
Current portion of Estimated Liabilities Due	4,022,157.43	36,412,325.53
Total	26,277,008.14	93,012,483.04

34.Other current liabilities

Unit: RMB yuan

Item	Closing balance	Opening balance
Output tax to be written off	9,252,802.44	11,073,335.15
Endorsed notes receivable	9,938,458.33	36,223,750.65
Total	19,191,260.77	47,297,085.80

35. Long-term borrowings

(1) Long-term borrowings by type

Unit: RMB yuan

Item	Closing balance	Opening balance
Collateralized loan	1,462,147.56	38,819,431.24
Guaranteed loan		67,158,799.10
Credit loan	22,715,611.76	41,772,090.29
Less: Current portion of long-term borrowings	-14,147,153.70	-36,765,023.03
Total	10,030,605.62	110,985,297.60

36. Lease liabilities

Unit: RMB yuan

Item	Closing balance	Opening balance
Lease liabilities	12,342,137.90	73,202,376.35
Less: Current portion of non-current liabilities	-8,107,697.01	-19,835,134.48
Total	4,234,440.89	53,367,241.87

37. Long-term employee benefits payable

(1) Long-term employee benefits payable

Unit: RMB yuan

Item	Closing balance	Opening balance
Retirement benefits- net liabilities of defined benefit schemes	3,648,616.35	13,689,047.85
Total	3,648,616.35	13,689,047.85

(2) Movements in the present value of defined benefit obligations are as follows:

Unit: RMB yuan

Item	Closing balance	Opening balance
Opening balance	13,689,047.85	13,128,052.34
Included in profit or loss	-171,003.90	1,076,443.53
Current service cost		653,197.25
Net interest	-171,003.90	423,246.28
Included in other comprehensive income		-33,990.62
Actuarial gains or losses		-33,990.62
Other changes	-9,869,427.60	-481,457.40
Benefits paid		-1,708,034.36
Effect of exchange rate movements	-224,596.45	1,226,576.96
Disposal of Subsidiary Transfers Out	-9,644,831.15	
Closing balance	3,648,616.35	13,689,047.85

38. Provisions

Unit: RMB yuan

Item	Closing balance	Opening balance	Reason for provision
Product quality warranty	279,548.42	104,514,369.78	
Others		9,384,812.37	
Total	279,548.42	113,899,182.15	

39. Deferred income

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reason for deferred income
Government grants	13,073,671.66		858,330.00	12,215,341.66	
Total	13,073,671.66		858,330.00	12,215,341.66	

40. Other non-current liabilities

Unit: RMB yuan

Item	Closing balance	Opening balance
Other Partners' Interests	4,085,660.89	4,085,927.06
Other		403,277.20
Total	4,085,660.89	4,489,204.26

41. Share capital

Unit: RMB yuan

	Opening balance	Increase/decrease in the current period					Closing balance
		New issues	Shares as dividend converted from profit	Shares as dividend converted from capital surplus	Others	Subtotal	
Total share capital	1,217,286,340.00				-432.00	-432.00	1,217,285,908.00

Other information:

In the current period, the Company retired a total of 432shares, reducing its total share capital from 1,217,286,340 shares to1,217,285,908 shares.

42. Capital surplus

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Capital premium (share premium)	2,796,167,505.64	7,369,855.15	44,017,929.85	2,759,519,430.94
Other capital surplus	174,392,049.53	16,404,729.72		190,796,779.25
Total	2,970,559,555.17	23,774,584.87	44,017,929.85	2,950,316,210.19

43. Treasury shares

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Share repurchase	115,233,041.40		44,018,361.85	71,214,679.55
Total	115,233,041.40		44,018,361.85	71,214,679.55

Other information, including changes in the current period and reasons for changes:

The decrease in treasury shares was mainly due to the share retirement (as stated in Item 42 under Note VII).

44. Other comprehensive income

Unit: RMB yuan

Item	Opening balance	Amount generated in the current period						Closing balance
		Amount before income tax generated in the current period	Less: amount previously recognized in other comprehensive income and currently transferred to profit or loss	Less: amount previously recognized in other comprehensive income and currently transferred to retained earnings	Less: Income tax expense	After-tax amount attributable to the parent	After-tax amount attributable to non-controlling interests	
I. Other comprehensive income that will not be reclassified to profit or loss	1,325,710.08	270,062.55				270,062.55		1,595,772.63
Of which: Changes due to remeasurement of	1,325,710.08	270,062.55				270,062.55		1,595,772.63

defined benefit schemes								
II. Other comprehensive income that will be reclassified to profit or loss	104,503,259.74	-205,062,856.14	67,749,488.97			-272,812,345.11	8,913.95	-168,309,085.37
Differences arising from the translation of foreign currency-denominated financial statements	104,547,231.81	-205,062,856.14	67,749,488.97			-272,812,345.11	8,913.95	-168,265,113.30
Others	-43,972.07							-43,972.07
Total other comprehensive income	105,828,969.82	-204,792,793.59	67,749,488.97			-272,542,282.56	8,913.95	-166,713,312.74

45. Special reserve

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Expenses for safety production	19,695,621.80	1,472,484.53	7,850,801.41	13,317,304.92
Total	19,695,621.80	1,472,484.53	7,850,801.41	13,317,304.92

46. Surplus reserves

Unit: RMB yuan

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserves	77,653,941.80	100,683,838.30		178,337,780.10
Total	77,653,941.80	100,683,838.30		178,337,780.10

47. Retained earnings

Unit: RMB yuan

Item	Current period	Last year
Opening retained earnings before adjustment	1,498,026,493.81	956,837,409.23
Opening retained earnings after adjustment	1,498,026,493.81	956,837,409.23

Add: Net profit attributable to owners of the parent in the current period	3,846,229,995.51	725,259,219.97
Deduction: Withdrawal from the statutory retained earnings reserve	100,683,838.30	25,822,967.35
Common stock dividends payable	51,126,004.89	158,247,168.04
Other	162,150,928.74	
Closing retained earnings	5,354,597,574.87	1,498,026,493.81

48. Operating revenue and costs

Unit: RMB yuan

Item	H1 2026		H1 2025	
	Revenue	Costs	Revenue	Costs
Principal operations	1,674,624,660.79	1,284,529,660.40	2,133,028,573.92	1,490,792,871.18
Other operations	16,232,988.75	9,710,358.04	25,928,283.96	20,825,342.27
Total	1,690,857,649.54	1,294,240,018.44	2,158,956,857.88	1,511,618,213.45

Information related to contract performance obligations:

	Timing of satisfaction of performance obligations	Significant payment terms	Nature of goods promised to transfer	Whether the principal	Expected refunds to customers	Types of warranties and related obligations
Sales of goods	Upon delivery	20%-90% payment before delivery	Sales of machinery and parts	Yes	Nil	Statutory warranties
Provision of services	During service	After service	Installation and maintenance service	Yes	Nil	Nil
Provision of services	During service	Payment based on service progress	Warranties for services	Yes	Nil	Nil

Information related to the transaction price allocated to residual performance obligations:

At the end of the Reporting Period, the amount of revenue corresponding to performance obligations that had been contracted but not yet performed or fulfilled was RMB181,926,384.72, of which RMB181,926,384.72 is expected to be recognized by 2026.

49. Taxes and surcharges

Unit: RMB yuan

Item	H1 2026	H1 2025
City maintenance and construction tax	4,013,837.98	5,608,669.25
Education surcharge	2,870,289.82	4,015,060.58
Property tax	3,422,944.89	2,406,619.56
Land use tax	284,438.00	284,438.01
Vehicle and vessel use tax	19,850.71	10,440.32
Stamp duties	1,485,257.10	586,862.29
Others	34,422.66	85,835.74
Total	12,131,041.16	12,997,925.75

50. Administrative expenses

Unit: RMB yuan

Item	H1 2026	H1 2025
Employee benefits and Share-Based Payment Expense	116,063,432.75	106,336,531.67
Depreciation and amortization expenses	14,264,863.48	15,880,784.42
Intermediary expenses	14,157,425.16	19,664,878.44
Office expenses	4,176,501.62	9,810,563.38
Travel and reception expenses	5,467,729.95	6,711,853.55
Conference expenses	4,283,914.56	7,169,997.99
Rental expenses	372,095.42	3,243,315.52
Property Management Fees	2,195,431.52	2,530,123.31
Car Expenses	463,774.51	470,724.03
Repair and Maintenance Costs	428,998.20	539,646.51
Material Consumption	894,870.14	151,053.57
Other expenses	10,205,040.07	16,166,516.28
Total	172,974,077.38	188,675,988.67

51. Selling expenses

Unit: RMB yuan

Item	H1 2026	H1 2025
Employee benefits and Share-Based Payment Expense	30,565,976.11	38,471,760.90
Commissions and agency fees	16,196,425.67	19,522,157.45
Advertising and exhibition expenses	7,592,811.72	9,934,583.53
Travel expenses	5,706,682.75	6,145,358.97
Depreciation and amortization expenses	804,662.15	1,069,806.83
Shipping Costs and Import/Export Surcharges	180,918.71	91,536.27
Office expenses and Other expenses	6,950,643.24	6,137,692.17
Total	67,998,120.35	81,372,896.12

52. R&D expenses

Unit: RMB yuan

Item	H1 2026	H1 2025
Employee benefits and equity incentive	32,604,350.20	38,549,100.64
Depreciation and amortization expenses	4,051,116.34	5,494,745.00
Material expenses	2,306,884.29	4,561,308.84
Utility Bills	884,981.40	588,134.54
Assembly, Inspection, and Commissioning Fees	650,841.27	113,185.28
Other expenses	3,258,475.69	4,205,149.56
Total	43,756,649.19	53,511,623.86

53. Finance costs

Unit: RMB yuan

Item	H1 2026	H1 2025

Interest expenses	3,716,297.15	5,246,608.14
Less: Interest income	37,528,711.87	25,618,916.20
Exchange gains and losses	33,966,313.06	-1,418,011.27
Others	2,159,039.44	2,145,166.08
Total	2,312,937.78	-19,645,153.25

54. Other income

Unit: RMB yuan

Source of other income	H1 2026	H1 2025
Government grants	3,516,880.06	10,208,069.85
Handling charges for individual income tax withheld	676,265.15	259,663.01

55. Gains and losses on changes in fair value

Unit: RMB yuan

Source of gains and losses on changes in fair value	H1 2026	H1 2025
Financial assets held for trading	250,694,118.85	9,856,867.83
Derivative financial assets	-4,790,596.25	369,736.80
Fair value changes in minority shareholders' call/put options	0.00	-1,074,393.44
Total	245,903,522.60	9,152,211.19

56. Investment income

Unit: RMB yuan

	H1 2026	H1 2025
Income from long-term equity investments measured at equity method	-1,904,606.82	-1,762,058.16
Investment Income Arising from the Disposal of Long-Term Equity Investments	4,384,651,647.10	
Income from financial assets held for trading	1,091,170.69	147,502,487.00
Investment income from the disposal of financial assets held for trading	170,425,218.05	
Discount rate on bills		-57,471.46
Total	4,554,263,429.02	145,682,957.38

57. Credit impairment loss

Unit: RMB yuan

Item	H1 2026	H1 2025
Loss on doubtful accounts receivable	-1,834,810.51	-3,298,010.87
Loss on doubtful other receivables		-376,795.77
Loss on doubtful long-term receivables	81,255.64	-104,224.44
Total	-1,753,554.87	-3,779,031.08

58. Asset impairment loss

Unit: RMB yuan

Item	H1 2026	H1 2025
Inventory valuation loss and loss on impairments of contract performance costs	-1,322,667.32	-8,807,387.63
Impairment Loss on Long-Term Equity Investments	-9,720,458.47	
Loss on impairments of contract assets	-32,383.36	-211,449.17
Total	-11,075,509.15	-9,018,836.80

59. Gains on disposal of assets

Unit: RMB yuan

Source of gains on disposal of assets	H1 2026	H1 2025
Profit on disposal of fixed assets	-10,305.21	-32,823.11
Total	-10,305.21	-32,823.11

60. Non-operating income

Unit: RMB yuan

Item	H1 2026	H1 2025	Amount recognized in exceptional gains and losses
Others	1,887,701.46	1,552,164.28	1,887,701.46
Total	1,887,701.46	1,552,164.28	1,887,701.46

61. Non-operating expenses

Unit: RMB yuan

Item	H1 2026	H1 2025	Amount recognized in exceptional gains and losses
Donations	424,298.37	160,901.71	424,298.37
Loss on disposal of non-current assets	0.00	275,738.17	
Others	785,109.79	864,055.63	785,109.79
Total	1,209,408.16	1,300,695.51	1,209,408.16

62. Income tax expenses

(1) Income tax expenses

Unit: RMB yuan

Item	H1 2026	H1 2025
Current income tax expenses	126,377,281.41	32,685,368.80
Deferred income tax expenses	899,385,697.95	34,566,640.39
Total	1,025,762,979.36	67,252,009.19

(2) Reconciliation between accounting profit and income tax expenses

Unit: RMB yuan

Item	H1 2026
Gross profit	4,889,643,826.14
Income tax calculated at statutory/applicable tax rates	1,222,410,956.54
Different tax rates for specific provinces or enacted by local authority	-119,571,646.11
Adjustment to income tax in previous periods	15,469,931.32
Impact of Non-Taxable Income	0.00
Costs, expenses, and losses not deductible for tax	2,002,872.63
Utilization of deductible losses on previously unrecognized deferred tax assets	-84,954,789.57
Effect of deductible temporary differences or deductible losses on current unrecognized deferred tax assets	-8,298,112.81
Over-deduction of the taxable profit amount for R&D	-1,296,232.64
Income tax expenses	1,025,762,979.36

63. Other comprehensive income

See Item 44 under Note VII.

64. Line items of the cash flow statement

(1) Cash related to operating activities

Cash generated from other operating activities

Unit: RMB yuan

	H1 2026	H1 2025
Current accounts and others	4,590,249.82	4,496,284.68
Interest income	37,528,711.87	18,327,998.79
Government grants	9,612,449.19	4,954,251.97
Deposits and Guarantees		1,830,344.19
Total	51,731,410.88	29,608,879.63

Cash used in other operating activities

Unit: RMB yuan

	H1 2026	H1 2025
Selling expenses in cash	37,384,808.16	56,080,945.90
Administrative expenses in cash	61,584,252.14	66,613,404.21
R&D expenses in cash	4,794,298.36	4,906,469.27
Current accounts and others	16,202,693.15	18,741,307.39
Deposits and Guarantees	1,863,542.00	
Total	121,829,593.81	146,342,126.77

(2) Cash related to investing activities

Cash generated from other investing activities

Unit: RMB yuan

	H1 2026	H1 2025

Futures Investment deposit	9,995,455.81	79,323,058.18
Other	22,861,660.08	
Total	32,857,115.89	79,323,058.18

Cash received relating to significant investing activities

Unit: RMB yuan

	H1 2026	H1 2025
Disposal/redemption of financial assets held for trading	4,013,531,216.53	1,834,186,979.20
Major Asset Disposal	5,790,942,499.31	
Recovery of equity investments	0.00	5,000,000.00
Total	9,804,473,715.84	1,839,186,979.20

Cash used in other investing activities

Unit: RMB yuan

	H1 2026	H1 2025
Investment deposit	28,837.37	114,510,889.33
Total	28,837.37	114,510,889.33

Cash payments relating to significant investing activities

Unit: RMB yuan

	H1 2026	H1 2025
Purchase of financial assets held for trading	5,369,209,854.90	1,179,018,063.04
Purchase of equity investments	193,502,428.42	173,911,701.08
Total	5,562,712,283.32	1,352,929,764.12

(3) Cash related to financing activities

Cash generated from other financing activities

Unit: RMB yuan

	H1 2026	H1 2025
Bank Accepted Bill Security Deposit	0.00	36,583,685.28
Disposal of a Portion of the Subsidiary's Equity to Minority Shareholders	5,000,000.00	0.00
Total	5,000,000.00	36,583,685.28

Cash used in other financing activities

Unit: RMB yuan

Item	H1 2026	H1 2025
Share repurchase		950,213.00
Security deposits for bank acceptance notes		21,287,776.25
Rental and interest paid	8,298,209.70	10,767,407.23
Total	8,298,209.70	33,005,396.48

Changes in liabilities arising from financing activities:

☑Applicable □Not Applicable

Unit: RMB yuan

	Opening balance	increase in the current period		decrease in the current period		Closing balance
		Changes in cash	Non-cash changes	Changes in cash	Non-cash changes	
Short-term borrowing	185,516,009.83	89,464,200.00		132,729,000.00	43,543,909.83	98,707,300.00
Long-term borrowings (Including current portion of long-term borrowings）	147,750,320.63			37,422,161.05	86,150,400.26	24,177,759.32
Lease liabilities (Including current portion of non-current liabilities)	73,202,376.35			8,298,209.70	52,562,028.75	12,342,137.90
Total	406,468,706.81	89,464,200.00		178,449,370.75	182,256,338.84	135,227,197.22

65. Supplemental information on statement of cash flows

(1) Supplemental information on statement of cash flows

Unit: RMB yuan

Supplementary information	H1 2026	H1 2025
1. Reconciliation of net profit to net cash generated from/used in investing activities:		
Net profit	3,863,880,846.78	415,897,033.30
Add: Asset impairment allowances	11,075,509.15	9,018,836.80
Credit impairment loss	1,753,554.87	3,779,031.08
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive living assets	27,964,764.03	30,591,134.13
Depreciation of right-of-use assets	7,400,063.87	10,407,458.33
Amortization of intangible assets	8,761,955.63	12,495,719.16
Amortization of long-term prepaid expenses	4,505,390.54	4,326,216.60
Loss on the disposal of fixed assets, intangible assets, and other long-lived assets (“-” for gain)	10,103.26	32,822.11
Loss on the retirement of fixed assets (“-” for gain)		275,738.17
Loss on changes in fair value (“-” for gain)	-245,903,522.60	-9,152,211.19
Finance costs (“-” for income)	24,689,573.70	-22,760,867.82
Loss on investment (“-” for income)	-4,554,263,429.02	-145,682,957.38
Decrease in deferred tax assets (“-” for increase)	102,436,097.88	21,901,731.31
Increase in deferred tax	796,949,600.07	9,808,594.53

liabilities ("-" for decrease)		
Decrease in inventories ("-" for increase)	-175,112,917.30	-326,376,599.70
Decrease in operating receivables ("-" for increase)	65,552,216.22	-95,300,243.26
Increase in operating payables ("-" for decrease)	293,477,595.49	421,387,684.27
Others	24,792,687.72	14,635,350.91
Net cash generated from/used in operating activities	257,970,090.29	355,284,471.35
2. Significant investing and financing activities that involve no cash proceeds or payments:		
Conversion of debt to capital		
Current portion of convertible corporate bonds		
Fixed assets leased in in finance leases		
3. Net changes in cash and cash equivalents:		
Closing balance of cash	6,453,001,399.98	2,404,544,660.13
Less: Opening balance of cash	1,994,298,878.15	1,652,290,548.55
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	4,458,702,521.83	752,254,111.58

(2) Net cash from the disposal of subsidiaries received during the current period

	Amount
Cash or cash equivalents received by the subsidiary being disposed of during the current period	5,790,942,499.31
Among them:	
Disposal of 100% of the equity interests in Fosber Group, Fosber Asia, and Tiruña Asia	5,790,942,499.31
Net Cash Received from the Disposal of a Subsidiary	5,790,942,499.31

(3)Breakdown of cash and cash equivalents

Unit: RMB yuan

Item	Closing balance	Opening balance
I. Cash	6,453,001,399.98	1,994,298,878.15
Including: cash on hand	188,454.67	388,992.02
Bank deposits readily available	5,976,725,229.63	1,929,620,404.45
Other cash and bank balances readily available	516,772,271.98	64,289,481.68
III. Closing balance of cash and cash	6,453,001,399.98	1,994,298,878.15

equivalents		

66. Monetary items in foreign currencies

(1) Monetary items in foreign currencies

Unit: RMB yuan

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Cash and bank balances			
Including: USD	25,673,806.67	6.8109	174,861,729.85
EUR	494,317,325.61	7.7671	3,839,412,099.75
HKD	3,752,283.02	0.8686	3,259,233.03
Singapore dollar	17,064.00	5.2605	89,765.17
Accounts receivable			
Including: USD	6,361,600.75	6.8109	43,328,226.55
EUR	6,720,023.05	7.7671	52,195,091.03
HKD			
Long-term borrowings			
Including: USD			
EUR	429,324.41	7.7671	3,334,605.62
HKD			
Accounts payable			
Including: EUR	5,251,835.14	7.7671	40,791,528.72
Other receivables			
Including: USD	27,862.28	6.8109	189,767.20
EUR	19,791.90	7.7671	153,725.67
HKD	216,270.00	0.8686	187,852.12
Short-term borrowings			
Including: EUR	3,000,000.00	7.7671	23,301,300.00
Current portion of non-current liabilities			
Including: USD	73,182.48	6.8109	498,438.55
EUR	1,359,219.28	7.7671	10,557,192.07
Other payables			
Including: USD	402,809.63	6.8109	2,743,496.11
EUR	145,855.85	7.7671	1,132,876.97
Lease liabilities			
Including: USD	75,634.61	6.8109	515,139.77
EUR	200,773.66	7.7671	1,559,429.09

Contract Assets			
Including: USD	595,000.00	6.8109	4,052,485.50
EUR	546,566.32	7.7671	4,245,235.26
Financial Assets Held for Trading			
Including: USD	13,183,750.00	6.8109	89,793,202.88
HKD	1,615,602,140.00	0.8686	1,403,312,018.80

(2) Overseas business entities (for substantial overseas business entities, the following information shall be disclosed: principal place of business, functional currency, and basis for the choice, change of functional currency and reasons)

☑ Applicable □ Not applicable

Substantial overseas business entity	Principal place of business	Functional currency	Basis for the choice
EDF	Italy	EUR	Settlement currency for local business operations

Ⅷ R&D expenditure

Unit: RMB yuan

Classified by nature	H1 2026	H1 2025
Employee benefit and Equity incentive expense	32,604,350.20	38,549,100.64
Depreciation and amortization expenses	4,051,116.34	5,494,745.00
Material expenses	2,306,884.29	4,561,308.84
Utility Bills	884,981.40	588,134.54
Assembly, Inspection, and Commissioning Fees	650,841.27	113,185.28
Other expenses	3,258,475.69	4,205,149.56
Total	43,756,649.19	53,511,623.86
Of which：Expensed R&D expenditure	43,756,649.19	53,511,623.86

Ⅸ Changes in the Scope of Consolidation

(1) Disposal of a Subsidiary

单位：元

	Consideration at the Time of Loss of Control	Disposition Ratio at the Time of Loss of Control	How to Handle the Loss of Control	The Point in Time at Which Control Is Lost	Criteria for Determining the Point in Time at Which Control Is Lost	The difference between the proceeds from the disposal and the share of the subsidiary's net assets at the consolidated financial statement level corresponding to the investment	Percentage of Remaining Equity as of the Date of Loss of Control	The carrying amount of the remaining equity interest at the consolidated financial statements level as of the date control is lost	The fair value of the remaining equity interest at the consolidated financial statements level as of the date control was lost	Gains or losses arising from the remeasurement of the remaining equity interest at fair value	Methodology and Key Assumptions for Determining the Fair Value of the Remaining Equity Interest at the Consolidated Financial Statements Level as of the Date of Loss of Control	Amount of other comprehensive income related to equity investments in Atomic Corporation transferred to investment gains or losses or retained earnings
Fosber Asia	1,068,760,089.12	100.00%	Sale	April 9, 2026	No control	812,992,242.11	0.00%	0.00	0.00	0.00	Not	0.00
Fosber S.p.A.	5,398,754,851.01	100.00%	Sale	April 9, 2026	No control	3,433,925,817.30	0.00%	0.00	0.00	0.00	Not	67,749,488.97
Tiruña Asia	46,261,927.79	100.00%	Sale	April 9, 2026	No control	69,984,098.72	0.00%	0.00	0.00	0.00	Not	0.00

(2) Changes in the scope of consolidation due to other reasons

Dongfang Digicom Data Technology Co., Ltd. completed its deregistration procedures during the reporting period and is no longer included in the scope of consolidation as of the date of its deregistration.

Ⅹ Interests in Other Entities

1. Interests in subsidiaries

Particulars of the subsidiaries of the Company are as follows:

	Principal place of business	Place of registration	Business nature	Registered capita	The Company's interest(%)	
					Direct	Indirect
Subsidiaries acquired by way of incorporation or investment						
Dongfang Precision (HK)	HK	HK	Trading	USD300,000	100.00	-
Dongfang Precision (Netherland)	Netherland	Netherland	Trading	EUR40,000	90.00	10.00
Suzhou High-Tech Zone Jinquan Business Management Partnership (Limited Partnership)*("High-Tech Zone Jinquan")	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Investment	RMB10,553,000	-	30.17
Suzhou Parsun Power Technology Co., Ltd. ("Parsun Power Technology")	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Trading	RMB10million	-	71.14
Suzhou Baisheng International Trade Co., Ltd. ("Baisheng International")	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Trading	RMB3 million	-	71.14
Tide International	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Trading	RMB500,000		71.14
Xuanliu International	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Trading	RMB500,000		71.14
Yuanqi International	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Trading	RMB500,000		71.14
Cangshu International	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Trading	RMB500,000		71.14

Xunce International	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Trading	RMB500,000		71.14
Beijing Lanfengyin Trading Co., Ltd.	Beijing, China	Beijing, China	Trading	RMB50,000		71.14
Dongfang Digicom Data Technology Co., Ltd. (“Dongfang Digicom”)	Haikou, Hainan, China	Haikou, Hainan, China	Industrial Internet	RMB100 million	100.00	-
Hainan Yineng Investment Co., Ltd. (“Yineng Investment”)	Haikou, Hainan, China	Haikou, Hainan, China	Investment	RMB100 million	100.00	-
Dongfang Yineng International Holdings Co., Ltd. (“Yineng International”)	Foshan, Guangdong, China	Foshan, Guangdong, China	Investment	RMB50 million	100.00	-
Tianjin Hangchuang Zhijin Investment Partnership (Limited Partnership) (“Tianjin Hangchuang”)	Tianjin, China	Tianjin, China	Investment	RMB21 million	95.24	-
Changzhou Xinchen Investment Partnership (Limited Partnership) (“Changzhou Xinchen”)	Changzhou, Jiangsu, China	Changzhou, Jiangsu, China	Investment	RMB50.6 million	-	94.86
Changzhou Xinchen 2 Investment Partnership (Limited Partnership) (“Changzhou Xinchen2”)	Changzhou, Jiangsu, China	Changzhou, Jiangsu, China	Investment	RMB24.1 million	-	94.86
Oriental Precision Machinery Limited (Hong Kong)	HK	HK	Investment	HKD10,000		100.00
DongFang Primo	Foshan, Guangdong, China	Foshan, Guangdong, China	Manufacturing	RMB100 million		75.00
Yuanhang Holdings (Singapore) Limited	Singapore	Singapore	Investment	USD3000	100.00	
Star Shine Precision Technology (Singapore) Limited	Singapore	Singapore	Manufacturing	USD3000		100.00
Parsun Power	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Manufacturing	RMB85.3 million	7.83	63.31
Suzhou Shunyi Investment Co., Ltd. .(“Shunyi Investment”)	Suzhou, Jiangsu, China	Suzhou, Jiangsu, China	Investment	RMB10 million	100.00	-
EDF	Italy	Italy	Manufacturing	EUR100,000	-	100.00
Wonder Printing	Shenzhen, Guangdong, China	Shenzhen, Guangdong, China	Manufacturing	RMB31,171,949	51.00	-
Dongguan Wonder Digital Machinery Co., Ltd. (“Wonder Digital”)	Dongguan, Guangdong, China	Dongguan, Guangdong, China	Manufacturing	RMB5million	-	51.00

*According to the partnership agreement, the general partner of the partnership shall execute partnership affairs, and other partners shall not execute partnership affairs. As the sole general partner, the Company forms control over the partnership, which is included in the scope of consolidation of the Group.

2. Interests in associates

Associates	Principal place of business	Place of registration	Business nature	The Company's interest (%)		Accounting method
				Direct	Indirect	
Guangdong Jaten Robot & Automation Co., Ltd.	Foshan, Guangdong, China	Foshan, Guangdong, China	Manufacturing	19.84%		Equity method
Nanjing Profeta	Nanjing, Jiangsu, China	Nanjin,Jiangsu, China	Manufacturing	15.00%	5.67%	Equity method
Shenzhen Ruoyu Technology Co., Ltd	Shenzhen, Guangdong, China	Shenzhen, Guangdong, China	Software and Information Technology Services	23.31%		Equity method
Guizhou Aerospace Xinli Technology Co.	Zunyi, Guizhou, China	Zunyi, Guizhou, China	Nonferrous Metal Smelting and Rolling Industry	19.89%		Equity method
Shenzhen Heju Intelligent Control Technology Co., Ltd.	Shenzhen, Guangdong, China	Shenzhen, Guangdong, China	Software and Information Technology Services	15.00%		Equity method

Financial information of insignificant joint ventures and associates combined

Unit: RMB yuan

	Closing balance/H1 2026	Opening balance/H1 2025
Joint ventures:		
Totals based on the Company's interests		
Associates:		
Total carrying amount of investments	289,388,342.68	302,857,592.30
Totals based on the Company's interests		
--Net profit	-1,904,606.82	-1,762,058.16
--Total comprehensive income	-1,904,606.82	-1,762,058.16

Other information:

As there is no obligation to bear additional losses, the net losses incurred by the investee are recognized to the extent that the book value of the long-term equity investment and other long-term interests that substantially constitute the net investment in the investee are reduced to zero.

Ⅺ. Government grants

1. Reasons for Failing to Receive the Expected Amount of Government Grants by the Expected Date.
2. Liabilities related to government subsidies

Accounting items	Opening balance	New subsidy amount	Amount included in	Amount transferred to	Other changes	Closing balance	Asset/income-related

			non-operating income	other income			
Deferred income	13,073,671.66			858,330.00		12,215,341.66	Asset -related

3. The government grants recognised in profit or loss are as follows:

Unit: RMB yuan

	2026	2025
Government grants related to assets Recognised as other income	858,330.00	858,330.00
Government grants related to income Recognised as other income	2,658,550.06	9,349,739.85
Total	3,516,880.06	10,208,069.85

Ⅻ Risks Associated with Financial Instruments

1.Risks of financial instruments

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and market risk. The Group’s policies are summarised below.

Credit risk

The Group transacts only with recognized and reputable third parties. According to the Group's policies, credit checks are needed for all customers that require transactions should be conducted by means of credit. Additionally, the Group performs continuous monitoring of the balance of accounts receivable to ensure that the Group will not face major bad debt risk. For transactions not settled in the accounting standard currency of the relevant business unit, unless specifically approved by the credit control department of the Group, the Group will not provide credit transaction conditions.

Since the counterparties of cash and bank balances and notes receivable are banks with a good reputation and high credit rating, the credit risk of such financial instruments is low.

Other financial assets of the Group mainly include accounts receivable, other receivables and contract assets, the credit risk of which arises from counterparty default, and the maximum risk exposure is equal to the carrying value of these instruments.

The Group transacts only with recognized and reputable third parties, so no collateral is required. Credit risk concentration is managed by customer/counterparty, geographic region and industry. Because the customer base of accounts receivable of the Group is widely dispersed in different departments and industries, there is no major credit risk concentration within the Group. The Group does not hold any collateral or other credit enhancement on the balance of accounts receivable.

Criteria for judging significant increases in credit risk

The Group assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each balance sheet date. The Group's main criteria for determining significant increase in credit risk are that the number of days past due exceed 30 days, or one or more of the following indicators have changed significantly: significant adverse changes in the operating environment of the debtor, internal and external credit ratings, and actual or expected operating results.

Definition of credit-impaired financial assets

The Group's main criterion for determining that credit impairment has occurred is that the number of days past due exceeds 90 days. However, in some cases, if internal or external information indicates that the contract amount may not be recovered in full before considering any credit enhancements held, the Group will also consider that credit impairment has occurred.

The credit impairment on a financial asset may be caused by the combined effect of multiple events and may not be necessarily due to a single event.

Liquidity risk

The Group aims to maintain sufficient cash and credit lines to meet its liquidity requirements. The Group finances its working capital requirements through a combination of funds generated from operations and other borrowings.

Market Risk

Interest rate risk

The Group’s exposure to risk of changes in market interest rates relates primarily to the Group’s long-term liabilities with floating interest rates.

Exchange rate risk

The Group is exposed to trading exchange rate risks. Such exposures arise from sales or purchases by business units in currencies other than the units’ functional currencies.

The primary objective of the Group’s capital management is to safeguard the Group’s ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders’ value.

The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and in the risk profiles of relevant assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during 2024 and 2023.

XIII Disclosure of Fair Values

1. The closing fair value of assets and liabilities measured at fair value

Unit: RMB yuan

Item	Closing fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total

I. Continuous measurement of fair value	--	--	--	--
(I) Financial assets held for trading	2,205,243,932.05			2,205,243,932.05
3. Derivative financial assets	56,925.08			56,925.08
Receivables financing		9,252,829.33		9,252,829.33
Other non-current financial assets			906,447,128.50	906,447,128.50
Total assets continuously measured at fair value	2,205,300,857.13	9,252,829.33	906,447,128.50	3,121,000,814.96
Derivative financial liabilities			42,027.78	42,027.78
Other non-current liabilities			4,085,660.89	4,085,660.89
Total liabilities continuously measured at fair value			4,127,688.67	4,127,688.67
II. Non-continuous measurement of fair value	--	--	--	--

XIV Related Parties and Related-party Transactions

1. Parent

Name	Relationship with the Company	Interest in the Company (%)
Tang Zhuolin (individual)	The Company’s controlling shareholder and one of the actual controllers	21.26%
Tang Zhuomian (individual)	The Company’s controlling shareholder and one of the actual controllers	7.96%

The ultimate controllers of the Company are Tang Zhuolin and Tang Zhuomian.

2. Subsidiaries of the Company

See Item 1 under Ⅸ Interests in Other Entities

3. Joint ventures and associates of the Company

For substantial joint ventures and associates of the Company, see Item 2 under Ⅸ Interests in Other Entities

4. Other related parties

Other related parties	Relationship with the Company
Tang Zhuolin	chairman of the board
Qiu Yezhi	Director and General Manager
Chen Huiyi	Employee Representative Director
Li Ketian	Independent Director
Feng Zhidong	Independent Director
Tu Haichuan	Independent Director
Feng Jia	Director and Board Secretary, Director and General Manager
Shao Yongfeng	Chief Financial Officer and Vice President

5. Related-party transactions

(1) Related-party transactions involving the purchase and sale of goods and the provision and receipt of services

单位：元

Related Parties	Details of Related-Party Transactions	Transactions for the Current Period	Approved Transaction Limit	Has the transaction limit been exceeded	Transactions from the Previous Period
Jaten Robot	Purchasing Raw Materials	7,715,272.82		No	0.00

(2)Remuneration of key management

Unit: RMB yuan

Item	H1 2026	H1 2025
Remuneration of key management	4,365,435.01	7,152,918.40

6. Amounts Due From/To Related Parties

(1) Receivables

Item	Related Party	Closing Balance		Opening Balance	
		Carrying Amount	Allowance for Doubtful Accounts	Carrying Amount	Allowance for Doubtful Account
Other non-current assets	Jaten Robot	0.00		3,079,100.00	

(2) Payables

Item	Related Party	Closing Carrying Balance	Opening Carrying Balance
Accounts payable	Jaten Robot	6,563,896.82	0.00

XV Share-based Payments

Unit: RMB yuan

1. Equity-settled share-based payments are as follows：

Unit: RMB yuan

Determination method of fair value of equity instruments at grant date	Based on the share price on the grant date minus the grant price
Important parameters of fair value of equity instruments at grant date	Share price at grant date and Grant Price
Basis for determining the number of vested equity instruments	Make the best estimate of the number of vested employees based on the latest information such as turnover rate and substandard rate
Reasons for significant difference between current year's estimate and prior year's estimate	None
Accumulated amount of equity-settled share-based payment included in capital reserve	54,539,010.13
Total expense recognized for equity-settled share-based payments during the period	16,404,729.72

2. Share-based payment expenses incurred during the year are as follows:

Unit: RMB yuan

	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Marketing	847,074.66	
management	13,922,042.46	
R&D	1,445,839.14	
Production&Operation	189,773.46	
Total	16,404,729.72	

XVI Commitments and Contingencies

1. Substantial commitments

2. Contingencies

(1) Explain if the Company has no substantial contingencies that need to be disclosed

The Company had no substantial contingencies that needed to be disclosed.

XVII Events after the Balance Sheet Date

1. Other information on events after the balance sheet date

At the balance sheet date, the Company had no events after the balance sheet date that are required to be disclosed.

XVIII Other Significant Matters

1. Segment reporting

(1) Basis for the determination of reporting segments and accounting policies

For management purposes, the Group divides its operations into two business units—Domestic and Overseas—based on geographic location.

(2) Financial information of reporting segments

Unit: RMB yuan

Item	Domestic entities	Overseas entities	Offset	Total
Operating revenue	1,076,867,364.69	727,488,305.66	-113,498,020.81	1,690,857,649.54
Cost of sales	817,794,525.87	576,679,064.74	-100,233,572.17	1,294,240,018.44
Total assets	7,534,790,293.70	5,462,971,490.99	-1,197,312,104.21	11,800,449,680.48
Total liabilities	2,395,936,588.75	244,968,385.00	-590,578,394.14	2,050,326,579.61

XIX Notes to Major Items in the Company Financial Statements

1. Accounts receivable

(1) Disclosure by the aging of accounts receivable

Unit: RMB yuan

age of accounts	H1 2026	H1 2025
Within 1 year	161,938,545.45	251,717,447.95
1-2 years	7,225,872.17	2,601,281.04
2-3 years	2,354,848.81	2,494,932.75
Over 3 years	2,308,845.83	1,608,209.03
3-4 years	1,058,445.83	
4-5 years		357,809.03
Over 5 years	1,250,400.00	1,250,400.00
Total	173,828,112.26	258,421,870.77

(2) Disclosure classified by the bad debt provision methods

Unit: RMB yuan

Type	Closing balance					Opening balance				
	Gross amount		Allowance		Carrying amount	Gross amount		Allowance		Carrying amount
	Amount	Percentage	Amount	Allowance percentage		Amount	Percentage	Amount	Allowance percentage	
Accounts receivable for which the allowances are established individually	1,250,400.00	0.72%	1,250,400.00	100.00%		1,250,400.00	0.48%	1,250,400.00	100.00%	
Of which:										
Accounts receivable for which the allowances are established individually	1,250,400.00	0.72%	1,250,400.00	100.00%		1,250,400.00	0.48%	1,250,400.00	100.00%	
Accounts receivable for which the allowances are established by group	172,577,712.26	99.28%	5,159,812.87	2.99%	167,417,899.39	257,171,470.77	99.52%	4,902,657.68	1.91%	252,268,813.09
Of which:										
Accounts receivable for which the allowance	172,577,712.26	99.28%	5,159,812.87	2.99%	167,417,899.39	257,171,470.77	99.52%	4,902,657.68	1.91%	252,268,813.09

s are established by group with similar credit risk characteristics										
Total	173,828,112.26	100.00%	6,410,212.87	3.69%	167,417,899.39	258,421,870.77	100.00%	6,153,057.68	2.38%	252,268,813.09

Accounts receivable for which the allowances are established individually:

Unit: RMB yuan

	H1 2026		H1 2025			
	Gross amount	Allowance	Gross amount	Allowance	ECL (%)	Reason for allowance
Customer 1	641,600.00	641,600.00	641,600.00	641,600.00	100.00%	Customer's inability to settle the amount due
Customer 2	608,800.00	608,800.00	608,800.00	608,800.00	100.00%	Customer's inability to settle the amount due
Total	1,250,400.00	1,250,400.00	1,250,400.00	1,250,400.00		

Accounts receivable for which the allowances are established by group with similar credit risk characteristics are as follows:

Unit: RMB yuan

Item	Closing balance		
	Gross amount	Allowance	Allowance percentage
Within 1 year (inclusive)	161,938,545.45	1,492,071.94	0.92%
1-2 years (including 2 years)	7,225,872.17	1,627,582.47	22.52%
2-3 years (including 3 years)	2,354,848.81	981,712.63	41.69%
3-4 years (including 4 years)	1,058,445.83	1,058,445.83	100.00%
Total	172,577,712.26	5,159,812.87	

Basis for grouping：

Where allowances for doubtful accounts receivable are established using the general model of expected credit loss.

□ Applicable ☑ Not applicable

(3) Allowances established or reversed in the current period

Allowances in the current period:

Unit: RMB yuan

Type	Opening balance	Change in the current period				Closing balance
		Provision	Reversed	Written off	Others	
Allowances for doubtful accounts receivable	6,153,057.68	257,155.19				6,410,212.87
Total	6,153,057.68	257,155.19				6,410,212.87

As at 30 June 2026, the top five accounts receivable and contract assets were as follows:

Unit: RMB yuan

	Closing balance of accounts receivable	Closing balance of contract assets	Total closing balance of accounts receivable and contract assets	As a % of the closing balance of total accounts receivable and contract assets	Total closing balance of accounts receivable and contract assets
Dongfang Precision (HK)	99,252,856.62		99,252,856.62	50.69%	
Dongfang Precision (Netherland)	29,812,556.78		29,812,556.78	15.23%	
Customer 3	8,086,556.72	730,942.22	8,817,498.94	4.50%	231,018.47
Customer 4	5,004,000.00	576,000.00	5,580,000.00	2.85%	146,196.00
Customer 5	3,269,232.00	544,872.00	3,814,104.00	1.95%	480,958.51
Total	145,425,202.12	1,851,814.22	147,277,016.34	75.22%	858,172.98

2. Other receivables

Unit: RMB yuan

Item	Closing balance	Opening balance
Dividends receivable	20,054,612.16	186,077,102.15
Other receivables	365,179,711.30	311,163,587.33
Total	385,234,323.46	497,240,689.48

(1)Other receivables

1) Disclosure by nature

Unit: RMB yuan

Nature	Closing gross amount	Opening gross amount
Internal transactions with related parties	356,740,093.91	301,905,443.63
Security deposits	1,419,385.01	1,321,337.81
Performance compensation	500,000.00	500,000.00
Employee loans and petty cash	2,031,226.65	1,956,345.71
Government Subsidies		6,000,000.00
Others	5,644,030.27	635,484.72

Total	366,334,735.84	312,318,611.87

2) Disclosure by the aging

Unit: RMB yuan

age of accounts	2026	2025
Within 1 year	153,794,588.27	17,436,386.55
1-2 years	4,229,649.56	44,856,778.65
2-3 years	36,707,886.05	157,906,521.97
Over 3 years	171,602,611.96	92,118,924.70
3-4 years	163,171,576.11	67,733,184.03
4-5 years	7,616,419.58	24,266,663.51
Over 5 years	814,616.27	119,077.16
Total	366,334,735.84	312,318,611.87

3) Disclosure classified by the allowances provision methods

Unit: RMB yuan

Type	Closing balance					Opening balance				
	Gross amount		Allowance		Carrying amount	Gross amount		Allowance		Carrying amount
	Amount	Percentage	Amount	Allowance percentage		Amount	Percentage	Amount	Allowance percentage	
Of which:										
allowances are established by group	366,334,735.84	100.00%	1,155,024.54	0.32%	365,179,711.30	312,318,611.87	100.00%	1,155,024.54	0.37%	311,163,587.33
Of which:										
allowances are established by group with similar credit risk characteristics	366,334,735.84	100.00%	1,155,024.54	0.32%	365,179,711.30	312,318,611.87	100.00%	1,155,024.54	0.37%	311,163,587.33
Total	366,334,735.84	100.00%	1,155,024.54	0.32%	365,179,711.30	312,318,611.87	100.00%	1,155,024.54	0.37%	311,163,587.33

Category of allowance for doubtful accounts measured on a grouped basis:

Item	Closing balance		
	Gross amount	Allowance	Allowance percentage

Allowance for doubtful accounts measured on the basis of credit-risk characteristics	366,334,735.84	1,155,024.54	0.32%
Total	366,334,735.84	1,155,024.54	

Provision for allowance is made according to the general model of expected credit loss:

Unit: RMB yuan

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Financial assets with credit impairment (lifetme ECL)	
Balance as of Jan 1, 2026	655,024.54	500,000.00		1,155,024.54
Balance as of Jun 30, 2026e	655,024.54	500,000.00		1,155,024.54

4) Allowances established or reversed in the current period

Allowances for doubtful other receivables in the current period:

Unit: RMB yuan

Type	Opening balance	Change in the current period				Closing balance
		Provision	Reversed	Written off	Others	
Allowances for doubtful other receivables	1,155,024.54					1,155,024.54
Total	1,155,024.54					1,155,024.54

5) As at 30 June 2026, top 5 of other receivables are as follows:

Unit: RMB yuan

	Nature	2026	Age	As a % of total other receivables	Closing balance of allowance
Hainan Yineng	Current account	282,639,987.24	Within 1 year; 1-2 years; 2-3 years;3-4years; 4-5years	77.15%	
Dongfang Digicom	Current account	35,492,042.18	Within 1 year; 1-2 years; 2-3 years;3-4years; 4-5years	9.69%	
Dongfang Precision	Current account	32,116,984.71	Within 1 year; 1-2 years; 2-3	8.77%	

(Netherland)			years;3-4years		
Yineng International	Current account	5,653,690.34	Within 1 year; 1-2 years; 2-3 years;3-4years	1.54%	
Corresponding Entity 1	Current account	3,948,159.62	Within 1 year; 4-5 years; Over 5 years	1.08%	
Total		359,850,864.09		98.23%	

3. Long-term equity investments

Unit: RMB yuan

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount
Investments in subsidiaries	792,031,030.09	45,303,485.99	746,727,544.10	914,210,249.56	45,303,485.99	868,906,763.57
Investments in joint ventures and associates	295,004,342.94	7,668,229.35	287,336,113.59	296,687,088.62		296,687,088.62
Total	1,087,035,373.03	52,971,715.34	1,034,063,657.69	1,210,897,338.18	45,303,485.99	1,165,593,852.19

(1) Investments in subsidiaries

Unit: RMB yuan

	Opening balance	Opening impairment allowance	Change in the period				Closing balance	Closing impairment allowance
			Additional investment	Reduction in investment		Change in other equity		
Dong Fang Precision (HK) Limited	1,856,010.00						1,856,010.00	
Dongfang Precision (Netherland)	1,602,394.30						1,602,394.30	
Guangdong Fosber Intelligent Equipment	118,908,683.81					-118,908,683.81		
Suzhou Shunyi Investment Co., Ltd	303,017,951.53	45,303,485.99				3,287,437.49	306,305,389.02	45,303,485.99

Tiruña (Guangdong) Intelligent Equipment Manufacturing Co., Ltd.	22,088,149.84					-22,088,149.84		
Dongfang Digicom Data Technology Co., Ltd.	17,254,910.81			17,254,910.81				
Dongfang Digicom Data Technology (Guangdong) Co., Ltd.	11,166,339.74		35,000,000.00			147,750.00	46,314,089.74	
Hainan Yineng Investment Co., Ltd.	108,714,919.58					2,637,337.50	111,352,257.08	
Wonder Printing	173,800,000.00						173,800,000.00	
EDF	1,832,356.84						1,832,356.84	
Yineng International	28,643,514.63						28,643,514.63	
DongFang Primo	80,000,000.00			5,000,000.00			75,000,000.00	
Yuanhang Holdings (Singapore) Limited	21,532.49						21,532.49	
Total	868,906,763.57	45,303,485.99	35,000,000.00	22,254,910.81		-134,924,308.66	746,727,544.10	45,303,485.99

(2) Investments in joint ventures and associates

Unit: RMB yuan

	Opening balance	Opening impairment allowance	Change in the period								Closing balance	Closing impairment allowance
			Additional investment	Reduction in investment	Return on investment recognized using the	Adjustment to other comprehensive incom	Other equity changes	Declared cash dividends or profit	Impairment allowance	Others		

					equity method	e						
Associates/joint ventures												
Guangdong Jaten Robot & Automation Co., Ltd.	89,220,901.64				310,847.93						89,531,749.57	
Nanjing Profeta Intelligent Technology Co., Ltd.	15,923,786.55				-587,327.83				7,668,229.35		7,668,229.37	7,668,229.35
Shenzhen Ruoyu Technology Co., Ltd	96,840,699.35				-3,337,090.52						93,503,608.83	
Guizhou Aerospace Xinli Technology Co.	91,701,701.08				1,930,824.74						93,632,525.82	
Shenzhen Heju Intelligent Control Technology Co.,	3,000,000.00										3,000,000.00	

Ltd.												
Total	296,687,088.62				-1,682,745.68				7,668,229.35		287,336,113.59	7,668,229.35

4. Operating revenue and costs

Unit: RMB yuan

Item	H1 2026		H1 2025	
	Revenue	Costs	Revenue	Costs
Principal operations	191,013,955.46	117,366,483.36	147,397,112.58	93,653,394.93
Other operations	19,004,810.70	1,512,238.45	5,925,797.39	1,056,427.40
Total	210,018,766.16	118,878,721.81	153,322,909.97	94,709,822.33

Information related to the transaction price allocated to residual performance obligations:

At the end of the Reporting Period, the amount of revenue corresponding to performance obligations that had been contracted but not yet performed or fulfilled was RMB44,827,719.11, of which RMB44,827,719.11 is expected to be recognized during 2026.

5. Investment income

Unit: RMB yuan

Item	H1 2026	H1 2025
Income from long-term equity investments measured at equity method	-1,682,745.68	-1,226,419.87
Investment income generated from the disposal of long-term equity investment	947,041,659.95	875,016.30
Income from financial assets held for trading	923,368.38	146,337,046.02
Investment income from the disposal of financial assets held for trading	167,096,091.56	
Cost method dividend		290,092,756.16
Total	1,113,378,374.21	436,078,398.61

XX Supplementary Information

1. Schedule of exceptional gains and losses in the current period

☑ Applicable □ Not applicable

Unit: RMB yuan

	Amount
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	4,384,641,341.89
Government grants through profit or loss (Except	3,566,838.27

for government grants that are closely related to normal business, comply with national policies and regulations, enjoy according to the recognition criteria and have a sustained impact on profit and loss)	
Profit or loss from changes in fair value of financial assets and financial liabilities held by non-financial enterprises and profit or loss from disposal of financial assets and financial liabilities, except for effective hedging business related to normal business operations	400,107,501.33
Non-operating income and expenses other than the above	678,293.30
Other income and expense items that meet the definition of non-recurring income or expense	-22,815,747.53
Minus：Income tax effects	1,004,857,320.50
Non-controlling interests effects (net of tax)	1,186,626.62
Total	3,760,134,280.14

Other items that meet the definition of exceptional gain/loss:

□ Applicable ☑ Not applicable

No such cases for the Reporting Period.

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

□ Applicable ☑ Not applicable

2. Return on equity (ROE) and earnings per share (EPS)

Profit of the Reporting Period	Weighted average ROE	EPS	
		Basic EPS (RMB yuan/share)	Diluted EPS (RMB yuan/share)
Net profit attributable to ordinary shareholders of the Company	50.88%	3.22	3.20
Net profit attributable to ordinary shareholders of the Company before exceptional gains and losses	1.14%	0.07	0.07

3. Accounting data differences under China’s Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and foreign accounting standards

(1) Net profit and equity under CAS and IFRS

□ Applicable ☑ Not applicable

(2) Net profit and equity under CAS and foreign accounting standards

□ Applicable ☑ Not applicable