

# 长虹美菱股份有限公司

## CHANGHONG MEILING CO., LTD.



二〇二四年年度报告  
Annual Report 2024

## I. Important Notice, Table of Contents and Definitions

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Changhong Meiling Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

Mr. Wu Dinggang, Chairman of the Company, Mr. Pang Haitao, person in charge of accounting work and Mr. Hu Xiangfei, person in charge of accounting organ (accountant in charge) hereby confirm that the Financial Report of 2024 Annual Report is authentic, accurate and complete.

The Company did not have directors, supervisors and senior executives of the Company could not guarantee the reality, accuracy and completion of the whole contents or have objections.

All directors attended the board meeting to review this report in person.

Modified audit opinions notes

☐ Applicable ☒ Not applicable

Pan-China Certified Public Accountants LLP issued standard unqualified Auditors' Report for the Company's Financial Report of 2024

Major defects in internal control

☐ Applicable ☒ Not applicable

The Company had no major defects in internal control in the reporting period.

Risk warning of concerning the forward-looking statements with future planning involved in annual report

☒ Applicable ☐ Not applicable

Concerning the forward-looking statements with future planning involved in the Report, they do not constitute a substantial commitment for investors, investors and the person concerned should maintain adequate risk awareness, furthermore, differences between the plans, forecast and commitments should be comprehended.

Investors are advised to exercise caution of investment risks.

Investors are advised to read the full text of semi-annual report, and pay particular attention to the following risk factors:

More details about the possible risks and countermeasures in the operation of the Company are described in the report "XI. Risks and countermeasures" of "Section III Management Discussion and Analysis", investors are advised to read the relevant content.

*Securities Times*, *China Securities Journal* and Juchao Website (www.cninfo.com.cn) are the media for information disclosure for year of 2024 that appointed by the Company. All public information under the name of the Company disclosed on the above said media and website shall prevail, and investors are advised to exercise caution.

Does the Company need to comply with disclosure requirements of the special industry: No

Profit distribution pre-plan or capitalizing of common reserves pre-plan deliberated by the Board in the annual period

☒ Applicable   ☐ Not applicable

The Company has no plans of cash distribution, bonus shares and capitalizing of common reserves either.

Whether to increase the share capital with public reserve

☐ Yes   ☒ No

The profit distribution plan for year of 2024, that deliberated and approved by 11th session of the 11th BOD was: take total shares of 1,029,923,715 shares as base dated 31 December 2024, distributed 3.3 Yuan (tax included) bonus in cash for every 10-share hold by all shareholders, no share bonus issued and no capitalizing of common reserves carried out.

Directors, supervisors and senior executives of the Company respectively signed a Written Confirmation Opinions for 2024 Annual Report.

Supervisory Committee of the Company formed Written Examination Opinions for 2024 Annual Report.

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### Documents Available for Reference

I. Financial statement carrying the signatures and seals of the Chairman, principal of the accounting works and person in charge of accounting organ;

II. Original audit report carrying the seal of the CPA and signature & seal of the accountants;

III. Original documents of the Company and manuscripts of public notices that disclosed in the website designated by CSRC in the report period;

## Definition

Terms to be defined	Refers to	Definition
Company, The Company, Changhong Meiling or Meiling Electric	Refers to	CHANGHONG MEILING CO.,LTD.
Sichuan Changhong or controlling shareholder	Refers to	Sichuan Changhong Electric Co., Ltd.
Changhong Group	Refers to	Sichuan Changhong Electronics Holding Group Co., Ltd.
Hong Kong Changhong	Refers to	CHANGHONG (HK) TRADING LIMITED
Meiling Group	Refers to	Hefei Meiling Group Holdings Limited
Industry Investment Group	Refers to	Hefei Industry Investment Holding (Group) Co., Ltd.
Changhong Air-conditioner	Refers to	Sichuan Changhong Air-conditioner Co., Ltd.
Zhongke Meiling	Refers to	Zhongke Meiling Cryogenic Technology Co., Ltd.
Mianyang Meiling	Refers to	Mianyang Meiling Refrigeration Co., Ltd.
Jiangxi Meiling	Refers to	Jiangxi Meiling Electric Appliance Co., Ltd.
Ridian Technology	Refers to	Changhong Meiling Ridian Technology Co., Ltd.
Wulian Technology	Refers to	Hefei Meiling Wulian Technology Co., Ltd.
Zhongshan Changhong	Refers to	Zhongshan Changhong Electric Co., Ltd.
Hefei Industrial	Refers to	Hefei Changhong Industrial Co., Ltd.
Meiling Life Appliances	Refers to	Hefei Changhong Meiling Life Appliances Co., Ltd.
Changhong Huayi	Refers to	Changhong Huayi Compressor Co., Ltd.
Zhiyijia Company	Refers to	Sichuan Zhiyijia Network Technology Co., Ltd.
Pan-China	Refers to	Pan-China Certified Public Accountants LLP
CSRC	Refers to	China Securities Regulatory Commission
Anhui Securities Bureau	Refers to	China Securities Regulatory Commission, Anhui Province Securities Regulatory Bureau
SSE	Refers to	Shenzhen Stock Exchange

## II. Company Profile & Financial Highlights.

### I. Company Profile

Short form of the stock	Changhong Meiling, Hongmeiling B	Stock code	000521,200521
Short form of the Stock after changed (if applicable)	N/A		
Stock exchange for listing	Shenzhen Stock Exchange		
Name of the Company (in Chinese)	长虹美菱股份有限公司		
Short form of the Company (in Chinese)	长虹美菱		
Foreign name of the Company (if applicable)	CHANGHONG MEILING CO.,LTD.		
Abbr. of English name of the Company (if applicable)	CHML		
Legal representative	Wu Dinggang		
Registrations add.	No. 2163, Lianhua Road, Economic and Technology Development Zone, Hefei		
Code for registrations add	230601		
Historical changes on the registration address	The Company was registered in the Hefei Administration for Industry and Commerce on November 25, 1992 with the address registered as Linquan Road, Hefei City (Meiling Economic Development Zone); on March 13, 1997, registered address changed to No.48 Wuhu Road, Hefei instead of Linquan Road, Hefei City (Meiling Economic Development Zone); on May 19, 2008, the address changed to No. 2163, Lianhua Road, Economic and Technology Development Zone, Hefei from No.48 Wuhu Road, Hefei. Registered address of the Company has not changed during the reporting period.		
Offices add.	No. 2163, Lianhua Road, Economic and Technology Development Zone, Hefei		
Codes for office add.	230601		
Website	<a href="http://www.meiling.com">http://www.meiling.com</a>		
E-mail	<a href="mailto:info@meiling.com">info@meiling.com</a>		

### II. Person/Way to contact

	Secretary of the Board
Name	Li Xia
Contact add.	No. 2163, Lianhua Road, Economic and Technology Development Zone, Hefei
Tel.	0551-62219021
Fax.	0551-62219021
E-mail	<a href="mailto:lixia@meiling.com">lixia@meiling.com</a>

### III. Information disclosure and preparation place

Website of the Stock Exchange where the annual report of the Company disclosed	Shenzhen Stock Exchange <a href="http://www.szse.cn">www.szse.cn</a>
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Media and Website where the annual report of the Company disclosed	Securities Times, China Securities Journal and Juchao website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Preparation place for annual report	Room of secretary of the Board, 2/F , administrative center, Office building of the Company

#### IV. Registration changes of the Company

Uniform social credit code:	9134000014918555XK
Changes of main business since listing (if applicable)	No changes
Previous changes for controlling shareholders (if applicable)	<p>1. In October 1993, after initial listing, controlling shareholder of the Company-- Hefei Meiling Industrial Corp. (renamed as Hefei Meiling Group Co., dated 23 May 1994), executing controlling rights of the Company and management right of the state-owned assets on behalf of Hefei State-owned Assets Management Office, named at that time;</p> <p>2. From November 1997 to May 2003, controlling shareholder of the Company was Hefei Meiling Group Holding Co., Ltd. (established base on former Meiling Group Co.,, “Meiling Group” for short), an enterprise solely owned by the State; mainly operating the state-owned capital in authorized from State-owned Assets Management Commission of Hefei City, ensuring the maintenance and appreciation of state-owned assets;</p> <p>3. On 29 May 2003, Meiling Group entered into “Equity Transfer Agreement” with ShundeGreenKel Enterprise Development Co., ltd. (“GreenKel”), the 82,852,683 state-owned shares held by the Company was transfer to GreenKel. After transferring, GreenKel comes to the first largest shareholder of the Company.</p> <p>4. According to the spirit of “Bulletin of Treatment Opinions on GreenKel Company purchasing State-owned Assets Shares of Listed Company” (GZFCQ[2006] No.: 44) jointly issued from SASAC and Ministry of Finance in April 2006, Meiling Group took back the Meiling Electric 82,852,683 shares from GreenKel by procedures, which has been transferred. In September 2006, relevant equity transfer agreement signed between the Meiling Group and GreenKel is invalid, which was confirmed by the “Award” ((2006) HZZ No.: 104) issued from arbitration commission of Hefei; the state-owned legal person’s 82,852,683 shares, held by GreenKel, should return to Meiling Electric, and relevant equity consideration will pay to GreenKel by Meiling Group . On 29 December 2006, the 82,852,683 shares of Meiling Electric were transfer to Meiling Group by GreenKel, and Meiling Group becomes the controlling shareholder of Meiling Electric again.</p> <p>5. On 18 May 2006 and 11 January 2007, Meiling Group entered into “Equity Transfer Agreement of Meiling Electric” and “Supplementary Agreement of Equity Transfer of Meiling Electric” respectively with Sichuan Changhong and Changhong Group, among the 123,396,375 shares held by Meiling Group, 82,852,683 shares were transferred respectively to Sichuan Changhong and Changhong Group according to the transfer way regulated in agreement; of this transferring, 45,000,000 shares (10.88% of total share capital of the Company) were transferred to Sichuan Changhong, the first largest shareholder of the Company while 37,852,683 shares (9.15% of total share capital of the Company) were transferred to Changhong Group, the third largest shareholder of the Company.</p> <p>6. On 29 October 2008, Changhong Group and Sichuan Changhong entered into “Equity Transfer Agreement of Hefei Meiling Co., Ltd.”, the 32,078,846 restricted circulations A shares of Meiling Electric held by Changhong Group were transferred by agreement to Sichuan Changhong. On 23 December 2008, the aforesaid equity transfer was approved by “Reply on Matters of Equity held by State-owned Shareholders of Hefei Meiling Co., Ltd.” (GZCQ(2008) No.: 1413) from SASAC; on 21 January 2009, the aforesaid transfer was registered for ownership transfer in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. The first majority shareholder of the Company comes to Sichuan Changhong.</p> <p>7. Sichuan Changhong participated in the Company's private placement, and Sichuan Changhong and its concert</p>



	<p>party, Hong Kong Changhong, purchased the Company's shares through bidding transaction in the secondary market.</p> <p>8. Ended as 31 December 2023, Sichuan Changhong and its concerted action Hong Kong Changhong totally holds 281,832,434 shares of the Company, a 27.36% in total share capital of the Company; Sichuan Changhong directly holds 248,457,724 A-share of the Company, a 24.12% in total share capital of the Company while Hong Kong Changhong holds circulation B-share of the Company amounting as 33,374,710 shares, a 3.24% in total share capital of the Company.</p>
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## V. Other relevant information

### (1) CPA engaged by the Company

Name of CPA	Pan-China Certified Public Accountants LLP
Offices add. for CPA	No.128, Xixi Road, lingyin Street, XihuDistrict, Hangzhou
Signing Accountants	Li Yuanliang, Peng Jiahui

### (2) Sponsor engaged by the Company for performing continuous supervision duties in reporting period

☐ Applicable ☒ Not applicable

### (3) Financial consultant engaged by the Company for performing continuous supervision duties in reporting period

☐ Applicable ☒ Not applicable

## VI. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

☒ Yes ☐ No

Retroactive adjustment or restatement: Changes in accounting policies and mergers under the same control

	2024	2023		Changes in the current year over the previous year (+,-)	2022	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Operating income (RMB)	28,601,036,014.96	24,247,678,970.56	24,377,974,386.94	17.32%	20,215,220,192.20	20,607,042,437.68
Net profit attributable to shareholders of the listed company (RMB)	699,270,051.82	741,038,108.54	735,828,796.67	-4.97%	244,538,734.49	216,121,152.94

	2024	2023		Changes in the current year over the previous year (+,-)	2022	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	690,447,639.63	749,415,002.39	744,635,309.81	-7.28%	102,739,493.47	73,207,460.84
Net cash flow arising from operating activities (RMB)	3,970,257,217.96	2,082,343,305.04	2,072,909,430.47	91.53%	1,465,155,748.06	1,463,033,308.55
Basic earnings per share (RMB/Share)	0.6790	0.7195	0.7144	-4.96%	0.2366	0.2098
Diluted earnings per share (RMB/Share)	0.6790	0.7195	0.7144	-4.96%	0.2366	0.2098
Weighted average ROE	11.18%	13.49%	13.40%	Reduce by 2.22 percentage points	4.96%	4.39%
	Year-end of 2024	Year-end of 2023		Changes at end of the current year compared with the end of previous year (+,-)	Year-end of 2022	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Total assets (RMB)	23,972,603,896.48	19,391,604,526.19	19,638,615,277.46	22.07%	16,200,361,212.80	16,650,451,363.17
Net assets attributable to shareholder of listed company (RMB)	6,085,800,940.38	5,824,782,654.09	6,061,337,941.39	0.40%	5,168,286,872.09	5,410,040,042.66

Note: In October 2024, the Company acquired 99% of the equity of Hefei Changhong Industrial Co., Ltd. (hereinafter referred to as "Hefei Industrial") held by the controlling shareholder Sichuan Changhong Electric Co., Ltd. with its own funds; Hefei Meiling IOT Technology Co., Ltd., a subsidiary, acquired 1% of the shares of Hefei Industrial held by Sichuan Changhong Innovation Investment Co., Ltd., a subsidiary of Sichuan Changhong, with its own funds. On November 20, 2024, Hefei Industrial has completed the industrial and

commercial change registration procedures for the change of shareholders of the company, and obtained the "Registration Notice" issued by the Market Supervision and Administration Bureau of Hefei Economic and Technological Development Zone, Anhui Province. After the completion of the equity transfer, the Company holds 100% of the equity of Hefei Industrial. According to the relevant provisions of the No. 33 Accounting Standard for Business Enterprises-Consolidated Financial Statement, the parent company shall adjust the opening number of the consolidated statement and at the same time shall adjust the relevant items of the comparative statements due to the addition of subsidiaries and businesses due to the business combination under the common control during the reporting period, so as to treat the consolidated reporting entity as having existed since the time when the ultimate controller began to control. Accordingly, the opening numbers and the numbers of the same period of the previous year have been restated.

#### Reason for change in accounting policy and correction of accounting errors

In December 2024, the Ministry of Finance issued the Interpretation No. 18 of Accounting Standards for Business Enterprises (No. 24[2024]Cai Kuai). The Company shall change its accounting policy as required, and in accordance with the requirements of the notice to connect the old and the new, for the first implementation of this interpretation, the above-mentioned quality kind assurance that was originally included in the "sales expenses" account in 2024 and reported in the "sales expenses" statement items will be included in the "main business costs" and "other business costs" accounts as accounting policy change and presented in the "operating costs" statement item, and the impact of the same period of the previous year is retrospectively adjusted to the relevant financial statement items and the relevant information is disclosed in the notes to the financial statements.

The lower one of net profit before and after deducting the non-recurring gains/losses in the last three fiscal years is negative, and the audit report of last year shows that the ability to continue operating is uncertain

☐ Yes ☒ No

The lower one of net profit before and after deducting the non-recurring gains/losses is negative

☐ Yes ☒ No

## VII. Accounting data difference under domestic and foreign accounting standards

### (1) Difference of the net profit and net assets disclosed in financial report, under both IAS (International Accounting Standards) and Chinese GAAP (Generally Accepted Accounting Principles)

☐ Applicable ☒ Not applicable

The Company has no difference of the net profit and net assets disclosed in financial report, under both IAS (International Accounting Standards) and Chinese GAAP (Generally Accepted Accounting Principles) in reporting period.

### (2) Difference of the net profit and net assets disclosed in financial report, under both foreign accounting rules and Chinese GAAP (Generally Accepted Accounting Principles)

☒ Applicable ☐ Not applicable

In RMB

	Net profit attributable to shareholders of listed company		Net assets attributable to shareholders of listed company	
	Current period	Previous period	Ending amount	Opening amount

Chinese GAAP	699,270,051.82	735,828,796.67	6,085,800,940.38	6,061,337,941.39
Items and amount adjusted by foreign accounting rules				
Foreign accounting rules	699,270,051.82	735,828,796.67	6,085,800,940.38	6,061,337,941.39

The Company had no difference of the net profit or net assets disclosed in financial report, under either foreign accounting rules or Chinese GAAP (Generally Accepted Accounting Principles) in the period.

### (3) Reasons for the differences of accounting data under accounting rules in and out of China

☒ Applicable ☐ Not applicable

The “Notice of Relevant Issues of Audit for Company with Domestically Foreign Shares Offering” was issued from CSRC dated 12 September 2007, since the day issuing, cancel the previous “dual audit” requirement for companies who offering domestically listed foreign shares (B-share enterprise) while engaging securities practice qualification CPA for auditing. The Company did not compile financial report under foreign accounting rules since 2007, the financial report of the Company is complying on the “Accounting Standard for Business Enterprise” in China, and therefore, there are no differences of accounting data under accounting rules in and out of China at period-end.

## VIII. Quarterly main financial index

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating income	5,945,935,887.13	9,013,415,136.41	7,815,798,948.22	5,825,886,043.20
Net profit attributable to the shareholders of the listed company	158,489,245.31	257,599,704.87	115,953,785.77	167,227,315.87
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company	188,334,801.75	245,223,015.94	81,753,224.33	175,136,597.61
Net Cash flow generated by business operation	-116,980,056.07	2,851,382,750.10	19,585,735.64	1,216,268,788.29

Are there significant differences between the above financial indicators or their total sum and the financial indicators related to the company's disclosed quarterly and semi annual reports

☐ Yes ☒ No

## IX. Items and amounts of non-recurring profit (gains)/losses

☒ Applicable ☐ Not applicable

In RMB

Item	2024	2023	2022	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-4,568,990.35	1,880,089.33	27,602,023.18	Found more in “Income from assets disposal” and “Non-operation income/expenses”
Governmental subsidy calculated into current gains and losses(while closely	95,130,581.90	80,747,233.76	87,509,992.34	Found more in “ Financial expenses”, “Other income”

related with the normal business of the Company, the government subsidy that accord with the provision of national policies and are continuously enjoyed in line with a certain standard quota or quantity are excluded)				
Net profit and loss of subsidiaries arising from mergers of enterprises under the same control from the beginning of the period to the merger date	1,918,902.01			
Gains/losses of fair value changes arising from holding of the trading financial asset, trading financial liability and investment earnings obtained from disposing the trading financial asset, trading financial liability, and financial assets available for sale, except for the effective hedging business related to normal operation of the Company	-109,763,982.52	-91,667,835.90	36,312,576.77	Found more in "Financial cost", "Investment income" and "Income of fair value changes"
Switch back of the impairment for receivables that has impairment test independently	28,600,649.28	4,547,547.09	2,834,795.58	Found more in "Account receivable" and "Constrict assets"
Other non-operating income and expenses other than the above	3,048,181.61	6,704,743.84	977,576.55	Found more in "Non-operation income" and "Non-operation expenses"
Less: impact on income tax	-4,813,416.23	-377,847.36	3,581,742.85	
Impact on minority shareholders' equity (post-tax)	10,356,345.97	11,396,138.62	8,741,529.47	
Total	8,822,412.19	-8,806,513.14	142,913,692.10	--

Details of other gains/losses items that meets the definition of non-recurring gains/losses:

☐ Applicable    ☒ Not applicable

There are no other gains/losses items that meet the definition of non-recurring gains/losses in the Company.

Explain the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public

--- Extraordinary Profit/loss

☐ Applicable    ☒ Not applicable

There are no items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public

--- Extraordinary Profit/loss.

### III. Management Discussion & Analysis

#### I. Industry of the Company during the reporting period

##### 1. Refrigerator industry

As a mature industry, the refrigerator industry has entered a high-quality development stage dominated by stock replacement, with a nearly saturated market penetration rate. In the fourth quarter of 2024, under the strong stimulus of national subsidy policy for trade-in programs, the refrigerator market showed a structural recovery. According to AVC data, in 2024, the omni-channel retail volume was 40.19 million units, with a year-on-year increase of 4.9%, and the retail sales was RMB 143.4 billion, with a year-on-year increase of 7.6%. The double increase in both volume and sales reflected the transformation of the market from "price competition" to "value upgrade", and the demand for middle- and high-end products increased significantly under the promotion of policies, with the online price range of 4000-5000 yuan and offline price range of Above 8000 yuan (high-end products) becoming the main growth forces, and the trend of consumption degradation reversed.

The synergy advantage of the "Made in China" industrial chain is further highlighted. Relying on the intelligent manufacturing upgrade and green technology iteration, the export competitiveness of home appliances continued to increase, plus the growth of overseas demand, which promote the export business to show a certain growth. According to industry online data, the export volume of refrigerators in 2024 was 51.88 million units, with a year-on-year increase of 18.6%, mainly due to the recovery of demand in emerging markets and the restocking needs in European and American markets.

##### 2. Air conditioning industry

The development of China's domestic air conditioning market in 2024 followed a winding path. Amid a sluggish real estate market and generally rising commodity prices, the industry's average price continued to decline in the first half of the year. However, driven by the national subsidy policy for trade-in programs, the industry ended the year with an uptick in performance. According to AVC's aggregated data, China's domestic air conditioner sales reached 59.79 million units in 2024, with a year-on-year decline of 1.7%, and the total retail sales amounted to RMB 207.1 billion, with a year-on-year decline of 2%.

China's air conditioner exports experienced explosive growth in 2024. Although the Red Sea crisis early in the year prolonged shipping cycle for European orders, the "Belt and Road Initiative (BRI)" boosted infrastructure development in partner regions, stimulating demand. Mature markets like Europe and the U.S. saw low inventory levels alongside steady demand recovery, while emerging markets continued to drive growth. Rising global temperatures and overseas restocking needs further fueled export expansion. Data from Industry Online shows that China's total air conditioner exports in 2024 hit 85 million units, with a year-on-year increase of 28.3%.

##### 3. Washing machine industry

In 2024, China's macroeconomic development followed a volatile trajectory, exhibiting a "high-low-high" V-shaped pattern throughout the year. The home appliance market began recovering in the second half after the

introduction of the trade-in policy. According to AVC's aggregated data, domestic sales remained stable with moderate growth: The omni-channel retail volume was 42.97 million units, with a year-on-year increase of 7.3%; The retail sales reached RMB 101.4 billion, with a year-on-year increase of 7.6%. On the export front, growth slowed due to rising shipping costs and geopolitical uncertainties. Data from Industry Online shows China exported 45.11 million washing machines in 2024, with a year-on-year increase of 17.3%.

## **II. Main businesses of the company engaged in during the Period**

As one of China's leading appliance manufacturers, the Company operates four major domestic production bases (Hefei, Mianyang, Jingdezhen, Zhongshan) and overseas facilities, including Indonesia. The Company carefully builds the core competitiveness of the enterprise with technological innovation and product innovation. With the advanced R&D team and advanced technology accumulation, Meiling has made continuous breakthroughs in terms of frequency conversion, intelligence, preservation, thin wall, odourlessness, energy saving, air cooling, deep cooling, simulation, ultra-thin, cleaning and clothing care. The Company has a national enterprise technology center, a national industrial design center, a national post-doctoral research center, and a 5G industrial Internet innovation application laboratory. It has also established the first RoHS public testing center in Anhui Province, a green energy-saving refrigerator engineering technology research center in Anhui, an energy-saving and fresh-keeping green refrigerator engineering research center in Anhui, and a smart home appliance manufacturing innovation center in Anhui.

In recent years, the Company has successively won many national honorary titles such as "Intelligent Manufacturing Pilot Demonstration Project for Smart Refrigerators", "National Green Factory", "National Quality Leading Enterprise in Home Appliance Industry", "National Technology Innovation Demonstration Enterprise" and "China Industry-University-Research Cooperation Innovation Demonstration Enterprise". At the same time, the Company has won a number of technology and product innovation honors by virtue of its strong innovation, products and brand, and a number of Meiling products have repeatedly won multiple domestic awards, constantly demonstrating Meiling's ability and strength in intelligent innovation technology.

FrozenFresh Refrigerator 506WP9BDZ won the Aipulan Innovation Prize for its industry-leading FreshLock Technology (top-mounted constant-temperature fresh freezing system), which was Changhong Meiling-originated breakthrough to solve the chronic industry issue of repeated freezing cycles through disruptive cryogenic innovation, and promote the upgrading of fresh-keeping consumption in the refrigerator industry; M-Fresh Refrigerator BCD-511WQ6 won the German 2024 Red Dot Award & International Industrial Design Award for its 59.9cm flush-fit installation, hydro-active freshness technology, constant temperature and fresh freezing technology, and precise temperature/humidity monitoring system; The four-door refrigerator (cross) appearance patent won the 25th China Excellence Award for Appearance Design in 2024; The refrigerator (open state) appearance patent won the 11th Anhui Silver Award for Appearance Design in 2024; Meiling 10kg "BlueOxygen as Hand Washing" Drum Washing Machine LRS1H100D set a world record of "Drum washing machine with the least residue after rinsing in the world" in world record association. Through the "Blue Oxygen Residue Removal Technology", the product feature of "BlueOxygen as Hand Washing" series was established, which promoted the R&D of washing machines to the level of "care" and "cleanliness", bringing more health and

science to users' life; DustFree Dual-Blade Wall AC Unit was awarded the title of "Innovative Product of the Year" by China HVAC Summit; UltraPowerSaver AC Series were selected as "Annual Energy-Efficient & Eco-Friendly Product of the Year" by Chinese Association of Refrigeration; Meiling domestic hot water and gas quick water heaters (JSQ30-MR-BS16516, JSQ30-MR-BS616Q3) won the "Boiling Quality Award" in 2024; Zhongke Meiling's Large-scale Ultra-Low Temp Automated Biobank Technology won the "Hefei Employee Innovation First Prize".

After more than 40 years of development, the Company has developed from single refrigerator products to a new pattern of coordinated development of refrigerators (freezers), air conditioners, washing machines, major kitchen appliances, small home appliances and biomedical cryogenic storage equipment. Through continuous innovation, it has successively introduced a series of industry-leading products, such as the M-Fresh refrigerator with the best fresh-keeping effect in the industry, the industry's first all-dust-free fresh air conditioner, the "BlueOxygen as Hand Washing" Drum Washing Machine with the least stain residue after rinsing in the world, the industry's strontium-rich intelligent tea bar machine, and the ultra-low temperature medical refrigerator with a refrigeration temperature up to minus 180°C, which has constantly brought consumers a fresher lifestyle with fresher products.

In the future, the Company will focus on the business policy of "innovation-driven, resource integration, industrial synergy and internal and external integration" to lead the industrial development, help the industrial matrix, consolidate the market foundation and accelerate its own development.

During the reporting period, main income of the Company coming from refrigerator (freezer), air conditioner, washing machine, small home appliances, kitchen & toilet products and biomedical etc. total amounting to 28.335 billion yuan, a 99.07% of the operating income.

### **III. Core Competitiveness Analysis**

#### **(I) Brand capability**

The Company is one of the well-known electrical appliance manufacturers in China, with many product lines such as refrigerators, freezers, air conditioners, washing machines, kitchen appliances, biomedicine and so on.

In 2024, Meiling continued to implement its "Brand Revitalization" strategy, adhering to the brand proposition of "Beautiful China, Fresh Meiling" with a product-driven branding approach. By developing the freshest products and cultivating the freshest brand image, we aim to plant the seed of "freshness" in consumers' minds, mold the brand association of "Meiling = Fresh" in consumers' mind, enhance brand awareness, reputation and loyalty, and fulfill the brand mission of "Meiling, may the happiness come".

In 2024, the Company enhanced brand reputation, popularity and loyalty by strengthening brand publicity, expanding brand dissemination channels, innovating brand marketing methods and elevating content operation quality. It signed a contract to become the Official Partner of FIS Snowboard & Freeski Big Air World Cup to create winter sports IP marketing campaigns; It launched "Rose Initiative" cross-marketing programs covering metro transit systems, music festivals, university campuses and other scenes; It improved the ability of content



operation, and continuously improved the content operation on new media platforms such as Douyin (TikTok) and Xiaohongshu (Little Red Book), effectively enhancing brand awareness, reputation and loyalty.

In 2024, the Company adhered to a value-driven approach with comprehensive efficiency improvement, strengthened industrial synergy, domestic-international integration, user/customer-centered principle and technology leadership, to accelerate product innovation. The Company has successively launched innovative products such as the Gen3 M-Fresh Refrigerator, FrozenFresh Refrigerator, "BlueOxygen as Hand Washing" Washing Machine and BlueOxygen Dryer-Care Machine, UltraPowerSaver Air Conditioner, FreshWater Tea Bar Machine, and the industry's first variable frequency commercial kitchen refrigerator, with the industrial chain continuously extended, product structure continuously optimized, and brand core competitiveness effectively improved.

## **(II) Product capability**

The Company has built a whole-chain innovation system of "Technical route + Product route + Promotion route", and created a "Three-in-one" strategic layout, driving industrial development with technological innovation. As a national benchmark enterprise for technological innovation, the Company has built an excellent technological innovation system and quality control system. Relying on the international management systems such as ISO9001, ISO14001 as certification foundations, and combined with the innovative platforms and honorary qualifications owned by the Company, such as National Enterprise Technology Center, National Industrial Design Center, National Intellectual Property Demonstration Enterprise, National Industrial Product Green Design Demonstration Enterprise, National Technological Innovation Demonstration Enterprise, China Industry-University-Research Cooperative Innovation Demonstration Enterprise, Anhui Green and Energy-Saving Refrigerator Engineering Technology Research Center, Anhui Energy-Saving, Fresh-keeping and Green Refrigerator Engineering Research Center and Anhui Manufacturing Innovation Center, the Company has formed a quality assurance system covering the whole R&D and manufacturing chain. In terms of technical strategy, the Company is committed to the application of basic technology research and industrialization transfer, and has established a technical strategic plan with "intelligence, frequency conversion, simulation and fresh-keeping" as the core technologies and "refrigeration, new materials and foaming" as the key technologies. In terms of product R&D, it has established a four-tier R&D system of "Technical research - Platform module - Product operation unit - Planning platform", and innovatively implemented the product manager responsibility system driven by product operation unit and planning, which is responsible for product definition and development, internally driving cost reduction and efficiency improvement, and externally driving sales promotion. Through the deep collaboration of "research, production and marketing", it has realized the two-way empowerment of technological innovation and market demand, and fully connected the value chain and business chain.

In terms of refrigerator products, through the accurate control of market trends and the research on the habits of different consumers, it continued to promote product upgrading and breakthrough around the technological innovation in "fresh, thin, narrow, embedded and intelligent" features, and improved the competitiveness of

products constantly. In 2024, the Company continued to strengthen the business cards of "Meiling Fresh", "Meiling Thin", "Meiling Narrow", "Meiling Embedded" and "Meiling Intelligent", and focused on building a three-dimensional product matrix of technology, platform and space: M-Fresh Refrigerator equipped with hydro-active freshness technology, FrozenFresh Pro Refrigerator upgraded to -3.5°C with zero-impact and slight freezing, New Gen Worry-Free Embedded Refrigerator equipped with double evaporator system and AI cloud moisturizing technology, and differentiated 560L Zero-Flush French Door Refrigerator (Large Freezer) and economical 460L Zero-Flush Multi-Door Refrigerator, which accurately met the needs of consumers for differentiation and upgrading, and consolidated the brand features of "fresh, thin, narrow, embedded and intelligent" in all directions. In terms of freezer products, the Company has developed frost-free series, smart screen series and ultra-freezing series freezers, and innovatively developed the FrozenFresh Vertical Freezer equipped with constant-temperature and fresh freezing function, as well as the industry's first variable frequency commercial kitchen freezer to create "the best freezer in the industry".

In terms of air-conditioning products, it insisted on a user-centered approach, practiced innovative ideas, speeded up technological transformation and rapidly upgraded product energy efficiency. In 2024, it continued to focus on "DustFree" and "LivingDining Pro", and continued to create differentiated product business cards of "DustFree for wall-mounted air conditioner, and LivingDining Pro for floor standing air-conditioner", and launched key new products such as Q7D "DustFree FreeFlow" Wall-mounted Air-conditioner and Q7V "UltraPowerSaver" Floor Standing Air-conditioner; It continued to strengthen the "PandaLazy" hero product strategy to effectively support the implementation of the trade-in policy.

In terms of washing machine products, it focused on strengthening our mid-range product portfolio, building a star product matrix to meet diverse market demands while continuously improving the product structure. In terms of drum washing machine, it laid up "BlueOxygen as Hand Washing" Washing Machine and BlueOxygen Dryer-Care Machine to form a BlueOxygen series matrix, and create the user's reliance on "Ultra Clean" and "Zero Residual" by relying on 3X cleaning power technology and innovative BlueOxygen residue removal technology. At the same time, it launched the BlueOxygen Dryer-Care Machine to create a new track of "Drying & Care", achieve the feature of "Thorough Drying & Fabric Care", build the product reputation from wash - rinse - care step by step and promote the layout of products in the field of high-end and high value relying on hardcore care technology; In terms of pulsator washing machines, it continued to improve the layout of Hercules Series, and built a high cleaning ratio of 0.9 by relying on "Mega Motor System and PowerWave Pulsator", leading the cleaning ratio of non-frequency conversion products in the industry.

In terms of major kitchen appliances and small home appliances, the Company adheres to the strategy of product-driven development, focusing on core product lines, guided by market demand, while strengthening R&D capabilities and optimizing product structure. In terms of small home appliances, the Company continued to focus on core categories, particularly the tea beverage product line, to further solidify its market advantage. In 2024, in collaboration with China University of Geosciences (Wuhan), the Company successfully developed a proprietary strontium-rich mineralization filter technology, which was applied to the "Fresh Water" Tea Bar Machine, launching the N10 Fresh Water Tea Bar Machine, which simulated the natural formation of mineral

water, accelerating the dissolution of mineral elements while incorporating trace element ratio technology to achieve a scientifically balanced composition, thereby enabling strontium-rich mineralization of drinking water. This innovation has gained significant market recognition. In terms of major kitchen appliances, it remained user-centered principle, addressing consumer pain points through innovative improvements in product technology and performance to meet diverse market demands. In 2024, it conducted research on second-generation honeycomb energy-gathering chambers, stainless steel heat exchange, and DC variable-frequency air supply technologies, launched new products such as the H27/36 series gas water heaters with constant temperature control, the second-generation energy-gathering chamber series H35/H36/H70, and the self-developed electronic control series BQ2/BQ81, which were all aimed to provide consumers with healthier and more comfortable water solutions for daily life.

In terms of biomedicine, the Company adheres to the brand concept of "taking products as the main carrier and delivering core values to users", focuses on the field of life sciences, and continuously promotes product innovation iteration and quality upgrade based on users' scenario demand, providing users with professional full-scenario solutions, thus shaping a safe and stable brand image and continuously enhancing the brand influence. In the sample ecosystem sector, the Company has steadily advanced key projects in standalone automation R&D tailored to users' specific scenarios, providing critical equipment for building comprehensive sample storage solutions; It innovatively developed air-cooled ultra-low-temperature refrigeration technology and launched the world's first ultra-low-temperature freezer with undetectable defrosting, establishing it as the optimal equipment for low-temperature storage of blood, pharmaceuticals, and raw solutions; It actively collaborated with multiple key institutions, promoted the automation transformation of biobanks, and was selected as a supported project under China's "Key Technologies Demonstration Project for Biosafety". In the laboratory biosafety product sector, the Company introduced the Ruijing series of high-efficiency biosafety cabinets, clean benches, and the Ruigu series of benchtop high-speed refrigerated centrifuges, further diversifying its product offerings to fully meet the market's varied demands. In 2024, it developed eight centrifuge models covering the full product range, forming a complete product matrix.

### **(III) Operational capability**

The Company continuously improved its operational management system, with business objectives as the guidance and comprehensive budget management as the key approach, strengthening the integrated management of objectives, budgets, and performance to facilitate operational improvement and goal achievement. In terms of objective management, centered on strategy and business policies and following the SMART principles, it has achieved a closed-loop cycle, significantly enhancing the Company's operational quality; In terms of value chain management, it has established clear delineation of responsibilities, rights, and benefits, while enhancing collaboration across all sectors of the industry, forming a sound operational mechanism driven by objectives and systematically interconnected; In terms of budget management, it consistently strengthened whole-process budget control, realized closed-loop tracking and management of budget forecasts, thereby providing strong support for business objectives; In terms of performance management, it has established a business-centered and customer-focused performance evaluation system, effectively stimulating the operational potential of all units.

Meanwhile, the Company has continuously conducted benchmarking activities to consistently elevate its operational management standards and competitiveness.

#### **(IV) Marketing capability**

In the domestic market, the Company continued to optimize the sales network and service system to provide users with high-quality services, and by adhering to five key initiatives: "promoting premium products, strengthening channels, enhancing collaboration, improving efficiency, and controlling risks", drive the development of base markets and opportunity markets while continuously enhancing marketing capabilities. In terms of products, it created differentiated featured products and integrated online and offline promotional resources to launch premium offerings; In terms of channels, it focused on consolidating foundational channels, ensuring retail channels outperforming, and expanding incremental channels; In terms of management, it refined organizational structures to improve operational and service efficiency. It established and enhanced an operational management system centered on rational commercial inventory management and a value management system focused on terminal retail pricing, fully implemented a marketing transformation from product-line-oriented sales management to omni-channel and user-centered operation service, and from single-category marketing to full-category marketing, achieved product leadership and efficiency gains through steadfast benchmarking and innovative management, and built marketing system capabilities and long-term growth potential.

The Company has comprehensively enhanced its overseas marketing capabilities by building a team of product-specialized marketing professionals and cultivating versatile marketing talents with dual-product-line operational expertise; It has strengthened the promotion construction, established the systematic promotion capability for overseas markets around product packaging, terminal construction and training, empowered overseas customers of B2B with the promotion mode of B2C, and realized the continuous growth of sales scale of B2B through "building terminals and promoting sales"; In terms of key account (KA) business, it has deepened our customer-centered transformation and upgrading to enhance service capabilities and improve customer satisfaction; In terms of channel strategy, it has replaced traditional trade approaches with market-driven methodologies to boost planning capabilities, consistently adhered to its "business-oriented and customer-focused" guiding principle to achieve rapid development, stable operation, profitable scale expansion, and comprehensive marketing capability enhancement. In terms of channel sales, it focused on leveraging dominant channels while expanding into emerging markets through strategic key account development initiatives; In terms of brand building, it enhanced product support for subsidiaries, established benchmark markets, vigorously developed brand agents, and implemented multi-channel strategies to build momentum for brand growth; In terms of product promotion, it closely followed market trends, increased the proportion of inverter products, optimized its product portfolio, enhanced new product launches, and ultimately strengthened its product competitiveness.

#### **IV. Main Business Analysis**

In 2024, amid intense competition in the home appliance industry, the Company adhered to value-oriented principles and comprehensive efficiency improvement while strengthening industrial synergy and

internal-external integration, resulting in steady enhancement of operational quality. During the reporting period, the Company's operating income reached RMB 28.601 billion, with a year-on-year of 17.32%, its net profit attributable to the parent company reached RMB 699 million, a year-on-year decrease of 4.97%, and its benign operation ability continued to improve.

### **(I) Refrigerator (freezer) industry**

In domestic market, it adhered to the principle of "capturing existing markets, expanding new segments, and enhancing capabilities", comprehensively upgraded its existing channels, current customer base, new product categories, and emerging distribution networks, at the same time it provided high-quality services to customers on their product operation capabilities and brand management competencies, with particular emphasis on advancing trade-in programs and strengthening end-to-end trade-in service systems to further stimulate replacement demand. In R&D, the Company maintained a user-centered approach, anchored in its customer value innovation engine, and fully implemented an experience-oriented strategy across its R&D and manufacturing operations. By deeply understanding users' needs and precisely addressing their pain points, it drove product system advancement toward intelligent and premium-quality development through dual engines of intelligent technology empowerment and high-end feature upgrades. In marketing, the Company has established a dual-track strategy of "Premium products + Hero SKUs," focusing on five innovative dimensions: "freshness, thinness, narrowness, embeddability, and intelligence", successfully creating an integrated online-offline product matrix. The sequential launch of M-Fresh Cross-Generation models has consistently reinforced Meiling's "freshness" brand positioning. The FrozenFresh series achieved marketing resonance across both online and offline channels with full-scale volume growth, further strengthening the "fresh-frozen" brand perception. The Seamless-Embed series has built a comprehensive channel firewall, while gradual product line integration continued to enhance Meiling's product family identity, ultimately driving industrial scale expansion and brand reputation elevation.

In overseas markets, at the product end, the Company has increased R&D investment in mid-to-high-end products, with the successful launch of its overseas Cross series not only driving scale expansion but also facilitating product mix upgrades to enhance operational quality; At the R&D end, it maintained innovation-driven development, introduced differentiated products such as kimchi refrigerators for niche markets to tap into new blue ocean opportunities; At the marketing end, it strengthened market capability building by fully leveraging integrated R&D and supply chain competencies along with domestic sales and export synergies, achieving sustained growth in KA business.

During the reporting period, the Company's refrigerator (freezer) business realized an income of about RMB 9.296 billion, with a year-on-year increase of 5.53%.

### **(II) Air conditioning industry**

In the domestic market, the Company has implemented the business strategy of "product first, brand priority, channel co-construction, and direct user engagement" to maintain steady development. Focusing on its two product categories - "DustFree" and "LivingDining Pro" - it launched key new products including the Q7D "DustFree FreeFlow" Wall-mounted Air-conditioner and Q7D "UltraPowerSaver" Floor Standing Air-conditioner,

while strengthening its "Panda Lazy" hit product strategy to effectively support the trade-in policy implementation; Through event marketing and media campaigns, the Company has enhanced brand promotion and continuously elevated brand influence; It has progressively advanced channel co-construction, accelerated resource integration, and adhered to integrated online-offline operations to achieve more refined channel management; It insisted on direct user engagement, implemented integrated "delivery-installation-service-recycling" processes to strengthen service guarantee, meet market service demands, and effectively improve user experience.

In overseas markets, the Company has consistently promoted healthy business development by focusing on brand momentum building, product upgrades, quality transformation, regional balance, and digital empowerment. In terms of brand-building, it has steadfastly implemented the brand-first development strategy, deepened its presence in base markets while continuously strengthening brand foundations; In terms of market expansion, it has concentrated on key strategic markets, achieved significant business growth through targeted market strategies; It has also actively explored new regions and markets with notable breakthroughs, while simultaneously accelerating new client development to gradually improve its customer system, thereby laying the foundation for future performance growth.

During the reporting period, the Company's air-conditioning business realized an income of about RMB 15.407 billion, with a year-on-year increase of 33.20%.

### **(III) Washing machine industry**

In washing machines, the Company insists on differentiated competition strategy and optimizes and adjusts the product structure. In domestic market, the Company has adopted a user-centered approach with product excellence as its key driver to deepen channel transformation through dual engines of product and technological innovation, consistently advance premiumization and achieve scale expansion. Capitalizing on the trends of flush-embedded designs and large-capacity products, it has strengthened its mid-range premium product portfolio while reinforcing differentiated competitive advantages of "As Hand Washing" and "Hercules". It has launched products including the BlueOxygen dry-care set, Flush-Embedded As Hand Washing series, and 12kg Hercules pulsator series to significantly enhance market share and mid- and high-end product influence.

In overseas markets, the Company has expanded client resources through refrigerator-washer synergies, focused on key regions and major accounts, and by introducing color-screen displays, 7kg models, it has delivered incremental value to existing clients, enabling rapid growth of its washing machine business in key markets.

During the reporting period, the Company's washing machine business realized an income of about RMB 1.747 billion, with a year-on-year increase of 31.44%.

### **(D) Major kitchen appliance and small home appliance industry**

In the major kitchen appliance and small home appliance industry, the Company has consistently focused on core product lines while actively driving technological upgrades and iterations of products. It has successfully launched new products such as the N10 Fresh Water Series tea bar machine to continuously enhanced brand

influence; It has accelerated product portfolio optimization and upgrading, implemented quality-efficiency enhancement strategies, gradually phased out the product categories with poor market performance and unexpected consumer feedback, and output a comprehensive category planning outline; Through proactive business strategy adjustments and deep operational transformation, it has established a compliance management system centered around core product operations to facilitate high-quality industry development.

During the reporting period, the Company's major kitchen appliance and small home appliance business realized an income of about RMB 1.492 billion, with a year-on-year decrease of 19.34%.

#### (V) Biomedical industry

In the domestic market, the Company continuously implemented the reform and reconstruction of user-centered channel organization, co-ordinated the platform resources, promoted the horizontal expansion and vertical deepening of market segment channel system, deeply explored the user demand, further enhanced the product strength and service strength, expanded the user coverage, and enhanced the market competitiveness and market share. Through the promotion of new products, the upgrading of service capabilities and the donation of scholarships, it has continuously strengthened its market promotion and continuously improved its brand awareness.

In overseas markets, the Company has adhered to the strategy of "increasing existing clients while expanding new client," deepened strategic cooperation with current partners while actively developing emerging markets to strengthen both the quality and quantity of its international distribution network; Its expansion in emerging markets has maintained strong momentum with multiple successful project bids, accompanied by the proactive introduction of new products; It made continuous improvement in delivery efficiency and customer service capabilities, steadily enhanced client loyalty while upgrading its integrated competencies of "Product - Promotion - Delivery - After-sales", ultimately establishing a sustainable, mutually beneficial channel partnership ecosystem.

During the reporting period, the Company's biomedical business realized an income of about RMB 264 million, with a year-on-year decrease of 5.36%.

#### (ii) Revenue and cost

##### 1. Constitute of operation revenue

In RMB

	2024		2023		Increase/decrease y-o-y (+,-)
	Amount	Ratio in operation revenue	Amount	Ratio in operation revenue	
Total operation revenue	28,601,036,014.96	100%	24,377,974,386.94	100%	17.32%
Manufacture of	28,335,360,230.42	99.07%	24,128,954,793.41	98.98%	17.43%



household appliances					
Other business	265,675,784.54	0.93%	249,019,593.53	1.02%	6.69%
On products					
Refrigerator, freezer	9,560,071,716.63	33.43%	9,088,215,517.67	37.28%	5.19%
Air-conditioning	15,407,055,870.21	53.87%	11,566,440,523.53	47.45%	33.20%
Washing machine	1,746,832,584.10	6.11%	1,329,017,674.88	5.45%	31.44%
Small appliance and kitchen & toilet	1,491,831,582.42	5.22%	1,849,440,139.12	7.59%	-19.34%
Other products	129,568,477.06	0.45%	295,840,938.21	1.21%	-56.20%
Other business	265,675,784.54	0.93%	249,019,593.53	1.02%	6.69%
Area					
Domestic	18,352,947,530.79	64.17%	16,772,667,160.17	68.80%	9.42%
Foreign	10,248,088,484.17	35.83%	7,605,307,226.77	31.20%	34.75%
Sub-sale model					
Direct sales	265,675,784.54	0.93%	249,019,593.53	1.02%	6.69%
Distribution	28,335,360,230.42	99.07%	24,128,954,793.41	98.98%	17.43%

## 2. Situation of Industry, Product and District Occupying the Company's Business Income and Operating Profit with Profit over 10%

√ Applicable □ Not applicable

In RMB

	Operating revenue	Operating cost	Gross profit ratio	Increase/decrease of operating revenue y-o-y	Increase/decrease of operating cost y-o-y	Increase/decrease of gross profit ratio y-o-y
On Industry						
Manufacture of household appliances	28,335,360,230.42	25,262,724,426.57	10.84%	17.43%	20.42%	-2.21%
On products						
Refrigerator, freezer	9,560,071,716.63	8,085,319,070.60	15.43%	5.19%	8.39%	-2.50%
Air-conditioning	15,407,055,870.21	14,334,050,593.14	6.96%	33.20%	35.82%	-1.79%
Area						
Domestic	18,108,891,124.51	16,073,739,954.59	11.24%	9.52%	11.72%	-1.74%
Foreign	10,226,469,105.91	9,188,984,471.98	10.15%	34.65%	39.40%	-3.06%
Sub-sale model						
Sub-sale	28,335,360,230.42	25,262,724,426.57	10.84%	17.43%	20.42%	-2.21%

Under circumstances of adjustment in reporting period for statistic scope of main business data, adjusted main business based on latest on year's scope of period-end.

□ Applicable √ Not applicable

## 3. Income from physical sales larger than income from labors

√ Yes □ No



In RMB

Industries	Item	Unit	2024	2023	Increase/decrease y-o-y (+,-)
Manufacture of household appliances	Sales volume	10 thousand pieces/set	3,520.59	3,486.07	0.99%
	Production	10 thousand pieces/set	3,615.15	3,517.94	2.76%
	Inventory	10 thousand pieces/set	262.95	140.96	86.54%

Reasons for y-o-y relevant data with over 30% changes

☒ Applicable ☐ Not applicable

At the end of 2024, the inventory increased by 86.54% YOY compared with the end of the previous year, which was mainly due to the increase in air conditioning inventory. Based on the continuous strategic cooperation between domestic air conditioners and key customers, the export of international air conditioners has shown an explosive growth trend in the industry, and the production and sales of the air conditioning industry have increased significantly. In order to ensure normal delivery and advance reserves, the inventory level increased significantly.

#### 4. Performance of the material sales contract and major procurement contracts that signed by the Company up to the reporting period

☐ Applicable ☒ Not applicable

#### 5. Constitute of operation cost

Industry classification

In RMB

Industries	Item	2024		2023		Increase/decrease y-o-y (+,-)
		Amount	Ratio in operation cost	Amount	Ratio in operation cost	
Manufacture of household appliances	Raw material	23,131,923,420.76	91.57%	19,137,016,471.04	91.22%	20.88%

Description: None

#### 6. Whether the changes in the scope of consolidation in Reporting Period

☒ Yes ☐ No

More details can be seen in the report “VII. Changes in the scope of the merger” and “VIII. Interests in other entities” of “Section X Financial Report”

#### 7. Major changes or adjustment in business, product or service of the Company in Reporting Period

☐ Applicable ☒ Not applicable

#### 8. Major sales client and main suppliers

##### (1) Major sales client of the Company

Total top five clients in sales (RMB)	15,762,630,982.56
Proportion in total annual sales volume for top five clients	55.11%
Proportion of the related parties' sales in total annual sales volume for top five clients	27.96%

Information of top five clients of the Company

No	Name	Sales (RMB)	Proportion in total annual sales
1	Client I	7,342,537,500.60	25.67%
2	Client II	6,777,644,358.51	23.70%
3	Client III	654,258,536.34	2.29%
4	Client IV	541,049,259.02	1.89%
5	Client V	447,141,328.09	1.56%
Total	--	15,762,630,982.56	55.11%

Other notes of main clients

☐ Applicable ☒ Not applicable

Main suppliers of the Company

Total purchase amount from top five suppliers (RMB)	6,268,281,417.27
Proportion in total annual purchase amount for top five suppliers	23.85%
Proportion of related party's purchase in total annual purchase amount for top five suppliers	13.73%

Information of top five suppliers of the Company

No	Name	Sales (RMB)	Proportion in total annual purchase
1	Supplier 1	2,471,848,576.60	9.41%
2	Supplier 2	1,143,166,887.01	4.35%
3	Supplier Three	1,135,390,929.15	4.32%
4	Supplier Four	776,568,478.91	2.95%
5	Supplier Five	741,306,545.60	2.82%
Total	--	6,268,281,417.27	23.85%

Other notes of main suppliers

☐ Applicable ☒ Not applicable

During the reporting period, the trade business income accounted for more than 10% of the operating income

☐ Yes ☐ No ☐ Not applicable

### (iii) Expenses

In RMB

	2024	2023	Increase/decrease y-o-y (+,-)	Note of major changes
Sales expense	1,477,154,043.38	1,423,788,018.72	3.75%	No major changes.
Administrative expense	359,672,540.20	371,930,885.44	-3.30%	No major changes.
Financial expense	-168,543,395.34	-120,449,809.04	-39.93%	It's mainly due to the reduction of exchange losses
R&D expense	637,242,233.83	597,529,355.84	6.65%	No major changes.

### (iv) Investment in R&D

☒ Applicable ☐ Not applicable

Projects	Purpose	Progress	Goals to be achieved	Expected impact on the future development of the Company
R&D of M-Fresh Refrigerator	Be the best refrigerator with continuous iterative product upgrading to provide users with full-space fresh-keeping in the industry (cold water molecule activation and fresh-keeping technology + fresh freezing technology at constant freezing temperature).	Completed, the product has been launched.	Create the best fresh-keeping products in the industry with Meiling Fresh features as the main line, supplemented by brand-new exterior and interior design, and continue to create Meiling Refrigerator's fresh-keeping feature to enhance Meiling's high-end market share.	User-oriented and user-demand-centered, find and solve the pain points of users in food preservation, build the best refrigerator in full-space fresh-keeping in the industry, and develop a new generation of M-Fresh product, which continues Meiling Fresh features, supplements the layout of 10,000 yuan+ products and improves the high-end market share.
R&D of Frozen Fresh Gen2 Refrigerator	The Gen1 Frozen Fresh Refrigerator has solved the difficulty of keeping meat fresh for users in long-term storage, but it did not solve the pain point of thawing convenience in short-term storage, which takes time to thaw. The purpose of this project is to solve such convenience pain point in short-term storage of meat for users.	Completed, the product has been launched.	Meet the short-term and long-term storage requirements for meat by adding zero-impact micro-freezing technology at -3.5°C in the refrigerating chamber.	Further consolidate Meiling's leading position in meeting the needs of users in fresh-keeping and use of meat in multiple scenarios, and further enhance the product competitiveness.
R&D of Frozen Fresh Vertical Freezer	Be the best and differentiated vertical (with constant-temperature fresh freezing technology) freezer in the industry to meet the fresh-keeping needs of users for frozen food.	Completed, the product has been launched.	Continue the features of Frozen Fresh Refrigerator, apply constant temperature fresh freezing technology to vertical freezer, create the best fresh-keeping vertical freezer in the industry and enhance its product competitiveness.	Extend the fresh-keeping technology of Meiling Fresh in freezers and consolidate it, and achieve corner overtaking and rapid improvement in the high-end market of freezers by the constant-temperature fresh-keeping technology.
R&D of "Blue Oxygen as Hand Washing" Drum Washing Machine	Enhance the image of high-end product in drum washing machines, solve the consumers' pain points of detergent residues, and further consolidate the "Washing" features of Meiling Washing Machine.	Completed, the product has been launched.	Research on and develop blue oxygen residue removal technology, and in the "pre-washing-washing-rinsing", effectively remove detergent residues and improve cleaning ability through nano micro-bubbles and blue oxygen, as well as "dissolution,	"Blue Oxygen as Hand Washing" drum washing machine upgrades the rinsing technology on the basis of washing, further consolidating Meiling washing machine's "washing" features, and it innovatively adopts TFT knob display and 506mm ultra-thin flat-embedded body to enhance

			decomposition and reduction".	Meiling drum washing machine's product image and market influence, with the proportion of high-end products continuing to increase.
R&D of "Blue Oxygen Dryer" Heat Pump Dryer	Newly develop heat pump dryer to fill the category blank and expand the product line.	Completed, the product has been launched.	Through the blue-oxygen drying care technology, innovatively develop the blue-oxygen dryer with "drying, permeating and caring", and open up the light care track, which helps Meiling washing machine to successfully build the third pole of washing industry.	"Blue Oxygen Dryer" develops the low-temperature and gentle drying technology of 40°C heat pump to meet the drying care needs, and at the same time it adopts double-rotor inverter motor to fill the blank of hardware configuration of dryer; and creates the industry's first ion adsorption technology for nano-scale 7-level adsorption dust removal, which meets the chip removal demand under the pet economy. The successful listing of "Blue Oxygen Dryer" has formed the product features of Meiling washing machine from "washing care" to "drying care", which has effectively enhanced the industrial image and laid the foundation for opening up the third pole of industrial growth.
Continuous upgrading of energy efficiency technology of washing machines for domestic sale and export	Through technical upgrading, improve the washing ratio of washing machines for domestic sale, reach the advanced level of the industry in terms of energy efficiency of export products, and meet the needs of customers and consumers.	Completed, the technology has been fully applied.	The energy efficiency of washing machines for export drum products reaches A-30% and A/D energy efficiency becomes the top priority. The domestic drum products are developed with a high washing ratio of 1.2, reaching the advanced level in the industry.	The energy efficiency of 8kg and 10kg washing and drying platform products for export has reached A/D level respectively, which is the highest energy efficiency level for drying with fixed frequency fans in the EU market at present. At the same time, the energy efficiency of 10kg BLDC single drum washing machine has reached A-30%, far exceeding the high-end energy efficiency level in the market, meeting the demands of customers in different regions; The drum 10kg and 12kg platform products for domestic sale reached a washing

				ratio of 1.2, which is in the first echelon in the current domestic sale market, effectively enhancing the confidence of customers and users in Meiling washing machine.
R&D and application of high-frequency PFC and high-efficiency heat exchange technology for inverter air conditioner	Solve the long-term reliability problem of air-conditioning products in complex environment and the pain point of user experience, improve the refrigeration and heating performance of air-conditioner, and support green and low-carbon development.	Complete technology R&D and realize product application.	High-frequency PFC technology and high-efficiency heat exchange technology have reached the advanced level in the industry, forming an intelligent control system scheme and improving the energy efficiency of control and refrigeration systems.	The technical achievements are popularized and applied in Changhong Yunfan Series and other products, which won the world record certification, and its popularization and application will greatly enhance the performance and comprehensive competitiveness of products with various specifications and enhance the user experience.
Development of "Giant Energy Saving" Cabinet Air-Conditioner Products	Through technological innovation, make breakthrough in traditional energy efficiency, respond to the national green and low-carbon policy, and meet consumers' demand for efficient and energy-saving air conditioners.	The development has been completed and the products have been launched in the market in batches.	Through the 3D two-wing air supply technology, realize the uniform temperature control of the whole house, consolidate the brand positioning of "Seiko Quality", and upgrade the industry energy efficiency standards.	It has obtained the authoritative certification of "saving 3,000 kWh per year", which helps Changhong to become a green consumption benchmark, increasing the market share of energy-efficient products and promote the industry to transform into an ultra-wide temperature range, energy-saving and comfortable direction.
Development of All-dust-free and Free Air Wall-mounted Air-conditioner Products	Through the technical innovation of double louvers and all-dust-free design, solve the pain points of users on dust accumulation and straight wind blowing in traditional air conditioners, and improve the health and comfortable air supply experience.	The development has been completed and the products have been launched in the market in batches.	Strengthen the product attribute label of Changhong, practice the product concept of "Seiko Quality, Comfort in Every Degree" for Changhong Air Conditioner, and push the industry into an all-dust-free era.	Establish a product model of product quality improvement and air supply status visualization, enhance brand reputation, and promote the upgrading of healthy air supply technology for industry products.
Technical research and application of high conversion refrigeration system in ultra-low	On the basis of the existing series of ultra-low temperature products, further develop new throttling technology to realize the controllable and stable cooling of the system;	Product application stage	Mass production and sales achieved	Carry out continuous optimization on the performance of the Company's existing ultra-low temperature products, which will help consolidate the Company's

temperature refrigerated storage box	Research on and develop compressor initial pressure relief and intermediate air supply technology to achieve the optimal operating conditions of the whole process and higher product reliability; Research on and develop more environmentally friendly cryogenic mix refrigerants.			leading edge in the field of ultra-low temperature products after the project is completed.
Research and application of intelligent air circulation and isolation technology in biosafety cabinet	The project starts with the air circulation and isolation technology, combined with the self-developed control system and ergonomic design, to provide all-round biosafety protection for laboratory personnel, article operation and experimental environment. The products can be widely used in medical and health care, disease prevention and control, food safety, biopharmaceuticals, environmental testing and various biological laboratories.	The products have been mass-produced and continuously upgraded.	Mass production and sales achieved	Meet the market demand for sterility of sample operation space, which is conducive to the Company's business expansion in new fields, new industries and new markets; Improve the layout of the Company's industrial chain.
Laboratory biosafety technology - Centrifugal technology research and product line expansion	Aiming at the needs of centrifuge work in laboratory sample pretreatment, the project designs and develops a series of centrifuge products in freezing laboratory, and optimizes and upgrades the structure, control system and drive system of the centrifuge to improve the overall performance of the centrifuge and meet the users' pursuit of efficient, stable and reliable equipment.	The first product of the series has been officially launched, and new products of centrifuge business have been expanded.	Mass production and sales achieved	Strengthen the layout of centrifuge industry and enhance the Company's market competitiveness; By providing diversified centrifuge products, attract more potential customers and meet users' pursuit of efficient, stable and reliable equipment; Promote the Company's technological innovation and industrial upgrading, and enhance its profitability and market share.
MC-N10 Tea Bar Machine Project	Develop a tea bar machine with brand-new appearance and strontium-rich mineralization function; At the same time, it has the functions of voice Bluetooth, antibacterial pipeline and backrest	The development was completed in April, 2024, and the product has been	The strontium-rich filter element has a strontium content of more than 0.2mg/L in its service life, reaching the national natural strontium mineral water standard	The first brand-new product of Fresh Water Series, which has sold 150,000 sets in 9 months, laying a solid foundation for building our Fresh Water Series products.

	free installation.	launched.	(GB8537 natural mineral drinking water).	
MC-H50 Tea Bar Machine Project	A tea bar machine with a transparent screen and a strontium-rich mineralized filter element is developed based on the box mold of MY-AJ15, a mass-produced model, and some new molds of backrest.	The development was completed in September, 2024, and the product has been launched.	It uses the MY-AJ15 box mold, which has been mass-produced, with the backrest displayed on a transparent screen, and a strontium-rich mineralized filter element.	It expands the product model of large box with 400mm width, and makes maximum use of the existing box mold.

## Company's R &amp; D personnel situation

	2024	2023	Change proportion
Number of Research and Development persons (persons)	1,781	1,667	6.84%
Proportion of Research and Development persons	16.90%	15.07%	Increase by 1.83 percentage points
Academic structure of R&D personnel			
Undergraduate	1,160	1,217	-4.68%
Masters	146	113	29.20%
Age composition			
Under 30	570	464	22.84%
30~40	668	630	6.03%

## Investment of R&amp;D

	2024	2023	Change proportion
Investment for R&D (RMB)	801, 412, 208. 23	702,362,069.24	14. 10%
R&D investment/Operating revenue	2. 80%	2.88%	-0. 08%
Capitalization of R&D investment (RMB)	207, 422, 076. 26	147,821,273.96	40. 32%
Capitalization of R&D investment/R&D investment	25. 88%	21.05%	4. 83%

## Reasons and effects of significant changes in composition of the R&amp;D personnel

☐Applicable ☒Not applicable

Reasons for significant changes in the proportion of total R&D investment in operating revenue from the previous year

☐Applicable ☒Not applicable

Reasons and rationality of the major changes of the capitalization rate of R&D investment

☐Applicable ☒Not applicable

## (v) Cash flow

In RMB

Item	2024	2023	Increase/decrease
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			ase y-o-y (+,-)
Subtotal of cash in-flow from operation activity	32,666,460,604.66	26,188,015,669.10	24.74%
Subtotal of cash out-flow from operation activity	28,696,203,386.70	24,115,106,238.63	19.00%
Net cash flow from operation activity	3,970,257,217.96	2,072,909,430.47	91.53%
Subtotal of cash in-flow from investment activity	13,768,606,653.54	1,646,745,380.23	736.11%
Subtotal of cash out-flow from investment activity	15,464,094,400.84	1,920,380,073.58	705.26%
Net cash flow from investment activity	-1,695,487,747.30	-273,634,693.35	-519.62%
Subtotal of cash in-flow from financing activity	2,602,742,833.92	2,299,657,561.65	13.18%
Subtotal of cash out-flow from financing activity	3,311,631,839.18	1,841,587,354.21	79.82%
Net cash flow from financing activity	-708,889,005.26	458,070,207.44	-254.76%
Net increased amount of cash and cash equivalent	1,584,920,797.49	2,270,781,048.58	-30.20%

Main reasons for y-o-y major changes in aspect of relevant data

☒ Applicable ☐ Not applicable

Major changes in net cash flow from operation activity mainly because the cash paid for good procurement and received services during the period increased from a year earlier.

The large change in net cash flow from investment activities is mainly due to the year-on-year increase in cash paid by the Company for investment.

The large change in net cash flow generated by fund-raising activities is mainly due to the year-on-year increase in cash paid by the Company to repay debts in this period.

Explanation on reasons for the significant differences between the net cash flow arising from operation activities in the Period and net profit of last year

☒ Applicable ☐ Not applicable

It is mainly due to the increase in operating receivables and operating payables at the end of the reporting period compared with the beginning of the year.

## V. Analysis of the non-main business

☒ Applicable ☐ Not applicable

In RMB

	Amount	Ratio in total profit	Note	Whether be sustainable (Y/N)
Investment income	35,709,856.70	4.39%	Mainly due to the interest income obtained by the company during the holding period of the debt investment	No
Gains/losses from fair value changes	-87,184,652.30	-10.72%	Mainly due to the change in the fair value of the company's irrevocable orders and foreign exchange contracts in this period	No
Asset impairment	-116,583,058.63	-14.33%	Mainly due to the company's provision for inventory depreciation and intangible asset impairment losses in this period	No



Non-operation income	10,938,462.86	1.34%	Mainly due to the year-on-year increase in the company's income from liquidated damages and other income in this period	No
Non-operation expenditure	11,928,863.23	1.47%	Mainly due to the company's non-current asset scrapping losses and relocation losses in this period	No

## VI. Analysis of assets and liability

### (i) Major changes of assets composition

In RMB

	Year-end of 2024		Year-begin of 2024		Ratio changes (+,-)	Note of major changes
	Amount	Ratio in total assets	Amount	Ratio in total assets		
Monetary fund	10,492,450,750.61	43.77%	8,842,623,235.72	45.03%	-1.26%	Mainly due to the decrease in the proportion caused by the increase in the total assets of the Company in this period
Account receivable	1,527,978,374.48	6.37%	1,680,303,240.09	8.56%	-2.19%	Mainly due to the company's recovery of customer payments and increase in total assets in this period, resulting in a decrease in the proportion
Contract assets	2,763,866.97	0.01%	13,261,690.62	0.07%	-0.06%	No major changes.
Inventory	3,514,968,009.34	14.66%	2,022,749,908.45	10.30%	4.36%	Mainly due to the company's business growth and increase in inventory reserves in this period
Investment real estate	66,720,850.69	0.28%	50,920,487.71	0.26%	0.02%	No major changes.
Long-term equity investment	81,511,146.82	0.34%	112,745,811.75	0.57%	-0.23%	Mainly due to the company's recovery of investment in joint ventures in this period
Fix assets	2,218,850,660.12	9.26%	2,291,776,177.80	11.67%	-2.41%	Mainly due to the increase in the company's total assets in this period, resulting in a decrease in the proportion
Construction in progress	97,807,983.40	0.41%	69,920,839.20	0.36%	0.05%	No major changes.
Right-of-use assets	113,784,190.78	0.47%	35,146,281.21	0.18%	0.29%	Mainly due to the company's new factory leasing in this period
Short-term loans	766,747,286.01	3.20%	1,134,102,419.03	5.77%	-2.57%	Mainly due to the company's repayment of bank loans in this period

	Year-end of 2024		Year-begin of 2024		Ratio changes (+,-)	Note of major changes
	Amount	Ratio in total assets	Amount	Ratio in total assets		
Contract liability	609,737,871.24	2.54%	405,733,638.26	2.07%	0.47%	Mainly due to the increase in the company's advance payment for goods in this period
Long-term loans			108,000,000.00	0.55%	-0.55%	Mainly due to the company's repayment of bank loans in this period
Lease liability	101,826,405.91	0.42%	28,976,808.54	0.15%	0.27%	Mainly due to the company's new factory leasing in this period

Foreign assets account for a relatively high proportion

☐Applicable ☒Not applicable

## (ii) Assets and liability measured by fair value

☒Applicable ☐ Not applicable

In RMB

Item	Amount at the beginning period	Changes of fair value gains/losses in this period	Accumulative changes of fair value reckoned into equity	Devaluation of withdrawing in the period	Amount of purchase in the period	Sales in the period	Other changes	Amount at end of the period
Financial assets								
1.Trading financial assets (derivative financial assets excluded)					13,070,000,000.00	13,070,000,000.00		
2. Derivative financial assets	39,236,447.63	32,773,626.80						72,010,074.43
3. Accounts receivable financing	1,641,858,740.34						-124,870,786.51	1,516,987,953.83
4. Other non current financial	674,139,515.48	4,172,388.96				2,217,600.00		676,094,304.44

Item	Amount at the beginning period	Changes of fair value gains/losses in this period	Accumulative changes of fair value reckoned into equity	Devaluation of withdrawing in the period	Amount of purchase in the period	Sales in the period	Other changes	Amount at end of the period
assets 3. Accounts receivable financing								
Subtotal of financial assets	2,355,234,703.45	36,946,015.76			13,070,000,000.00	13,072,217,600.00	-124,870,786.51	2,265,092,332.70
The above total	2,355,234,703.45	36,946,015.76			13,070,000,000.00	13,072,217,600.00	-124,870,786.51	2,265,092,332.70
Financial liabilities	32,229,012.86	124,130,668.06						156,359,680.92

Other changes:

Other changes in receivable financing are caused by the increase of notes receivable aimed at both collecting contract cash flow (collection) and selling (endorsement or discount).

Whether there have major changes on measurement attributes for main assets of the Company in report period or not

☐ Yes ☒ No

### (iii) Assets right restricted ended as reporting period

Ended as the reporting period, the Company has no major assets been closed down, detain, freeze or pledge and guarantee. As for other assets have restriction on rights found more in relevant content of “26. Assets with restricted ownership or use rights” in “V. Note of consolidate financial statement” carried under Section X. Financial Report

## VII. Investment analysis

### (i) Overall situation

☒ Applicable ☐ Not applicable

Investment in the reporting (RMB)	Investment in the same period of last year ( RMB)	Changes
475,033,242.38	45,000,000.00	955.63%

(ii) The major equity investment obtained in the reporting period

√Applicable □ Not applicable

In RMB														
Name of invested	Principal business	Meth od of invest ment	Amount of investment	Share holdin g ratio	Capi tal sour ces	Part ners	Term of investm ent	Type of produc ts	Status as of the balance sheet date	Expecte d return	Current investment profit and loss	W he ther in vo lv ed in a la ws uit (Y /N )	Date of disclosure (if applicable )	Index of disclosure (if applicable )
Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd.	General items: Technical service, technical development, technical consultation, technical exchange, technology transfer and technology popularization; Software development; Software sales; Information technology consulting services; Industrial Internet data service; Information system integration service; Electronic component manufacturing; R&D of special electronic materials; Integrated circuit manufacturing; R&D of home appliances; Manufacturing of home appliances; Sales of home appliances; Installation service of home appliances; Sales of refrigeration and air conditioning equipment; Manufacturing of	Newly established	100,000,000.00	Indirect holding of 100%	Self-fund	N/A	Long-term	Manufacturing and sales of frequency conversion drive control panel in air	During the reporting period, it invested RMB 100 million	Not applicable	-1,982,983.06	No	March 15,2024	Juchao Website www.cninfo.com.cn( 2024-006)

	refrigeration and air conditioning equipment; Sales of electronic products; Manufacturing of special electronic materials; Sales of spare parts for home appliances; Sales of metal materials; Manufacturing of communication equipment; Non-residential real estate lease; General cargo storage services (excluding dangerous chemicals and other items that need permission and approval); Import and export of goods. (Except for items that are subject to approval according to law, business activities shall be independently carried out according to law by virtue of business license)							conditi oning industr y (includ ing special air conditi oners)						
Hefei Changhong Industry Co., Ltd.	General projects: Manufacturing of electronic component; Retail of electronic components; Sales of electronic products; Manufacturing of household appliances; Labor service (excluding labor dispatch); Non-residential real estate lease; Mechanical equipment lease; Import and export of goods; Import and export of technology; R&D of household appliances; Mold sales; Mold manufacturing (except for licensed business, projects that can be operated independently according to law and are not prohibited or restricted by laws and regulations)	Purch ase	375,033,242 .38	Total direct and indire ct shareh olding of 100%	Self- fund	N/A	Long-ter m	Manuf acturin g and sale of househ old applia nces	Completed equity-to-pri ce payment and equity transfer	Not app licable	2,003,295.34	N o	October 12,2024, Cobober 14, 2024, November 30,2024, November 22, 2024	Juchao Website www.cninfo.co m.cn (2024-064)
Total	--	--	475,033,242 .38	--	--	--	--	--	--	--	20,312.28	--	--	--

**(iii)The material non-equity investment in the reporting period**

☐ Applicable ☒ Not applicable

The Company invested RMB 88 million in the refrigerator front-end capacity improvement project of Hefei manufacturing base. For details, please refer to Section VI "XIII. Explanation of Other Important Matters".

**1. As of the end of the reporting period, the project is still under construction and not completed, and the amount of related project contract is more than RMB 200 million.**

☐ Yes ☒ No ☐ Not applicable

**(iv) Financial assets investment**

**1. Securities investment**

☐ Applicable ☒ Not applicable

The Company had no securities investment in the reporting period.

**2. Derivative investment**

☒ Applicable ☐ Not applicable

**(1) Derivatives investment for hedging purposes during the reporting period**

☒ Applicable ☐ Not applicable

In RMB 10,000

Type	Initial investment	Amount at the beginning period	Profit and loss of fair value change in the current period	Changes in the cumulative fair value included in the equity	Amount purchased in the reporting period	Amount sales in the reporting period	Investment amount at period-end	Ratio of investment amount at period-end in net assets of the Company at period-end
Forward foreign exchange contract	630,614.02	332,515.07	-9,135.70	0	1,094,850.13	932,563.85	496,923.87	81.65%
<b>Total</b>	630,614.02	332,515.07	-9,135.70	0	1,094,850.13	932,563.85	496,923.87	81.65%
Specific principle of the accounting policy and calculation for derivatives in the Period compared with last period in aspect of major changes	Not applicable							
Description of actual profit and loss during the reporting period	During the reporting period, the Company confirmed the income from derivatives investment of RMB-21.2252 million.							
Description of hedging	During the reporting period, the Company adhered to the principle of exchange rate risk neutrality, used forward foreign exchange contracts as hedging tools, and signed forward foreign							

effect	exchange contracts according to the foreign exchange receipt amount predicted by sales and the target cost exchange rate. The delivery period matched with the predicted return amount, and the agreed delivery amount matched with the predicted return amount to avoid the risks caused by exchange rate fluctuations. The cash flow changes in the hedging tools during the reporting period can offset the cash flow changes in the hedged items caused by exchange rate fluctuations, which met the requirements of hedging effectiveness and achieved the hedging objectives.
Capital resource	Own fund
Risk analysis and controlling measures for derivatives holdings in the Period (including but not limited to market risk, liquidity risk, credit risks, operation risk and law risks etc.)	<p>Risk analysis:</p> <ol style="list-style-type: none"> <li>1. Market risk: domestic and international economic situation changes may lead to exchange rate fluctuations, forward foreign exchange transactions are under certain market risk. Forward foreign exchange business is aiming to reducing impact on corporate profits by foreign exchange settlement and sale prices, exchange rate fluctuations. The Company will follow up the exchange fluctuation, on the basis of target rate determined from the business, relying on the research of the foreign currency exchange rates, combined with prediction of consignments, and burdening ability to price variations due to exchange rate fluctuations, then determine the plan of forward foreign exchange contracts, and make dynamic management to the business, to ensure reasonable profit level.</li> <li>2. Liquidity risk: all foreign exchange transactions are based on a reasonable estimate of the future import and export business, to meet the requirements of the trade authenticity. In addition, forward foreign exchange transactions are processed with bank credit, will not affect liquidity of company funds.</li> <li>3. Bank default risk: if cooperative banks collapse within the contract time, the Company will not be able to transact the original foreign exchange contracts with contract price, which leads the risk of income uncertainty. So the Company chose five state-owned banks, the Chinese-funded banks in shareholding enterprise as Everbright Bank, Industrial Bank and the foreign-funded banks as UOB, OCBC, BEA etc. to conduct the trading of foreign exchange capital. These banks share a solid strength and management whose failure and the risk of loss may bring to the Company is very low.</li> <li>4. Operational risk: improper operation of the person in charge of forward foreign exchange transactions may cause related risk also. The Company has formulated related management system which defines the operation process and responsibility to prevent and control risks.</li> <li>5. The legal risks: unclear terms based in contract signed with banks for related transactions may lead legal risks when forward foreign exchange transactions are processing. The Company will strengthen legal review, and choose good bank to carry out this kind of business as to risk control.</li> </ol>
Invested derivative products have changes in market price or fair value in the Period, as for analysis of the fair value of derivatives, disclosed specific applied methods and correlation assumption and parameter setting	The Company determines fair value in accordance with the Chapter VII “Determination of Fair Value” carried in the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments. Fair-value is basically obtained according to prices offered by bank and other pricing services. While fair-value of derivatives is mainly obtained according to the balance between prices given by outstanding contracts and forward prices given by contracts signed during the reporting period with bank. The differences are identified as trading financial assets and liabilities.

Lawsuit involved (if applicable)	Not applicable
Disclosure date for approval from the Board for investment of derivatives (if applicable)	March 30,2024
Disclosure date for approval from board of shareholders for investment of derivatives (if applicable)	April 26,2024



**(2) Derivative investments for speculation during the reporting period**

☐ Applicable ☒ Not applicable

The Company had no derivative investment in the reporting period.

**(v) Application of raised proceeds**

☒ Applicable ☐ Not applicable

Nil

**VIII. Sales of major assets and equity****(i) Sales of major assets**

☐ Applicable ☒ Not applicable

No major assets are sold in the period

**(ii) Sales of major equity**

☐ Applicable ☒ Not applicable

**IX. Analysis of main holding company and stock-jointly companies**

☒ Applicable ☐ Not applicable

**(i) Particular about main subsidiaries and stock-jointly companies net profit over 10%**

In RMB

Company name	Type	Main business	Register capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Zhongke Meiling Cryogenic Technology Co., Ltd.	Subsidiary	Research and development, manufacturing and sales of ultra-low temperature freezer	96,730,934	747,326,052.54	611,741,106.18	295,773,281.94	18,785,418.13	18,087,029.57
Jiangxi Meiling Electric Appliance Co., Ltd.	Subsidiary	Manufacturing of refrigeration and freezer	50,000,000	419,664,286.58	169,822,325.58	907,613,727.78	12,438,813.90	12,341,622.60
Mianyang Meiling Refrigeration Co., Ltd.	Subsidiary	Manufacturing of refrigeration and freezer	100,000,000	174,120,831.37	125,809,187.80	394,653,666.78	3,948,567.20	3,885,488.05
Sichuan Changhong Air-conditioner Co., Ltd.	Subsidiary	R&D, manufacturing and domestic sales of air-conditioning	850,000,000	6,802,632,353.56	1,436,329,167.70	10,128,734,269.01	239,880,454.52	215,866,193.27
Zhongshan Changhong Electric Co., Ltd.	Subsidiary	R&D, manufacturing and foreign sales of air-conditioning	334,000,000	4,170,891,500.45	526,881,778.44	5,640,129,428.53	198,772,910.59	174,173,856.42
Hefei Meiling Group Holdings Limited	Subsidiary	Sales of white goods	80,000,000	1,205,253,847.15	-225,069,459.40	5,511,639,410.59	68,182,966.50	67,066,953.66
Hefei Changhong Meiling Life Appliances Co., Ltd.	Subsidiary	R&D and sales of household appliances, kitchen appliances and small home appliances	50,000,000	679,748,529.06	179,209,903.42	1,335,609,757.73	51,797,109.67	39,416,387.36

**(ii) Subsidiary obtained and disposed in the period**

√ Applicable □ Not applicable

Company name	The method of obtaining and disposing subsidiaries during the report period	The influence to the whole production and performance
Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd	Investment establishment	The wholly-owned subsidiary of the company, Changhong Air Conditioning, invested 100 million yuan to establish. The establishment of the company aims to further enhance key core technological capabilities and asset utilization, improve electronic product processing services and quality assurance capabilities, and engage in related businesses centered on manufacturing and selling variable frequency drive control boards for the air conditioning industry (including special air conditioners). It has little impact on the overall production, operation, and performance of the company.
Hefei Changhong Industrial Co., Ltd.	Business consolidation under the same control	Minor effect on the overall production and operation and performance of the company

**(iii) Description of the holding company and stock-jointly companies**

□ Applicable √ Not applicable

**X. Structured entity controlled by the Company**

□ Applicable √ Not applicable

**XI. Prospects for the future development of the company****(I) Macro-environmental analysis**

Domestic policies continue to promote consumption upgrading and green transformation, accelerate the development of green smart home appliance market through trade-in and consumption subsidies, and create growth space for high-end, intelligent and energy-saving products. At the same time, technological progress in energy conservation and emission reduction has helped popularize environmentally-friendly home appliances and promoted the industry to upgrade to a low-carbon direction. However, the home appliance industry still faces multiple challenges, such as weak consumer demand, shrinking real estate market and demographic changes, plus the fierce competition in the stock market, resulting in significant overall pressure on the industry.

Institutions such as the International Monetary Fund predict that the global economic growth rate will achieve a moderate recovery in 2025, but with significant regional differences; In terms of trade pattern, while the multilateral trading system faces challenges, the role of regional trade agreements has become increasingly prominent, against a backdrop of persistent uncertainties stemming from trade protectionism and geopolitical conflicts. Technological competition is driving the home appliance industry toward energy-efficient and environmentally-friendly transformation, and elevating requirements for product technical standards; In terms of policy, global monetary policy adjustments and fiscally balanced approaches may impact both the costs and market demand for home appliance exports. Other factors including exchange rate volatility and raw material price uncertainties will further influence home appliance export.

Overall, the Chinese home appliance sector must navigate multiple challenges in 2025, and companies need to demonstrate operational agility in adapting to environmental shifts while enhancing product competitiveness to seize opportunities.

## **(II) Industrial environment analysis**

### **1. Refrigerator (Freezer) industry**

The refrigerator industry is constantly developing in terms of technological innovation, green development, intelligence, personalization and health, and green energy saving has become an important development direction.

**Domestic Market:** In 2025, China will continue its trade-in policy, though refrigerator demand is expected to remain stable. As such policy in 2024 already absorbed some pent-up demand, the overall refrigerator market is projected to show weaker demand in 2025. Nevertheless, the trade-in policy will still drive product mix upgrades, energy efficiency improvements, and accelerated growth in the built-in refrigerator industry. With deeper policy penetration into lower-tier markets, county-level regions will unlock greater potential, likely boosting sales in third-tier and fourth-tier cities.

**Export Market:** Global demand will continue to expand, with developed markets showing recovery-driven growth while emerging markets, particularly in South America, will experience rapid expansion. This growing adoption in emerging economies serves as a key driver for sustained export growth. The implementation of updated EU standards, along with impending upgrades of national standards in parts of South America and the Middle East, will accelerate global demand for higher-tier products. The new standards and regulations will promote rapid upgrading of industrial structure, accelerate the technological R&D capabilities of energy saving, frequency conversion and large volume of products, focus on scientific management of carbon footprint, promote the upgrading of green home appliance industry, and increase the R&D and application of low-carbon production, recyclable and degradable environmental protection materials. This will not only bring new industrial opportunities, but also pose challenges to enterprises.

### **2. Air conditioning industry**

In the stock market competition, the air-conditioning industry will develop in the green, low-carbon, intelligent, healthy and personalized direction. Enterprises need to make continuous efforts in technological innovation, product function optimization and brand building to adapt to market changes and policy requirements.

Domestically, the domestic air-conditioning industry is now in the era of stock competition, and the brand concentration has been further improved. Leading enterprises continue to consolidate their market share by virtue of their technological advantages and scale effect. At the same time, some emerging brands focusing on intelligent and environmental protection technologies enter the market by virtue of their intelligence, high cost performance and technological advantages, and promote the diversification of the competitive landscape.

In terms of exports, the global attention to energy conservation and environmental protection has prompted the air-conditioning industry to accelerate the transformation to green and low carbon, and the green and low carbon policy has become increasingly strict. At the same time, consumers' demand for air conditioning functions becomes increasingly diversified. In addition to basic functions, they pay more attention to functions such as air purification and intelligent control. Therefore, enterprises need to make constant innovation and optimize product functions to adapt to changes in market demand. Judging from the competitive situation, the competition in the industry is becoming more and more fierce, including not only the competition between traditional air-conditioning

enterprises, but also the cross-sector competition from other home appliance technology enterprises. Enterprises need to constantly improve product quality, reduce costs, and strengthen brand building and after-sales service to enhance their own market competitiveness. In addition, with the promotion of the "Belt and Road Initiative" and the development of cross-border e-commerce, China's air-conditioning enterprises will further expand the international market and increase their global market share.

### **3. Washing machine industry**

The Chinese economy has entered an era of low effective demand, with the washing machine market experiencing overall growth stagnation. The 2024 national subsidy policy stimulated partial demand ahead of schedule, resulting in limited short-term sales growth in 2025. Judging from the retained number by 100 households, incremental demand from rigid-need buyers remains insufficient, shifting main market demand to "Replacement" purchases. In 2025, the extended trade-in policy will meet the trade-in demand through structural upgrading and product innovation. In the future, enterprises need to leverage this policy while aligning with technological trends including AI integration, flush-embedded designs, large-capacity models, high energy efficiency, and growing demand for washer-dryer combos, to deliver scenario-based solutions for users.

In terms of export, the global washing machine market rebounds moderately, but with limited growth rate. With the implementation of upgraded EU standards, green and energy-efficient technologies have begun to dominate global washing machine product upgrades. In developed markets represented by Europe and North America, against the backdrop of elevated technological convergence, improved product intelligence, and enhanced scenario integration, manufacturers are progressively launching premium high-efficiency drum models featuring energy-saving, intelligence, and high-performance, to elevate product profitability by technology. Meanwhile, emerging markets, mainly in Southeast Asia, Latin America, and Africa remain highly price-sensitive, still mainly with rigid demand in low-end and middle-end products, resulting in a volume-driven yet intensely competitive market landscape.

### **4. Major kitchen appliance and small home appliance industry**

Under the dual drivers of macroeconomic recovery and consumption upgrading, the major kitchen appliance and small home appliance industry is demonstrating diversified development trends. The trade-in policy has stimulated consumption while strengthened energy efficiency standards and environmental regulations are accelerating the industry's green and intelligent transformation.

In the major kitchen appliance market, traditional essential products like range hoods and cooktops maintain stable demand, though integrated cookers have seen retail sales decline due to the sluggish real estate market. As an emerging category, dishwashers have become a market highlight with their premiumization driven by technological upgrades. The deep integration of AI has enhanced health management and smart adjustment functions. Amid environmental and energy-saving trends, the application of inverter technology and recyclable materials has reduced energy consumption. In the future, the major kitchen appliance market will increasingly prioritize product personalization, differentiation, and intelligence, requiring continuous innovation from enterprises to meet consumers' demand for high-quality life. Environmental sustainability and energy efficiency

will become critical industry direction, with brand concentration expected to intensify further as leading enterprises leverage their technological and brand advantages to capture greater market share.

The small home appliance market continues its "slow-growth" trend, with traditional categories experiencing decelerated expansion while emerging segments, particularly tea bar machines and cleaning appliances, are becoming primary growth drivers through their health-oriented positioning and intelligent technology. The IoT technology promotes the interconnection of products, and innovative products such as intelligent tea bar machines and intelligent electric fans are constantly emerging.

Emerging e-commerce platforms, such as Douyin (Tik Tok), have become an important engine for the growth of small home appliance market, driving brands to grow against the trend. However, the rising cost of raw materials and the competitive pressure of homogenization still exist, and the concentration of head brands has further improved. In the future, the small home appliance market will develop in the direction of personalized customization and scene sales to meet the diverse needs of consumers. Intelligent, healthy and environmental protection will become the core direction of product innovation, and enterprises need to strengthen technological R&D and brand building to cope with market competition.

## **5. Biomedical industry**

Biomedical industry is closely related to human life and health. With the improvement of economic level and the enhancement of medical care awareness, coupled with the continuous acceleration of population aging, the demand for medical health among residents around the world is increasing, and the medical expenditure is on the rise. China is also prioritizing public health as a strategic development imperative. Furthermore, bolstered by national policies such as "vigorously developing new quality productive forces," "domestic equipment substitution" and "Healthy China Initiative", the life science instruments sector is positioned for sustained long-term growth.

### **(III) Business Plan for 2025**

#### **1. Business policy**

The Company will drive industrial development through innovation, strengthen industrial synergy through resource integration to solidify market foundations, accelerate corporate growth through internal-external convergence, develop new quality productive forces and advance digital and intelligent transformation, and achieve high-quality development the Company. In 2025, the Company aims to realize dual growth in both scale and profitability, maintaining a virtuous development trend of profitable expansion.

#### **(1) Innovation drives industrial development**

Enhance industrial competitiveness around four aspects: technological innovation, product innovation, manufacturing innovation and management innovation. In terms of technological innovation, increase technical input, empower industries, and focus on technological research that brings added value to product competitiveness. In terms of product innovation, adhere to productism, with leading products, create super single products, help comprehensively improve "appearance, quality, price and experience" and enhance brand value; In terms of manufacturing innovation, accelerate the promotion of intelligent manufacturing; In terms of management

**(2) Resource integration helps industrial matrix**

Build an industrial matrix dominated by white major home appliances, and enhance the ability of four industrial matrices around kitchen solutions, living solutions, air solutions and biomedical solutions. Help the establishment and development of industrial matrix through resource integration.

**(3) Industrial synergy consolidates market foundation**

Make use of the solid customer base and strong market awareness of the existing international market, strengthen industrial synergy, further consolidate the market base and broaden the industrial matrix.

**(4) Internal and external integration accelerates the company development**

Conduct integration from outside to inside, form scale and benefits in the international markets, invest resources to participate in domestic market competition, improve the overall technology, products, manufacturing and other capabilities of the industry, and then release it overseas. After the industrial capacity is further improved, upgrade domestic brand matrix and international brand matrix, achieve internal and external integration, and accelerate the Company's development.

**2. Market strategy****(1) Refrigerators (freezers)**

In domestic market, amid the normalization of national subsidies, the Company will seize four key opportunities: product enhancement, category synergy, retail transformation, and national subsidy penetration; Uphold the dual principles of "customer-center" to meet B2B product requirements and "user-center" to fulfill B2C replacement demand, while adhering to three guiding principles: profitability orientation, problem-solving orientation, and target orientation; Through four implementation pathways, integrate production, research and sales to consistently develop hero products and achieve traffic monetization, feature reinforcement, operational efficiency, and P&L optimization; Refine operational channels by consolidating foundational channel capabilities, aggressively expanding e-commerce channels, enhancing KT channel profitability, and optimizing lower-tier channel efficiency through integration; Upgrade market regions by categories, establish brand leadership in base markets, pursue scale maximization with improved profitability in revitalized markets, achieve substantial profitability expansion at maintained scale in improved markets, and accelerate infrastructure development in opportunity markets; Focus on brand building, elevate brand with products through online and offline integration, promote brand with core customers in core areas, and vigorously promote brand building.

In overseas markets, the Company will closely grasp the upgrading trend of global consumer demand in product layout, and mainly promote the trend products such as "air cooling, frequency conversion, multi-door, energy saving", and build a tiered product matrix of "premium high-end, value-driven mid-range, and efficient entry-level offerings" to precisely meet diversified market demands; Build a user-centered all-round marketing system, improve the demand fit of large customers and the efficiency of customer cooperation, and further enhance customer loyalty; In terms of business development, deepen cooperation to tap the potential of the stock market, consolidate the existing business foundation, focus on the layout of high-growth emerging markets, actively explore

incremental opportunities, and achieve sustained growth in market share; Deeply cultivate the brand base market, and make efforts from multiple dimensions, such as in-depth channel expansion, product matrix improvement, marketing promotion capability improvement and talent echelon construction, to comprehensively enhance brand competitiveness, accelerate the scale development of overseas independent brand business, and create a brand image with international influence.

## **(2) Air conditioners**

In the domestic market, the Company will strengthen the user experience and differentiated design based on AI technology, continue to create two product business cards, namely, "DustFree" and "LivingDining Pro", launch "Strategic hero SKUs", and continue to promote the "Panda Lazy" hero products to create premium mid-range brand offerings. It will increase market investment, improve brand awareness and reputation through event marketing, new media seeding and other ways. It will adhere to regional differentiated management, and continue to promote the implementation of special regional strategies such as *Sichuan-Chongqing Base Area Construction Plan* and *Second Base Area Market Construction Plan*. It will strengthen the improvement of service capability around users quickly and directly, and improve user satisfaction.

In overseas markets, the Company will continue to practice the concept of "profitable scale growth and profitable cash flow growth", adhere to brand priority, increase market development in base areas, and vigorously develop regional brand agents; Preserve the quantity, seek increment, focus on superior channels, expand new markets, and carry out key customer penetration; Remain attuned to market trends by elevating product premiumization, driving innovation, and advancing inverter technology adoption; Adhere to business-oriented and customer-centered principle, and constantly improve product quality, customer service ability and customer satisfaction.

## **(3) Washing machines**

In the domestic market, the Company will insist on the product-oriented principle, promote quality and high-end, and continue to build good products for the market and users. For drum washing machine products, the Company will upgrade the mid-range products and break through the high-end products; Expand the flat-embedded appearance of "As Hand Washing" series products and enhance the competitiveness of mid-range products; Extend the "Hercules" pulsator products, lay out Hercules 2.0 upwards, continuously improve energy efficiency and create a competitive advantage; Strengthen e-commerce channel capacity building and product layout, achieve scale breakthrough, and at the same time focus on offline channels, and ensure the steady growth of industrial scale based on base market construction.

In the overseas market, the Company will insist on the of internal and external integration, introduce new products and technologies in the domestic market, optimize the platform and expand products around color screen drum products, variable frequency pulsator products, large pulsator products and washing and drying machines, lay out key areas, focus on key customers and expand KA customers, and build a leading brand of drum washing machine worldwide with "color screen + flat embedded" dual drive, by increasing appearance supply and upgrading energy efficiency to meet differentiated needs.



#### **(4) Major kitchen appliances and small home appliances**

The industry adheres to the business strategy of "transformation, focus and efficiency improvement". At the retail end, the Company will optimize and upgrade around "people, goods, market and promotion", and expand the market through online and offline integration; In terms of industrial synergy, it will deepen internal system cooperation, strengthen domestic business synergy, and seize the national subsidies; At the product level, with the guidance of "expanding cooking solutions, consolidating water applications, and developing environmental products", it will create high-quality hit products; and improve service efficiency and adhere to the concept of "market-oriented, customer-centered".

#### **(5) Biomedical products**

The Company will focus on the field of life sciences, adhere to the business philosophy of "technology-based, product-based, market-oriented and customer-centered", and based on "focusing on the sample ecology, vertically deepening the whole chain of automation; Based on the life science, and horizontally expanding the field of laboratory general equipment", continue to promote the construction of market channels, expand the product matrix, enhance operational capabilities, and strive to improve operational efficiency.

Focusing on the market, the Company is customer-centered, market-oriented, growth-oriented, and internal and external synergy to promote the organization to achieve leap-forward development with equal emphasis on scale and quality. In terms of vertical and horizontal expansion, the Company will implement "focusing on the sample ecology, vertically deepening the whole chain of automation; Based on the life science, and horizontally expanding the field of laboratory general equipment", deeply cultivate low-temperature storage products, expand the lineup of new products, realize product synergy, gradually realize various application scenario solutions, and comprehensively enhance product strength. In terms of operational efficiency, the Company will attach importance to the improvement of operational quality and efficiency and strengthen the driving force of the system. At the same time, the Company will establish an open and innovative organizational mechanism, attract excellent talents and partners, build an ecosystem together, and create a new benchmark in the field of life sciences.

The above business plans and business objectives do not represent the listed company's profit forecast for 2025. Whether they can be realized depends on many factors such as changes in market conditions and the efforts of the management team. There is great uncertainty, which shall be especially noted by the investors.

#### **(IV) Possible risks and countermeasures**

Facing the objective factors such as more intense competition in the home appliance market, the operating environment of enterprises will be even worse. In 2025, the Company will face risks such as intensified industry competition, exchange rate fluctuation, price fluctuation of bulk materials, trade friction and geopolitical influence.

##### **1. Risk of industry competition: The risk of domestic industry demand decline**

The domestic major home appliance market is currently in a stage of stock competition, characterized by severe product homogenization and a lack of new consumption stimuli. While the appliance trade-in policy partially unleashed consumer demand in 2024, its industry-boosting effect for 2025 remains uncertain, potentially leading to

slowed consumption growth that may trigger corporate performance fluctuations. The Company will actively pay attention to the progress of the national home appliance consumption stimulus policy, while continuously improving product quality and cost competitiveness, well ensure product planning and market response in advance to gain more market share.

## **2. Risk of exchange rate fluctuation**

Changes in the international situation may lead to large fluctuations in the exchange rate. The Company will carefully operate the exchange rate from the perspective of steady operation and risk prevention and control, and will pay close attention to the exchange rate changes in the future to reduce the adverse effects caused by exchange rate fluctuations.

## **3. Risk of price fluctuation of bulk materials**

The main raw materials of the company's products are steel, copper, aluminum, plastics and chemical materials, etc. If the prices of bulk raw materials fluctuate greatly, the related costs of the company will also change accordingly, which will have a certain impact on the company's operating performance. The Company will continue to pay attention to the price fluctuation of bulk materials and take timely measures to deal with risks and reduce the impact of price fluctuations.

## **4. Influence of trade friction and geopolitics**

The Company will pay close attention to the impact of international trade frictions and geopolitical uncertainties on its global business, make relevant plans in advance, actively take various risk response measures, and respond quickly to mitigate the impact.

In view of the industry situation in 2024 and the development opportunities in 2025, combined with the current market risks, the Company will lay out its products, technologies and markets in advance around the business policy of "innovation-driven, resource integration, industrial synergy and internal and external integration" in 2025, in order to promote the Company's high-end and intelligent transformation, enrich its product lines, enhance its operating ability and profitability, and strive to build a comprehensive home appliance enterprise to provide consumers with better products and services and create greater value for shareholders.

**XII. In the report period, reception of research, communication and interview**

□ Applicable √Not applicable

Time	Location	Way	Reception object	Type	Main contents of the discussion and the information provided	Basic situation index of investigation
January 2,2024	#2 reference room of the administrative center of the Company	Field research	Institute	Efnd,Zhongtai Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1218790341&amp;announcementTime=2024-01-02%2017:31">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1218790341&amp;announcementTime=2024-01-02%2017:31</a>
January 5,2024	#3 reference room of the administrative center of the Company	Field research	Individual	Fuguo Fund, Guangfa Fund, GuoshengSecurities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1218816536&amp;announcementTime=2024-01-05%2017:21">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1218816536&amp;announcementTime=2024-01-05%2017:21</a>
February 21,2024	#2 reference room of the administrative center of the Company	Field research	Institute	Guangfa Fund	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219147646&amp;announcementTime=2024-02-21%2019:55">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219147646&amp;announcementTime=2024-02-21%2019:55</a>
February 23,2024	#2 reference room of the administrative center of the Company	Field research	Individual	Huaan Fund, Zhong Ou AMC, Southwest Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219171786&amp;announcementTime=2024-02-23%2018:03">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219171786&amp;announcementTime=2024-02-23%2018:03</a>
February 27,2024	#2 reference room of the administrative center of the Company	Field research	Institute	CUAM, Penghua Fund, Guosheng Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219198453&amp;announcementTime=2024-02-27%2018:57">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219198453&amp;announcementTime=2024-02-27%2018:57</a>
April 2,2024	#3 reference room of the administrative center of the Company	Field research	Individual	Great wall fund, Southern Fund, CGF,GFund Management Co., Ltd.,AXAsdb investment ManaGERS Co., Ltd.,HongdeFund,Xinhua Fund, Huaan Fund, FuguoFund,Guangfa Fund, HuataqiPinebridge Investment, Zhong Ou AM,ABC-CA Fund Management,Caitong Fund, Xinhua Fund, Dacheng Fund, Changxin Fund, PenghuaFund,SouthwestSecurities,Guosheng Securities, Shenwan Securities, China Merchants securities,Northeast Securities, Zhongtai Securities, Changjiang Securities, Industrial Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219504929&amp;announcementTime=2024-04-02%2018:49">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219504929&amp;announcementTime=2024-04-02%2018:49</a>
April 8,2024	#2 reference room of the administrative	Field research	Institute	HuaanFund,CUAM,SouthwestSecurities,Guosheng Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219536083&amp;announcementTime=2024-04-08%2017:35">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219536083&amp;announcementTime=2024-04-08%2017:35</a>

	center of the Company					
April 9,2024	#2 reference room of the administrative center of the Company	Field research	Individual	Guangfa Fund, FuguoFund, SouthweastSecurities, Guosheng Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219551684&amp;announcementTime=2024-04-09%2018:09">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219551684&amp;announcementTime=2024-04-09%2018:09</a>
April 15,2024	#2 reference room of the administrative center of the Company	Other	Other	Investors who participated in the 2023 annual performance briefing through Panorama.com's "Investor Relations Interactive Platform" ( <a href="https://ir.p5w.net">https://ir.p5w.net</a> )	Holding a presentation on the 2023 annual business results and responding the questions that investors concerned	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219619929&amp;announcementTime=2024-04-15%2018:23">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219619929&amp;announcementTime=2024-04-15%2018:23</a>
April 23,2024	#2 reference room of the administrative center of the Company	Field research	Institute	Individual Investor Song Yuhuan, Ruiyang Investment, Huaan Fund, China Futures	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219766198&amp;announcementTime=2024-04-23%2018:09">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219766198&amp;announcementTime=2024-04-23%2018:09</a>
April 24,2024	#1 reference room of the administrative center of the Company	Field research	Individual	Great Wall Fund, Southweast Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219791260&amp;announcementTime=2024-04-24%2017:55">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219791260&amp;announcementTime=2024-04-24%2017:55</a>
April 28,2024	#2 reference room of the administrative center of the Company	Field research	Institute	Jiashi Fund, Gluosheng Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219893109&amp;announcementTime=2024-04-28%2017:29">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219893109&amp;announcementTime=2024-04-28%2017:29</a>
April 30,2024	#2 reference room of the administrative center of the Company	Field research	Individual	Aegon- Industrial Fund, Zhongtai Securities, Tianfeng Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219956501&amp;announcementTime=2024-04-30%2017:27">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1219956501&amp;announcementTime=2024-04-30%2017:27</a>
May 14,2024	Meeting room of Mianyang Meiling Company	Field research	Institute	Huaan Fund, Everbright PGIM, abc-ca Fund Management, Huabao Fund, Shenwan Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220052570&amp;announcementTime=2024-05-14%2018:56">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220052570&amp;announcementTime=2024-05-14%2018:56</a>
May 22,2024	#2 reference room of the administrative center of the Company	Field research	Individual	Danyi Investment ,CITIC Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220133595&amp;announcementTime=2024-05-22%2019:40">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220133595&amp;announcementTime=2024-05-22%2019:40</a>
May 23,2024	#2 , #3 reference room of the	Field research	Institute	Boshi Fund, CICC Asset management, CICC Fund, Kaiyuan Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220144169&amp;announcementTime=2024-05-23%2017:32">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orGId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220144169&amp;announcementTime=2024-05-23%2017:32</a>

	administrative center of the Company					
May 24,2024	#2 reference room of the administrative center of the Company	Field research	Individual	CUAM,Fangzheng appliance	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220159214&amp;announcementTime=2024-05-24%2018:56">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220159214&amp;announcementTime=2024-05-24%2018:56</a>
May 30,2024	#3 reference room of the administrative center of the Company	Field research	Institute	Cunhou Fund, Huabao Dund, Dajia Asset, Guotai Junan	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220212294&amp;announcementTime=2024-05-30%2018:34">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220212294&amp;announcementTime=2024-05-30%2018:34</a>
June 5,2024	#2 reference room of the administrative center of the Company, #3 reference room of ZhongshanChanghong	Online platform for online communication, Field research	Individual	China Merchants Fund, GuoshengSecudrities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220272693&amp;announcementTime=2024-06-05%2019:14">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220272693&amp;announcementTime=2024-06-05%2019:14</a>
July 4,2024	#2 reference room of	Online platform for online communication	Institute	Huachuang Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220535014&amp;announcementTime=2024-07-04%2018:28">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220535014&amp;announcementTime=2024-07-04%2018:28</a>
July 16,2024	#4 reference room of the administrative center of the Company,	Online platform for online communication	Individual	Guotai Fund, ChangxinFund,Huatai-PineBridgeInvestment,abrdn(P),UK、PolymerCapitalManagement(P),HK,LMRPartnersLP(P),UK,StoneyLakeAsset(P),HK,TigerPacificCapital(P),USA,BeijingLongrisingAssetMgmtCoLtd(P),China,SumitomoMitsuiDSAssetManagement(P),Japan,SymmetryInvestmentsHongKongLimited(P),HK,Point72AssetManagementLP(P),United States,SumitomoMitsuiTrustBankLimited(P),JP,PolymerCapitalManagement(P),HK,USB, Zhongtai Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220653950&amp;announcementTime=2024-07-16%2018:52">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220653950&amp;announcementTime=2024-07-16%2018:52</a>
July 17,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Institute	Efnd, BOCOM Schrodgers ,Guosheng Securities, Southweast Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220664189&amp;announcementTime=2024-07-17%2019:22">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220664189&amp;announcementTime=2024-07-17%2019:22</a>
July 25,2024	#2 reference room of the	Online platform	Individual	China Merchants Fund, GuoshengSeccurities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=122">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=122</a>

	administrative center of the Company	for online communication				0731803&announcementTime=2024-07-25%2019:24
August 21,2024	#3 reference room of the administrative center of the Company	Online platform for online communication	Institute	BiyunCapital ,Huizheng Investment, Caitong Assets Management,Manulife Fund,, Heyuan Investment, Changsheng Fund, Xunyuan Asset, HuaanHexin,bosc Asset, ,CUAM,BSCOM CAIHAY Asset,Lubomai, Xiangsheng Asset, Dacheng Fund, FangzhengFubang Fund, CITIC Asset Management,Xinda Aoya, Jinying Fund, Huaxia Fund Cunhou Fund, Runhui Investment, Guosheng Securities, SouthweastSecurities,Shenwan Securities, Guotai Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220938419&amp;announcementTime=2024-08-21%2018:48">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220938419&amp;announcementTime=2024-08-21%2018:48</a>
August 23,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Individual	Fuguo Fund, Wanjia Fund, AnlianFund ,Southweat Appliances, Minsheng Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220961940&amp;announcementTime=2024-08-23%2017:52">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1220961940&amp;announcementTime=2024-08-23%2017:52</a>
September 5,2024	#1,#2 reference room of the administrative center of the Company	Online platform for online communication	Institute	Great Wall Fund,SouthweastSecurities,Guangfa Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221147466&amp;announcementTime=2024-09-05%2018:06">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221147466&amp;announcementTime=2024-09-05%2018:06</a>
September 6,2024	#1,#2 reference room of the administrative center of the Company	Online platform for online communication	Individual	Caitong Fund, China Merchants Fund ,CICC Securities, China Merchants securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221160098&amp;announcementTime=2024-09-06%2018:02">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221160098&amp;announcementTime=2024-09-06%2018:02</a>
September 9,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Institute	Boshi Fund, Shenwan Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221176844&amp;announcementTime=2024-09-09%2018:18">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221176844&amp;announcementTime=2024-09-09%2018:18</a>
September 19,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Individual	HSBC Jinxin, Zhonghang Trust, Cunhe Asset Management ,Anhe Capital ,PICC, Huatai Asset, Kaiyuan Securities, Huaifu Securities, CITIC Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221245006&amp;announcementTime=2024-09-19%2018:02">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221245006&amp;announcementTime=2024-09-19%2018:02</a>
September 25,2024	#1 reference room of the administrative center of the Company	Online platform for online communication	Institute	Zhonghan Fund, Dongwu Fund,Minsheng ROYAL Fund,Taiping Life, Hanchuan Investment, Everbright Wealth,CIB Wealth Management, Xingshi Investment, CICC Fund, UBS SDIC, Hangzhou Bank, Fangzheng Securities, CICC	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221291199&amp;announcementTime=2024-09-25%2018:04">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221291199&amp;announcementTime=2024-09-25%2018:04</a>

				Securities, China Merchants Securities, Tianfeng Securities, Huachuang Securities, CITIC ,China Securities		
September 26,2024	#2 reference room of the administrative center of the Company	Field research	Individual	Penghua Fund, CITIC Prudential Fund, Dacheng Fund, maxwealth Fund, Changjiang Securities, Shengyu Investment, Hongshang Investment, CITIC Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221306436&amp;announcementTime=2024-09-26%2018:30">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221306436&amp;announcementTime=2024-09-26%2018:30</a>
October 23,2024	#1 reference room of the administrative center of the Company	Online platform for online communication	Institute	Anlian Fund, Huaan Asset, Everbright PGIM ,ABC-CA Fund ,Great wall Fund, Jiashi Fund , Manulife Fund, XiangcaiFund, PengYANG Fund, Shenwan Fund, CUAM, Changsheng Fund , Minsheng ROYAL Fund,, Changjiang Life, Zheshang Asset Management, PICC Fund, Huaan Fund , BOCOM Schroders , Changxin Fund, Yinhe Fund, Southeast Fund, ShenwanSecurieies	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221490595&amp;announcementTime=2024-10-23%2020:06">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221490595&amp;announcementTime=2024-10-23%2020:06</a>
November 5,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Individual	ICBC Fund, Fuguo Fund, CUAM, Tianhong Fund, Ping An Fund, Huabao Fund GuangfaFund,China Fund, CICC Fund , Tianchong Assets, Guolianan Fund, Huamei International Investment Group,BOSC Asset, Taikang Asset, Westard Lide Fund, Everbright PGIM, Zheshang Asset Management, ABC-CA Fund, Guangzhou Bank ,China Merchants Asset Management, Donghai Self support, Huatai -PineBridge Investment, Suxin Fund, Ping An Life, Xinyuan Fund, Tuling Asset, Yixing Investment, Huaan Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221637937&amp;announcementTime=2024-11-05%2019:38">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221637937&amp;announcementTime=2024-11-05%2019:38</a>
November 6,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Institute	Changxin Fund, Guotai Junan	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221639903&amp;announcementTime=2024-11-06%2018:20">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221639903&amp;announcementTime=2024-11-06%2018:20</a>
November 15,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Individual	BOC Investment Management ,OrientAsset,Minsheng Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221742046&amp;announcementTime=2024-11-15%2018:20">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221742046&amp;announcementTime=2024-11-15%2018:20</a>
November 18,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Institute	Guotai Fund, Xingzheng Securities	Operation condition of the Company	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221766756&amp;announcementTime=2024-11-18%2017:32">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orId=gssz0000521&amp;stockCode=000521&amp;announcementId=1221766756&amp;announcementTime=2024-11-18%2017:32</a>
November 20,2024	#2 reference	Field	Individual	Guangfa Fund,	Operation condition of the	<a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;or">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;or</a>



	room of the administrative center of the Company	research	al	HuaanFund,SouthwestSecurities,Zhongtai Securities	Company	gId=gssz0000521&stockCode=000521&announcementId=1221789797&announcementTime=2024-11-20%2017:28
December 17,2024	#1 reference room of the administrative center of the Company	Field research	Institute	Boshi Fund, Guotai Junan	Operation condition of the Company	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&or gId=gssz0000521&stockCode=000521&announcementId=1222048467&announcementTime=2024-12-17%2018:32
December 26,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Institute	BOCOM Schroders, Southwest Securaites	Operation condition of the Company	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&or gId=gssz0000521&stockCode=000521&announcementId=1222155902&announcementTime=2024-12-26%2019:20
December 27,2024	#2 reference room of the administrative center of the Company	Online platform for online communication	Individual	CoreView capital , China Securities	Operation condition of the Company	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&or gId=gssz0000521&stockCode=000521&announcementId=1222167098&announcementTime=2024-12-27%2019:08

### XIII. Formulation and implementation of market value management system and valuation boost plan

Whether the Company has established a market value management system

☐ Yes ☒ No

Whether the Company has disclosed plans for valuation boost.

☐ Yes ☒ No

### XIV. The implementation of the action plan of "Double improvement of quality and return".

Whether the Company has disclosed the action plan of "Double improvement of quality and return".

☐ Yes ☒ No



## IV. Corporate Governance

### I. Corporate governance of the Company

#### (i) Overview of the corporate governance

In strict compliance with the Company Law, Securities Law, Governance Principles of Listed Company issued by the CSRC, the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange and Shenzhen Stock Exchange Self-Regulatory Guidelines No.1- Standardized Operation of the Listed Companies on main Board of SSE, the Company continued to construct and perfect its governance structure, thereby forming its decision-making, supervision and operation management organization with general meeting, the board of directors, the board of supervisors and operation management as the major structure. The general meeting, board of directors, board of supervisors and operation management of the Company has definite terms of reference, which can ensure an effective balance, scientific decision-making process and coordinative operation, laying firm foundation for making decisions relating to the Company's continuous, steady and healthy development.

During the reporting period, the actual situation of corporate governance has been in line with the requirements of relevant state laws and regulations, and regulatory documents relevant to governance of listed companies issued by China Securities Regulatory Commission and Shenzhen Stock Exchange.

During the reporting period, The Company revised and issued the Articles of Association, The Authorized Management System, the Rules of Procedure of the Board of Supervisors and other systems, and formulated the Implementation Rules of the ESG Management Committee, which further improved the standard operation and governance level of the Company. The overall situation of corporate governance meets the requirements of relevant national laws and regulations, and regulatory documents on corporate governance of listed companies issued by China Securities Regulatory Commission and Shenzhen Stock Exchange.

#### 1. Shareholders and general meeting

The Company standardized the procedures concerning convening, holding and voting of general meeting in strict compliance with the Articles of Association and Rules of Procedure of General Meeting. All shareholders, especially the minority shareholders, were equally treated to ensure all shareholders shall rank equal status and can fully exercise their right. During the reporting period, the Company convened 4 shareholders general meetings. In addition to convening general meeting in forms of site conference, the Company offered convenience for shareholders to present general meeting via network voting which was safe, economic and convenient. At the same time, all the matters submitted to the Company's general meeting of shareholders should count the votes of the small and medium investors separately, and the results of the vote count should be disclosed timely so as to effectively protect the rights and interests of small and medium investors and ensure that all shareholders, especially the small and medium shareholders, fully exercise their rights.

#### 2. The Company and controlling shareholders

The Company has independent business and independent management capability. The Company and its controlling shareholders owe independent business, personnel, assets, organs and finance. During the period, controlling shareholder abide by requirement of Article of Association and Management System of Related Transactions, strictly regulate their behaviors, and no controlling shareholder has directly or indirectly intervened in the Company's policy-making and business activities beyond the general meeting of stockholders, no capital or assets of the Company occupied by controlling shareholder and its affiliates either.

#### 3. The directors and board of directors

Board Meeting are revoke and open in line with the regulation of Company Law and Article of Association strictly, voting and information disclosure procedures appliance with relevant rules. All directors of the

company have carried out the work in accordance with the Rules of Procedure for the Board of Directors and the Independent Director System, conscientiously attended the board meetings and the shareholders' meetings, exercised their powers in accordance with the law, performed their duties diligently, and actively participated in relevant training organized by the Shenzhen Stock Exchange and Anhui Securities Regulatory Bureau, the Listed Companies Association of Anhui, and have been familiar with relevant laws and regulations. Independent directors strictly abide by the Guiding Opinions on Establishing an Independent Director System in Listed Companies, the Independent Director System and other regulations, in line with a serious, diligent and loyal working attitude, based on an independent and prudent stand, actively participated in the company's decision-making, carefully considered various proposals, issued prior approval and independent opinions on related transactions and major issues, fully exerted the supervision and check and balance role of independent directors, and effectively safeguarded the interests of the company and all shareholders, especially the small and medium shareholders. The four special committees of strategy, remuneration and assessment, audit and nomination under the board of directors of the company have been responsible for the discussion, decision-making, supervision and evaluation of major work issues of the company according to the corresponding working rules of each departmental committee, and quality played an important role in the scientific decision-making and the improvement of decision-making efficiency and quality.

#### 4. Supervisors and board of supervisors

The Company convened and held meeting of supervisors in strict compliance with the Company Law and Articles of Association, and the voting and information disclosure procedures of supervisors' meeting complied with relevant requirements. The tenth board of supervisors of the company has five supervisors, including two employee supervisors, the number and constitution of the board of supervisors meet the requirements of laws and regulations. All supervisors of the company can earnestly perform their duties in accordance with the requirements of the Rules of Procedure for the Board of Supervisors, supervise the decision-making procedures and resolutions of the board of directors and the legal operation of the company, review the regular reports prepared by the board of directors and put forward written review opinions, and effectively supervise and express independent opinions on the company's major events, related transactions, financial status, the legality and compliance of directors and senior executives' performance of duties by attending the general meeting of shareholders and the meeting of the board of directors from the perspective of safeguarding the legitimate rights and interests of the company and shareholders.

#### 5. The performance appraisal and incentive and constraint mechanism

According to the *Articles of Association*, the Board of Directors of the company will decide to appoint or dismiss the president, secretary of the Board of Directors and other senior management personnel of the company, and decide on their remuneration, rewards and punishments; According to the nomination of the president, decide to appoint or dismiss senior management personnel such as the company's vice president and financial officer, and decide on their remuneration, rewards and punishments. The performance evaluation of directors, supervisors, presidents and other senior management personnel shall be conducted by the Human Resources Department of the company on a daily basis, and by the Remuneration and Appraisal Committee of the company at the end of the year. The company has established and continuously improved fair and transparent performance evaluation standards and incentive and restraint mechanisms for directors, supervisors and senior management personnel. The appointment of company managers is open and transparent, in line with the relevant provisions of laws and regulations.

#### 6. The stakeholders

The Company fully respects and maintains the legitimate rights and interests of stakeholders; strengthen communication and negotiation with each other, realizes the coordination and balance of interests for all parties

including society, shareholders, company and staff, pushes forward the sustainable, steady and harmonious development of the Company together. In terms of safeguarding the interests of shareholders, the company treats all shareholders, especially the small and medium-sized shareholders equally, in strict accordance with relevant regulations, and ensures that all shareholders enjoy equal status and fully exercise their rights by regulating the convening, holding and voting procedures of the general meeting of shareholders. In terms of maintaining employees' rights and interests, starting from the company's strategy and business development, it has continuously promoted and improved talent mechanisms such as talent reserve, learning and development, career planning and guidance, whole-process performance management, and salary incentive system, regularly evaluated and continuously monitored employees' engagement, satisfaction level and corporate culture evaluation index, continuously improved employees' concerns, and realized employees' personal development goals while achieving organizational goals; In terms of protecting consumer rights, we will improve the function construction of official channel service platforms such as the 4008 service hotline, brand official website, WeChat public account, and Zhihuijia APP, and handle user needs and problems in a timely manner. We will launch services such as the 180-day freshness preservation of Meiling M fresh refrigerators and unconditional returns if you are not satisfied, to improve consumer satisfaction. In terms of protecting supplier rights, we will establish a complete procurement management system, timely optimize and revise system documents, unify information system tools, strictly control every link of procurement business, cultivate core and strategic suppliers, establish a high-end supply chain cultivation plan, and form a collaborative, cooperative and win-win situation with suppliers. In terms of protecting the interests of stakeholders, we will promote and facilitate two-way communication and information sharing based on the principle of equality and mutual benefit, and strive to establish a win-win cooperation model of common development and growth with stakeholders

#### 7. About information disclosure and transparency

During the reporting period, the company strictly complied with relevant provisions of the Listing Rules of Shenzhen Stock Exchange and the company's Information Disclosure Management System, strengthened the management of information disclosure affairs, actively fulfilled its information disclosure obligations, and designated Securities Times, China Securities Journal, Hong Kong Commercial Daily and Juchao Information Website (Juchao Website ([www.cninfo.com.cn](http://www.cninfo.com.cn))) as the designated media for the company's information disclosure, implemented strict confidential procedures for material undisclosed inside information, and controlled the scope of informed personnel. The company earnestly fulfilled its obligations to disclose relevant information in a true, accurate, timely and complete manner, and ensured that all investors equally enjoy the right to know and other legitimate rights and interests.

#### 8. Investor relations management

The Company continued to well ensure investor relations management, deepen communication and exchanges with investors, enhance investors' understanding and recognition of the company, and safeguard investors' legitimate rights and interests in accordance with the requirements of the Guidelines on Investor Relations Management of Listed Companies, Investor Relations Management System and Reception and Promotion Work System. During the reporting period, the Company adopted various forms of communication to strengthen communication with investors and convey the progress of various businesses of the Company. By strengthening the construction of the Company's website, investors can know the Company's operation in a timely, true and comprehensive manner. The Company communicated with investors through the platform of investor relations in Shenzhen Stock Exchange (<https://irm.cninfo.com.cn/>), fully listened to investors' opinions and suggestions, and earnestly safeguarded the interests of small and medium-sized investors; The Company earnestly answered and

replied to investors' visits and calls, and received and replied to faxes and e-mails, and treated media reports cautiously; The Company seriously received the visits and consultations of investors and research institutions, upheld the principle of fairness, impartiality and openness in the reception, promptly disclosed the communication contents with investors' research, and ensured that all investors were entitled to the right to be informed and other legitimate rights and interests equally. At the same time, the Company also maintained smooth communication with investors through multiple channels, modes and platforms such as conference calls and investment strategy meetings, so as to enhance investors' understanding of the Company and improve the transparency of the Company's operation. In order to help investors further understand the Company's operating performance and financial situation, the Company organized the 2023 online performance briefing meeting and achieved good results, which helped investors to understand the listed companies more comprehensively, enhanced the transparency of the Company, earnestly safeguarded the legitimate rights and interests of investors, and continuously promoted and improved the management level of investor relations in the Company. The Company insisted on safeguarding equity interests and the principle of rewarding shareholders, aiming at providing investors with long-term, steady and rising dividend returns. During the reporting period, the Company formulated the Shareholders' Return Plan for the Next Three Years (2024 -2026) to share the development achievements with its shareholders.

(ii) Whether there are significant differences between the actual state of corporate governance and laws, administrative regulations and the provision with governance concerned for listed companies issued by CSRC  
☐ Yes    ☒ No

There are no significant differences between the actual state of corporate governance and laws, administrative regulations and the provision with governance concerned for listed companies issued by CSRC

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## II. Independence of the Company relative to controlling shareholder and the actual controller in ensuring the Company's assets, personnel, finance, organization and businesses

The Company totally separated in business, personnel, assets, institutions and financial aspects from Sichuan Changhong (controlling shareholder) and actual controller State-owned Assets Supervision & Administration Commission of Mianyang Municipality, with independent business accounting, responsibility and risk and independent business operation capability.

1. The business: the Company has an independent and complete business as well as operation ability, with specialized procurement, production, technology, marketing, management, human resources and other departments. We autonomously manage and operate business on our own. While the management staff are independent from controlling shareholders and their subordinate enterprises. The Company is free from interference by controlling shareholders and other affiliates, and there is no dependence on controlling shareholders and other affiliates.

2. The personnel: personnel, labor, personnel and salary of the Company are completely independent. President, vice president, person in charge of finance, Secretary of the board of directors and other senior management personnel are working in the Company and receive salary, not receiving any remuneration and holding position of any except directors, supervisors in the controlling shareholder and its subordinate enterprises.

3. Assets: the Company owns places of production and management independent from its controlling shareholder, owns complete assets structure, independent production system, auxiliary production systems and supporting facilities, land use rights, ownership of houses and other assets, and independent purchase and sales

system. No assets occupied by controlling shareholders and other affiliates.

4. Institutions: the Company established organization completely independent from controlling shareholders; the general meeting, board of directors, board of supervisors and the internal organization are capable of taking independent action, with no controlling shareholder intervention of corporation's decision-making behavior. The Company strengthen the power restriction system via general meeting, the Board, supervisory committee, independent directors and vary committees, formulated an effective structure for corporate governance.

5. Financial aspects: the Company set up independent financial management, and independent accounting system and financial management system, independently setting up banking account and tax declaration.

### III. Horizontal competition

☐ Applicable ☒ Not applicable

### IV. In the report period, the Company held annual shareholders' general meeting and extraordinary shareholders' general meeting

#### (i) Annual Shareholders' General Meeting in the report period

Session of meeting	Type	Ratio of investor participation	Date	Date of disclosure	Index of disclosure
AGM of 2023	AGM	44.8860%	April 25,2024	April 26,2024	Juchao Website www.cninfo.com.cn( Announcement No.:2024-024 )
First Extraordinary General Meeting of 2024	Extraordinary General Meeting	42.7763%	June 18,2024	June 19,2024	Juchao Website www.cninfo.com.cn( Announcement No.:2024-036 )
Second Extraordinary General Meeting of 2024	Extraordinary General Meeting	46.8113%	October 29,2024	October 30,2024	Juchao Website www.cninfo.com.cn( Announcement No.:2024-060 )
Third Extraordinary General Meeting of 2024	Extraordinary General Meeting	38.2484%	December 27,2024	December 28,2024	Juchao Website www.cninfo.com.cn( Announcement No.:2024-076 )

#### (ii) Request for extraordinary general meeting by preferred stockholders whose voting rights restore

☐ Applicable ☒ Not applicable

# V. Directors, supervisors and senior officers

## (i) Basic information

Name	Title	Working status	Sex	Age	Start dated of office term	End date of office term	Shares held at period-begin (share)	Number of shares increased in this period (share)	Number of shares decreased in this period (share)	Other changes (share)	Shares held at period-end (share)	Reasons for increase or decrease of shares
Wu Dinggang	Chairman	In office	Male	52	April 28,2019	June 18,2027	570,500	0	0	0	570,500	Not applicable
Zhao Qilin	Director	In office	Male	49	December 23,2021	June 18,2027	0	0	0	0	0	Not applicable
Yi Suqin	Director	In office	Female	46	June 18,2024	June 18,2027	0	0	0	0	0	Not applicable
Cheng Ping	Director	In office	Male	55	June 18,2024	June 18,2027	0	0	0	0	0	Not applicable
Zhong Ming	Director	In office	Male	52	May 21,2019	June 18,2027	236,175	0	0	0	236,175	Not applicable
	President	Office leaving <sup>注</sup>			December 11,2020	November 22,2024						Not applicable
Fang Wei	Director	In office	Male	55	June 18,2024	June 18,2027	0	0	0	0	0	Not applicable
Mou Wen	Independent director	In office	Female	58	October 12,2020	October 12,2026	0	0	0	0	0	Not applicable
Hong yuanyuan	Independent director	In office	Male	49	October 12,2020	October 12,2026	0	0	0	0	0	Not applicable
Cheng Wenlong	Independent director	In office	Male	55	June 18,2024	June 18,2027	0	0	0	0	0	Not applicable
Qiu Jin	Chairman of Supervisory	In office	Male	50	June 18,2024	June 18,2027	0	0	0	0	0	Not applicable
Ma Yu	Supervisor	In office	Male	42	June 18,2024	June 18,2027	0	0	0	0	0	Not applicable
Ji Ge	Staff supervisor	In office	Female	43	December 25,2017	June 28,2027	0	0	0	0	0	Not applicable
Tang Youdao	Deputy president	In office	Male	54	March 29,2021	June 18,2027	800,000	0	0	0	800,000	Not applicable
Kou Huameng	Director	Office leaving <sup>注2</sup>	Male	55	July 3,2014	June 18,2024	0	0	0	0	0	Not applicable
	Vice president	In office			November 22,2017	June 18,2027						Not applicable

Hu Zhaogui	Director	Office leaving <sup>注2</sup>	Male	50	June 21,2018	June 18,2024	178,050	0	0	0	178,050	Not applicable Not applicable
	Vice president	In office			June 21,2018	June 18,2027						
Li Xia	Vice president	In office	Female	44	June 18,2024	June 18,2027	414,600	0	0	0	414,600	Not applicable Not applicable
	Secretary of the Board				May 22,2009	June 18,2027						
Pang Haitao	CFO	In office	Male	49	October 25,2017	June 18,2027	0	0	0	0	0	Not applicable
Yong Fengshan	Director	Office leaving <sup>注2</sup>	Male	56	September 12,2017	June 18,2024	0	0	0	0	0	Not applicable
Zhao Gang	Independent director	Office leaving <sup>注2</sup>	Male	46	October 12,2020	June 18,2024	0	0	0	0	0	Not applicable
Shao Min	Chairman of Supervisory	Office leaving <sup>注2</sup>	Male	42	September 12,2017	June 18,2024	0	0	0	0	0	Not applicable
He Xintan	Supervisor	Office leaving <sup>注2</sup>	Male	44	September 12,2017	June 18,2024	0	0	0	0	0	Not applicable
Huang Hong	Supervisor	Office leaving <sup>注2</sup>	Female	54	September 12,2017	June 18,2024	0	0	0	0	0	Not applicable
Sun Hongying	Staff supervisor	Office leaving <sup>注2</sup>	Female	53	March 30,2021	June 18,2024	0	0	0	0	0	Not applicable
Huang Danian	Vice president	Office leaving <sup>注2</sup>	Male	55	September 12,2017	June 18,2024	356,450	0	0	0	356,450	Not applicable
Total	--	--	--	--	--	--	2,555,775	0	0	0	2,555,775	--

Note 1: On June 18, 2024, the 10th Board of Directors and the Board of Supervisors of the Company were re-elected. After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Wu Dinggang, Mr. Zhao Qilin, Ms. Yi Suqin, Mr. Cheng Ping, Mr. Zhong Ming and Mr. Fang Wei as non-independent directors of the 11th Board of Directors of the Company; elect Ms. Mu Wen, Mr. Hong Yuanjia and Mr. Cheng Wenlong as independent directors of the 11th Board of Directors of the Company; and elect Mr. Qiu Jin and Mr. Ma Yu as supervisors of the 11th Board of Supervisors of the Company.

On June 17, 2024, on the second meeting of the 9th Employee Congress of the Company, it is agreed to democratically elect Ms. Ji Ge as the employee supervisor of the 11th Board of Supervisors of the Company.

On June 18, 2024, the Company held the first meeting of the 11th Board of Directors to hold a general election for senior management, and agreed to appoint Mr. Zhong Ming as the president of the Company, Mr. Tang Youdao, Mr. Kou Huameng and Mr. Hu Zhaogui as vice presidents of the Company, Ms. Li Xia as the vice president and secretary of the Board of Directors of the Company, and Mr. Pang Haitao as the financial controller of the Company.

Note 2: On November 22, 2024, Mr. Zhong Ming, the former president of the Company, resigned as the president of the Company due to personal work changes. On the same day, the Company held the sixth meeting of the 11th Board of Directors, and authorized Mr. Tang Youdao, the vice president of the Company, to act as the president of the Company from the date of review and approval by the Board of Directors to the date of appointment of a new president by the Board of Directors.



## 1. During the reporting period, whether there was any departure of directors and supervisors and dismissal of Senior Officers

√Yes □No

(1) On June 18, 2024, the 10th Board of Directors of the Company was re-elected, and Mr. YongFengshan, the director, left after his term expired.

(2) On June 18, 2024, the 10th Board of Directors of the Company was re-elected, and Mr. Kou Huameng, the director, left after his term expired, however he was appointed as the vice president by the 11th Board of Directors.

(3) On June 18, 2024, the 10th Board of Directors of the Company was re-elected, and Mr. Hu Zhaogui, the director, left after his term expired, however he was appointed as the vice president by the 11th Board of Directors.

(4) On June 18, 2024, the 10th Board of Directors of the Company was re-elected, and Mr. Zhao Gang, the independent director, left after his term expired.

(5) On June 18, 2024, the 10th Board of supervisors of the Company was re-elected, and Mr. Shao Min, Chairman of the Board of Supervisors, left after his term expired.

(6) On June 18, 2024, the 10th Board of supervisors of the Company was re-elected, and Mr. He Xintan, the supervisor of the Board of Supervisors, left after his term expired.

(7) On June 18, 2024, the 10th Board of supervisors of the Company was re-elected, and Ms. Huang Hong, the supervisor of the Board of Supervisors, left after his term expired.

(8) On June 18, 2024, the 10th Board of supervisors of the Company was re-elected, and Ms. Sun Hongying, the supervisor of the Board of Supervisors, left after his term expired.

(9) On June 18, 2024, The Company held the first meeting of the 11th Board of Directors to change the senior management. Mr. Huang Danian no longer served as the vice president.

(10) On November 22, 2024, Mr. Zhong Ming, the former president of the Company, resigned due to personal work changes. After his resignation, he would continue to serve in the Company as a director, a member of the Strategy Committee under the Board of Directors, a member of the Nomination Committee and a member of the ESG Management Committee.

## 2. Changes of directors, supervisors and senior executives

√Applicable □Not applicable

Name	Title	Types	Date	Reason
Wu Dinggang	Director	Elected	June 18, 2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Wu Dinggang as a non-independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders
	Chairman	Elected	June 18, 2024	According to the resolution of the first meeting of the 11th Board of Directors of the Company, it was agreed to elect Mr. Wu Dinggang as the chairman

				of the 11th Board of Directors of the Company, with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.
Zhao Qilin	Director	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Zhao Qilin as a non-independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders
Ye Suqin	Director	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Ms. Yi Suqin as a non-independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders
Cheng Ping	Director	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Cheng Ping as a non-independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders
Zhong Ming	Director	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Zhong Ming as a non-independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders
	President	Appoint	June 18,2024	According to the resolution of the first meeting of the 11th Board of Directors of the Company, it was agreed to elect Mr. Zhong Ming as the Vice chairman of the 11th Board of Directors of the Company, with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.
	President	Dimission	November 22,2024	Due to personal reasons, he appoint to resign from his position as executive vice president of the company
Fang Wei	Director	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Fang Wei as a non-independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of

				review and approval at the General Meeting of Shareholders
Mou Wen	Independent director	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Ms. Mou Wen as an independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders
Hong Yuanjia	Independent director	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Hong Yuanjia as an independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders
Cheng Wenlong	Independent director	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Cheng Wenlong as an independent director of the 11th Board of Directors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders
Qiu Jin	Supervisor	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Qiu Jian as the shareholder representative supervisor of the 11th Board of supervisors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders.
	Chairman of Supervisory	Elected	June 18,2024	According to the resolution of the first meeting of the 11th Board of Supervisors of the Company, it was agreed to elect Mr. Qiu Jin as the chairman of the 11th Board of supervisors of the Company, with a term of office of three years, The term of office is consistent with the term of office of the current Board of Supervisors.
Ma Yu	Supervisor	Elected	June 18,2024	After review and approval at the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to elect Mr. Ma Yu as the shareholder representative supervisor of the 11th Board of supervisors of the Company, with a term of office of three years, which will take effect from the date of review and approval at the General Meeting of Shareholders.
Ji Ge	Staff supervisor	Elected	June 17,2024	After democratic election by 2nd session of the 9th employee representative meeting, Ms. Ji Ge was elected as the employee supervisor of the 11th board of supervisors, with a term of office of three years, The term of office is consistent with

				the term of office of the current Board of Supervisors.
Tang Youdao	Vice president	Appoint	June 18,2024, November 22, 2024	<p>According to the resolution of the first meeting of the 11th Board of Directors, it was agreed to appoint Mr. Tang Youdao as the Company's vice president. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.</p> <p>According to the resolution of the Sixth meeting of the 11th Board of Directors, it was agreed to appoint Mr. Tang Youdao as the Company's vice president. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.</p>
Kou Huameng	Director	Dimission	June 18,2024	When the Board of Directors changes, he will resign at the expiration of his term of office.
	Vice president	Appoint	June 18,2024	According to the resolution of the first meeting of the 11th Board of Directors, it was agreed to appoint Mr. Kou Huameng as the Company's vice president. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.
Hu Zhaogei	Director	Dimission	June 18,2024	When the Board of Directors changes, he will resign at the expiration of his term of office.
	Vice president	Appoint	June 18,2024	According to the resolution of the first meeting of the 11th Board of Directors, it was agreed to appoint Mr. Huu Zhaogui as the Company's vice president. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.
Li Xia	Vice president	Appoint	June 18,2024	According to the resolution of the first meeting of the 11th Board of Directors, it was agreed to appoint Ms. Li Xia as the Company's vice president. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.
	Secretary of the Board	Appoint	June 18,2024	According to the resolution of the first meeting of the 11th Board of Directors, it was agreed to appoint Ms. Li Xia as the Company's secretary of the board. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.
Pang Haitao	CFO	Appoint	June 18,2024	According to the resolution of the first meeting of the 11th Board of Directors, it was agreed to

				appoint Mr.Pang Haitao  as the Company's CFO. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.
Yong Fengshan	Director	Dimission	June 18,2024	When the Board of Directors changes, he will resign at the expiration of his term of office.
Zhao Gang	Independent director	Dimission	June 18,2024	When the Board of Directors changes, he will resign at the expiration of his term of office.
Shao Min	Chairman of Supervisory	Dimission	June 18,2024	When the Board of Supervisors changes, he will resign at the expiration of his term of office.
He Xintan	Supervisor	Dimission	June 18,2024	When the Board of Directors changes, he will resign at the expiration of his term of office.
Hong Hong	Supervisor	Dimission	June 18,2024	When the Board of Directors changes, he will resign at the expiration of his term of office.
Sun Hongying	Staff supervisor	Dimission	June 18,2024	When the Board of Supervisors changes, he will resign at the expiration of his term of office.
Huang Danian	Vice president	Dimission	June 18,2024	He will resign at the expiration of his term of office.

## (ii) Post-holding

### 1. Professional background, major working experience and present main responsibilities in Company of directors, supervisors and senior executive at the present

(1) Wu Dinggang, male, the Han nationality from Suining, Sichuan Province, was born in March 1973, Member of CPC, owns bachelor degree, graduate from Tianjin University of Commerce China (Tianjin University of Commerce now), major in refrigeration equipment and cryogenic technique. He served successively as GM of Suining Sale Branch and Chengdu Sales Branch of Sichuan Changhong Electric Co., LTD, director of Sichuan and Chongqing Marketing Management Department of Sichuan Changhong Electric Co., LTD, deputy GM of Changhong Electronics (China) Marketing Co., GM of market planning center of Changhong Multimedia Industry, director and GM of Le-Jia-Yi Chain Management Co., Ltd., ZhongkeMeiling Cryogenic Technology Co., Ltd. director and GM of Sichuan Changong Air Conditioner Co., Ltd and deputy president, president, deputy chairman and Party Secretary of the Company. Currently he serves as director, vice GM of Sichuan Changhong Electric Co., Ltd., chairman of the Company; Chairman of Zhongshan Changhong Electric Co., LTD; Chairman of Sichuan Changhong Air-conditioner Co., Ltd. and Chairman of ZhongkeMeiling Cryogenic Technology Co., Ltd.

(2)Zhao Qilin, male, Han nationality, born in September 1975, graduated from Southwestern University of Finance and Economics with a bachelor's degree in rural finance, and served as accountant of the financial department, investment project manager, asset management manager of asset management department, manager of investment management department, and securities affairs representative of Sichuan Changhong Electric Co., Ltd.; financial manager of Sichuan Changhong Innovation Investment Co., Ltd.; chief financial officer and and joint company secretary of Changhong Jiahua Holdings Co., Ltd.. He currently serves as secretary of the board, general counsel, office director of the board of directors, and director of the asset management department of Sichuan Changhong Electric Co., Ltd., director of Anjian Holdings Co., Ltd.,director of Sichuan Changhong Innovation Investment Co., Ltd.. and the director of the Company.

(3)YiSuqin, female, Han, born in August 1978 in Xiantao, Hubei Province, member of the Communist Party of China, master's degree in Business Administration from University of Electronic Science and Technology of China,

bachelor's degree in International Accounting from Zhongnan University of Economics and Law, Senior Accountant. She has served as the Leading Accountant of Jining Sales Branch and Shijiazhuang Sales Branch of Sichuan Changhong Electric Co.,Ltd., the Marketing Finance Director and Cost Director of Multimedia Company of Sichuan Changhong Electric Co.,Ltd., the Manager of Tax Section of Finance Department, the Director of Tax Section, and the Senior Manager of Taxation and Integration of Sichuan Changhong Electric Co.,Ltd., and the Deputy Head of Financial Management Department of Sichuan Changhong Electric Co.,Ltd. She is currently the Head of the Finance Department of Sichuan Changhong Electronic Holdings Limited, the Supervisor of Sichuan Changhong Electric Co.,Ltd. and the Director of the Company.

(4) Cheng Ping, male, Han, born in September 1969 in Pujiang, Sichuan, bachelor's degree in Radio Technology from the Radio Department of University of Electronic Science and Technology of China. He has served as the head of the Technical Management Section of the Technical Quality Department and the Planning Technology Department of Sichuan Changhong Electric Co.,Ltd., concurrently as the General Manager of Sichuan Hongdian Digital Home Industry Technology Research Institute Co., Ltd., the director, the deputy head and head of the Science and Technology Management Department of Sichuan Changhong Electric Co.,Ltd. He is currently the head of Strategy and Technology Development Department of Sichuan Changhong Electronic Holdings Limited, the director of Sichuan Changhong Intelligent Health Technologies Co., Ltd., the director of Sichuan Changhong Education Technology Co., Ltd., the director of Zhongjiu Shining Medical Technology Co., Ltd., and the director of the Company.

(5) Zhong Ming, male, the Han nationality from Meishan, Sichuan Province, was born in November 1972, member of CPC, a senior engineer, doctoral degree, EMBA degree from University of Science and Technology of China, PhD degree in Engineering Thermophysics. He successively served as deputy director of research institution of Sichuan Changhong Air-conditioner Co., Ltd., deputy GM of Sichuan Changhong Air-conditioner Co., Ltd. and technical director of household appliance group of Sichuan Changhong Electric Co., Ltd. He serves as director President and Party Secretary of the Company currently, Chairman of Zhongshan Meiling Wulian Technology Co., Ltd., Director of Sichuan Changhong Air-conditioning Co., Ltd., and Director of Zhongke Meiling Low Temperature Technology Co., Ltd.

(6) Fang Wei, male, Han, born in September 1969 in Wuhu, Anhui Province, member of the Communist Party of China, Senior Accountant, college degree, has served as the head of Fund Section of the Finance Department of Hefei Sifang Chemical Group Limited Liability Company, the deputy head and head of the Planning and Finance Department of Hefei Industrial Investment Holdings Co., Ltd., and the General Manager of the Planning and Finance Department of Hefei Industrial Investment Holdings (Group) Co., Ltd. He is currently the Chief Economist of Hefei Industrial Investment Holdings (Group) Co., Ltd. and the Director of the Company.

(7) Mou Wen, female, Han, born in September 1965 in Hengshan, Hunan Province, master's degree in Business Management from Sichuan University. She used to serve as a lecturer in the Business School of Sichuan University, an associate professor of accounting in the Business School of Sichuan University, an independent director of Tibet Mining Development Co., Ltd., Sichuan Jinlu Group Co., Ltd., Changhong Huayi Compressor Co., Ltd., Jinhui Liquor Co., Ltd., Sichuan Teway Food Co., Ltd., Hebei Baoli Engineering Equipment Corporation Limited, Fulin Precision Machining Co.,Ltd., and Chengdu Silicon Treasure Technology Co., Ltd., an independent director of

Sichuan Junyi Digital Technology Co., Ltd., and a member of the Investment Decision Advisory Committee of Sichuan Chuanjiao Road & Bridge Co., Ltd., and a financial consultant of Sichuan Dakar Electric Co., Ltd. She is currently an associate professor of accounting and a master tutor at the Business School of Sichuan University, an independent director of Tibet Mining Development Co., Ltd., an independent director of Chengdu RuixueFengtai Precision Machinery Co., Ltd., and an independent director of the Company.

(8) Hong yuanjia, male, Han nationality, born in February 1975, Shantou, Guangdong, holds a master degree, graduated from Shanghai University of Finance and Economics majoring in international business management, and is Fudan University MPAcc (Master of Accounting), CPA, International Accountant (AIA), intermediate accountant, and intermediate economist. He once served as the foreign currency payable supervisor and investment supervisor of China Eastern Airlines Co., Ltd., the deputy manager of the financial department of the Shanghai Representative Office of SanchengHongji (Hong Kong) Co., Ltd., the accounting manager of General Electric Lighting Co., Ltd., the accounting manager of General Electric Industrial Supply Co., Ltd., and Chief Financial Officer of Lingji Electronics (General Electrical Industry System Power Supply). He is currently the Chief Financial Officer of Asia Pacific Region of Yiluo Technology (Shanghai) Co., Ltd. and an independent director of the Company.

(9) Mr. Cheng Wenlong, male, Han, born in September 1969 in Ningguo City, Anhui Province, doctoral degree in Engineering Thermophysics from China University of Science and Technology. He has served as a teaching assistant, lecturer, associate professor and professor at the School of Engineering Science, University of Science and Technology of China. He is currently a professor and doctoral supervisor at the School of Engineering Science, University of Science and Technology of China, a vice chairman of Anhui Refrigeration Society, an independent director of Beijing Zhongshi Weiye Technology Co., Ltd. and independent director of the Company.

(10) Qiu Jin, male, Han, born in May 1974 in Jiangyou, Sichuan, bachelor's degree in accounting from Southwest University of Science and Technology. He began to work in October 1996, and served as an accountant and chief accountant in Jiangyou Post Office, a project manager of Economic Benefit Department of Sichuan Changhong Electric Co., Ltd., head of Audit Department of Changhong Meiling Co., Ltd., head of Marketing Audit Section and head of Economic Benefit Section of Sichuan Changhong Electric Co., Ltd., head of Audit Department of Sichuan Electronic Military Industry Group Co., Ltd., and an senior manager of Intelligent Integration of Sichuan Changhong Electronic Holdings Limited. He is currently the director of the Audit Department of Sichuan Changhong Electric Co., Ltd. and the chairman of the Board of Supervisors of the Company.

(11) Ma Yu, male, Hui, born in June 1982 in Mianyang, Sichuan, bachelor's degree in Trade and Economics from Xi'an Jiaotong University. He began to work in July 2005, and has served as an overseas sales manager and a product planning manager of product planning center of Sichuan Changhong Electric Co., Ltd., and an operation manager of Strategic Management Department of Sichuan Changhong Electronic Holdings Limited. He is currently the risk control manager of the Compliance and Risk Control Department of Sichuan Changhong Electronic Holdings Limited and the supervisor of the Company.

(12) Ji Ge, female, Han, born in January 1982 in Nanyang, Henan Province, bachelor's degree in law from Hunan University and master's degree in law from Anhui University. She began to work in July 2005, and has served as an Legal Commissioner, Legal Officer, Intellectual Property Director of the Legal Department, Head of the Legal



Department, Head of the Board Office and Compliance and Risk Control Department of Changhong Meiling Co., Ltd. She is currently the director of the Board Office and Compliance Risk Control Department, employee supervisor, director of the Party Committee Office and director of the Committee Office for Discipline Inspection of the Company.

(13) Tang Youdao, male, Han, born in July 1970 in Xuancheng, Anhui Province, bachelor's degree in Industrial Management Engineering from Wuhan University of Technology. He has served as an overseas marketing manager, head of Marketing Department, head of Overseas Marketing Department, general manager of Overseas Business Department, general manager of Ice Washing Business Headquarters and general manager of International Ice Washing Business Department. He is currently the vice president of the Company (acting as the president).

(14) Kou Huameng, male, the Han nationality from Yanting, Sichuan Province, was born in February 1970, Member of CPC, master degree candidate, EMBA graduate from UESTC. He served successively as deputy director of production office of Sichuan Changhong Electric Co., LTD, director of Guangxi Marketing management Committee, director of Fujian-Jiangxi Marketing Management, General Manager of Changhong Audiovisual Company and director and GM of Guangdong Changhong Digital Technology Co., Ltd.; Sichuan Changhong Electric Co., Ltd, director of development management department of Sichuan Changhong Electric Co., Ltd., and director of ChanghongHuayi Compressor Co., Ltd.; now he serves as director and deputy president of the Company.

(15) Hu Zhaogui, male, the Han nationality, born in Feixi Hefei in October 1974, a member of the Communist Party of China, holds a master's degree, graduated from Chongqing University as a master of business administration. He has served successively as the head of marketing and sales department stationed abroad of Hefei Meiling Co., Ltd., assistant president and general manager of the freezer and washing machine business division, and general manager of the domestic marketing division. He is currently the director and vice president of the Company and the general manager of Sichuan Changhong Air Conditioner Co., Ltd.

(16) Li Xia, female, the Han nationality from Qionglai, Sichuan Province, was born in October 1980, Member of CPC and Intermediate Accountant with Master Degree. She graduated from Accounting Department of Sichuan University Business and Management School. She ever was Project Manager in Financing & Acquisition Office of Asset Management Department and Business Executive in Board Office of Sichuan Changhong Electronic Co., Ltd. she took the posts of Deputy GM and Financial Supervisor of Sichuan Changhong Innovation Investment Co., Ltd., and chairman of supervisory committee of ZhongkeMeiling Cryogenic Technology Co., Ltd. She is the Secretary of the Board, deputy secretary of the Party, secretary of discipline inspection commission and general counsel of the Company recently.

(17) Pang Haitao, male, Han nationality, was born in Qionghai, Hainan in May 1975, a member of the Communist Party of China, a senior accountant, a senior political engineer, and a bachelor degree holder, and earned the EMBA degree from Jiangxi University of Finance and Economics. He used to be a member of the finance department, the director of related transactions and the director of capital operations of Sichuan Changhong Electric Co., Ltd., the chief of finance office of Guangdong Changhong Electronics Co., Ltd., the director of general ledger, the head of general management office, and the head of general ledger management office of the finance department of Sichuan Changhong Electric Co., Ltd., the deputy general manager and chief financial officer of Sichuan Changhong Development Co., Ltd., the deputy general manager and chief accountant of Huayi Compressor Co., Ltd. Currently he is the chief financial officer (person in charge of finance) of the Company.

## 2. Post-holding in shareholder's unit

√ Applicable    □ Not applicable



Name	Shareholder's unit	Title	Start date of office term	End date of office term	Drawing remuneration and allowance from shareholder's unit (Y/N)
Wu Dinggang	Sichuan Changhong Electric Co., Ltd.	Deputy GM	2019.1.11	2026.12.28	Yes
Zhai Qilin	Sichuan Changhong Electric Co., Ltd.	Secretary of the Board of Directors	2020.12.16	2026.12.28	Yes
		Chief Compliance Officer	2022.11.25	2026.12.28	No
		General counsel	2022.02.14	-	No
		Director of the office of the Board of Directors	2021.03.29	-	No
		Director of the management office of ESG	2023.01.09	-	No
		The Minister of the General Management Department	2024.01.26	-	No
Yi Suqin	Sichuan Changhong Electric Co., Ltd.	Supervisor	2023.12.29	2026.12.28	No
Fang Wei	Hefei Industrial Investment Holding (Group) Co., Ltd.	Chief Economist	2022.01.11	-	Yes
Qiu Jin	Sichuan Changhong Electric Co., Ltd.	Audit minister	2021.04.01	-	Yes
Post-holding in shareholder's unit		N/A			

### 3. Post-holding in other unit

√ Applicable    □ Not applicable

Name	Other unit	Title	Start date of office term	End date of office term	Drawing remuneration and allowance from other unit (Y/N)
Zhao Qilin	Sichuan Changhong Innovation Investment Co., Ltd.	Director	2021.01.21	-	No
	WIDEMIRACLELIMITED	Director	2014.07.14	-	No
	Ganghong Industrial Co., Ltd.	Director	2013.06.18	-	No
	SUFFICIENTVALUEGROUPLIMITED	Director	2013.06.18	-	No
	ChanghongJiahua (Hong Kong) Information Products Co., Ltd.	Director	2021.01.08	-	No
	Anjian Holdings Co., Ltd.	Director	2012.01.19	-	No
	Guangzhou Huanwang Technology Co., Ltd.	Director	2022.05.23		No

	Changhong Jiahua Holdings Co., Ltd.	Executive director	2023.03.17	-	No
	MianyangChanghong Technology Co., Ltd.	Chairman	2023.08.15	-	No
	Sichuan Changhong Minsheng Logistic Co., Ltd.	Chairman	2024.05.16	-	No
Yi Suqin	Sichuan Changhong Electronics Holding Group Co., Ltd..	Minster of finance	2024.01.26	-	Yes
	Sichuan Changhong Group Finance Co., Ltd.	Director	2024.07.25	-	No
Cheng Ping	Sichuan Changhong Electronics Holding Group Co., Ltd.	Minister of Strategy and Science and Technology Development	2023.10.27	-	Yes
	ZhongjiuShanguang Medical Technology Co., Ltd.	Director	2022.09.15	-	No
	Sichuan Changhong New Material Technology Co., Ltd.	Director	2023.02.10	-	No
	Sichuan Changhong Education Technology Co., Ltd	Director	2018.04.20	-	No
	Sichuan Changhong Smart Health Technology Co., Ltd	Director	2023.08.04	-	No
	Sichuan Ansifei Technology Co., Ltd.	Chairman	2023.07.26	-	No
Zhong Ming	Sichuan Qiruk Technology Co., Ltd.	Director, General Manager	2024.12.10	2026.12.09	Yes
Fang Wei	Hefei Venture Capital Guide Fund Co., Ltd	Chairman	2024.02.02	-	No
	efei Science and Technology Rural Commercial Bank Co., Ltd	Director	2022.07.09	-	No
	Science Island Hefei Technology Innovation Engineering Institute Co., Ltd	Chairman	2023.05.02	-	No
	Hefei Life Health Industry Development Co., Ltd	Chairman	2024.01.10	-	No
	Ma'Anshan Iron and Steel (Hefei) Co., LTD	Director	2022.04.15		No
	Changxin Technology GroupCo., Ltd.	Director	2022.09.19		No
	Hefei Medical Device Inspection and Testing Center Co., Ltd	Executive director	2024.05.27		No
	Anhui Amway Materials Technology Co., Ltd	Director	2024.02.02		No

Mou Wen	Business School of Sichuan University	Associate professor, master tutor	1995.02	-	Yes
	Tibet Mining Development Co., Ltd.	Independent director	2021.03.09	2027.06.01	Yes
	hengduRuixueFengtai Precision Electronics Shares Co., Ltd.	Independent director	2025.01.01	2027.12.31	Yes
Hong Yuanjia	YiluoTechnology( Shanghai) Co., Ltd.	CFO of Asia pacific	2014.06	-	Yes
Cheng Wenlong	University of Science and Technology of China	Teacher and doctoral supervisor	2014.06.01	-	Yes
	Beijing Zhongshi Weiye Technology Co., Ltd	Independent director	2022.01.24	2025.01.24	Yes
Qiu Jin	Sichuan Changhong Jiahua Information Products Co., Ltd	Chairman of the Board of Supervisors	2023.05.31	2026.05.30	No
	Sichuan Hongxin Software Co., Ltd	Chairman of the Board of Supervisors	2022.07.01	2025.06.30	No
	Sichuan Changhong Communication Technology Co., Ltd	Supervisor	2018.09.13	2027.09.12	No
	Sichuan Changhong Cloud Computing Co., Ltd	Supervisor	2018.04.11	2027.04.10	No
	Beijing Changhong Information Technology Co., LTD	Supervisor	2021.12.02	2027.12.01	No
	Sichuan Changhong International Hotel Co., Ltd	Supervisor	2024.04.10	2027.04.09	No
	Sichuan Temons Hotel Co., Ltd	Supervisor	2024.04.15	2027.04.14	No
Ma Yu	Sichuan Changhong Electronics Holding Group Co., Ltd	Manager of the Compliance and Risk Control Department	2021.04	-	Yes
Hu Zhaogui	Sichuan Zhiyijia Network Technology Co., Ltd.	Director	2019.07.25	-	No
	Sichuan TianyouGuigu Technology Co., Ltd.	Director	2018.01.16	-	No
	Chengdu Guigu Environmental Tech. Co., Ltd.	Director	2018.06.30	-	No
Pang Haitao	Hefei Xingmei Asset Management Co., Ltd.	Director	2018.02.05	-	No
Post-holding in other unit	N/A				

**4. Punishment of securities regulatory authority in recent three years to the company's current and outgoing directors, supervisors and senior management during the reporting period**

☐ Applicable ☒ Not applicable

**(iii) Remuneration of directors, supervisors and senior executives****1. Decision-making, determine basis and actually payment of remuneration for directors, supervisors and senior executives**

(1) Procedure for deciding remunerations of directors, supervisors and senior management

Implemented in line with laws, regulations and relevant rules of “Company Law”, “Article of Association” and “Enforcement Regulation of Remuneration and Evaluation Committee of the Board”, including:

Allowance plan of independent directors are implemented after deliberated in the Board and approved in Shareholders’ General Meeting. Other directors and non-staff supervisors except independent directors are received no remuneration from the Company.

Remuneration of senior executives are deliberated and approved by the Board according to remuneration evaluation plan together with opinions of Remuneration and Evaluation Committee.

The remuneration appraisal and payment for directors and senior executive of the Company for Current Year will disclose in the Annual Report after review without objection from Remuneration & Appraisal Committee of the Board and submit to the BOD for Current Year.

(2) Bases on which remunerations of directors, supervisors and senior management are decided

According to the company's basic salary system, combined with the industry salary level and salary orientation, following the salary management concept of "post value reflected and performance-oriented", giving full play to the incentive function of salary, closely combining employee compensation with the company's overall performance, according to the company's performance management rules, the annual performance evaluation on the work of senior management personnel is carried out, and the performance salary is cashed according to the performance evaluation results.

(3) Actual payment of remunerations of directors, supervisors and senior management

Allowance of the independent directors are paid by the standards approved in Annual Shareholders’ General Meeting, other director, who serves as senior executive at the same time, and non-staff supervisors except independent directors did not received remuneration from the Company; remunerations for senior executives of the Company are paid strictly by the unify remuneration valuation mechanism of the Company.

Directors, supervisors and senior executives of the Company has 17 in total up to 31 December 2024, actually 10 person receiving remuneration from the Company, 3 staff supervisors are received their remuneration by actual positions (non-supervisor post); furthermore, 3 independent directors are received the allowance monthly from the Company; the Company will pay remuneration to 5 senior executives in line with the performance appraisal by monthly, quarterly and annual.

During the reporting period, the Company has established the executive compensation and performance management program for the senior management of 2022 in accordance with the main scope, the responsibilities, the importance of the management positions of the senior management, and the compensation level of other relevant company and position, the program includes but not limited to the company's key performance indicator (KPI) and performance evaluation criteria, procedures and major evaluation system; the major programs of the reward and punishment; review the performance of duties of the company's senior management and conduct the annual performance appraisal.

**2. Remuneration for directors, supervisors and senior executives in reporting period**

In RMB 10,000

Name	Sex	Age	Title	Post status	Total remuneration obtained from the Company (before taxes)	Whether remuneration obtained from related party of the Company
Wu Dinggang	Male	52	Chairman	In Office	0	Yes
Zhao Qilin	Male	49	Director	In Office	0	Yes
Yi Suqin	Female	46	Director	In Office	0	Yes
Cheng Ping	Male	55	Director	In Office	0	Yes
Zhong	Male	52	Director	In Office	137.49	Yes

Ming						
Fang Wei	Male	55	Director	In Office	0	Yes
Mou Wen	Female	58	Independent director	In Office	11.9	No
Hong Yuanjia	Male	49	Independent director	In Office	11.9	No
Cheng Wenlong	Male	55	Independent director	In Office	6.35	No
Qiu Jin	Male	50	Chairman of Supervisory	In Office	0	Yes
Ma Yu	Male	42	Supervisor	In Office	0	Yes
Ji Ge	Female	43	Staff supervisor	In Office	49.69	No
Tang Youdao	Male	54	Vice president	In Office	214.4	No
Kou Huameng	Male	55	Vice president	In Office	94.11	No
Hu Zhaogui	Male	50	Vice president	In Office	112.22	No
Li Xia	Female	44	Vice president, Secretary of the Board	In Office	82.14	No
Pang Haitao	Male	49	CFO	In Office	94.87	No
Yong Fengshan	Male	56	Director	Dimission	0	No
Zhao Gang	Male	46	Independent director	Dimission	5.55	No
Shao Min	Male	42	Chairman of Supervisory	Dimission	0	Yes
He Xintan	Male	44	Supervisor	Dimission	0	Yes
Huang Hong	Female	54	Supervisor	Dimission	0	Yes
Sun Hongying	Female	53	Staff supervisor	Dimission	35.52	No
Huang Danian	Male	55	Vice president	Dimission	64.5	No
Total	--	--	--	--	920.64	--

OtherNote

□Applicable √Not applicable

**VI. Responsibility performance of directors during the reporting period****(i) The board of directors during the reporting period**

Session of meeting	Date of meeting	Disclosure date	Meeting resolutions
The 40 <sup>th</sup> session of 10 <sup>th</sup> BOD	February 19,2024	February 20,2024	The Board of Directors reviewed and approved 3 proposals, namely, Proposal on Establishing ESG Management Organizational Structure of the Company, Proposal on Formulating Detailed Rules for the Implementation of ESG Management Committee of the Board of Directors, and Proposal on the Refrigerator Front-end Capacity Improvement Project of Hefei Manufacturing Base of the Company. for details, please refer to the "Resolution Notice of the 40 <sup>th</sup> session of 10 <sup>th</sup> BOD" (No. 2024-004) on the cninfo website (Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )).
The 41 <sup>st</sup> session of 10 <sup>th</sup> BOD	March 14,2024	March 15,2024	The Board of Directors reviewed and approved the Proposal on Establishing a wholly-owned Subsidiary by Sichuan Changhong Air Conditioning Co., Ltd.for details, please refer to the "Resolution Notice of the 41 <sup>st</sup> session of 10 <sup>th</sup> BOD" (No. 2024-006) on the cninfo website (Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )).
The 42 <sup>nd</sup> session of 10 <sup>th</sup> BOD	March 28,2024	March 30,2024	The Board of Directors reviewed and approved 33 proposals, including 2023 Annual Report and Summary of Annual Report, 2023 Work Report of the Board of Directors, 2023 Work Report of the President, 2023 Financial Statement Report and 2023 Debriefing Report of Independent Directors. for details, please refer to the "Resolution Notice of the 42 <sup>nd</sup> session of 10 <sup>th</sup> BOD" (No. 2024-007) on the cninfo website (Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )).
The 43 <sup>rd</sup> session of 10 <sup>th</sup> BOD	April 19,2024	April 20,2024	The Board of Directors reviewed and approved 5 proposals, including the Report on the First Quarter of 2024, the Proposal on Provision for Credit Impairment and the Proposal on Provision for Asset Impairment. for details, please refer to the "Resolution Notice of the 43 <sup>rd</sup> session of 10 <sup>th</sup> BOD" (No. 2024-020) on the cninfo website (Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )).
The 44 <sup>th</sup> session of 10 <sup>th</sup> BOD	May 31,2024	June 1,2024	The Board of Directors reviewed and approved 7 proposals, including the Proposal on Amending Some Provisions of the Company's Articles of Association, the Proposal on Amending Some Articles of the Company's Authorization Management System and the Proposal on Increasing the Use of the Company's Own Idle Funds to Invest in Wealth Management Products. for details, please refer to the "Resolution Notice of the 44 <sup>th</sup> session of 10 <sup>th</sup> BOD" (No. 2024-026) on the cninfo website (Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )).
The 1 <sup>st</sup> session of 11 <sup>th</sup> BOD	June 18,2024	June 19,2024	The Board of Directors reviewed and approved 8

			<p>proposals, including the Proposal on Electing the Chairman of the 11th Board of Directors of the Company and the Proposal on Establishing Special Committees under the 11th Board of Directors of the Company.</p> <p>for details, please refer to the "Resolution Notice of the 1<sup>st</sup>session of 11<sup>th</sup>BOD" (No. 2024-038) on the cninfo website (Juchao Website (<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>)).</p>
The 2 <sup>nd</sup> session of 11 <sup>th</sup> BOD	August 15,2024	August 17,2024	<p>The Board of Directors reviewed and approved 7 proposals, including the Full Text and Summary of the Semi-annual Report in 2024, Proposal on Provision for Credit Impairment and Proposal on Provision for Asset Impairment.</p> <p>for details, please refer to the "Resolution Notice of the 2<sup>nd</sup>session of 11<sup>th</sup>BOD" (No. 2024-041) on the cninfo website (Juchao Website (<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>)).</p>
The 3 <sup>rd</sup> session of 11 <sup>th</sup> BOD	October 11,2024	October 12,2024	<p>The Board of Directors reviewed and approved 20 proposals, including Proposal on Acquisition of Equity and Related Transactions of Hefei Changhong Industry Co., Ltd. and Proposal on Increasing the Estimated Daily Related Transactions in 2024.</p> <p>for details, please refer to the "Resolution Notice of the 3<sup>rd</sup>session of 11<sup>th</sup>BOD" (No. 2024-046) on the cninfo website (Juchao Website (<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>)).</p>
The 4 <sup>th</sup> session of 11 <sup>th</sup> BOD	October 22,2024	October 23,2024	<p>The Board of Directors reviewed and approved 4 proposals, including the Report on the Third Quarter of 2024 and the Proposal on Provision for Credit Impairment.</p> <p>for details, please refer to the "Resolution Notice of the 4<sup>th</sup>session of 11<sup>th</sup>BOD" (No. 2024-055) on the cninfo website (Juchao Website (<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>)).</p>
The 5 <sup>th</sup> session of 11 <sup>th</sup> BOD	November 4,2024	November 5,2024	<p>The Board of Directors reviewed and approved one proposal, namely the Proposal on Extension and Related Transactions of Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership Enterprise (Limited Partnership).</p> <p>for details, please refer to the "Resolution Notice of the 5<sup>th</sup>session of 11<sup>th</sup>BOD" (No. 2024-061) on the cninfo website (Juchao Website (<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>)).</p>
The 6 <sup>th</sup> session of 11 <sup>th</sup> BOD	November 22,2024	November 23,2024	<p>The Board of Directors reviewed and approved the Proposal on Authorizing the Company's Vice President Mr. Tang Youdao to act as President</p> <p>for details, please refer to the "Resolution Notice of the 6<sup>th</sup>session of 11<sup>th</sup>BOD" (No. 2024-065) on the cninfo website (Juchao Website (<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>)).</p>
The 7 <sup>th</sup> session of 11 <sup>th</sup> BOD	December 2,2024	-	<p>The Board of Directors reviewed and approved 4 proposals, including the Proposal on Improving the Technical Capability of the Company's Testing Center</p>

			and the Proposal on the Technology Platform Switching and Manufacturing System Capability Improvement Project of the Subsidiary Sichuan Changhong Air Conditioning Co., Ltd.
The 8 <sup>th</sup> session of 11 <sup>th</sup> BOD	December 11,2024	December 12,2024	The Board of Directors reviewed and approved 7 proposals, including the Proposal on Predicting Daily Related Transactions in 2025 and the Proposal on Predicting Continuous Related Transactions between the Company and Its Subsidiaries and Sichuan Changhong Group Finance Co., Ltd. in 2025 for details, please refer to the "Resolution Notice of the 8 <sup>th</sup> session of 11 <sup>th</sup> BOD" (No. 2024-067) on the cninfo website (Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )).
The 9 <sup>th</sup> session of 11 <sup>th</sup> BOD	December 16,2024	——	It reviewed and approved the Proposal on Offering Special Performance Awards to the Company's Senior Management in 2023.
The 10 <sup>th</sup> session of 11 <sup>th</sup> BOD	December 31,2024	January 2,2025	The Board of Directors reviewed and approved one proposal, namely the Proposal on Amending the "Risk Disposal Plan of Changhong Meiling Co., Ltd. on the Financial Business of Deposits and Loans in Sichuan Changhong Group Finance Co., Ltd.". for details, please refer to the "Resolution Notice of the 10 <sup>th</sup> session of 11 <sup>th</sup> BOD" (No. 2025-001) on the cninfo website (Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )).

**(ii) The attending of directors to Board meetings and shareholders general meeting**

The attending of directors							
Director	Times of Board meeting supposed to attend in the report period	Times of present in person	Times of attending by communication	Times of entrusted presence	Times of Absence	Absent the Meeting for the second time in a row (Y/N)	Times of attending the shareholder general meeting
Wu Dinggang	15	3	12	0	0	No	3
Zhao Qilin	15	3	12	0	0	No	3
Yi Suqin	10	2	8	0	0	No	1
Cheng Ping	10	2	8	0	0	No	0
Zhong Ming	15	3	12	0	0	No	3
Fang Wei	10	2	8	0	0	No	1
Mou Wen	15	3	12	0	0	No	3
Hong Yuanjia	15	2	13	0	0	No	3
Cheng Wenlong	10	2	8	0	0	No	1
Yong Fengshan	5	0	5	0	0	No	0
Kou Huameng	5	1	4	0	0	No	2
Hu Zhaogui	5	1	4	0	0	No	1



Zhao Gang	5	1	4	0	0	No	2
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Explanation of absent the Board Meeting for the second time in a row

During the reporting period, none of the directors failed to attend two consecutive Board Meeting in person.

**(iii) Objection for relevant events from directors**

Whether directors come up with objection about company's relevant matters or not

☐ Yes ☒ No

Directors has no objections for relevant events in reporting period

**(iv) Other explanation about responsibility performance of directors**

Whether the opinions from directors have been adopted or not

☒ Yes ☐ No

During the reporting period, the directors of the company strictly followed the Company Law, the Securities Law, the Listing Rules of Shenzhen Stock Exchange, and the Self-Discipline Supervision Guidelines for Listed Companies of Shenzhen Stock Exchange No. 1 - Standardized Operation of Main Board Listed Companies" and other laws and regulations, actively attended the company's board meetings and the company's general meeting of shareholders, performed duties conscientiously and diligently, made prudent and scientific decisions on various matters reviewed by the company's board meetings, and all their professional suggestions on the company's major decisions have been adopted .

**VII. The special committees under the board during the reporting period**

Committee name	Members	Number of meetings held	Date of meeting	Meeting content	Important comments and suggestions made	Other performance of duties	Specific circumstances of the objection (if applicable)
Strategy Committee	Wu Dinggang, Zhao QiLin, Zhong Ming, Kou Huameng, Hu Zhaogui, Yong Fengshan, Zhao Gang	3	March 9,2024	A total of 1 proposal was reviewed, namely the <i>Proposal on Establishing a wholly-owned Subsidiary by Sichuan Changhong Air Conditioning Co., Ltd.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
			March 18,2024	A total of one proposal was reviewed, namely the <i>Proposal on the Company's Development Plan in 2024.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
	Wu Dinggang, Zhao Qilin, Yi Suqin, Cheng Ping, Zhong Ming, Fang Wei, Cheng Wenlong		October 8,2024	A total of 1 proposal was reviewed, namely the <i>Proposal on Acquisition of Equity and Related Transactions of Hefei Changhong Industry Co., Ltd.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
Audit Committee	Hong Yuanjia, Mou Wen, Zhao Gang	7	January 12,2024	A total of 2 proposals were reviewed, namely, the <i>Proposal on the Company's 2023 Financial Accounting Statement and Internal Control Audit Schedule</i> and the <i>Company's 2023 Unaudited Financial Accounting Statement.</i>	All proposals were deliberated and passed.	Not applicable	No
			March 12,2024	A total of 1 proposal was deliberated, namely the <i>First Draft of the Audit of the Company's Financial Accounting Statements in</i>	The proposal were deliberated and passed	Not applicable	No

			2023.			
		March 27,2024	A total of 6 proposals were reviewed, namely the <i>Audited Financial Accounting Report of the Company in 2023, Audit Report on Internal Control in 2023, Summary Report on the Audit of the Company by ShineWing Certified Public Accountants in 2023, Report of the Audit Committee of the Board of Directors of the Company on the Performance Evaluation and Performance Supervision of Accounting Firms in 2023, Proposal on Changing the Audit Institution of the Financial Report and Internal Control in 2024 and Proposal on the Company's Forward Foreign Exchange Fund Trading Business.</i>	All the proposals were reviewed and approved, and five proposals were agreed to be submitted to the Board of Directors of the Company for review, namely, <i>Audited Financial Accounting Report of the Company in 2023, Audit Report of Internal Control in 2023, Report of the Audit Committee of the Board of Directors of the Company on the Performance Evaluation and Performance Supervision of Accounting Firms in 2023, Proposal on Changing Audit Institutions of Financial Report and Internal Control in 2024 and Proposal on the Company's Forward Foreign Exchange Fund Trading Business.</i>	Not applicable	No
		April 17,2024	A total of 1 proposal was reviewed, namely the <i>Financial Statement of the Company for the First Quarter of 2024</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
		June 18,2024	A total of 1 proposal was reviewed, namely the <i>Proposal on Appointing the Financial Controller of the Company.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
	Mou Wen , Wu Dinggang, Zhao Qilin, Hong Yuanjia, Cheng Wenlong	August 5,2024	A total of 1 proposal was deliberated, namely the <i>Semi-annual Financial Report of the Company in 2024.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
		October 18,2024	A total of 1 proposal was reviewed, namely the <i>Financial Report of the Company for the Third Quarter of 2024.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No

Remuneration and Appraisal Committee	Wu Dinggang, Mou Wen, Hong Yuanjia, Zhao Gang	3	March 18, 2024	A total of 1 proposal was reviewed, namely, the <i>Assessment and Payment of the Company's Directors and Senior Management in 2023</i> .	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
			May 29, 2024	A total of 1 proposal was reviewed, namely the <i>Proposal on Determining the Allowance Standard for Independent Directors of the 11th Board of Directors of the Company</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.		
	Hong Yuanjia, Wu Dinggang, Mou Wen, Cheng Wenlong		December 14, 2024	A total of 1 proposal was reviewed, namely the <i>Proposal on Offering Special Performance Awards to the Company's Senior Management in 2023</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
Nomination committee	Mou Wen, Wu Dinggang, Hong Yuanjia, Zhao Gang	3	May 29, 2024	A total of 2 proposals were reviewed, namely the <i>Proposal on Qualification Examination of Candidates for Non-independent Directors to be Elected by the 11th Board of Directors and Proposal on Qualification Examination of Candidates for Independent Directors to be Elected by the 11th Board of Directors</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
	Cheng Wenlong, Wu Dinggang, Zhong Ming, Mou Wen, Hong Yuanjia		June 18, 2024	A total of 2 proposals were reviewed, namely the <i>Proposal on Qualification Examination of the President of the Company to be Appointed and Proposal on Qualification Examination of the Vice President, Secretary of the Board of Directors and Financial Controller of the Company to be Appointed</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.		
			November 20, 2024	A total of 1 proposal was reviewed, namely the <i>Proposal on Authorizing the Company's Vice President Mr. Tang Youdao to act as President</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
ESG Administrative Committee	Wu Dinggang, Zhao Qilin, Zhong Ming, Kou Huameng, Hu Zhaogui, Mou Wen	1	March 18, 2024	A total of 1 proposal was reviewed, namely the <i>Report on Environment, Society and Governance (ESG) of the Company in 2023</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No

Special committee of independent directors	Mou Wen, Hong Yuanjia, Zhao Gang	6	March 18,2024	A total of 3 proposals were reviewed, namely, the <i>Proposal on Increasing Daily Related Transactions in 2024, Profit Distribution Plan of the Company for 2023 and Report on the Company's Continuous Risk Assessment of Sichuan Changhong Group Finance Co., Ltd.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
	Mou Wen, Hong Yuanjia, Cheng Wenlong		August 5,2024	A total of 2 proposals were reviewed, namely, <i>Report on the Company's Continuous Risk Assessment of Sichuan Changhong Group Finance Co., Ltd.</i> and <i>Proposal on Increasing the Estimated Daily Related Transaction Limit in 2024.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
			October 8,2024	A total of 20 proposals were reviewed, namely the <i>Proposal on Acquisition of Equity and Related Transactions of Hefei Changhong Industry Co., Ltd.</i> and <i>Proposal on Increasing the Estimated Daily Related Transactions in 2024.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
			November 1,2024	A total of 1 proposal was reviewed, namely the <i>Proposal on Extension and Related Transactions of Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership Enterprise (Limited Partnership).</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
			December 7,2024	A total of 3 proposals were reviewed, namely the <i>Proposal on Predicting Daily Related Transactions in 2025, Proposal on Predicting Continuous Related Transactions between the Company and Its Subsidiaries and Sichuan Changhong Group Finance Co., Ltd. in 2025,</i> and <i>Proposal on Continuous Risk Assessment Report of Sichuan Changhong Group Finance Co., Ltd.</i>	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No
			December 28,2024	A total of 1 proposal was reviewed, namely the Proposal on Amending the Company's "Risk Disposal Plan on the Financial Business of Deposits and Loans in Sichuan Changhong Group Finance Co.. Ltd.".	The proposal was deliberated and passed and agreed to be submitted to the board of directors of the company for consideration.	Not applicable	No

### VIII. Works from Supervisory Committee

Whether the Company has risks or not in reporting period that found in supervisory activity from supervisory

committee

☐ Yes ☒ No

Supervisory committee has no objection about supervision events in reporting period

## IX. Staff of the Company

### (i) Numbers, professional structure and education background

On-job employee in parent company at period-end (people)	3,918
On-job employee in main subsidiary at period-end(people)	10,737
Total on-job employees at period-end(people)	14,655
Current total payroll(people)	14,655
Number of retired employees with expenses paid by the parent company and main subsidiary (people)	57
Professional structure	
Types of professional category	Numbers of professional category (people)
Production staff	7,410
Salesman	4,458
Technician	1,911
Financial staff	292
Administration staff	584
Total	14,655
Education background	
Type of education background	Numbers (people)
High school and below	9,096
Junior college	2,282
Undergraduate	3,054
Master and above	223
Total	14,655

### (ii) Remuneration policy

The Company formulated human resources and compensation policy conducive to sustainable development of enterprise according to the provisions of relevant laws and policies promulgated by the state and to the Company's actual situation.

The company continued to promote the performance growth index system , defined the direction of employee performance growth and progress, effectively encouraged employees to take the initiative to find gaps and fill shortcomings, and continuously improved their professional ability and work efficiency. At the same time, based on the growth level of employees, it has established a remuneration mechanism that is suitable for it, and optimized the post value evaluation and remuneration adjustment mechanism to enhance the internal fairness and external competitiveness of the company's remuneration and strengthen the salary concept of "post value reflected and performance-oriented". In order to promote the achievement of each unit's performance, the Company designed differentiated reward schemes according to the characteristics of different business units and based on the system balance, so as to realize the effectiveness of positive guidance and efficiently stimulate the business vitality of each business unit. At the same time, in order to promote employees' vitality and build a multi-incentive system, it focuses on four core dimensions: growth incentive, welfare incentive, honor incentive and emotional incentive.

During the reporting period, the company further optimized the position promotion evaluation and employment mechanism, improved the position system and the promotion channels in sequence, and further stimulated the team's vitality through the integrating system evaluation and employment, performance growth system and other mechanisms, and matched the dynamic adjustment of remuneration; continued to promote the application of performance management in the whole process, optimized the application of performance communication and feedback information methods, strengthened the application of performance results in cadre promotion and

demotion, talent selection, salary adjustment and year-end evaluation, and encouraged employees to develop together with the company.

### (iii) Training plans

The company aimed at creating a learning organization, continuously optimized training and talent development, and built talent standards and competency models of each sequence based on the company's annual talent development and training program; built Meiling online learning system and knowledge asset management system to extract and precipitate internal experience and ability; organized the implementation of internal and external special precision training programs; carried out projects such as learning map and talent structure optimization, and gradually formed a growth mechanism that combined training with employee growth and career development.

1. In-depth development of the mechanism for selection, training, use and retention of reserve talents. The Company has established a clear talent standard evaluation model, and completed the construction of talent standards for managerial positions, supervisors, and professional positions; It has established a succession map of talents in key positions in each sequence, and clarified the current status of the existing talent team and the succession system of different types of talents in the future. The Company focuses on optimizing the talent reserve echelon structure of the "Yongquan Plan", and optimizes and adjusts the talent echelon structure of the middle and senior reserve cadre pool, the Class A reserve successor pool, the Class A reserve growth pool, the Class B reserve supervisor pool, and the outstanding college student pool through the selection of young reserve cadres and the regular review and evaluation of reserve talents. At the same time, the reserve talent echelon readiness evaluation model is constructed, which evaluates the values, performance results, career experience, performance ability of the target position, leadership, training and performance, effectively measures their reserve and configures a training plan in line with their career planning.

2. Accurate training, to improve the training effect. Based on the needs of business development, it has built a multi-level and multi-category talent training system. On the one hand, it improved the training enthusiasm and professional ability of the trainees through activities such as project integrating system and industry exchange; on the other hand, it introduced external training courses and internal course development to effectively promote the precision training program in view of the common shortcomings of the team and shortcomings of personal ability; According to the professional ability of key positions in the professional level, it built a learning map and defined the map of growing professional routes; At the same time, it established the training organization guarantee system, and built the company's classified and graded talent training system. Through career planning analysis, course orientation promotion, node control, project review, training examination and other ways, it guided the vertical (promotion) and horizontal (multi-skilled workers, rotation) all-round development effectively, and achieved the training effect and talent promotion gradually.

3. Enrich the company's internal knowledge asset management system, redefine the company's intellectual assets standards and organizational guarantee system. On the one hand, it continued to supplement and update the teaching materials of Meiling's knowledge assets library on technology, management, manufacturing, quality, safety and environmental protection; On the basis of "internal trainer certification system" and "benchmarking post knowledge extraction project", optimized the professional series of live courses, internalized the company's standard talent knowledge base and carried on the inheritance and influence; On the other hand, Plan and carry out the learning map project, through the design of the learning map of the process, structure, finance and other sequences, closely link the qualifications of specific positions with the learning map, pull through the organic combination of talent



development and learning path, and promote the Company's various sequences to cultivate professionals scientifically, systematically and efficiently; Focus on the sequence of key positions to build a phased learning map micro-course resource library to help the professional construction of talent echelon.

**(iv) Labor outsourcing**

☐ Applicable ☒ Not applicable

**X. Profit distribution plan and capitalizing of common reserves plan**

**(i) Formulation, Implementation and Adjustment of Profit Distribution Policy Especially Cash Dividend policy during the Reporting Period**

☒ Applicable ☐ Not applicable

During the reporting period, the company has strictly executed the profit distribution policy in accordance with the "Articles of Association", the formulation and implementation of the company's cash dividend policy are in line with the provisions of "Articles of Association" and the requirements of the resolutions of shareholders' meeting, the dividends standards and proportion have been definite and clear, relevant decision-making procedures and mechanisms have been complete, the responsibilities of independent directors have been clear and have played its due role, minority shareholders have had the opportunities to fully express their views and aspirations, and the legitimate interests of minority shareholders have been maintained.

During the reporting period, in order to enhance and improve the shareholder return mechanism, increase the transparency and operability of profit distribution policy and decision-making, and effectively protect the legitimate rights and interests of public investors, the Company formulated the "Shareholder Return Plan for the Company in the Next Three Years (2024-2026)" in accordance with relevant regulations and comprehensive consideration of factors such as the Company's operating and financial status. Meanwhile, the Company has implemented the 2023 annual profit distribution plan, that is, based on the total share capital of 1,029,923,715 shares on date of record at the time of implementing the 2023 annual equity distribution plan (including 881,733,881 shares of A shares and 148,189,834 shares of B shares), the company distributed a cash dividend of RMB 3 (including tax) for every 10 shares to all shareholders, with a total cash dividend of RMB 308,977,114.5 and the dividend ratio accounts for 41.70% of the net profit attributable to shareholders of the listed company in 2023.

Special explanation on cash dividend policy	
Whether it meets the requirements of the Articles of Association or the resolution of the general meeting of shareholders:	Yes
Whether the dividend standard and proportion are explicit and clear:	Yes
Whether the relevant decision-making procedures and mechanisms are complete:	Yes
Whether the independent directors have performed their duties and played their due role:	Yes
If the Company does not distribute cash dividends, specific reasons, as well as the measures to be taken to enhance investor returns should be disclosed:	Not applicable
Whether the minority shareholders have the opportunity to fully express their opinions and demands, and whether their legitimate rights and interests have been fully protected:	Yes
Whether the cash dividend policy is adjusted or changed, and whether the conditions and procedures are compliant and transparent:	Yes

**(ii) The Company is profitable during the reporting period and the parent company has positive profit available for distribution to shareholders without cash dividend distribution plan proposed**

☐ Applicable ☒ Not applicable

### (iii) Profit distribution plan and capitalizing of common reserves plan for the Period

☒ Applicable ☐ Not applicable

Bonus shares for every 10-share (Share)	0
Dividends for every 10-share (RMB) (Tax included)	3.3
Shares added for every 10-share base (Share)	0
Equity base of distribution plan (Share)	1,029,923,715
Total cash dividend (RMB) (Tax included)	339,874,825.95
Cash dividend for other ways (i.e. repurchased) (RMB)	0
Total cash dividend (including other way) (RMB)	339,874,825.95
Profits available for distribution (RMB)	1,213,740,009.40
Ratio of cash dividend (including other way) in total profit distribution	100%
Cash dividend	
Taking the total share capital of 1,029,923,715 shares on the equity registration date of the company's on December 31, 2024 as the base, distribute cash dividends of 3.3 yuan (tax included) for every 10 shares to all shareholders, not giving bonus shares, and not converting capital reserve in to equity.	
Detail explanation on profit distribution or capitalization from capital public reserve	
According to the audit by Pan-China Certified Public Accountants LLP, in 2024, the net profit realized in individual financial statements of the parent company was RMB 254,008,762.00. As of December 31, 2024, the cumulative undistributed profit in individual financial statements of the parent company was RMB 1,213,740,009.40. In addition, in the consolidated financial statements of the company for the year 2024, the net profit attributable to the owners of the parent company was 699,270,051.82 yuan. As of December 31, 2024, the cumulative undistributed profit in the consolidated financial statements was 1,803,207,185.06 yuan.	
According to relevant regulations, the distribution of company profits should be based on the profits available for distribution by the parent company, and follow the principle of distributing the lower of the cumulative undistributed profits in the consolidated financial statements and the parent company's financial statements. Therefore, the distributable profit for 2024 is the accumulated undistributed profit of RMB 1,213,740,009.40 in individual financial statements of the parent company.	
According to relevant regulations and the Company's Articles of Association, taking into account the interests of shareholders and the long-term development needs of the company, it is proposed that the company distribute a cash dividend of 3.3 yuan (including tax) for every 10 shares to all shareholders based on the total share capital of 1,029,923,715 shares as of December 31, 2024, without bonus shares or conversion of reserve funds into share capital. It is expected to distribute a cash dividend of 339,874,825.95 yuan. After this distribution, it is expected that the remaining cumulative undistributed profit of the parent company will be 873,865,183.45 yuan, and the remaining undistributed profit will be carried forward for distribution in future years..	

## XI. Implementation of the Company's stock incentive plan, employee stock ownership plan or other employee incentives

☐ Applicable ☒ Not applicable

The Company has no equity incentive plan, employee stock ownership plans or other employee incentives.

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

### (i) Construction and implementation of internal control

In accordance with the Basic Norms for Enterprise Internal Control and its supporting guidelines, and the Information Disclosure Compilation Rules for Companies Publicly Issuing Securities No. 21 - General Provisions on Annual Internal Control Evaluation Reports jointly issued by the China Securities Regulatory Commission and the Ministry of Finance and other relevant regulations, and combined with the Company's internal control system and internal control evaluation methods, the company organized its internal control work, effectively implemented internal control, and continuously improved and optimized the company's internal control system so as to adapt to the needs and changes of the internal and external environment.

The company's 2024 Annual Internal Control Self-Assessment Report fully, truly and accurately reflected the actual situation of the company's internal control. The units, businesses and matters included in the assessment scope, as well as high-risk areas, covered the main aspects of the company's operation and management, and the company maintained effective internal controls in high-risk areas and in all material aspects. During the reporting period, the company had no major defects and significant defects in internal control.



**(ii) Details of major defects in IC appraisal report that found in reporting period**

☐ Yes ☒ No

**XIII. Management and controls on the subsidiary during reporting period**

During the reporting period, as a shareholder or controller, the company strictly adhered to relevant national laws and regulations, as well as the provisions and requirements of the company's articles of association regarding the standardized operation and improvement of corporate governance structure, and exercised supervision and management over major issues of the subsidiary. The company also had the right to legally enjoy investment returns and make decisions on major issues for the investing enterprise.

The company has established a standardized and detailed decentralization manual, set clear approval authorities and processes, and achieved scientific, reasonable, and efficient management of its subsidiaries. At the same time, according to the relevant internal control system of the company, manage and supervise the disclosure of information, standardized operation, guarantee business, personnel, production and operation of subsidiary companies.

During the reporting period, the company did not have any major decisions of its subsidiaries that did not comply with company regulations or major issues that were not reported in a timely manner. The subsidiaries also did not find any significant deficiencies in their internal controls.

During the reporting period, the company integrated by purchasing a new subsidiary as follows:

Name of company	Integration plan	Integration progress	Problems encountered in integration	Actions taken	Resolve progress	Follow-up resolution plan
Hefei Changhong Industrial Co., Ltd	The company and its subsidiary Hefei Meiling IoT Technology Co., Ltd. purchased 99% equity of Hefei Industry held by the controlling shareholder Sichuan Changhong and 1% equity of Hefei Industry held by Sichuan Changhong Innovation Investment Co., Ltd., a subsidiary of Sichuan Changhong, with their own funds. This transaction is in line with the company's strategic development needs, meeting the expansion of the company's mid to high end refrigerators, the expansion of its own logistics warehouse, and the future layout of the integrated home appliance industry, solving the problems of industrial development and resource scarcity.	On November 20, 2024, Hefei Industrial completed the industrial and commercial registration procedure for shareholder changes, and became a wholly-owned subsidiary within the scope of the company's merger statement-	NO	Not Applicable	Not Applicable	Not Applicable

**XIV. Internal control self-assessment report or internal control audit report**

**(i) Appraisal Report of Internal Control**

Date of evaluation report of internal control disclosed (Full-text)	April 3, 2025
Index of evaluation report of internal control disclosed (Full-text)	Juchao Website (www.cninfo.com.cn)
The ratio of the total assets of units included in the scope of evaluation accounting for the total assets on the company's consolidated financial statements	99.91%
The ratio of the operating income of units included in the scope of evaluation accounting for the operating income on the company's consolidated financial statements	100.00%

Defects Evaluation Standards		
Category	Financial Reports	Non-financial Reports
Qualitative criteria	<p><b>1. Material defect:</b> severally or jointly with other defects, will lead to material wrong reporting in financial reports being not able to prevented or found or rectified in a timely manner. Occurrence of the followings will be deemed as material defect:</p> <ol style="list-style-type: none"> <li>1. inefficiency of environment control;</li> <li>2. fraud of directors, supervisors and senior management;</li> <li>3. The external auditor finds material wrong reporting in current financial statement, while the Company has not found such reporting during its operation;</li> <li>4. The material defect identified and reported to the management fails to be rectified in a reasonable time period;</li> <li>5. The audit committee and audit department of the Company exercise invalid supervision upon internal control;</li> <li>6. Other defects which may affect financial statement users to make correct judgment.</li> </ol> <p><b>2. Major defect:</b> severally or jointly with other defects, will lead to wrong reporting in financial reports being not able to prevented or found or rectified in a timely manner which still needs attention from the management though it doesn't reach or exceed material defect as described above. Occurrence of the followings will be deemed as major defect:</p> <ol style="list-style-type: none"> <li>(1) Financial losses caused by guaranteeing and investing in securities and financial derivatives transactions and disposing property right and stock right without authorization;</li> <li>(2) The company's financial staff or other relevant business personnel have unclear powers and responsibilities or job chaos, or are suspected of being involved in economic or job-related crimes and have been transferred to the judiciary;</li> <li>(3) Punishment or severely negative impacts on the company's image due to the bias implementation of the policy or accounting errors, etc.;</li> <li>(4) Financial losses caused by destroying, concealing, or altering the important original evidences at will, such as invoices and checks, etc.</li> <li>(5) Cash income is not entered into the account book, or public funds are deposited in private account or "private coffer" is established by breaking the rules.</li> </ol> <p><b>3. General defect:</b> other internal control related defects that do not constitute material defects or major defect.</p>	<p>Occurrence of the followings shall be deemed as material defect, otherwise as major defect or general defect subject to the level of influence.</p> <ol style="list-style-type: none"> <li>1. breach of national laws, regulations or regulatory documents;</li> <li>2. procedure for making significant decisions is not scientific;</li> <li>3. absence of system may lead to invalid system;</li> <li>4. Material or major defects are not likely to rectify;</li> <li>5. Large negative effects on the company and disclosed in the form of announcement;</li> <li>6. Other issues that materially affect the Company.</li> </ol>
Quantitative standard	<p><b>1. Proportion of potential wrong reporting in total operating income:</b> Material defect: wrong reporting <math>\geq 0.5\%</math>; Major defect: <math>0.1\% \leq</math> wrong reporting <math>&lt; 0.5\%</math>; General defect: wrong reporting <math>&lt; 0.1\%</math>.</p> <p><b>2. Proportion of potential wrong reporting in total profit:</b> Material defect: wrong reporting <math>\geq 10\%</math>; Major defect: <math>5\% \leq</math> wrong reporting <math>&lt; 10\%</math>; General defect: wrong reporting <math>&lt; 5\%</math>.</p> <p><b>3. Proportion of potential wrong reporting in total assets:</b> Material defect: wrong reporting <math>\geq 0.5\%</math>; Major defect: <math>0.1\% \leq</math> wrong reporting <math>&lt; 0.5\%</math>; General defect: wrong reporting <math>&lt; 0.1\%</math>.</p> <p><b>4. Proportion of potential wrong reporting in total owners' equity:</b> Material defect: wrong reporting <math>\geq 0.5\%</math>; Major defect: <math>0.1\% \leq</math> wrong reporting <math>&lt; 0.5\%</math>; General defect: wrong reporting <math>&lt; 0.1\%</math>.</p>	<p><b>1. Proportion of direct property loss in total operating income:</b> Material defect: wrong reporting <math>\geq 0.1\%</math>; Major defect: <math>0.05\% \leq</math> wrong reporting <math>&lt; 0.1\%</math>; General defect: wrong reporting <math>&lt; 0.05\%</math>.</p> <p><b>2. Proportion of direct property loss in total profit:</b> Material defect: wrong reporting <math>\geq 10\%</math>; Major defect: <math>5\% \leq</math> wrong reporting <math>&lt; 10\%</math>; General defect: wrong reporting <math>&lt; 5\%</math>.</p> <p><b>3. Proportion of direct property loss in total assets:</b> Material defect: wrong reporting <math>\geq 0.2\%</math>; Major defect: <math>0.1\% \leq</math> wrong reporting <math>&lt; 0.2\%</math>; General defect: wrong reporting <math>&lt; 0.1\%</math>.</p> <p><b>4. Proportion of direct property loss in total owners' equity:</b> Material defect: wrong reporting <math>\geq 0.2\%</math>; Major defect: <math>0.1\% \leq</math> wrong reporting <math>&lt; 0.2\%</math>; General defect: wrong reporting <math>&lt; 0.1\%</math>.</p>
Amount of significant defects	0	

in financial reports	
Amount of significant defects in non-financial reports	0
Amount of important defects in financial reports	0
Amount of important defects in non-financial reports	0

**(ii) Auditing report of internal control**

☒ Applicable   ☐ Not applicable

Deliberation section of auditing report of IC	
We consider that: in all major aspects, Changhong Meiling Co., Ltd. has efficiency in financial report of internal control dated 31 December 2024 according to Basic Standards of Internal Control for Enterprise and relevant regulations.	
Disclosure details of audit report of internal control	Disclosed
Disclosure details of audit report of internal control	April 3, 2025
Disclosure date of audit report of internal control (full-text)	Juchao Website (www.cninfo.com.cn)
Index of audit report of internal control (full-text)	Standard unqualified
Opinion type of auditing report of IC	No

Whether CPA carries out qualified opinion for audit report of internal control or not

☐ Yes   ☒ No

Whether the opinions are consistent in audit report of internal control carrying out by CPA and the self-evaluation report of the Board or not

☒ Yes   ☐ No

**XV. The rectification of self-examination problems in the special actions on governance of listed companies**

☒ Yes   ☐ No

For details, please refer to Article 15 of Chapter IV "Rectification of Problems Found in Self-inspection of Special Actions for Governance of Listed Companies" in the Company's Annual Report in 2022. Up to now, the problems found in the Company's self-inspection have not been fully rectified as follows:

**(i) Subsidiary holding shares of listed companies and the rectification**

1. Meiling Group, a wholly-owned subsidiary of the company, held 1,141,053 restricted shares of the Company. The restricted shares held by Meiling Group were the consideration shares received for the share reform on behalf of other non-tradable shareholders in the company's reform plan for non-tradable shares. In March 2016, according to the approval of the State-owned Assets Supervision and Administration Commission of the State Council, the 49,477,513 state-owned shares (including the already held 47,823,401 shares and the unrecovered relevant rights of the consideration of 1,654,112 shares received for the share reform on behalf of other non-tradable shareholders in the company's reform plan for non-tradable shares) of the Company held by Hefei Xingtai Holdings Group Co., Ltd., the company's original shareholder, should be transferred to Industry Investment Group free of charge. Therefore, the restricted shares of the Company held by Meiling Group should be transferred to Industry Investment Group free of charge.

2. According to the approval of the State-owned Assets Supervision and Administration Commission of the State Council and the regulations of relevant departments, Meiling Group should transfer the shares paid on behalf of others and related rights held by it to Industry Investment Group at one time free of charge after recovering all the 1,654,112 shares of consideration for the share reform. At present, Meiling Group has only recovered 1,141,053 shares, and the holders of the remaining consideration shares for the share reform have been unable to get in touch for many times and for many years, there is great uncertainty about the time when all the shares will be recovered. However, the company still actively promotes the recovery of the shares advanced by Meiling Group, and handles the relevant procedures for free transfer as soon as possible after all the consideration shares for the share reform are recovered. Prior to this, the company's restricted shares held by Meiling Group would not enjoy any rights as shareholders during the holding period, including voting rights, dividend rights, etc.

## Section V Environmental and Social Responsibility

### I. Major environmental

#### (1) The listed Company and its subsidiary whether belongs to the key sewage units released from environmental protection department

☐ Yes ☒ No

The company and its subsidiaries do not belong to the key polluters announced by the environmental protection department.

Administrative penalties for environmental issues during the reporting period

Name	Cause	Violation of the situation	Result	Impact on the production and operation of listed companies	The company's rectification measures
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

#### (2) Refer to other environmental information disclosed by key pollutant discharge units

Not applicable。

#### (3) Measures taken to reduce carbon emissions and their effectiveness during the reporting period

☒ Applicable ☐ Not applicable

The Company actively responds to the national "dual carbon" strategy, adheres to the concept of green and low-carbon development, and takes dual carbon control as one of the core strategies of enterprise development. The Company has established a dual carbon management committee, established a complete carbon emission control system, and systematically promoted the Company's overall carbon control work. During the reporting period, the Company completed the carbon emission mapping, and successfully completed the 2024 carbon reduction target through measures such as energy conservation and efficiency upgrading, energy system optimization, etc. In terms of energy conservation and efficiency improvement, the application of high-efficiency and energy-saving equipment, the environmental protection technology and the lean production efficiency improvement projects have been implemented, which have effectively reduced energy consumption and carbon dioxide emissions. The Company also optimizes the energy structure, expands photovoltaic power generation projects, and increases the proportion of purchased green electricity, which reaches 20% in Hefei area in 2024. Meanwhile, the Company is engaged in the management of green supply chain, promoting suppliers and partners to jointly reduce carbon emissions and reduce carbon emissions in the entire supply chain.

#### (4) Reasons for not disclosing other environmental information

Neither the Company nor its subsidiaries belong to the key pollutant discharge units announced by the environmental protection department. The Company advocates the development concept of green environmental protection, strictly abides by environmental protection laws and regulations such as the Environmental Protection Law of People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of

Water Pollution and the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, promotes green production, enhances energy conservation and emission reduction, and earnestly fulfills its environmental protection responsibilities.

## II. Social responsibility

The Company continues to promote win-win development with its stakeholders, earnestly fulfills its social responsibilities, pays close attention to the voices of all stakeholders, and actively gives back and improves, and is determined to become an enterprise that is respected by the society and loved by its employees. While achieving sound development, it pays attention to protecting the interests of its shareholders, employees, suppliers, customers and consumers, and actively engages in public welfare undertakings, thus promoting the harmonious development of the Company and the whole society.

### 1. Protection of the rights and interests of shareholders and creditors

The company strictly follows the provisions and requirements formulated by the Articles of Association and the Rules of Procedure for the General Meeting of Shareholders, regulates the convening, holding and voting procedures of the general meeting of shareholders, equally treats all shareholders, especially small and medium shareholders equally, and ensures that all shareholders enjoy equal status and fully exercise their own rights. Under the premise of strictly implementing the Administrative Measures for Information Disclosure of Listed Companies, the company actively communicates and exchanges information with investors on the company's operations and management, financial status, etc. through annual performance briefings, Anhui service week for investors by SZSE, investor telephone hotline, e-mails, and the investor relations interactive platform of the Shenzhen Stock Exchange, and discloses information to all investors in a truthful, accurate, complete, concise and clear, and easy-to-understand manner; further, the company attaches great importance to the shareholder return mechanism, According to the Return Plan for Shareholders of Changhong Meiling Co., Ltd. for the Next Three Years (2024 -2026), It guides investors to establish the concept of long-term investment and rational investment, and maintains the continuity and stability of the profit distribution policy. During the reporting period, combined with its own operating conditions and other factors, the Company implemented the 2023 profit distribution plan and made cash dividends, accounting for 41.70% of the net profit attributable to shareholders of listed companies in 2023, offered shareholders a reasonable return on investment.

Meanwhile, during the reporting period, the Company held 4 general meetings of shareholders, and implemented a combination of on-site voting and online voting, so that the majority of investors could fully participate and ensure that shareholders have the right to know, participate and vote on the Company's major issues. When the general meeting of shareholders deliberated on major matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors were counted separately and publicly disclosed in the resolutions of the general meeting of shareholders in a timely manner, so as to fully protect the rights and interests of small and medium-sized investors.

In addition, in order to establish a variety of shareholder return mechanisms and thank investors for their long-term concern and support for the Company, during the reporting period, the Company held the "Meiling

Shareholder Thanksgiving Festival" to give back to all shareholders with sincerity.

## 2. Protection of the rights and interests of employees

In accordance with relevant laws, regulations and policies, and in light of its own actual situation, the company has established a relatively complete employment management system, including labor contract system, salary and performance appraisal system, welfare management system, training management system, employee vacation management system, etc..The company attaches importance to the vital interests of employees, protects the legitimate rights and interests of employees to the maximum extent, establishes harmonious labor relations, and strives to form a good mechanism for the company and employees to create and share together. At the same time, the company creates a people-oriented cultural atmosphere by providing various holidays, allowances, condolences and organizing diversified employee activities, benchmarking personnel selection, carnivals, etc., and continuously improves employee satisfaction.

## 3. Protection of the rights and interests of suppliers, customers and consumers

The Company has built a sound supplier management system, established the "Supplier Evaluation Management Specification", strictly standardized the supplier access and evaluation system, and regularly carried out audits and evaluations to continuously improve supplier capabilities and qualifications. The Company attaches great importance to improving the ability of suppliers, and is committed to collaborative development with suppliers. In order to help suppliers improve quality control and sustainable development related awareness, during the reporting period, the Company organized supplier training activities from time to time. Meanwhile, the Company strictly controls every aspect of the procurement business, cultivates core and strategic suppliers, and establishes a high-end supply chain for parts suppliers of high-end products, forming a synergistic, cooperative and win-win situation between the Company and suppliers.

The Company has a perfect product development process, advanced R&D system, and constantly develops products with leading technology. The Company attaches great importance to product quality, has strong quality control ability, reliable product performance and a refined quality management system, and has passed the management system certifications such as ISO9001, ISO14001 and ISO45001. The Company's testing center has CNAS accreditation qualification, complete test items and strong testing ability, which meets the requirements of strict and high-level testing of products. At the same time, it has built one of the few RoHS and intelligent IoT laboratories in the industry. The Company adheres to the user-centered principle and attaches importance to user reputation. In the domestic market, it increases its attention and support in terminal construction, user experience and product training to increase the sales of products; In the export market, it fully recognizes the requirements of local laws and regulations, strictly certifies products, and fully verifies the reliability and environmental adaptability of products to ensure the reliability of products in the target market. Its export products have covered more than 100 countries or regions. According to different types of customers, it implements classification and system management through the information system, and timely feeds back the demands put forward by customers, continuously improves quality services and enhances brand image; It also tracks the market performance by customer satisfaction and user net recommendation value.



For the protection of consumers' rights and interests, the company has a relatively advanced closed-loop management system for user service. In order to meet users' service needs, it gradually improves the function construction of official channel service platforms such as 4008 service hotline, brand official website, WeChat official account and Zhihuijia APP, attaches importance to and strengthens the user interaction and experience of social platforms such as Tik Tok, Xiaohongshu, Weibo, Bilibili and Zhihu, and understands and handles users' needs and questions in time. In view of user demand processing, it promotes the process visualization management and user evaluation system management of work order processing timeline. In addition, the company pays attention to improving consumers' product guarantee service ability, and has created Meiling's exclusive characteristic guarantee service measures, and upgraded and launched the services such as unconditional return within 180 days for Meiling M fresh refrigerator because of dissatisfaction in preservation, and unconditional return within 180 days for Meiling clean refrigerator because of dissatisfaction in disinfection and sterilization, so as to effectively meet users' needs and enhance consumer satisfaction.

#### 4. Social welfare

Over the years, the company has been actively participating in social welfare undertakings and various social welfare activities. The Company actively carries out actions such as helping employees with serious illness or difficulties, advocating voluntary donations from employees, paying attention to occupational disease prevention and control, and organizing safety education and training. During the reporting period, the Company took the initiative to assume social responsibilities, rushed to the flood-stricken areas in Xixian County, Huangshan, and provided free testing and cleaning services for home appliances. The Party Committee of the Company actively participated in the third party building project of Micro-philanthropy venture capital in the Jinxiu Community Social Organization Incubation Park in Hefei Economic Development Zone. During the reporting period, it organized six activities, including popular science popularization experiment, safety education and psychological salon, to enhance the happiness of the community and family. The Company also helped many primary and secondary schools in Hefei to carry out 26 study tours, gave full play to the advantages of national intelligent manufacturing demonstration enterprises, set up labor practice classes on the production line, received nearly 3,000 primary and secondary school students, and sowed the "made in China" seeds in the hearts of every teenager through interesting experiment classes, creative labor classes and brand history classes.

In order to actively respond to the national poverty alleviation policy and focus on improving the school infrastructure in poor areas, Changhong Air Conditioning, a subsidiary of the Company, participated in the "ChildhoodHarbor" project promoted and implemented by China Guanghua Science and Technology Foundation, and donated 50 air conditioners to Ningnan Middle School in Phisha Town, Ningku County, Liangshan Prefecture, Sichuan Province, which solved the problem of high temperature, wet and cold learning and living conditions of local middle school students. In order to promote the high-quality development of public health services, the Company's subsidiary, Zhongke Meiling, donated an automated vaccination workstation to the Linhu Community Health Service Center of Hefei Economic Development Zone through the Hefei Red Cross Society, realizing the integration of storage and vaccination, automatic vaccine issuance with zero errors, traceability of vaccination information, and more efficient and accurate vaccine management. In addition, the Company's subsidiary,

Zhongke Meiling, supports the development of university education, and within the scope of the amount deliberated and approved by its board of directors and shareholders' general meeting, it has awarded a total of 800,000 yuan of special scholarships in 2024 to 6 universities including Tsinghua University, Zhejiang University, and Anhui Medical University, and has awarded a total of 1.7 million yuan of special scholarships to colleges and universities so far.

### **III. Consolidate and expand the achievements of poverty alleviation and rural revitalization**

In 2024, the Company unswervingly and fully implements the decisions and arrangements made by the CPC Central Committee and the State Council for rural revitalization, actively responds to the call, promotes rural revitalization, and contributes to rural development. In order to actively respond to the rural revitalization strategy and help fruit farmers expand the sales channels of agricultural products, increase income and improve their lives, the Company purchased high-quality kiwifruit from rural areas to help and distributes benefits to employees.



## VI. Important Events

### I. Implementation of commitment

(i) Commitments that the actual controller, shareholders, related party, the buyer and the company have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

√ Applicable □ Not applicable

Commitment	Commitment party	Type/content	Date	Term	Implementation
Commitments made in acquisition report or equity change report	Sichuan Changhong Electric Co., Ltd.(hereinafter, the "Sichuan Changhong")	1. The acquirer shall not engage in refrigerator business or activity which competes or will compete with business of Meiling Electrical Appliances, or that which has interest conflict with Meiling Electrical Appliances.	2007-6-12	Valid for long term	Strictly implemented
		2. The acquirer promises to apply shareholders' right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electric.		Valid for long term	Strictly implemented
		3. For any opportunity to engage in competing business, the acquirer will advise Meiling Electric in written for engaging such business or not. If Meiling Electrical Appliances gives no clear written reply as to whether engaging the competing business or not within 20 days after receipt of the aforesaid letter, it shall be deemed that it will not engage in such business. The acquirer will only engage in non-competing business provided that Meiling Electric confirms not to or is deemed to not engage in such non-competing business.		Valid for long term	Strictly implemented
Commitment made during the non-public offer of 2010	Sichuan Changhong	1. It will not engage in such business or activity that competes with or has interest conflict with that of Meiling Electric except for the action taken for sake of Meiling Electric as required by Meiling Electrical Appliances.	2010-6-24	Valid for long term	Strictly implemented
		2. The Company promises to apply shareholders' right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electric			
		3. In case that Meiling Electric expects, on the basis of its existing business, to expand its operation scope into the business which the Company has already operated, the Company agrees to grant priority acquisition right to Meiling Electric regarding such business if the same conditions are met, provided that the Company is still the controlling shareholder or actual controller of Meiling Electric			
		1. Measures will be adopted to prevent continued related transaction with Meiling Electric: as to the related transaction that can not be prevented, it will sign related transaction agreement with Meiling Electric under the market principles of "equally paid and mutual benefit", and fairly determined the transaction price according to the market prevailing standards.	June 24,2010	Valid for long term	Strictly implemented
		2. Perform the necessary obligations to make related directors and related shareholder abstain from voting according to relevant regulation, and observe legal procedure for approving related transaction and information disclosure obligations.			

		3. Promise not to hurt legal interests of Meiling Electric and other shareholders through related transaction.			
		Commit to authorized Changhong Air-conditioner and Zhongshan Changhong use “Changhong” trademark and relevant patents for free.	November 6,2010	Valid for long term	Strictly implemented
	The Company	1. Commit to disclose periodic reports on a truthful, accurate, complete, fair and prompt manner, to disclose all the information that have important influences over investors, to accept supervision under the CSRC and Shenzhen Stock Exchange.	January 7,2011	Valid for long term	Strictly implemented
		2. Commit to make public clarification in respect of such information that is released from any public media and may result in misleading influences on stock price once the Company is aware of such information.			
		3. The directors, supervisors, senior management and core technicians of the Company will accept opinions and criticism from the social public, and they will not trade the Company’s securities, directly or indirectly, with any inside information and other illegal methods. The Company promises that the documents submitted to Shenzhen Stock Exchange exist no false statement or material omission, and no relevant information will be disclosed during the application for listing without prior content from Shenzhen Stock Exchange.			
Commitment made in transfer of air conditioning assets property	Sichuan Changhong	1. Since the property transfer didn’t involve the buildings and land currently used by Changhong Air-conditioner, Sichuan Changhong commits, upon the completion of equity transfer, to continue to lease such assets to Changhong Air-conditioner at market price.	December 10,2009	Valid for long term	Strictly implemented
		2. After completion of this property transfer, Sichuan Changhong commits to manage to prevent new related transaction with Meiling Electric. For those which can not be prevented, Sichuan Changhong commits to determine the transaction price based on market accepted methods, so as to ensure fairness of related transaction and protection of the interest of Meiling Electric		Valid for long term	Strictly implemented
		3. Sichuan Changhong commits that it will not engage in air conditioning and refrigerator business or activity which competes or will compete with business of Meiling Electric, or that which has interest conflict with Meiling Electric			
Commitments of not to reducing the shares	Sichuan Changhong Electric Co., Ltd.and persons acting in concert CHANGHONG (HK) TRADING LIMITED	1. Based on market conditions and as allowed by laws and rules, multiple measures were adopted adequately to increase shareholding of Meiling Electric, so as to demonstrate its firm confidence on the PRC economy and Meiling Electric with its actual actions, maintain sound development of capital market and promote recovery of healthy market	July 9,2015	Valid for long term	Strictly implemented
		2. Continued to support operation and development of listed company as always and promoted the achievement of Meiling Electric. It is committed to bringing steady and real return to investors.			
Commitment made during the non-public offer in 2016	The Company	1. Promise to truly, accurately, completely, fairly and timely publish periodic reports, disclose all information that has significant impacts on the investors, and accept the supervision and management of China Securities Regulatory Commission and the Shenzhen Stock Exchange.	December 12,2016	Valid for long term	Strictly implemented
		Make commitments that the Company will publicly clarify in time after knowing any information on any public communications media that may cause misleading influence on the stock price			
		3. The Company’s directors, supervisors and senior executives will listen carefully to the opinions and criticisms of the public and never use any acquired inside information and other improper means to directly or			

		indirectly engage in the trading activities of the Company's stock.			
Perform the commitment promptly or not		√ Yes □ No			
If the commitment is overdue and has not been fulfilled, the specific reasons for incomplete performance and the work plan for next step shall be explained in detail		Not applicable			

Note: The fulfilled commitments in the form will not be disclosed in the next periodic report.

**(ii) Concerning assets or project of the Company, which has profit forecast, and reporting period still in forecasting period, explain reasons of reaching the original profit forecast**

□ Applicable √ Not applicable

**II. Non-operational fund occupation from controlling shareholders and its related party**

□ Applicable √ Not applicable

None

**III. External guarantee out of the regulations**

□ Applicable √ Not applicable

No external guarantee out of the regulations occurred in the period.

**IV. Statement on the latest “modified audit report” by BOD**

□ Applicable √ Not applicable

**V. Explanation from Board of Directors, Supervisory Committee and Independent Directors (if applicable) for “Qualified Opinion” that issued by CPA**

□ Applicable √ Not applicable

**VI. Explanation of the changes in accounting polices, accounting estimates or correction of significant accounting errors compared with the financial report of the previous year**

√ Applicable □ Not applicable

Found more details in 38. Change of major accounting policy and estimation under III. Major accounting policy and estimation carried in the Section X. Financial Report

**VII. Compare with last year's financial report; explain changes in consolidation statement's scope**

√ Applicable □ Not applicable

In the reporting period, the consolidated financial statements of the Company cover 24 subsidiaries, including Sichuan Changhong Air-conditioner Co., Ltd, Zhongshan Changhong Electric Co., Ltd. And Zhongke Meiling Cryogenic Technology Co., Ltd. etc. Compared with the previous year, during the reporting period two enterprise is included in the consolidate scope, During the reporting period, two subsidiaries included in the consolidated statement were cancelled: Hefei Meiling Marketing Co., Ltd. and Wuhan Meizhirong Appliance Marketing Co., Ltd.

More details can be seen in the report “VII. Changes in the scope of the merger” and “VIII. Equity in other entities” of “Section X Financial Report”

**VIII. Appointment and non-reappointment (dismissal) of CPA**

**(i) CPAs currently engaged**

Name of domestic accounting firm	Pan-China Certified Public Accountants LLP
Remuneration for domestic accounting firm ( RMB 10,000)	175
Continuous life of auditing service for domestic accounting firm	1 year
Name of domestic CPA	Li Yuanliang, Peng Yahui
Continuous life of auditing service for domestic CPA	Li Yuanliang( 1 year), Peng Yahui (1 year)
Name of foreign accounting firm (if applicable)	N/A
Remuneration for foreign accounting firm (RMB 10,000) (if applicable)	N/A
Continuous life of auditing service for foreign accounting firm (if applicable)	N/A
Name of foreign CPA (if applicable)	N/A
Continuous life of auditing service for foreign CPA (if applicable)	-

**(ii)Has the CPAs been changed in the current period**

☒Yes ☐ No

Whether to hire a new accounting firm during the audit period

☐ Yes ☒ No

Has the approval process been followed for changing accounting firms

☒ Yes ☐ No

Detailed explanation of the situation of changing the appointment or accounting firm

Given that Xinyong Zhonghe Certified Public Accountants has provided auditing services for the company for consecutive years, in accordance with the relevant requirements of the "Management Measures for the Selection and Engagement of Accounting Firms by State-owned Enterprises and Listed Companies" issued by the Ministry of Finance, the State-owned Assets Supervision and Administration Commission of the State Council, and the China Securities Regulatory Commission, in order to maintain the independence, objectivity, and fairness of the company's auditing work, after the company's public bidding process, Tianjian has been appointed as the auditing institution for the company's 2024 financial reports and internal control.

A detailed explanation of the change of employment and accounting firm

☒Applicable ☐Not applicable

In reporting period, Pan-China Certified Public Accountants LLP was appointed as audit institute of internal control for the Company, auditing charge for internal control amounting as 300,000 yuan.

**IX. Particular about delisting after annual report disclosed**

☐ Applicable ☒ Not applicable

**X. Bankruptcy reorganization**

☐ Applicable ☒ Not applicable

**XI. Material lawsuits and arbitration of the Company**

☒Applicable ☐Not applicable

Basic situation of litigation(arbitration)	Amount involved (Ten thousand yuan)	Whether to form estimated liabilities	Litigation(arbitration)progress	Litigation(arbitration)trial results and impact	Implementation of litigation(arbitration)judgments	Disclosure date	Disclosure index
Zhiyijia, an affiliated enterprise of the company, signed a sales contract with the defendant, Tianjin Pengsheng Logistics Co., Ltd. (hereinafter referred to as "Tianjin Pengsheng"). After the contract was signed, Zhiyijia, the plaintiff, supplied the goods to Tianjin Pengsheng, the defendant as agreed, but Tianjin Pengsheng, the defendant, failed to fulfill the payment obligation to Zhiyijia as agreed. As of November 30, 2022, according to statistics, Tianjin Pengsheng, the defendant, still owed Zhiyijia a payment of RMB	9,617.43	No	The judgment of the first instance has come into effect.	The court ordered the defendant Tianjin Pengsheng to immediately pay the plaintiff RMB 96,174,308.42 and the corresponding liquidated damages for overdue	Under execution	December 24, 2022, October 20, 2023	Juchao Website ( <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> )(2022-101 and 2023-057)

96,174,308.42. Based on this, Zhiyijia, the plaintiff brought a lawsuit against Tianjin Pengsheng, the defendant to the People's Court of Mianyang High-tech Industrial Development Zone, and requested the court to order Tianjin Pengsheng to immediately pay the plaintiff RMB 96,174,308.42 and the corresponding liquidated damages for overdue payment, and bear the related litigation costs and property preservation guarantee fees.				payment, and bear the related litigation costs and property preservation guarantee fees.			
Meiling Group, a subsidiary of the Company, signed a sales contract with Gome Electrical Appliances Co., Ltd. (hereinafter referred to as "Gome"). After the contract was signed, Meiling Group, the plaintiff, fulfilled the supply obligation according to the contract, while Gome and its affiliated companies, the defendant, failed to fulfill the payment obligation to Meiling Group according to the contract. According to statistics, the defendant Gome and its affiliated companies owe Meiling Group RMB 9,841,267.21 for purchase payment and RMB 1,018,820.55 for liquidated damages for overdue payment, totaling RMB 10,860,087.76. Based on this, the plaintiff Meiling Group filed a lawsuit against the defendant Gome and its affiliated companies in the People's Court of Hefei High-tech Industry Development Zone. It requested the court to order the defendant Gome to immediately pay the plaintiff Meiling Group the purchase payment and the liquidated damages for overdue payment, totaling RMB 10,860,087.76.	1,086.01	No	Twenty-two cases have been decided in the first instance, 14 cases have come into effect and 8 cases are under appeal.	he court ordered the defendant Gome Electrical Appliances Co., Ltd. to immediately pay the plaintiff Meiling Group RMB 5,483,519.01 and the corresponding liquidated damages for overdue payment, and bear the relevant litigation costs and property preservation guarantee fees.	Some cases have come into effect and are under implementation.	October 20, 2023	Juchao Website (www.cninfo.com.cn)(2023-058)
Accumulated amount of other litigation that does not meet the disclosure standard of major litigation	13,582.72	Part of it is a note	-	-	-	-	-

Note: An estimated liability of 1.6527 million yuan will be confirmed in 2024. For specific details, please refer to the relevant content of "43. Estimated Liabilities" in "V. Annotations to Key Items in Consolidated Financial Statements" of "Section 10 Financial Report" in this report.

Notes: The Company's shareholding in Zhiyijia is 50%, and the products are sold through Zhiyijia's smart trading platform. The customers, channels and sales transactions corresponding to the products sold are controlled and docked by the company itself, and the external transaction object is Zhiyijia, and related transactions are formed between the Company and Zhiyijia. In terms of payment settlement, the Company and Zhiyijia follow the principle of "external customer account period is Zhiyijia's account period to the Company, and external customer payment is Zhiyijia's payment to the Company, which is not allowed to be remained or transited at Zhiyijia". The amounts involved in this case are all accounts receivable and liquidated damages for overdue payment caused by the Company's sales through the smart trading platform of Zhiyijia, but the subject of the agreement is Zhiyijia, and this lawsuit will be filed by Zhiyijia. The Company and its affiliated enterprise Zhiyijia will claim their legitimate rights and interests according to law and actively take relevant measures to safeguard the legitimate rights and interests of the Company, Zhiyijia and the investors.

## XII. Penalty and rectification

☐Applicable ☒Not applicable

During the reporting period, the Company had no Penalty and rectification.

**XIII. Integrity of the company and its controlling shareholders and actual controllers**

☐Applicable ☒Not applicable

During the reporting period, the Company and the controlling shareholders and the actual controllers have had good reputation, and there is no large amount due unliquidated debt sentenced by the court.

**XIV. Major related party transaction**

**(i) Related party transaction with routine operation concerned**

√ Applicable    □ Not applicable

Serial	Related party	Relationship	Type of related transaction	Content of related transaction	Pricing principle	Related transaction price (in 10 thousand Yuan)	Related transaction amount (in 10 thousand Yuan)	Proportion in similar transactions (%)	Trading limit approved (in 10 thousand Yuan)	Whether over the approved limited or Not (Y/N)	Clearing form for related transaction	Available similar market price	Date of disclosure	Index of disclosure
1	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Commodity purchase	Pressure regulator, integrated circuit, transistors, steel plate, plastic parts, etc	Marketing price	9,529.65	9,529.65	0.39%	23,000	No	Spot exchange, Bank acceptance	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.: 2023-066, 2023-067, 2023-068, 2023-080, 2024-007, 2024-008, 2024-014, 2024-024, 2024-04, 2024-042, 2024-044, 2024-046, 2024-047, 2024-049, 2024-60.
2	Sichuan Changhong Electronics Holding Group Co., Ltd.	Controlling shareholder	Commodity purchase	Steel plate and plastic particles, etc	Marketing price	246,940.12	246,940.12	10.22%	293,800	No	Spot exchange, Bank acceptance	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.: 2023-066, 2023-067, 2023-068, 2023-080, 2024-007, 2024-008, 2024-014, 2024-024, 2024-04, 2024-042, 2024-044, 2024-046, 2024-047, 2024-049, 2024-60.
3	Changhong Huayi Compressor Co., Ltd.	Other enterprise control under the same controlling shareholder and	Commodity purchase	Compressor, Energy	Marketing price	56,726.83	56,726.83	2.35%	80,000	No	Spot exchange, Bank acceptance	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.: 2023-066, 2023-067, 2023-068, 2023-080, 2024-007, 2024-008, 2024-014, 2024-024, 2024-04, 2024-042, 2024-044, 2024-046, 2024-047, 2024-049, 2024-60.

		ultimate controller												
4	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Components, plastic parts and lining accessories etc.	Marketing price	109,355.07	109,355.07	4.52%	130,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
5	Sichuan Changhong Jijia Fine Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Base plate assembly, black plate, bracket etc.	Marketing price	65,751.66	65,751.66	2.72%	65,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
6	Sichuan Changhong Package Printing Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate	Commodity purchased	Packing boxes, foam, fixed support block etc.	Marketing price	14,933.66	14,933.66	0.62%	20,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.



		controller												
7	Sichuan Changhong Precision Electronics Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchase	Printed board machine insertion machine paste assembly	Marketing price	3,122.63	3,122.63	0.13%	4,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
8	Sichuan Changhong International Hotel Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchase	Foods	Marketing price	3.31	3.31	0.0001%	5,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
9	Guangdong Changhong Electronics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchase	Foam and carton	Marketing price	1,080.41	1,080.41	0.04%	6,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
10	Sichuan Changhong Intelligence Manufacturing Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchase	Outside cover parts	Marketing price	0.49	0.49	0.00002%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		g shareholder and ultimate controller											11,2024, October 30,2024.	2,2024-044,2024-046,2024-047,2024-049,2024-60.
11	Sichuan Hongwei Technology Co., Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Electric products	Marketing price	33.49	33.49	0.0014%	6,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website（www.cninfo.com.cn）No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
12	Sichuan Changhong New Energy Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Batteries	Marketing price	80.08	80.08	0.0033%	5,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website（www.cninfo.com.cn）No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
13	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Refrigerator, Washing machine, Air conditioner, LCD TV	Marketing price	604.42	604.42	0.03%	6,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website（www.cninfo.com.cn）No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

14	Changhong International Holdings (Hong Kong) Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchase	TV, Air conditioner	Marketing price	1,952.84	1,952.84	0.08%	16,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
15	Sichuan Changhong Device Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchase	Printed board	Marketing price	501.45	501.45	0.02%	6,000	No	Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
16	Sichuan Changhong Electronic Products Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchase	Remote controls, switching transformers, printed boards, electronic components, etc.	Marketing price	2,433.07	2,433.07	0.10%	5,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
17	Sichuan Jiahong Industrial Co., Ltd	Other enterprise control under the same	Commodity purchase	Foods	Marketing price	0.99	0.99	0.00004%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-04

		controlling shareholder and ultimate controller											11,2024, October 30,2024.	2,2024-044,2024-046,2024-047,2024-049,2024-60.
18	Sichuan Ailian Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Internet access modules, electronic components, etc	Marketing price	1,230.76	1,230.76	0.05%	3,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
19	Sichuan Aichuang Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Inverter integrated board	Marketing price	15,558.82	15,558.82	0.64%	30,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
20	Sichuan Hongmofang Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate	Accept labor service	Information technology Service	Marketing price	0.60	0.60	0.0003%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		controller												
21	Sichuan Aoku Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchase	Inverter integrated board , Electronic control components	Marketing price	2,576.51	2,576.51	0.11%	8,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
22	Sichuan Changhong Electronics Holding Group Co., Ltd.	Controlling shareholder and ultimate controller	Accept labor service	Shuttle transportation fee, training fee	Marketing price	244.74	244.74	0.12%	293,800	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
23	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Accept labor service	Software usage fee, information consultation fee, inspection and certification fee	Marketing price	2,938.39	2,938.39	1.39%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
24	Sichuan Changhong Minsheng Logistics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate	Accept labor service	Transportation costs, storage and handling charges, freight and miscellaneous charges etc.	Marketing price	69,060.46	69,060.46	32.78%	75,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		controller												
25	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Commission processing fee, Change the mold service	Marketing price	4,184.02	4,184.02	1.99%	10,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
26	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Three packages, equipment repair, miscellaneous fees, installation fee etc.	Marketing price	38,897.03	38,897.03	18.46%	51,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
27	Sichuan Hongxin Software Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Software usage fee, service supporting fee and information service fee	Marketing price	198.21	198.21	0.09%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
28	Guangdong Changhong Electrics Co.,	Other enterprise control under the	Accept labor service	Service support fee, network service fee etc.	Marketing price	30.69	30.69	0.01%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17,	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,20

	Ltd.	same controllin g sharehold er and ultimate controller											2024, October 11,2024, October 30,2024.	24-024,2024-04,,2024-04 2,2024-044,2024-046,202 4-047,2024-049,2024-60.
29	Sichuan Jiahong Industrial Co., Ltd.	Other enterprise control under the same controllin g sharehold er and ultimate controller	Accept labor service	Meals, property management fees etc.	Marketing price	705.35	705.35	0.33%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2 023-068,2023-080,2024-0 07,2024-008,2024-014,20 24-024,2024-04,,2024-04 2,2024-044,2024-046,202 4-047,2024-049,2024-60.
30	Sichuan Changhong International Hotel Co., Ltd.	Other enterprise control under the same controllin g sharehold er and ultimate controller	Accept labor service	Meetings fee, accommodati on, Travel service	Marketing price	130.63	130.63	0.06%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2 023-068,2023-080,2024-0 07,2024-008,2024-014,20 24-024,2024-04,,2024-04 2,2024-044,2024-046,202 4-047,2024-049,2024-60.
31	Sichuan Changhong Property Services Co., Ltd.	Other enterprise control under the same controllin g sharehold er and	Accept labor service	Property management fees	Marketing price	11.24	11.24	0.01%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2 023-068,2023-080,2024-0 07,2024-008,2024-014,20 24-024,2024-04,,2024-04 2,2024-044,2024-046,202 4-047,2024-049,2024-60.

		ultimate controller												
32	Sichuan Hongwei Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Training services	Marketing price	279.20	279.20	0.13%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
33	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Design service fee and platform usage fee	Marketing price	10.55	10.55	0.0050%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
34	Sichuan Changhong Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Network maintenance services	Marketing price	0.85	0.85	0.0004%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
35	Miiyang Hith-Tech Hongfu Technology	An Enterprise in which the	Accept labor service	Transportation service	Marketing price	129.31	129.31	0.06%	200	No	Cash settlement			



	Co., Ltd.	supervisor of the controlling shareholder acts as its legal representative												
36	Sichuan Changhong Jijia Fine Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Commission processing fee	Marketing price	451.37	451.37	0.21%	3,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
37	Sichuan Changhong Gerun Environmental protection Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Environmental protection service	Marketing price	11.87	11.87	0.01%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
38	Sichuan Changhong Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder	Accept labor service	Network Maintenance	Marketing price	3.05	3.05	0.00%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		er and ultimate controller												
39	Sichuan Changhong Electronic Products Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Labor serves	Marketing price	3.41	3.41	0.00%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
40	Sichuan Aichuang Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Technical service, warehouse management service	Marketing price	62.07	62.07	0.03%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
41	Sichuan Qiruike Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Technology development service fee, instrument repair fee, inspection and certification fee, etc.	Marketing price	903.72	903.72	0.43%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
42	Sichuan Changhong Device Technology Co., Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Labor serves	Marketing price	22.11	22.11	0.01%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		g shareholder and ultimate controller											11,2024, October 30,2024.	2,2024-044,2024-046,2024-047,2024-049,2024-60.
43	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Sales of goods	Air conditioner, Kitchen and bathroom, small appliances	Marketing price	121.69	121.69	0.0043%	1,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
44	Sichuan Changhong Electronics Holding Group Co., Ltd.	Controlling shareholder and ultimate controller	Sales of goods	Kitchen and bathroom, small appliances	Marketing price	14.67	14.67	0.0005%	3,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
45	Sichuan Changhong Jijia Fine Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Kitchen and bathroom, small appliances	Marketing price	1.09	1.09	0.00004%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
46	Sichuan Changhong Mold Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and	Sales of goods	Plastic pressure parts	Marketing price	17.23	17.23	0.0006%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		ultimate controller												
47	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Washing machine, Refrigerator, freezer, Air conditioner, small appliances	Marketing price	734,224.78	734,224.78	25.91%	880,000	No	Spot exchange, Bank acceptance	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04.,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
48	Sichuan Hongwei Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Smart socket, smart switch, etc	Marketing price	0.16	0.16	0.00001%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04.,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
49	Sichuan Changhong Device Technology Co., Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air-conditioning , Energy , Compressed air	Marketing price	95.13	95.13	0.0034%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04.,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
50	Sichuan Changhong Minsheng	Other enterprise control under the same	Sales of goods	Air conditioner, Refrigerator	Marketing price	177.14	177.14	0.01%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17,	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,20

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		controller												
54	Sichuan Changhong Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioner	Marketing price	7.54	7.54	0.0003%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
55	Sichuan Aoku Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Printed board components, small home appliances, etc	Marketing price	25.52	25.52	0.0009%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
56	Sichuan Changhong Source Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Kitchen ,small appliances	Marketing price	0.75	0.75	0.00003%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
57	Sichuan Ailian Technology Co., Ltd.	Other enterprise control under the	Sales of goods	Electric device	Marketing price	10.54	10.54	0.0004%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17,	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,20

		same controllin g sharehold er and ultimate controller											2024, October 11,2024, October 30,2024.	24-024,2024-04.,2024-04 2,2024-044,2024-046,202 4-047,2024-049,2024-60.
58	Sichuan Changhong New Energy Technology Co., Ltd.	Other enterprise control under the same controllin g sharehold er and ultimate controller	Sales of goods	Air conditioner	Marketing price	98.75	98.75	0.0035%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2 023-068,2023-080,2024-0 07,2024-008,2024-014,20 24-024,2024-04.,2024-04 2,2024-044,2024-046,202 4-047,2024-049,2024-60.
59	Sichuan Changhong International Hotel Co., Ltd.	Other enterprise control under the same controllin g sharehold er and ultimate controller	Sales of goods	Kitchen ,smal l appliances	Marketing price	0.11	0.11	0.000004%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2 023-068,2023-080,2024-0 07,2024-008,2024-014,20 24-024,2024-04.,2024-04 2,2024-044,2024-046,202 4-047,2024-049,2024-60.
60	PT.CHANGH ONGELECT RICINDONE SIA	Other enterprise control under the same controllin g sharehold er and	Sales of goods	TV	Marketing price	194.30	194.30	0.01%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2 023-068,2023-080,2024-0 07,2024-008,2024-014,20 24-024,2024-04.,2024-04 2,2024-044,2024-046,202 4-047,2024-049,2024-60.

		ultimate controller												
61	CHANGHONG(HK)TRADINGLIMITED	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioner and part	Marketing price	65,382.61	65,382.61	2.31%	140,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
62	CHANGHONGELECTRIC(AUSTRALIA)PTY.LTD.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Refrigerator, freezers ,washing machine and part	Marketing price	25,696.65	25,696.65	0.91%	140,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
63	OrionPDPCo.,Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Refrigerator	Marketing price	4,062.24	4,062.24	0.14%	6,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
64	Changhong Europe Electrics.r.o	Other enterprise control	Sales of goods	Refrigerator	Marketing price	9,553.85	9,553.85	0.34%	12,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2



		under the same controlling shareholder and ultimate controller											26,2024, August 17, 2024, October 11,2024, October 30,2024.	023-068,2023-080,2024-07,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
65	Changhong International Holdings (Hong Kong) Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Refrigerator, freezers, Air conditioner, kitchen utensils	Marketing price	17,436.75	17,436.75	0.62%	30,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-07,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
66	Mianyang Hongshang Real Estate Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Kitchen ,small appliances	Marketing price	1.58832	1.59	0.0001%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-07,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
67	Sichuan Aichuang Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder	Sales of goods	Kitchen ,small appliances	Marketing price	2.26	2.26	0.00%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-07,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		er and ultimate controller												
68	Yuanxin Financial Leasing Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioner	Marketing price	256.85	256.85	0.01%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
69	Mianyang Huafeng Hulian Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioner	Marketing price	790.27	790.27	0.03%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
70	Sichuan Changhong Jiahua Information Product Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioner	Marketing price	43.24	43.24	0.0015%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
71	Sichuan	Controlling	Providing	Labour service	Marketing price	0.59	0.59	0.01%	3,000	No	Cash settlement	-	December 5,2023,December	Juchao Website (www.cninfo.com.cn)

	Changhong Electronics Holding Group Co., Ltd.	shareholder and ultimate controller	services										22,2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
72	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Property management services, warehousing services, etc	Marketing price	409.98	409.98	5.82%	10,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
73	Sichuan Changhong Jijia Fine Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Property management services, warehousing services, etc	Marketing price	45.60	45.60	0.65%	3,000	No	Spot exchange, Bank acceptance	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
74	Sichuan Aichuang Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate	Providing services	Labor service	Marketing price	95.59	95.59	1.36%	3,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		controller												
75	Sichuan Huafeng Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Labor service	Marketing price	-1.12	-1.12	-0.02%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
76	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Service fee	Marketing price	10.14	10.14	0.14%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
77	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Providing services	Labor service	Marketing price	757.74	757.74	10.76%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
78	Sichuan Changhong Device Technology Co., Ltd.	Other enterprise control under the same controlling shareholder	Providing services	Technical service fee	Marketing price	55.28	55.28	0.78%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		er and ultimate controller												
79	Sichuan Changhong New Energy Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Installation service	Marketing price	66.06	66.06	0.94%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
80	Sichuan Changhong Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Installation service, maintenance service	Marketing price	17.35	17.35	0.25%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
81	Mianyang Huafeng Hulian Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Technical service, Repair Service	Marketing price	1,072.41	1,072.41	15.23%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
82	Changhong Huayi	Other enterprise	Providing	Labor service	Marketing price	139.65	139.65	1.98%	200	No	Cash settlement	-	December 5,2023,December	Juchao Website (www.cninfo.com.cn)

	Compressor Co., Ltd.	control under the same controlling shareholder and ultimate controller	services										22,2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
83	Sichuan Changhong Minsheng Logistics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	maintenance service, Property Management	Marketing price	13.66	13.66	0.19%	7,500	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
84	Sichuan Ailian Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Warehouse	Marketing price	0.32	0.32	0.0046%	3,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
85	Sichuan Changhong Xinwang Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Labor service	Marketing price	-10.14	-10.14	-0.14%	7,500	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		shareholder and ultimate controller												
86	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Labor service	Marketing price	146.39	146.39	2.08%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
87	Sichuan Aoku Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Labor service	Marketing price	7.79	7.79	0.11%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
88	Sichuan Changhong International Hotel Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Maintenance service	Marketing price	4.29	4.29	0.06%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
89	Sichuan	Other	Providing	Property	Marketing	10.14	10.14	0.14%	7,500	No	Cash settlement	-	December	Juchao Website

	Changhong International Holding (HK) Co., Ltd.	enterprise control under the same controlling shareholder and ultimate controller	g services	Management	price								5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
90	Sichuan Changhong Electronic Products Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Provide labor	Package service	Marketing price	0.36	0.36	0.01%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
91	Sichuan Qiruike Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providin g services	Labor service	Marketing price	0.14	0.14	0.0021%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
92	Yuanxin Financial Leasing Co., Ltd.	Other enterprise control under the same controlling shareholder	Providin g services	Consulting service	Marketing price	57.00	57.00	0.81%	7,500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.



		er and ultimate controller												
93	Sichuan Changhong Property Service Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Technical service fee	Marketing price	21.40	21.40	0.30%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
94	Sichuan Changhong Jiechuang Lithium Battery Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Installation service, Labor service	Marketing price	5.39	5.39	0.08%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
95	Sichuan Changhong Education and Technology Co., Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Air conditioning maintenance service	Marketing price	0.90	0.90	0.01%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
96	Sichuan Aichuang	Other enterprise	Rent to the	Warehouse for rent	Marketing price	0.96	0.96	0.02%	3,000	No	Cash settlement	-	December 5,2023,December	Juchao Website (www.cninfo.com.cn)

	Technology Co., Ltd.	control under the same controlling shareholder and ultimate controller	related party										22,2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
97	Sichuan Aoku Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Warehouse for rent	Marketing price	0.97	0.97	0.02%	3,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
98	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Rental apartment	Marketing price	44.66	44.66	0.75%	4,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
99	Sichuan Qiruik Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Lease of factory	Marketing price	4.73	4.73	0.08%	3,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		shareholder and ultimate controller												
100	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Rent to the related party	Lease of factory, equipment	Marketing price	84.40	84.40	1.42%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
101	Sichuan Changhong Jijia Fine Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Rental apartment, warehouses, plants, equipment	Marketing price	696.97	696.97	11.73%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
102	Sichuan Changhong Education and Technology Co., Ltd1	Controlling shareholder and ultimate controller	Lease from related parties	Lease of factory	Marketing price	1.73	1.73	0.03%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
103	Sichuan Changhong Precision Electronics Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and	Rent to the related party	Rental apartment	Marketing price	84.59	84.59	1.42%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		ultimate controller												
104	Sichuan Changhong Minsheng Logistics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Rental apartment, office, factory	Marketing price	47.56	47.56	0.80%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
105	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Serviced apartment, warehouse, workshop, equipment and living quarters	Marketing price	1,826.96	1,826.96	30.74%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
106	Sichuan Changhong Device Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Lease of factory	Marketing price	128.60	128.60	2.16%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
107	Sichuan Zhiyijia Network	Other enterprise control	Rent to the related	Rental apartment	Marketing price	18.83	18.83	0.32%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2

	Technology Co., Ltd.	under the same controlling shareholder and ultimate controller	party										26,2024, August 17, 2024, October 11,2024, October 30,2024.	023-068,2023-080,2024-07,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
108	Chengdu Changhong Electronic Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Leasing from related party	Leasing office	Marketing price	69.14	69.14	1.16%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-07,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
109	Guangdong Changhong Electrics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Leasing from related party	Lease of staff dormitory, plant	Marketing price	12.28	12.28	0.21%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-07,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
110	Sichuan Jiahong Industrial Co., Ltd.	Other enterprise control under the same controlling shareholder	Leasing from related party	Lease of staff dormitory	Marketing price	55.24	55.24	0.93%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-07,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		er and ultimate controller												
111	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Leasing from related party	Lease of laboratory and workshop	Marketing price	401.97	401.97	6.76%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
112	Sichuan Changhong Electronics Holding Group Co., Ltd.	Controlling shareholder and ultimate controller	Leasing from related party	Rental stores	Marketing price	19.51	19.51	0.33%	293,800	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
113	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Rental office	Marketing price	0.50	0.50	0.01%	4,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
114	Changhong Huayi Compression Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate	Rent to the related party	Lease of staff dormitory	Marketing price	11.48	11.48	0.19%	80,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		controller												
115	Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase and construction of fixed assets	Line body transformation	Marketing price	35.24	35.24	0.07%	500	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
116	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Leasing from related party	Laboratory infrastructure construction	Marketing price	95.26	95.26	0.20%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
117	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase of fixed assets	TV	Marketing price	7.88	7.88	0.02%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
118	Sichuan Hongwei Technology Co., Ltd.	Other enterprise control under the same controlling shareholder	Purchase of fixed assets	Data center large screen	Marketing price	28.10	28.10	0.06%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

		er and ultimate controller												
119	081 Electronics Group Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase of fixed assets	Archives room equipment	Marketing price	18.46	18.46	0.04%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
120	Sichuan Qiruik Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase of Intangible assets	Equipment	Marketing price	14.69	14.69	0.03%	5,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
121	Sichuan Hongxin Software Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase of Intangible assets	Information management	Marketing price	67.92	67.92	0.14%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
122	Sichuan Hongxin	Other enterprise	Purchase of Intangible	Data center large screen	Marketing price	155.19	155.19	0.32%	3,000	No	Cash settlement	-	December 5,2023,December	Juchao Website ( www.cninfo.com.cn )



	Software Co., Ltd.	control under the same controlling shareholder and ultimate controller	e assets										22,2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
123	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Sales of Fixed assets	Equipment	Marketing price	176.16	176.16	35.83%	3,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
124	Sichuan Qiruik Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of Fixed assets	Equipment	Marketing price	35.90	35.90	7.30%	3,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
125	Guangyuan Changhong Electric Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of Fixed assets	Equipment	Marketing price	8.36	8.36	1.70%	3,000	No	Cash settlement	-	December 5, 2023, December 22, 2023, March 30, 2024, April 26, 2024, August 17, 2024, October 11, 2024, October 30, 2024.	Juchao Website (www.cninfo.com.cn) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.

126	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of Fixed assets	Equipment	Marketing price	1.45	1.45	0.29%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
127	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of Fixed assets	Equipment	Marketing price	5.81	5.81	1.18%	3,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
128	Yuanxin Financial Leasing Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Financing business	Financing business	Marketing price	149,852.72	149,852.72		209,000	No	Cash settlement	-	December 5,2023,December 22,2023,March 30,2024, April 26,2024, August 17, 2024, October 11,2024, October 30,2024.	Juchao Website ( www.cninfo.com.cn ) No.:2023-066,2023-067,2023-068,2023-080,2024-007,2024-008,2024-014,2024-024,2024-04,,2024-042,2024-044,2024-046,2024-047,2024-049,2024-60.
Total						--	--	1,666,569.09	--	2,127,700	--	--	--	--
Detail of sales return with major amount involved						Not applicable								
Report the actual implementation of the daily related transactions which were projected about their total						1 It is estimated that the related transaction amount resulted by purchasing goods (including door shell and plastic products etc.) and accepting fuel and power from Sichuan Changhong and its subsidiary by the Company for year of 2024 was 2,,690 million yuan at most (tax-excluded), actually 2,092.9895 million yuan occurred in								

amount by types during the reporting period (if applicable)	reporting period. It is estimated that the amount of related-party transactions of the company's purchase of goods from Sichuan Changhong Jijia Fine Co., Ltd. in 2024 will not exceed 650 million yuan, although the actual amount incurred during the reporting period was 657.5166 million yuan. and the actual total amount of routine related party transactions between the Company and Sichuan Changhong and its subsidiaries (including Changhong Jijia and its subsidiaries) does not exceed the estimated total amount, which is in line with the regulations of Article 25 of "Self-Regulatory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 7-Transactions and Related Party Transactions".
	2. It is estimated that the related transaction amount resulted by purchasing compressors, Sell goods, accept or provide services with Changhong Huayi and its subsidiary by the Company for year of 2024 was 802 million yuan at most (tax-excluded), actually 568.7796 million yuan occurred in reporting period.
	3. It is estimated that the related transaction amount resulted by purchasing or selling equipment, software, maintenance and spare parts and molds etc. from Sichuan Changhong and its subsidiary by the Company for year of 2024 was 30 million yuan at most (tax-excluded), actually 5.6459 million yuan occurred in reporting period.
	4. It is estimated that the related transaction amount resulted by selling goods and providing fuel and power to Sichuan Changhong and its subsidiary by the Company for year of 2024 was 10,660 million yuan at most (tax-excluded), actually 8,538.2845 million yuan occurred in reporting period.
	5. It is estimated that the related transaction amount resulted by leasing business to Sichuan Changhong and its subsidiary by the Company for year of 2024 was 40 million yuan at most (tax-excluded), actually 34.1645 million yuan occurred in reporting period.
	6. It is estimated that the related transaction amount from domestic finished goods logistic business outsourcing to Sichuan Changhong Minsheng Logistics Co., Ltd. by the Company for year of 2024 was 750 million yuan at most (tax-excluded), actually 690.6046 million yuan occurred in reporting period.
	7. It is estimated that the related transaction amount from after sales service of domestic goods outsourcing to Sichuan Service Exp. Appliance Service Chain Co., Ltd. by the Company for year of 2024 was 510 million yuan at most actually 388.9703 million yuan occurred in reporting period.
	8. It is estimated that the related transaction amount resulted by accepting other service and labor service etc. or providing other service and labor service etc. to Sichuan Changhong and its subsidiary by the Company for year of 2024 was 205 million yuan at most (tax-excluded), actually 96.3535 million yuan occurred in reporting period.
	9. It is estimated that the related transaction amount resulted by selling goods and leasing business from Sichuan Changhong Electronics Holding Group Co., Ltd and its subsidiary by the Company for year of 2024 was 95 million yuan at most (tax-excluded), actually 64.2243 million yuan occurred in reporting period.
	10. It is estimated that the related transaction amount resulted by purchasing goods and receiving labor services, fuel power, leasing and purchasing equipment etc. from Sichuan Changhong Electronics Holding Group Co., Ltd. and its subsidiary by the Company for year of 2024 was 3,403 million yuan at most (tax-excluded), actually 2,685.8539 million yuan occurred in reporting period.
	11. It is estimated that the related transaction amount resulted by received the financing lease, commercial factoring and bill financing from Yuanxin Financial Lease Co., Ltd for year of 2024 was 2,090 million yuan at most, actually 1,498.5272 million yuan occurred in reporting period.
Reasons for major differences between trading price and market reference price (if applicable)	Not applicable

Note: According to the Shenzhen Stock Exchange's "Listing Rules" and the company's "Authorization Management System" and other relevant regulations, related party transactions between the company and related parties with an amount less than 3 million yuan (including 3 million yuan) shall be implemented with the approval of the company's president. Therefore, during the reporting period, the related-party transactions between the company and its related party Mianyang High-tech Zone Hongfu Technology Co., Ltd. were within 3 million yuan , and has been approved by the company's president.

## (ii) Related transactions by assets acquisition and sold

√ Applicable □ Not applicable

Related party	Relationship	Type	Contents	Pricing	Carrying value of assets transferred (10,000 yuan)	Appraised value of assets transferred (10,000 yuan) (if any)	Transferred price (10,000 yuan)	Settlement terms	Gain/loss on trading(10,000 yuan)	Date of disclosure	Index of disclosure
Sichuan Changhong Electric Co.,Ltd.	Controlling shareholder	Related-party equity acquisition	The Company acquired 99% equity of Hefei Changhong Industry Co., Ltd. held by Sichuan Changhong Electric Co.,Ltd.	market price	23,255	37,128.29	37,128.29	Cash	-	October 12,2024	Juchao Website www.cninfo.com.cn （2024-048）
Sichuan Changhong Venture Capital Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controlling party	Related-party equity acquisition	Hefei Meiling IOT Technology Co., Ltd., a wholly-owned subsidiary of the Company, acquired 1% equity of Hefei Industry held by Sichuan Changhong Venture Capital Co., Ltd.	market price	234.9	375.03	375.03	Cash	-	October 12,2024	Juchao Website www.cninfo.com.cn （2024-048）
Reasons for major differences between transferred price and carrying value or appraised value (if any)				Not applicable							
Impact on operation result and financial status				This transaction is in line with the Company's strategic planning and development direction, solves the problems of industrial development and resource shortage, and meets the needs of capacity expansion of medium and high-end refrigerators, expansion of its own logistics warehouse and integrated layout of home appliances and homes. The transaction funds come from the Company's own funds. At present, as the Company has abundant funds, the transaction funds will not cause cash flow shortage to the Company, nor will it affect the funds required for the Company's normal production and operation.							
Performance during the reporting period if relevant trading involves a performance covenant				Not applicable							

## (iii) Related party transaction of joint foreign investment

□ Applicable √ Not applicable

No such cases in the reporting period.

## (iv) Connect of related liability and debt

√ Applicable   ☐ Not applicable

Whether has non-operational contact of related liability and debts or not

☐ Yes   ☒ No

No non-operational contact of related liability or debts in Period

**(v) Contact with the related finance companies**

√ Applicable   ☐ Not applicable

**Deposit business**

Related party	Relationship	Maximum daily deposit limit (In 10 thousand yuan)	Deposit interest rate range	Opening balance (In 10 thousand yuan)	Amount for the Period		Ending Balance (10 thousand yuan)
					Total deposit amount for the Period (10 thousand yuan)	The total amount withdrawn in the Period (10 thousand yuan)	
Sichuan Changhong Group Finance Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controller	450,000.00	0.42%-2.35%	426,145.85	5,957,451.79	5,935,746.83	447,850.81

**Credit extension or other financial business**

Related party	Relationship	Type of business	Total amount ( 10 thousand yuan)	Actual amount ( 10 thousand yuan)
Sichuan Changhong Group Finance Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controller	Other financial services - note issuance	300,000.00	87,879.85
Sichuan Changhong Group Finance Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controller	Other financial services - note discounting	300,000.00	40,984.06
Sichuan Changhong Group Finance Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controller	Other financial services - note discounting	100,000.00	97.72

Note 1: The Company's subsidiary, Zhongke Meiling, is a listed company on the Beijing Stock Exchange, and its dealings with financial companies with related relationships are detailed in the "2024 Annual Report" of Zhongke Meiling.

Note 2: As of December 31, 2024, registered capital of Changhong Finance Company is 2,693,938,365.84 yuan. The Company and Changhong Huayi holds 14.96% equity of Chonghong Finance Company respectively, and controlling shareholder of the Company -Sichuan Changhong Electric Co., Ltd and its controlling shareholder Sichuan Changhong Electronics Holding Group Co., Ltd holds 35.04% equity of Changhong Finance Company respectively.

Note 3: After deliberated and approved by the 35th session of 9<sup>th</sup> BOD and 2<sup>th</sup> extraordinary shareholders general meeting of 2020 held on 16 October 2023 and 3 November , it is agreed to continue the financial services cooperation between the Company and Changhong Finance Company and renew the "Financial Service Agreement" for a period of three years. Changhong Finance Company will provides a series of financial services such as deposit and loans within scope of operation according to the requirements of Company and its subsidiaries(Excluding Zhongke Meiling and its subsidiaries).

**(vi) Transactions between the finance company controlled by the Company and related parties**

☐ Applicable   ☒ Not applicable

No such cases in the reporting period.

**(vii) Other related party transactions**

√ Applicable   ☐ Not applicable

1. On March 28, 2024 and April 25, 2024, it was reviewed and approved by the 42nd meeting of the Tenth

Board of Directors and the 30th meeting of the Tenth Board of Supervisors, and it was agreed that the amount of daily related transactions between the Company and its subsidiaries and Changhong Group and its subsidiaries on purchase of commodities and raw materials in 2024 should not exceed RMB 1,138. million (excluding tax); After this increase estimation, the Company and its subsidiaries expect that the total amount of daily related-party transactions with Changhong Group, such as in purchasing goods, accepting labor services and renting, will not exceed RMB 2,938 million (excluding tax) in 2024.

2. On August 15, 2024, after deliberation and approval at the second meeting of the 11th board of directors and the second meeting of the 11th board of supervisors of the Company, it's agreed that the Company will increase the amount of routine related party transactions such as financial leasing, commercial factoring and bill financing between the Company and its subsidiaries and Yuanxin Financial Leasing Co., Ltd. in 2024 not exceeding 290 million yuan (excluding tax). After the increase, the amount of routine related party transactions such as financial leasing, commercial factoring and bill financing between the Company and its subsidiaries and Yuanxin Financial Leasing Co., Ltd. in 2024 is expected to not exceed RMB 10.9 billion (excluding tax).

3. On October 11, 2024 and October 29, 2024, after deliberated and approved in the third meeting of the 11th board of directors, the third meeting of the 11th board of supervisors, and the second extraordinary general meeting of shareholders in 2024, it's agreed that the Company will increase the amount of routine related party transactions such as accepting or providing services, labor services, financial leasing, commercial factoring and bill financing between the Company and its subsidiaries and Sichuan Changhong and its subsidiaries in 2024 not exceeding 1,025,000,000 yuan (excluding tax). Among them, it's expected that in 2024, the amount of routine related party transactions between the Company and its subsidiaries and Sichuan Changhong and its subsidiaries such as accepting or providing services and labor services will not exceed RMB 25 million (excluding tax); It's expected that in 2024, the amount of routine related party transactions such as financial leasing, commercial factoring and bill financing between the Company and its subsidiaries and Yuanxin Financial Leasing Co., Ltd., a wholly-owned subsidiary of Sichuan Changhong, will not exceed 10 billion yuan (excluding tax). After this increase, the Company and its subsidiaries are expected to conduct a total of no more than RMB16,975,000,000(excluding tax) in total routine related party transactions with Sichuan Changhong and its subsidiaries (excluding Changhong Huayi Compressor Co., Ltd.) in 2024.

4. On November 4, 2024, after the deliberation and approval of the fifth meeting of the 11th board of directors and the fifth meeting of the 11th board of supervisors of the Company, it's agreed to extend the duration of Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership (Limited Partnership) for 1 year (the specific expiration date is subject to industrial and commercial registration) (hereinafter referred to as "Hongyun Fund Phase I"), that is, the cumulative duration of the fund after this extension is 10 years, and it's agreed that the Company and other partners will sign the " Amendment to the Partnership Agreement of Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership (Limited Partnership).

5. On December 11 and December 27, 2024, after deliberated and approved in the eighth meeting of the 11th board of directors, the sixth meeting of the 11th board of supervisors and the third extraordinary general meeting

of shareholders in 2024, it's agreed that the total amount of routine related party transactions between the Company and its holding subsidiaries and related parties shall not exceed 26,168,200,000 yuan (excluding tax); It's agreed that in 2025, the Company and Sichuan Changhong Group Finance Co., Ltd. will continue to carry out financial services related transactions such as deposits and loans.

Related searches for disclosure website of interim report with major related transaction concerned

Interim report	Disclosure date	Website for disclosure
Resolution Notice of the 42nd session of 10 <sup>th</sup> BOD (2024-007) Resolution Notice of the 30 <sup>th</sup> session of 10 <sup>th</sup> BOS (2024-008) Announcement on Increasing the Daily Related Party Transactions in 2024 (2024-014) Announcement of the Resolution of the general meeting of 2023 (2024-024)	March 30, 2024, April 26, 2024	Juchao Website <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>
Resolution Notice of the 2nd session of 11 <sup>th</sup> BOD (2024-041) Resolution Notice of the 2nd session of 11 <sup>th</sup> BOS (2024-042) Announcement on Increasing the Daily Related Party Transactions in 2024 (2024-044)	August 17, 2024	Juchao Website <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>
Resolution Notice of the 3rd session of 11 <sup>th</sup> BOD (2024-046) Resolution Notice of the 3rd session of 11 <sup>th</sup> BOS (2024-047) Announcement on Increasing the Daily Related Party Transactions in 2024 (2024-049) Announcement of the Resolution of the Second Extraordinary general meeting of 2024 (2024-060)	October 11, 2024	Juchao Website <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>
Resolution Notice of the 5th session of 11 <sup>th</sup> BOD (2024-061) Resolution Notice of the 5th session of 11 <sup>th</sup> BOS (2024-062) Announcement on Extension and Related Transactions of Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership Enterprise (Limited Partnership). (2024-063)	November 5, 2024	Juchao Website <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>

<p>Resolution Notice of the 6th session of 11<sup>th</sup> BOD (2024-067)</p> <p>Resolution Notice of the 6th session of 11<sup>th</sup> BOS (2024-068)</p> <p>Announcement on Increasing the Daily Related Party Transactions in 2025 (2024-069)</p> <p><i>Announcement on the expected continued related party transactions with Sichuan Changhong Group Finance Co., Ltd. in 2025</i> (2024-070)</p> <p>Announcement of the Resolution of the Third Extraordinary general meeting of 2024 (2024-076)</p>	<p>December 12, 2024, December 28, 2024</p>	<p>Juchao Website <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a></p>
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## XV. Significant contract and implementations

### (i) Entrust, contract and leasing

#### 1. Entrust

☐ Applicable ☒ Not applicable

No entrust in Period.

#### 2. Contract

☐ Applicable ☒ Not applicable

No contract in Period.

#### 3. Leasing

☒ Applicable ☐ Not applicable

Note

For the operational leasing of the company, please refer to "investment real estate", "fixed assets", "use assets", "use assets", "related party lease" and "related party lease" in the notes to the financial statements.

Project which generates profit or loss reaching over 10% of total profits of the Company during the Reporting Period

☐ Applicable ☒ Not applicable

There were no leases with a 10% or greater impact on the Company's gross profit in the Reporting Period.



(ii) Major guarantee

√ Applicable   □ Not applicable

In RMB 10,000

Particulars about the external guarantee of the Company and subsidiaries (Barring the guarantee for subsidiaries)										
Name of the Company guaranteed	Related Announcement disclosure date	Guarantee limit	Actual date of happening	Actual guarantee limit	Guarantee type	Collateral (if applicable)	Counter guarantee (if applicable)	Guarantee term	Complete implementation or not	Guarantee for related party
-	-	-	-	-	-	-	-	-	-	-
Total approving external guarantee in report period (A1)			0	Total actual occurred external guarantee in report period (A2)			0			
Total approved external guarantee at the end of report period (A3)			0	Total actual balance of external guarantee at the end of report period (A4)			0			
Guarantee between the Company and the subsidiaries										
Name of the Company guaranteed	Related Announcement disclosure date	Guarantee limit	Actual date of happening	Actual guarantee limit	Guarantee type	Collateral (if applicable)	Counter guarantee (if applicable)	Guarantee term	Complete implementation or not	Guarantee for related party
Zhongshan Changhong Electric Co., Ltd.	Announcement No.: 2021-091,2021-092,2021-096,2021-109 released on December 7,2021 and December 24, 2021	140,000.00	October 11,2022	15,000.00	Joint liability guaranty		Yes	1 year	Yes	No
	Announcement No.: 2022-087,2022-088, 2022-091 and 2022-100 released on December 7,2022 and December 23,2022	150,000.00	April 7,2023	6,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			April 24,2023	10,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			June 8,2023	10,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			June 27,2023	7,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			June 4, 2023	10,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			July 10,2023	20,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			July 28,2023	5,000.00	Joint liability guaranty		Yes	1 year	Yes	No

			August 29,2023	15,000.00	Joint liability guaranty	Yes	1 year	Yes	No
			November 2,2023	5,000.00	Joint liability guaranty	Yes	1 year	Yes	No
	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5,2023 and December 22, 2023	130,000.00	-	-	-	-	-	-	-
Changhong Meiling Ridian Technology Co., Ltd.	Announcement No.: 2021-091,2021-092,2021-096,2021-109 released on December 7, 2021, December 24,2021,December 24,2021	16,000.00	December 8,2022	3,500.00	Joint liability guaranty	Yes	11.2 months	Yes	No
	Announcement No.: 2022-087,2022-088,2022-091,2022-100 released on December 7,2022 December 23, 2022	16,000.00	July 10,2023	4,000.00	Joint liability guaranty	Yes	1 year	Yes	No
	Announcement No.: 2023-066,2023-067,2023-07, 2023-080 released on December 5,2023, December 22, 2023	14,500.00	March 19,2024	3,500.00	Joint liability guaranty	Yes	10.7 months	No	No
Zhongke Meiling Cryogenic Technology Co., Ltd.	Announcement No.: 2023-066,2023-067,2023-070,2023-80 released on December 5, 2023, December 22, 2023	10,000.00	-	-	-	-	-	-	-
Sichuan Changhong Air-conditioner Co., Ltd.	Announcement No.: 2022-087,2022-088,2022-091,2022-100 released on December 7, 2022, December 23, 2022	250,000.00	January 17,2023	10,000.00	Joint liability guaranty	Yes	9 months	Yes	No
			January 17,2023	5,000.00	Joint liability guaranty	Yes	1 year	Yes	No
			February 27,2023	16,000.00	Joint liability guaranty	Yes	1 year	Yes	No
			March 16,2023	30,000.00	Joint liability	Yes	1 year	Yes	No

					guaranty					
			March 24,2023	60,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			April 14,2023	12,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			July 5,2023	1,500.00	Joint liability guaranty		Yes	5.4 months	Yes	No
	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5,2023, December 22, 2023	262,000.00	-	-	-		-	-	-	-
	Announcement No.: 2024-020,2024-021,2024-023,2024-036 released on April 20, 2024, June 19,2024	60,000.00	September 27,2024	60,000.00	Joint liability guaranty		Yes	6.4 months	No	No
	Announcement No.: 2024-067,2024-068,2024-071,2024-076 released on December 12, 2024, December 28,2024	61,800.00	-	-	-		-	-	-	-
Jiangxi Meiling Electric Appliance Co., Ltd.	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2023, December 22, 2023	15,000.00	-	-	-		-	-	-	-
	Announcement No.: 2024-067,2024-068,2024-071,2024-076 released on December 12, 2024, December 28, 2024	10,000.00	-	-	-		-	-	-	-
Hefei Meiling Nonferrous Metal Products Co., Ltd.	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2023, December 22,	3,000.00	-	-	-		-	-	-	-

	2023									
Hefei Meiling Group Holdings Limited	Announcement No.: 2022-087,2022-088,2022-091,2022-100 released on December 7, 2022, December 23, 2022	60,000.00	May 11,2023	4,500.00	Joint liability guaranty		Yes	1 year	Yes	No
			July 12,2023	8,000.00	Joint liability guaranty		Yes	1 year	Yes	No
	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2023, December 22, 2023	25,000.00	November 6,2024	20,000.00	Joint liability guaranty		Yes	1 year	No	No
	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2023, December 22, 2023。	70,000.00								
Hefei Changhong Meiling Life Appliances Co., Ltd.	Announcement No.: 2021-091,2021-092,2021-096 and 2021-109 released on December 7, 2021 and December 24, 2021	35,000.00	November 21,2022	5,000.00	Joint liability guaranty		Yes	1 year	Yes	No
	Announcement No.: 2022-087,2022-088,2022-091 and 2022-100 released on December 7, 2022 and December 23, 2022	35,000.00	March 22,2023	8,000.00	Joint liability guaranty		Yes	11 months	Yes	No
			April 24,2023	2,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			May 4,2023	5,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			October 19,2023	2,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			December 1,2023	10,000.00	Joint liability guaranty		Yes	1 year	Yes	No
			December 15,2023	4,000.00	Joint liability guaranty		Yes	5.7 months	Yes	No

	Announcement No.: 2023-040, 2023-041, 2023-043, 2023-065 released on August 18, 2023, November 4, 2023。	8,000.00	-	-	-		-	-	-	-
	Announcement No.: 2023-066,2023-067,202 3-070,2023-080 released on December 5, 2023, December 22, 2023	50,000.00	March 6,2024	5,000.00	Joint liability guaranty		Yes	8.4 months	Yes	No
			March 26,2024	8,000.00	Joint liability guaranty		Yes	1 year	No	No
	Announcement No.: 2023-066,2023-067,202 3-070,2023-080 released on December 5, 2024, December 22, 2024	20,000.00	-	-	-		-	-	-	-
Hefei Changhong Industrial Co., Ltd.	Announcement No.: 2023-066,2023-067,202 3-070,2023-080 released on December 5, 2024, December 22, 2024	40,000.00	-	-	-		-	-	-	-
Total amount of approving guarantee for subsidiaries in report period (B1)			261,800.00	Total amount of actual occurred guarantee for subsidiaries in report period (B2)				390,000.00		
Total amount of approved guarantee for subsidiaries at the end of reporting period (B3)			386,300.00	Total balance of actual guarantee for subsidiaries at the end of reporting period (B4)				101,500.00		
Guarantee of the subsidiaries for the subsidiaries										
Name of the Company guaranteed	Related Announcement disclosure date	Guarantee limit	Actual date of happening	Actual guarantee limit	Guarantee type	Collatera l (if applicabl e)	Counter guarante e (if applicab le)	Guarantee term	Complete implemen tation or not	Guarantee for related party
Anhui Touxing Technology Co., Ltd.	Announcement No.: 2022-087,2022-088,202 2-091 and 2022-100 released on December 7, 2022 and December	8,000.00	June 20,2023	1,000.00	Joint liability guaranty			1 year	Yes	No
			August 15,2023	400.00	Joint liability guaranty			1 year	No	No

	23, 2022		October 25,2023	1,000.00	Joint liability guaranty			1 year	Yes	No
	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2023, December 22, 2023	5,000.00	July 24,2024	1,000.00	Joint liability guaranty			11.5 months	No	No
	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2024, December 22, 2024	3,000.00	-	-	-		-	-	-	-
Anhui Ling'an Medical Equipment Co., Ltd	Announcement No.: 2022-087,2022-088,2022-091 and 2022-100 released on December 7, 2022 and December 23, 2022	12,000.00	August 25,2023	1,000.00	Joint liability guaranty			1 year	Yes	No
			October 20,2023	1,000.00	Joint liability guaranty			1 year	Yes	No
	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2023, December 22, 2023	10,000.00	October 31,2024	1,000.00	Joint liability guaranty			1 year	No	No
	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2024, December 22, 2024	5,000.00	-	-	-		-	-	-	-
Ground Energy Heat Pump Tech.(Zhongshan) Co., Ltd.	Announcement No.: 2023-066,2023-067,2023-070,2023-080 released on December 5, 2024, December 22, 2024	56,500.00	-	-	-		-	-	-	-
Total amount of approving guarantee for subsidiaries in report period (C1)			64,500.00	Total amount of actual occurred guarantee for subsidiaries in report period (C2)				6,400.00		

Total amount of approved guarantee for subsidiaries at the end of reporting period (C3)	87,500.00	Total balance of actual guarantee for subsidiaries at the end of reporting period (C4)	2,400.00
Total amount of guarantee of the Company (total of three abovementioned guarantee)			
Total amount of approving guarantee in report period (A1+B1+C1)	326,300.00	Total amount of actual occurred guarantee in report period (A2+B2+C2)	396,400.00
Total amount of approved guarantee at the end of report period (A3+B3+C3)	473,800.00	Total balance of actual guarantee at the end of report period (A4+B4+C4)	103,900.00
Ratio of actual guarantee (A4+B4+C4) in net assets of the Company			17.07%
Including:			
Amount of guarantee for shareholders, actual controller and its related parties (D)			0
The debts guarantee amount provided for the guaranteed parties whose assets-liability ratio exceed 70% directly or indirectly (E)			78,000
Proportion of total amount of guarantee in net assets of the Company exceed 50% (F)			0
Total amount of the aforesaid three guarantees (D+E+F)			78,000
Explanations on possibly bearing joint and several liquidating responsibilities for undue guarantees (if applicable)		N/A	
Explanations on external guarantee against regulated procedures (if applicable)		N/A	

The above-mentioned guarantee objects are the wholly-owned and holding subsidiaries of the Company, and these wholly-owned and holding subsidiaries are in normal production and operation, there are no overdue loans, and the guarantee risks are controllable. During the reporting period, there were no external guarantees for the Company and its subsidiaries, but there were guarantees from the Company to its subsidiaries, or from such subsidiaries to their subsidiaries.

By the end of the reporting period, the total approved amount of the Company's guarantee provided to its subsidiaries and the guarantee provided by such subsidiaries to their subsidiaries was RMB 4,738 million, the actual amount was RMB 3,964 million, and the actual guarantee balance was RMB 1,039 million, accounting for 17.07% of the Company's latest net assets.

Explanation on guarantee with composite way: Not applicable

**(iii) Entrust others to cash asset management****1. Trust financing**

√ Applicable    □ Not applicable

Trust financing in the period

In RMB 10,000

Type	Capital resources	Amount for entrust	Undue balance	Overdue amount	Impairment amount for overdue financial management
Bank financing products	Own idle funds	1,215,000.00	0	0	0
Total		1,215,000.00	0	0	0

Details of the single major amount, or high-risk trust investment with low security, poor fluidity

√ Applicable    □ Not applicable



In RMB 10,000

Trustee institution (or name of trustee)	Trustee type	Product type	Amount	Source of funds	Start date	Expiry date	Capital investment purpose	Criteria for fixing reward	Reference annual rate of return	Anticipated income (if applicable)	Actual gains/losses in period	Actual collected gains/losses in period	Amount of reserve for devaluation of withdrawing (if applicable)	Whether approved by legal procedure (Y/N)	Whether has entrusted finance plan in the future	Summary of the items and related query index (if applicable)
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	30,000.00	Idle own funds	January 16, 2024	April 16, 2024	This product is a RMB structured deposit product with embedded financial derivatives. Banks invest the raised structured deposit funds in bank time deposits, and at the same time invest in financial derivative transactions (including but not limited to derivative transactions such as options and swaps) in domestic or international financial markets within the upper limit of the income of such time deposits. The sum of the investment gains and losses of financial derivative transactions and the interest of bank deposits jointly constitutes the income of structured deposit products.	Agreement	2.60%	Not applicable	195.00	195.00	N/A	Yes	Not applicable	Juchao Website (www.cninfo.com.cn)(2024-001)
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	January 18, 2024	April 18, 2024	This product is a RMB structured deposit product with embedded financial derivatives. Banks invest the raised structured deposit funds in bank time deposits, and at the same time invest in financial derivative transactions (including but not limited to derivative transactions such as options and swaps) in domestic or international financial markets within the upper limit of the income of such time deposits. The sum of the investment gains and losses of financial derivative transactions and the interest of bank deposits jointly constitutes the income of structured deposit products.	Agreement	2.60%	Not applicable	32.50	32.50	N/A	Yes	Not applicable	Juchao Website (www.cninfo.com.cn)(2024-002)

Zhongshan branch of Bank of Communications Co., Ltd	Bank	Principal-guaranteed with floating income	3,000.00	Idle own funds	March 29, 2024	May 31, 2024	Bank of Communications operates the funds raised by structured deposit products in a unified manner and manages them in accordance with the principle of separating basic deposits from derivative transactions. The raised principal will be included in the internal fund of Bank of Communications for unified operation and management, and will be included in the payment scope of deposit reserve fund and deposit insurance. The embedded derivative part of products will be linked to the exchange rate, interest rate, commodity and index, etc	Agreement	2.35%	Not applicable	12.17	12.17	N/A	Yes	Not applicable	Juchao Website (www.cninfo.com.cn) (2024-017)
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	15,000.00	Idle own funds	May 27, 2024	August 27, 2024	This deposit product is a RMB capital-guaranteed non-fixed income product, and the product income is divided into two parts: fixed income and non-fixed income, in which the non-fixed income is associated with the fluctuation of the observed target.	Agreement	2.65%	Not applicable	100.19	100.19	N/A	Yes	Not applicable	-
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	May 27, 2024	August 28, 2024	This deposit product is a RMB capital-guaranteed non-fixed income product, and the product income is divided into two parts: fixed income and non-fixed income, in which the non-fixed income is associated with the fluctuation of the observed target.	Agreement	2.65%	Not applicable	33.40	33.40	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	12,000.00	Idle own funds	May 29, 2024	November 25, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.82%	Not applicable	166.88	166.88	N/A	Yes	Not applicable	-
Bank of China	Bank	Principal-guaranteed with floating	15,000.00	Idle own funds	May 30, 2024	August 30, 2024	This deposit product is a RMB capital-guaranteed non-fixed income product, and the product income is divided into two parts: fixed	Agreement	1.20%	Not applicable	45.37	45.37	N/A	Yes	Not applicable	-

		income					income and non-fixed income, in which the non-fixed income is associated with the fluctuation of the observed target.									
Dongguan Bank Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	13,000.00	Idle own funds	May 30, 2024	November 28, 2024	The principal part of structured deposits is included in the in-statement accounting, and it is included in the scope of deposit reserve and deposit insurance premium payment according to the deposit management. The relevant assets are accrued with capital and provisions according to the relevant regulations of the State Council's Banking Regulatory Authority; The final actual income of structured deposits depends on the market performance of the linked target and is influenced by many factors in the market.	Agreement	2.95%	Not applicable	191.22	191.22	N/A	Yes	Not applicable	-
Dongguan Bank Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	3,000.00	Idle own funds	May 31, 2024	November 29, 2024	The principal part of structured deposits is included in the in-statement accounting, and it is included in the scope of deposit reserve and deposit insurance premium payment according to the deposit management. The relevant assets are accrued with capital and provisions according to the relevant regulations of the State Council's Banking Regulatory Authority; The final actual income of structured deposits depends on the market performance of the linked target and is influenced by many factors in the market.	Agreement	2.95%	Not applicable	44.13	44.13	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	20,000.00	Idle own funds	June 3, 2024	June 30, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.90%	Not applicable	42.90	42.90	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd.	Bank	Principal-guaranteed with	5,000.00	Idle own funds	June 5, 2024	June 29, 2024	The principal of this product is invested in bank deposits and derivative financial instruments.	Agreement	2.60%	Not applicable	8.19	8.19	N/A	Yes	Not applicable	-

Hefei Branch		floating income					Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			le						
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	27,000.00	Idle own funds	June 5, 2024	June 28, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.90%	Not applicable	49.34	49.34	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	10,000.00	Idle own funds	June 6, 2024	June 28, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.90%	Not applicable	17.48	17.48	N/A	Yes	Not applicable	-
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	20,000.00	Idle own funds	June 26, 2024	September 26, 2024	This product is a RMB structured deposit product with embedded financial derivatives. Banks invest the raised structured deposit funds in bank time deposits, and at the same time invest in financial derivative transactions (including but not limited to derivative transactions such as options and swaps) in domestic or international financial markets within the upper limit of the income of such time deposits. The sum of the investment gains and losses of financial derivative transactions and the interest of bank deposits jointly constitutes the income of structured deposit products.	Agreement	2.35%	Not applicable	117.50	117.50	N/A	Yes	Not applicable	-
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	10,000.00	Idle own funds	July 2, 2024	September 27, 2024	This product is a RMB structured deposit product with embedded financial derivatives. Banks invest the raised structured deposit funds in bank time deposits, and at the same time invest in financial derivative transactions (including but not limited to derivative transactions such as options and swaps)	Agreement	2.30%	Not applicable	54.31	54.31	N/A	Yes	Not applicable	-

							in domestic or international financial markets within the upper limit of the income of such time deposits. The sum of the investment gains and losses of financial derivative transactions and the interest of bank deposits jointly constitutes the income of structured deposit products.									
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	July 3, 2024	July 31, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.60%	Not applicable	9.97	9.97	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	35,000.00	Idle own funds	July 4, 2024	July 24, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.90%	Not applicable	55.62	55.62	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	50,000.00	Idle own funds	July 4, 2024	July 29,	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.90%	Not applicable	99.32	99.32	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	45,000.00	Idle own funds	July 4, 2024	July 30, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.90%	Not applicable	92.96	92.96	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	10,000.00	Idle own funds	July 4, 2024	July 31, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not	Agreement	2.90%	Not applicable	21.45	21.45	N/A	Yes	Not applicable	-

		income					limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	55,000.00	Idle own funds	August 5, 2024	August 28, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.80%	Not applicable	97.04	97.04	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	75,000.00	Idle own funds	August 5, 2024	August 29, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.80%	Not applicable	138.08	138.08	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	August 5, 2024	August 30, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.60%	Not applicable	8.90	8.90	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	30,000.00	Idle own funds	August 19, 2024	August 30, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.80%	Not applicable	25.32	25.32	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	10,000.00	Idle own funds	August 19, 2024	November 17, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.60%	Not applicable	64.11	64.11	N/A	Yes	Not applicable	-

Bank of Communications Co., Ltd	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	August 19, 2024	November 18, 2024	The funds raised by the structured deposit products of the Bank of Communications are operated by the Bank of Communications in a unified manner, and the business management is carried out in accordance with the principle of separating the basic deposits from derivative transactions. The part of the principal raised is included in the unified operation and management of the internal funds of Bank of Communications, and is included in the scope of payment of deposit reserves and deposit insurance premiums, and the embedded derivatives part of the product is linked to the exchange rate, interest rate, commodity, index and other underlying objects. The underlying price under this product agreement is the [Shanghai Gold Centralized Pricing Contract (Code: SHAU) Benchmark Price Morning Price], and the final performance of the product income is linked to the morning price of the SHAU benchmark price.	Agreement	2.45%	Not applicable	30.54	30.54	N/A	Yes	Not applicable	-
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	10,000.00	Idle own fund	August 28, 2024	November 28, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.25%	Not applicable	56.71	56.71	N/A	Yes	Not applicable	-
ICBC MianyangGaixin Branch	Bank	Principal-guaranteed with floating income	10,000.00	Idle own fund	August 29, 2024	December 2, 2024	The principal of this product is partly incorporated into the unified operation and management of internal funds of ICBC, The earnings are partly invested in derivatives pegged to the euro against the dollar, and the product gains are linked to the performance of the euro against dollar exchange rate in the international market during the observation period. Investor earnings depend on	Agreement	2.39%	Not applicable	56.76	56.76	N/A	Yes	Not applicable	-

							the euro against the dollar during the observation period. In the principle of fairness and justice, ICBC will observe the exchange rate of the euro against the US dollar during the observation period according to the market conditions, and pay the investor for the product in strict accordance with the income conditions stipulated in the product specification.									
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Idle own fund	September 2, 2024	September 30, 2024	The structured deposits are included in the payment scope of deposit reserve and deposit insurance premium in accordance with deposit management and regulatory requirements,	Agreement	2.60%	Not applicable	20.22	20.22	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	55,000.00	Idle own fund	September 4, 2024	September 27, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.60%	Not applicable	90.11	90.11	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	75,000.00	Idle own fund	September 4, 2024	September 30, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.60%	Not applicable	138.90	138.90	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	30,000.00	Idle own fund	September 5, 2024	September 30, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.60%	Not applicable	53.42	53.42	N/A	Yes	Not applicable	-
Hefei Branch of Guangfa Bank	Bank	Principal-guaranteed with floating income	10,000.00	Idle own fund	September 27, 2024	December 6, 2024	The principal of this structured deposit is included in the unified operation and management of funds of Guangfa Bank, The returns are partly invested in financial derivatives, and investors' structured	Agreement	2.46%	Not applicable	47.18	47.18	N/A	Yes	Not applicable	-



							deposit returns depend on the performance of spot gold during the observation period.									
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	30,000.00	Idle own fund	2024 年 9 月 29 日	2024 年 12 月 29 日	This product is a RMB structured deposit product with embedded financial derivatives. Banks invest the raised structured deposit funds in bank time deposits, and at the same time invest in financial derivative transactions (including but not limited to derivative transactions such as options and swaps) in domestic or international financial markets within the upper limit of the income of such time deposits. The sum of the investment gains and losses of financial derivative transactions and the interest of bank deposits jointly constitutes the income of structured deposit products.	Agreement	2.35%	Not applicable	176.42	176.42	N/A	Yes	Not applicable	-
Dongguan Bank Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	2,000.00	Idle own fund	September 30, 2024	December 30, 2024	The principal part of structured deposits is included in the in-statement accounting, and it is included in the scope of deposit reserve and deposit insurance premium payment according to the deposit management. The relevant assets are accrued with capital and provisions according to the relevant regulations of the State Council's Banking Regulatory Authority; The final actual income of structured deposits depends on the market performance of the linked target and is influenced by many factors in the market.	Agreement	1.70%	Not applicable	8.48	8.48	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	55,000.00	Idle own fund	October 10, 2024	October 29, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.60%	Not applicable	74.44	74.44	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd.	Bank	Principal-guaranteed with floating income	90,000.00	Idle own fund	October 10, 2024	October 31, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not	Agreement	2.60%	Not applicable	134.63	134.63	N/A	Yes	Not applicable	-

Hefei Branch		floating income					limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			le						
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Idle own fund	October 14, 2024	November 14, 2024	The structured deposits are included in the payment scope of deposit reserve and deposit insurance premium in accordance with deposit management and regulatory requirements,	Agreement	2.20%	Not applicable	18.33	18.33	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	60,000.00	Idle own fund	November 4, 2024	November 28, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.50%	Not applicable	98.63	98.63	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	80,000.00	Idle own fund	November 4, 2024	November 29, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.50%	Not applicable	136.99	136.99	N/A	Yes	Not applicable	-
Bank of Communications Co., Ltd	Bank	Principal-guaranteed with floating income	10,000.00	Idle own fund	November 20, 2024	December 23, 2024	The structured deposits are included in the payment scope of deposit reserve and deposit insurance premium in accordance with deposit management and regulatory requirements,	Agreement	2.10%	Not applicable	18.99	18.99	N/A	Yes	Not applicable	-
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Idle own fund	November 25, 2024	December 25, 2024	The structured deposits are included in the payment scope of deposit reserve and deposit insurance premium in accordance with deposit management and regulatory requirements,	Agreement	2.00%	Not applicable	16.67	16.67	N/A	Yes	Not applicable	-
Industrial Bank Co., Ltd., Mianyang Branch	Bank	Principal-guaranteed with floating income	10,000.00	Idle own fund	December 30, 2024	December 30, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.17%	Not applicable	16.05	16.05	N/A	Yes	Not applicable	-

Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	80,000.00	Idle own fund	December 4, 2024	December 22, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.50%	Not applicable	98.63	98.63	N/A	Yes	Not applicable	-
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	60,000.00	Idle own fund	December 4, 2024	December 27, 2024	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.40%	Not applicable	90.74	90.74	N/A	Yes	Not applicable	-
Total			1,215,000.00	--	--	--	--	--	--	--	3106.19	--	--	--	--	--

Note: Zhongke Meiling, a subsidiary of the Company, is a listed company of the Beijing Stock Exchange. For details of its entrusted financial management, please refer to Zhongke Meiling's 2024 annual Report.

Entrust financial expected to be unable to recover the principal or impairment might be occurred

☐ Applicable ☒ Not applicable

Are there any financial products with a single outstanding balance of over 50 million yuan or overdue payments at the end of the reporting period.

☐ Yes ☒ No ☐ Not applicable

**2. Entrust loans**

☐ Applicable ☒ Not applicable

No entrust loans in the period.

**(iv) Other material contracts**

☐ Applicable ☒ Not applicable

No other material contracts in the period.

**XVI. Explanation on other significant events**

☒ Applicable ☐ Not applicable

1. According to the resolution of the 40th meeting of the 10th Board of Directors of the Company, it was agreed that the Company should set up an ESG management organization structure, and an ESG management committee under the Board of Directors of the Company, consisting of six directors of the Board of Directors, namely Mr. Wu Dinggang, Mr. Zhong Ming, Mr. Zhao Qilin, Mr. Kou Huameng, Mr. Hu Zhaogui and Ms. Mou Wen (independent directors), and the chairman of Mr. Wu Dinggang, which will take effect from the date of review and approval by the Board of Directors. The term of office of the above members is the same as that of the Board of Directors. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-004 and 2024-005 )on 20 February 2024.

2. According to the resolution of the 40th meeting of the 10th Board of Directors, it was agreed that the Company will invest RMB 88 million to transform the front-end refrigerator production line of Hefei manufacturing base, in order to enhance the refrigerator manufacturing capacity of Hefei base and improve the market competitiveness of products. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-004 )on 20 February 2024.

3. According to the resolutions of the 42nd meeting of the 10th Board of Directors, the 30th meeting of the 10th Board of Supervisors and the 2023 Annual General Meeting of Shareholders, it was agreed to pass the Company's 2023 profit distribution plan: based on the Company's total share capital of 1,029,923,715 shares on December 31, 2023, it will distribute a cash dividend of RMB 3 (including tax) to all shareholders for every 10 shares, with no bonus shares or share capital increase by reserve fund conversion. It is expected to distribute a cash dividend of RMB 308,977,114.50 (including tax), accounting for 41.70% of the net profit attributable to shareholders of listed companies in 2023. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-007, 2024-008, 2024-010 and 2024-024) on 30 March 2024 and 26 April 2024..

4. According to the resolution of the 42nd meeting of the 10th Board of Directors and the 2023 Annual General Meeting of Shareholders, it was agreed to appoint Pan-China Certified Public Accountants (special general partnership) AS appointed as the auditor of the Company's 2024 annual financial report and internal control for a period of one year. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-007 ,2024-011 and 2024-024) on 30 March 2024 and 26 April 2024.

5. According to the resolution of the 42nd meeting of the 10th Board of Directors and the 2023 Annual General

Meeting of Shareholders, it was agreed that the Company and its subsidiaries will conduct forward foreign exchange fund trading business from July 1, 2024 to June 30, 2025, with a transaction balance not exceeding USD 1.199 billion (mainly including USD, AUD and EUR, and all other foreign exchange will be converted into USD), and a longest delivery period of a single business of no more than one year. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-007, 2024-013 and 2024-024) on 30 March 2024 and 26 April 2024..

6. According to the resolutions of the 42nd meeting of the 10th Board of Directors, the 30th meeting of the 10th Board of Supervisors and the 2023 Annual General Meeting of Shareholders, it was agreed to pass the Company's Return Plan for Shareholders for the Next Three Years (2024 -2026). Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-007, 2024-008 and 2024-024) on 30 March 2024 and 26 April 2024..

7. According to the resolution of the 42nd meeting of the 10th Board of Directors and the 2023 Annual General Meeting of Shareholders, it was agreed that the Company and its subsidiaries apply to Hefei Branch of Industrial Bank Co., Ltd. for a special credit line of up to RMB 400 million for bill pool; and apply to Hefei Branch of Ping An Bank Co., Ltd. for a special credit line of up to RMB 500 million for bill pool. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-007, 2024-015 and 2024-024) on 30 March 2024 and 26 April 2024..

8. According to the 43rd meeting of the 10th Board of Directors, the 31st meeting of the 10th Board of Supervisors and the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to provide a total guarantee amount of no more than RMB 600 million for raw materials purchased by Changhong Air Conditioning, a wholly-owned subsidiary of the Company, with a guarantee period of one year, starting from the date of review and approval by the Company's General Meeting of Shareholders. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-020, 2024-021, 2024-023 and 2024-036) on 20 April 2024 and 19 June 2024..

9. In order to establish a variety of shareholder return mechanisms, thank shareholders for their long-term concern and support, and at the same time to allow shareholders to experience the Company's new products and services, and improve investors' understanding and recognition of the Company's intrinsic value, the Company held the "Changhong Meiling Shareholder Thanksgiving Festival" from May 18, 2024 to May 26, 2024. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-025) on 17 May 2024 .

10. According to the resolutions of the 44th meeting of the 10th Board of Directors and the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to amend some clauses of the Company's *Articles of Association* according to relevant provisions of laws and regulations and combined with the actual situation of the

Company. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-026, 2024-028 and 2024-036) on 1 June 2024 and 19 June 2024..

11. According to the resolution of the 44th meeting of the 10th Board of Directors and the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to amend some clauses of the Company's *Authorization Management System* according to the relevant provisions of laws and regulations and combined with the actual situation of the Company. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-026, 2024-028 and 2024-036) on 1 June 2024 and 19 June 2024..

12. According to the resolutions of the 44th meeting of the 10th Board of Directors, the 32nd meeting of the 10th Board of Supervisors and the First Extraordinary General Meeting of Shareholders in 2024, it was agreed that the Company and its subsidiaries (excluding Zhongke Meiling Cryogenic Technology Co., Ltd. and its subsidiaries) would increase the use of their own idle funds of no more than RMB 1.85 billion (which can be used in a rolling way) to invest in and purchase bank wealth management products with high safety, good liquidity, low risk and stability within one year. The authorization period is valid within one year from the date of deliberation and approval by the General Meeting of Shareholders of the Company. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-026, 2024-027, 2024-030 and 2024-036) on 1 June 2024 and 19 June 2024..

13. In view of the expiration of the term of the 10th Board of Directors of the Company, according to relevant regulations, the Board of Directors of the Company needs to be re-elected. It was agreed that the 11th Board of Directors of the Company should have 9 directors, including 6 non-independent directors and 3 independent directors. According to the resolutions of the 44th meeting of the 10th Board of Directors and the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to appoint Mr. Wu Dinggang, Mr. Zhong Ming, Mr. Zhao Qilin, Ms. Yi Suqin, Mr. Cheng Ping and Mr. Fang Wei as the non-independent directors of the 11th Board of Directors, and Ms. Mou Wen, Mr. Hong Yuanjia and Mr. Cheng Wenlong as the independent directors of the 11th Board of Directors. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-026, 2024-031 and 2024-036) on 1 June 2024 and 19 June 2024..

14. According to the resolution of the 32nd meeting of the 10th Board of Supervisors and the First Extraordinary General Meeting of Shareholders in 2024, in order to optimize the enterprise supervision system, combined with the revision of the Articles of Association, it was agreed to amend some clauses of the Rules of Procedure of the Board of Supervisors, and adjust the member number of the Board of Supervisors from 5 to 3. Found more on appointed media “Securities Times”, “China Securities Journal” and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-027, 2024-029 and 2024-036) on 1 June 2024 and 19 June 2024..

15. In view of the expiration of the term of the 10th Board of Supervisors of the Company, according to

relevant regulations, the Board of Supervisors of the Company needs to be re-elected. It was agreed that the 11th Board of Supervisors of the Company should have 3 supervisors, including 2 shareholder representative supervisors and 1 employee supervisor. According to the resolution of the 32nd meeting of the 10th Board of Supervisors and the First Extraordinary General Meeting of Shareholders in 2024, it was agreed to appoint Mr. Qiu Jin and Mr. Ma Yu as the shareholder representative supervisors of the 11th Board of Supervisors; After voting at the second meeting of the Ninth Workers' Congress, it was agreed to elect Ms. Ji Ge as the employee supervisor of the 11th Board of Supervisors. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-027, 2024-032, 2024-036 and 2024-037) on 1 June 2024 and 19 June 2024..

16. According to the resolution of the first meeting of the 11th Board of Directors, it was agreed to elect Mr. Wu Dinggang as the chairman of the 11th Board of Directors, to elect members of the strategy, audit, nomination, remuneration and assessment and ESG management committees under the 11th Board of Directors, to re-appoint Mr. Tang Youdao, Mr. Kou Huameng and Mr. Hu Zhaogui as the Company's vice presidents, to employ Ms. Li Xia as the Company's vice president and concurrently the secretary of the Board of Directors, and to re-appoint Mr. Pang Haitao as the Company's financial director, with a term of office from the date of review and approval by the Board of Directors to the Company to the date of expiration of the term of office of the current Board of Directors. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-038 and 2024-040) on 19 June 2024 and 20 June 2024..

17. According to the resolution of the first meeting of the 11th Board of Supervisors of the Company, it was agreed to elect Mr. Qiu Jin as the chairman of the 11th Board of Supervisors of the Company, with a term of office the same as that of the 11th Board of Supervisors of the Company. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-038 and 2024-040) on 19 June 2024 and 20 June 2024..

18. On August 15, 2024, through the resolution passed at the second meeting of the 11th board of directors of the Company, according to the Company's production and operation needs, in order to improve the manufacturing capacity of the Company's refrigerator products, it's agreed that the Company will use its own funds of 16.35 million yuan to carry out technical transformation of some equipment of the refrigerator production line to enhance the production capacity and market competitiveness of the Company's products. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-041) on 19 August 17..

19. On October 11, 2024 and October 29, 2024, respectively through the resolution passed at the third meeting of the Company's 11th board of directors, the third meeting of the 11th board of supervisors and the second extraordinary general meeting of shareholders in 2024, according to the Company's strategic development plan and business needs, in order to meet the Company's needs for high-end refrigerator expansion, self-owned logistics warehouse expansion, future home appliance and home integration industrial layout, etc., and solve the problem of industrial development and resource shortage, it's agreed that the Company will use its own funds of



RMB 371,282,909.96 to acquire 99% equity of Hefei Changhong Industrial Co., Ltd. (hereinafter referred to as "Hefei Industrial", the company's main assets are land, plants, etc.) held by Sichuan Changhong Electric Co., Ltd., and agreed Hefei Meiling IoT Technology Co., Ltd.-a wholly-owned subsidiary of the Company-to acquire the 1% equity in Hefei Industrial held by Sichuan Changhong Innovation Investment Co., Ltd. with its own funds of RMB 3,750,332.42. After this transaction, Hefei Industrial has become a subsidiary of the Company by directly and indirectly holding 100% of the shares, which will be included in the Company's consolidated financial statement. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-046 and 2024-048) on 12 October 2024..

20. On October 11, 2024 and October 29, 2024, through the resolution passed at the third meeting of the 11th board of directors of the Company and the second extraordinary general meeting of shareholders in 2024, it's agreed the Company and its subsidiaries to carry out asset pool business with Hefei Branch of Zheshang Bank Co., Ltd. with a total quota of no more than RMB 500 million; Approved the Company and its subsidiaries to carry out asset pool business with Hefei Branch of Bohai Bank Co., Ltd. with a total quota of not more than RMB 300 million. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-046 and 2024-050) on 12 October 2024..

21. On October 11, 2024 and October 29, 2024, through the resolution passed at the third meeting of the 11th board of directors of the company and the second extraordinary general meeting of shareholders in 2024 it's agreed the Company and its subsidiaries to apply for a special credit line of up to RMB 500 million for the bill pool from Huaxia Bank Co., Ltd. Hefei Branch; Approved the Company and its subsidiaries to apply for a special credit line of up to 600 million yuan for the bill pool from Bank of Hangzhou Co., Ltd. Hefei Branch; Approved the Company and its subsidiaries to apply for a special credit line of up to RMB 1 billion for the bill pool from Bank of Communications Co., Ltd. Anhui Branch. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-046) on 12 October 2024..

22. On November 22, 2024, Mr. Zhong Ming, the former president of the Company, resigned from his position as President of the Company due to personal reasons, and he will continue to serve as a director of the Company, a member of the Strategy Committee, a member of the Nomination Committee and a member of the ESG Management Committee of the Company. Passed by the resolution of the sixth meeting of the 11th board of directors of the Company, in accordance with "The Company Law", "Articles of Association of the Company" and the relevant regulations of the China Securities Regulatory Commission and the Shenzhen Stock Exchange, in order to ensure the smooth progress of the Company's daily operation and management, after review and approval by the nomination committee under the board of directors, the board of directors agreed to authorize Mr. Tang Youdao, vice president of the Company, to act as the president, with the agency period will be from the date of the resolution of the board of directors to the date of appointment of the new president of the board of directors. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website



(www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-065 and 2024-066) on 12 October 2024..

23. On December 11, 2024 and December 27, 2024, through the resolution passed at the eighth meeting of the 11th board of directors, the sixth meeting of the 11th board of supervisors, and the third extraordinary general meeting of shareholders in 2024, In order to improve the efficiency of the Company's capital use, increase the Company's cash asset income, and maximize the interests of shareholders, under the premise of ensuring the capital needs of daily operation and effectively controlling investment risks, it's agreed that the Company and its subsidiaries (excluding Zhongke Meiling Cryogenic Technology Co., Ltd. and its subsidiaries) will use their own idle funds not exceeding 6.35 billion yuan (the quota can be used on a rolling basis) to invest in bank wealth management products with high security, good liquidity, low risk and stability within one year, and the authorization period shall be valid for one year from the date of approval by the Company's general meeting of shareholders. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-067 and 2024-072) on 12 December 2024..

#### **XVII. Major event of the subsidiary**

√ Applicable    □ Not applicable

1. According to the resolution of the 41st meeting of the 10th Board of Directors of the Company, it was agreed that Sichuan Changhong Air Conditioning Co., Ltd., a subsidiary of the Company, would invest RMB 100 million with its own funds to set up a wholly-owned subsidiary, Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd., to engage in related business centered on manufacturing and sales of frequency conversion drive control panels in the air conditioning industry (including special air conditioners). Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-006) on 15 March 2024..

2. According to the resolution of the 42nd meeting of the 10th Board of Directors and the 30th meeting of the 10th Board of Supervisors, it was agreed that Hefei Meiling Nonferrous Metal Products Co., Ltd., a subsidiary of the Company, would write off some unrecoverable accounts receivable totaling RMB 3,092,614.56. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2024-007, 2024-008 and 2024-012) on 30 March 2024.

## VII.Changes in Shares and Particulars about Shareholders

### I. Changes in Share Capital

#### (i) Changes in Share Capital

In Shares

	Before the Change		Increase/Decrease in the Change (+, -)					After the Change	
	Amount	Proportion	New shares issued	Bonus shares	Public reserve transfer into share capital	Others	Subtotal	Amount	Proportion
I. Restricted shares	7,688,842	0.75%	0	0	0	-1,534,757	-1,534,757	6,154,085	0.60%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. State-owned legal person's shares	1,141,053	0.11%	0	0	0	0	0	1,141,053	0.11%
3. Other domestic shares	5,280,369	0.52%	0	0	0	-267,337	-267,337	5,013,032	0.49%
Including: Domestic legal person's shares	3,363,539	0.33%	0	0	0	0	0	3,363,539	0.33%
Domestic natural person's shares	1,916,830	0.19%	0	0	0	-267,337	-267,337	1,649,493	0.16%
4. Foreign shares	1,267,420	0.12%	0	0	0	-1,267,420	-1,267,420	0	0.00%
Including: Foreign legal person's shares	0	0.00%	0	0	0	0	0	0	0.00%
Foreign natural person's shares	1,267,420	0.12%	0	0	0	-1,267,420	-1,267,420	0	0.00%
II. Unrestricted shares	1,022,234,873	99.25%	0	0	0	+1,534,757	+1,534,757	1,023,769,630	99.40%
1. RMB ordinary shares	875,312,459	84.99%	0	0	0	+267,337	+267,337	875,579,796	85.01%
2. Domestically listed foreign shares	146,922,414	14.26%	0	0	0	+1,267,420	+1,267,420	148,189,834	14.39%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total shares	1,029,923,715	100.00%	0	0	0	0	0	1,029,923,715	100.00%

# 1. Reasons for share changed

√ Applicable □ Not applicable

(1) On June 18, 2024, the Company held the first meeting of the 11th Board of Directors, and held a general election for senior managers. Mr. Huang Danian no longer served as the Company's vice president. According to the relevant provisions of the Guideline No.18 on Self-regulation of Listed Companies of Shenzhen Stock Exchange - Reduction of Shares held by Shareholders and Directors, Supervisors and Senior Managers, During the Reporting Period, Mr. Huang Danian, the former vice president of the Company, had left office for six months, so 75% of the total number of shares of the Company held by him, i.e. 267,337 shares, was lifted.

(2) On May 25, 2023, Mr. Liu Hongwei, the former Executive Vice President of the Company, resigned as the executive vice president of the Company for personal reasons, and his original term of office expired on June 18, 2024. According to the relevant provisions of the Guideline No.18 on Self-regulation of Listed Companies of Shenzhen Stock Exchange - Reduction of Shares held by Shareholders and Directors, Supervisors and Senior Managers, all the shares of Mr. Liu Hongwei were locked six months after his resignation, During the reporting period, as it had been six months since Mr. Liu Hongwei left office and his original term expired, 75% of the shares held by him, that is, 1,267,420 shares, were lifted from restricted sale.

# 2. Approval of share changed

□ Applicable √ Not applicable

# 3. Ownership transfer of share changed

□ Applicable √ Not applicable

# 4. Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of Company in latest year and period

□ Applicable √ Not applicable

# 5. Other information necessary to disclose or need to disclosed under requirement from security regulators

□ Applicable √ Not applicable

# (ii) Changes of lock-up stocks

√ Applicable □ Not applicable

In: Shares

Shareholders	Opening shares restricted	Shares released in Period	Restricted shares increased in Period	Ending shares restricted	Restricted reasons	Date for released
Huang Danian	267,337	0	267,337	0	Top management lock-in stock	On June 18, 2024, the Company held the first meeting of the 11th Board of Directors, and held a general election for senior managers. Mr. Huang Danian no longer served as the Company's vice president. According to the relevant provisions of the Guideline No.18 on Self-regulation of Listed Companies of Shenzhen Stock Exchange - Reduction of Shares held by Shareholders and Directors, Supervisors and Senior Managers, During the Reporting Period, Mr. Huang Danian, the former vice president of the Company, had left

						office for six months, so 75% of the total number of shares of the Company held by him, i.e. 267,337 shares, was lifted.
Liu Hongwei	1,267,420	0	1,267,420	0	Top management lock-in stock	On May 25, 2023, Mr. Liu Hongwei, the former Executive Vice President of the Company, resigned as the executive vice president of the Company for personal reasons, and his original term of office expired on June 18, 2024. According to the relevant provisions of the Guideline No.18 on Self-regulation of Listed Companies of Shenzhen Stock Exchange - Reduction of Shares held by Shareholders and Directors, Supervisors and Senior Managers, all the shares of Mr. Liu Hongwei were locked six months after his resignation, During the reporting period, as it had been six months since Mr. Liu Hongwei left office and his original term expired, 75% of the shares held by him, that is, 1,267,420 shares, were lifted from restricted sale.
Total	1,534,757	0	1,534,757	0	--	--

## II. Securities issuance and listing

### (i) Security offering in reporting period (Not including preferred stock)

☐ Applicable ☒ Not applicable

### (ii) Explanation on changes of total shares, shareholders structure and assets & liability structures

☐ Applicable ☒ Not applicable

### (iii) Current shares held by internal staffs

☐ Applicable ☒ Not applicable

## III. Particulars about shareholder and actual controller of the Company

### (i) Amount of shareholders of the Company and particulars about shares holding

In Share							
Total shareholders at end of the Period	73,514	Total number of common shareholders as of the end of the previous month (March 20th) prior to the disclosure date of the annual report	71,608	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0	Total preference shareholders with voting rights recovered at end of last month before annual report disclosed (if applicable)	0
Particulars about common shares held above 5% by shareholders or top ten common shareholders(Excludes shares lent through refinancing)							
Full name of Shareholders	Nature of	Proportion	Amount of	Changes in	Amou	Amount of	Information of

	shareholder	of shares held	common shares held at the end of reporting period	report period	nt of restricted comm on shares held	common shares held without restriction	shares pledged, tagged or frozen	
							State of share	Amount
Sichuan Changhong Electric Co., Ltd.	State-owned legal person	24.12%	248,457,724	0	0	248,457,724	-	-
The National Social Security Fund 101 portfolio	Domestic non-state-owned legal person	3.44%	35,423,661	+12,640,925	0	35,423,661	-	-
HKSCC	Foreign legal person	2.98%	30,721,614	+26,003,000	0	30,721,614	-	-
CHANGHONG (HK) TRADING LIMITED	Foreign legal person	2.63%	27,077,797	0	0	27,077,797	-	-
Hefei Industry Investment Holding (Group) Co., Ltd.	State-owned legal person	1.83%	18,864,896	-28,958,505	0	18,864,896	-	-
CAO SHENGCHUN	Foreign legal person	1.43%	14,766,086	0	0	14,766,086	-	-
Industrial Bank—Southern Xingrun value one-year holding period of hybrid securities investment fund	Domestic non-state-owned legal person	1.24%	12,751,953	+3,590,353	0	12,751,953	-	-
ICBC—South Excellent Growth Stock Securities Investment Fund	Domestic non-state-owned legal person	1.14%	11,783,600	+1,140,600	0	11,783,600	-	-
CUAM Fund—The National Social Security Fund 17021 portfolio	Domestic non-state-owned legal person	0.91%	9,419,401	+9,419,401	0	9,419,401	-	-
PHILLIP SECURITIES（HK）LIMITED	Foreign legal person	0.61%	6,296,913	0	0	6,296,913	-	-
Strategy investors or general legal person becomes top 10 shareholders due to rights issued (if applicable)					Not applicable			
Explanation on associated relationship among the aforesaid shareholders	Among the above shareholders, CHANGHONG (HK) TRADING LIMITED (hereinafter referred to as Hong Kong Changhong) is the wholly-owned subsidiary of Sichuan Changhong Electric Co., Ltd., the foregoing shareholders constitute persons of uniform action. There existed no associated relationship or belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies among Sichuan Changhong Electric Co., Ltd, Hong Kong Changhong and other top 8 shareholders, The company neither knows whether there is any association among other shareholders, nor knows whether other shareholders belong to the persons acting in concert that is stipulated in the “Administrative Measures on Information Disclosure of Changes in Shareholding of Listed Companies”.							
Description of the above shareholders in relation to delegate/entrusted voting rights and abstention from voting rights.					Not Applicable			
Special note on the repurchase account among the top 10 shareholders (if applicable)					Not Applicable			
Particular about top ten shareholders with un-restrict shares held(Excluding shares lent through refinancing and Top management lock-in stock)								
Shareholders’ name				Amount of unrestricted shares held at end of Period	Type of shares			
					Type		Amount	
Sichuan Changhong Electric Co., Ltd.				248,457,724	Common shares in RMB		248,457,724	
The National Social Security Fund 101 portfolio				35,423,661	Common shares in		35,423,661	

		RMB	
HKSCC	30,721,614	Common shares in RMB	30,721,614
CHANGHONG (HK) TRADING LIMITED	27,077,797	Foreign shares in domestic market	27,077,797
Hefei Industry Investment Holding (Group) Co., Ltd.	18,864,896	Common shares in RMB	18,864,896
CAO SHENGCHUN	14,766,086	Common shares in RMB	14,766,086
Industrial Bank—Southern Xingrun value one-year holding period of hybrid securities investment fund	12,751,953	Common shares in RMB	12,751,953
ICBC—South Excellent Growth Stock Securities Investment Fund	11,783,600	Common shares in RMB	11,783,600
CUAM Fund—The National Social Security Fund 17021 portfolio	9,419,401	Common shares in RMB	9,419,401
PHILLIP SECURITIES (HK) LIMITED	6,296,913	Foreign shares in domestic market	6,296,913
Expiation on associated relationship or consistent actors within the top 10 un-restrict shareholders and between top 10 un-restrict shareholders and top 10 shareholders		Found more in “Particulars about shares held above 5% by shareholders or top 10 shares holding”	
Explanation on top ten common shareholders involving margin business (if any)	Not applicable		

Note 1: At end of the reporting period, the person acting in concert with controlling shareholder Sichuan Changhong-- CHANGHONG (HK) TRADING LIMITED, holds B-stock of the Company as 33,374,710 shares, among which, 6,296,913 shares are held through Philip Securities (H.K.) Co., Ltd. by CHANGHONG (HK) TRADING LIMITED

Note 2: In the above table, "Particulars about shares held above 5% by shareholders or top 10 shares holding" is subject to the data on stock transfer books provided by China Securities Depository and Clearing Corporation Limited Shenzhen Branch

Information of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares participating in the lending of shares in securities lending and borrowing business

☐ Applicable ☒ Not applicable

The top 10 shareholders and the top 10 shareholders of unrestricted tradable shares have changed compared with the previous period due to the securities lending/returning of shares in securities lending and borrowing business

☐ Applicable ☒ Not applicable

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

☐ Yes ☒ No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy –back agreement dealing in reporting period.

## (ii) Controlling shareholder of the Company

1. Nature of controlling shareholders: local state-owned holding

2. Type of controlling shareholders: legal person

Controlling shareholders' name	Legal rep./person in charge of unit	Dated founded	Organization code	Main business
--------------------------------	-------------------------------------	---------------	-------------------	---------------

Sichuan Changhong Electric Co., Ltd.	Liu Jiang	April 8, 1993	91510700205412308D	Manufactures, sales and maintenance of household appliance, automotive electrical appliance, Electronic products and spare parts, communications equipment, <u>lighting equipment</u> , household products, computer and other Electronic equipment, specialized equipment of Electronic and Electronic, Electronic machinery and equipment, series products of batteries, Electronic medicine products, Electronic equipment, <u>mechanical equipment</u> , Refrigeration equipment and accessories digital monitoring products, metal products, apparatus and instruments, culture and office machines, culture and education and sports products, kitchen cabinet and gas appliance; house and equipment rental; packing products and technical services; road transportation; storage and discharging convey; R&D, sales and services of integrated circuit and software; consultancy and services of enterprise management; hi-tech project investment and other state-permitted business; development and operation of property; engineering construction for house and buildings; callback and disposal of obsolete appliance and Electronic products; services of Information Technology; consultancy and services of finance; sales, relevant import and export business of Chemical raw materials and products(Not contain dangerous chemicals), building materials, non-ferrous metal, Steel, <u>plastics</u> , packing material, mechanical and electrical equipment, Precious metals, Automotive components, Electronic components, Value added telecommunication service, agent service of telecommunication; designing, manufacturing, releasing and agency for the advertisement; Radio and television program production; Internet information services (excluding investment, finance and securities); audio and video production and services; R&D and design of the drone and unmanned aerial vehicle system as well as the promotion of drone technology; transfer and technical consulting service, production and sales of drone (any projects that needs permission by the law should subject to the approval by relevant authority )
Equity controlling and jointly of other foreign/domestic listed company by controlling shareholder in reporting period	<p>1. As of December 31, 2024, Sichuan Changhong directly holds 212,994,972 shares of Changhong Huayi Compressor Co., Ltd. (Stock code: 000404)- a company listed on the main board of the Shenzhen Stock Exchange, accounting for 30.60% of the equity of Changhong Huayi Compressor Co., Ltd.</p> <p>2. As of December 31, 2024, Sichuan Changhong indirectly holds 1,990,518,000 ordinary shares and preferred shares in total of Changhong Jiahua Holdings Co., Ltd. (Stock code: 03991) - a company listed on the main board of Hong Kong Stock Exchange, accounting for 77.44% of the whole ordinary shares and preferred shares under the name of Changhong Jiahua Holdings Co., Ltd.</p> <p>3. As of December 31, 2024, Sichuan Changhong directly holds 86,258,333 shares of Sichuan Changhong Minsheng Logistics Co., Ltd (stock code: 836237)- the company with shares transferring in National Equities Exchange and Quotations, accounting for 70.27% of the equity of Sichuan Changhong Minsheng Logistics Co., Ltd.</p> <p>4. As of December 31, 2024, Sichuan Changhong directly holds 95% of the equity of Sichuan Changhong Innovation Investment Co., Ltd., Changhong Group, the controlling shareholder of Sichuan Changhong, directly holds 5% of the equity of Sichuan Changhong Innovation Investment Co., Ltd., and Sichuan Changhong Innovation Investment Co., Ltd. directly holds 24,068,160 shares of Sichuan Huafeng Technology Co., Ltd. (stock code: 688629), a company listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange, which accounts for 5.22% of the equity of Sichuan Huafeng Technology Co., Ltd..</p>			

3. Controlling shareholder changes in reporting period

☐ Applicable ☒ Not applicable

Controlling shareholder stays the same in Period.

(iii) Actual controller of the Company and its person acting in concert

1. Nature of actual controller: local state-owned assets management

2. Type of actual controller: legal person

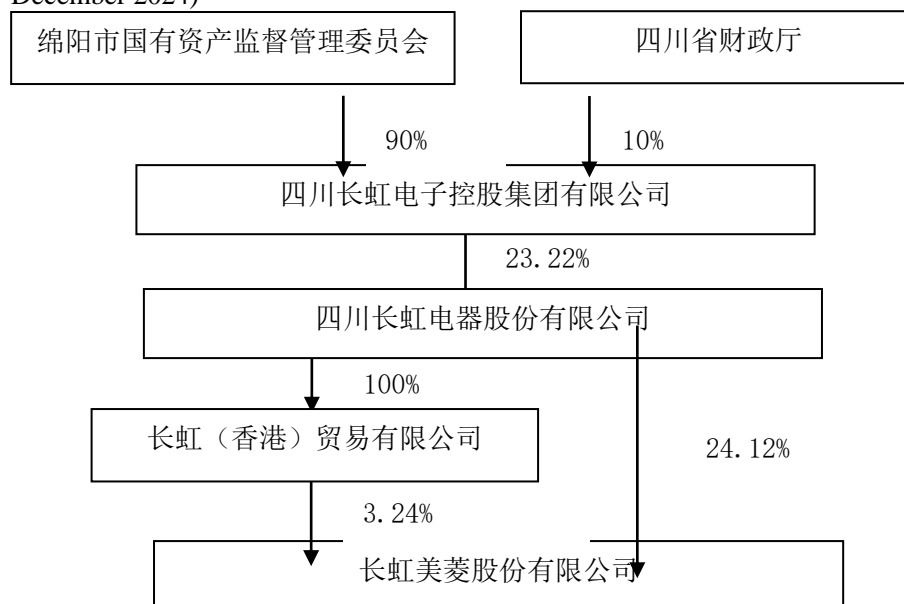
Actual controller	Legal rep./person in charge of unit	Dated founded	Organization code	Main business
State-owned Assets Supervision &	--	--	--	State-owned Assets Supervision & Administration Commission of Mianyang

Administration Commission of Mianyang Municipality				Municipality is entrusted by the same level government, together performs decision-making and management of state-owned asset owners, and is one organization which executes comprehensive management and supervision on its belonged state-owned assets.
Equity controlling of other foreign/domestic listed company by actual controller in reporting period	Not Applicable			

## 3. Changes of actual controller in Period

☐ Applicable ☒ Not applicable

Actual controller stays the same in Period

4. Property rights and the block diagram of the control relationship between the Company and the actual control (ended as 31<sup>st</sup> December 2024)

## 5. Actual controller controlling the Company by means of entrust or other assets management

☐ Applicable ☒ Not applicable

## (iv) The total number of shares pledged by controlling shareholders or the first majority shareholder and its persons acting in concert accounts for 80% of the shares held by them

☐ Applicable ☒ Not applicable

## (v) Other legal person's shareholders with over ten percent shares held 10%.

☐ Applicable ☒ Not applicable

## (vi) Actual controller controlling the Company by means of entrust or other assets management

☐ Applicable ☒ Not applicable

## IV. The specific implementation of shares repurchased/buy-back during the reporting period

## (i) Implementation progress of shares buy-back

☐ Applicable ☒ Not applicable

## (ii) Implementation progress of reducing holdings of shares buy-back by centralized bidding

☐ Applicable ☒ Not applicable



### VIII. Situation of the Preferred Shares

☐ Applicable ☒ Not applicable

The Company had no preferred stock in the Period

## IX. Corporate Bond

☐ Applicable ☒ Not applicable

## X. Financial Report

### I. Audit report

Type of audit opinion	Standard unqualified opinion
Date for signing the report	April 1, 2025
Name of audit institute	Pan-China Certified Public Accountants LLP
Serial of Auditing Report	Tianjian Review [2025] No. 11-203
Name of CPA	Li Yuanliang, Peng Yahui

### Auditor's Report

#### To Shareholders of Changhong Meiling Co., Ltd.:

##### I. Auditor's opinion

We, as the auditors, audited the financial statements of Changhong Meiling Co., Ltd. (the "Company"), which included the consolidated balance sheet as of 31 December 2024, the consolidated statement of income, the consolidated statement of cash flow and the consolidated statement of changes in equity of the Company for Current Year ended 31 December 2024, together with the relevant notes thereto.

We are the view that the attached financial statements are prepared in accordance with the Business Accounting Standards in all material aspects, which reflect fairly the consolidated financial position of the Company as of 31 December 2024 and the operating results and cash flow of the Company for Current Year of 2024.

##### II. Basis for audit opinions

We conducted this audit under the requirements of the Auditing Standards of the Certified Public Accountant of the PRC. The section headed "Certified Public Accountant's responsibility for audit of financial statement" in the audit report has further clarified our responsibilities under these standards. Pursuant to the code of professional conduct as certified public accountant in the PRC, we are independent of the Company and have performed other responsibility as required by our professional ethics. We believe that the audit evidence obtained by us is sufficient and adequate, which provides foundation for us to issue audit opinion.

##### III. Key audit issues

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matter we identified is as follows:

##### (1) Recognition of operating income

##### 1. Description of item

Please refer to Notes III (XXX) and V (II) 1 to the financial statements for details of relevant information disclosure.

Changhong Meiling's operating income mainly comes from selling refrigerators (freezers), air conditioners, washing machines, small home appliances, kitchens and bathrooms and other home appliances to domestic and foreign customers. In 2024, the operating income was RMB 28601036014.96 yuan, of which the income from refrigerators (freezers), air conditioners and washing machines was RMB 26713960170.94 yuan, accounting for 93.40% of the operating income.

As operating income is one of the key performance indicators of Changhong Meiling, there may be inherent risks that the management of Changhong Meiling (hereinafter referred to as management) achieves specific goals or

expectations through improper income recognition. Therefore, we determine income recognition as a key audit item.

## 2. Audit response

For revenue recognition, the audit procedures we implemented mainly include:

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

(2) Reviewing the sales contract, understanding the main contract terms or conditions, and evaluating whether the revenue recognition method is appropriate;

(3) Analyzing the operating revenue and gross profit rate by month, product, region, etc., identifying whether there are significant or abnormal fluctuations, and ascertaining the reasons for the fluctuations;

(4) For domestic sales revenue, choosing supporting documents for checked items, including sales contracts, orders, sales invoices, outbound delivery orders, shipping orders, shipping documents, customers' signature form, and payment receipts. For overseas revenue, obtaining port information and checking with the accounting records, and checking the sales contracts, export declaration forms, bills of lading, sales invoices and other supporting documents by sampling;

(5) Based on the accounts receivable letter of confirmation, select specific samples to send letters of confirmation to major customers regarding the current sales revenue

(6) Carrying out a cut-off test and evaluating whether the operating revenue is recognized within an appropriate period

(7) Checking whether the information relating to operating revenue has been properly presented in the financial statements.

## (II) Capitalization of R&D expenditure

### 1. Description of item

For details of relevant information disclosure, please refer to Notes III (XXI), V (I), 21 and VI to the financial statements.

As of December 31, 2024, the company's research and development is focused on refrigerators, washing machines, and air conditioning projects. In 2024, the company capitalized a total of RMB 207422076.26 in R&D investment generated during the research and development of patented and non patented technologies as development expenses..

R&D expenditure can be capitalized only when all the capitalization requirements listed in Note III (XXI) to the financial statements are met. Since determining whether R&D expenditure meets all the capitalization conditions requires significant accounting estimation and judgment by the management, we recognize the capitalization of R&D expenditure as a key audit item.

### 2. Audit response

For capitalization of R&D expenditure, the audit procedures we intend to implement mainly include:

(1) Understand the scope and accounting methods of R&D expenditures, key controls for capitalizing R&D expenditures, and test the effectiveness of relevant internal control operations;;

(2) Understand the accounting policy for capitalization of R&D expenditure of Changhong Meiling, and evaluate whether it conforms to the relevant provisions of the Accounting Standards for Business Enterprises;

(3) Obtain a detailed list of R&D expenditures, perform analytical procedures on R&D expenditures, select specific samples to check supporting documents related to R&D expenditures, evaluate whether the collection scope of R&D expenditures is appropriate, and whether R&D expenditures are true;;

(4) Obtain and check the project application report, small batch trial manufacture review report, trial production review report and acceptance report of the project in the development stage, and interview the management to evaluate whether the management's judgment on the feasibility of the project is appropriate and whether the capitalization time of the project is reasonable;

(5) Check whether the information related to capitalization of R&D expenditure has been properly presented in the financial report.

#### **IV. Other information**

The management of Changhong Meiling Co., Ltd. (the "Management") is responsible for other information which includes the information covered in the Company's 2022 annual report excluding the financial statement and our audit report.

The audit opinion issued by us for the financial statement has not covered other information, for which we do not issue any form of assurance opinions.

Considering our audit on financial statements, we are liable to read other information, during which, we shall consider whether other information differs materially from the financial statements or that we understand during our audit, or whether there is any material misstatement.

Based on the works executed by us, we should report the fact if we find any material misstatement in other information. In this regards, we have nothing to report.

#### **V. Responsibilities of management and those charged with governance for the financial statements**

The management is responsible for the preparation of the financial statements in accordance with the Accounting Standards for Enterprise to secure a fair presentation, and for the design, establishment and maintenance of the internal control necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### **VI. Responsibilities of the auditor for the financial statements**

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

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

(1) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error,

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

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

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

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

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

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

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

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

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

Pan-China Certified Public Accountants LLP

Chinese CPA: Li Yuanliang  
(Engagement partner)

Chinese CPA: Peng Yahui

Hangzhou China

April 1, 2025

:

## II. Financial statements

Units in Notes of Financial Statements is RMB

### 1. Consolidated Balance Sheet

Prepared by CHANGHONG MEILING CO., LTD. December 31, 2024

In RMB

Item	December 31,2024	January 1,2024
Current assets:		
Monetary funds	10,492,450,750.61	8,842,623,235.72
Settlement provisions		
Capital lent		
Trading financial assets		39,236,447.63
Derivative financial assets	72,010,074.43	
Note receivable		267,174.50
Account receivable	1,527,978,374.48	1,680,303,240.09
Receivable financing	1,516,987,953.83	1,641,858,740.34
Accounts paid in advance	60,352,345.27	45,796,175.02
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	135,391,270.79	100,159,876.70
Including: Interest receivable		
Dividend receivable	12,124,951.70	
Buying back the sale of financial assets		
Inventories	3,514,968,009.34	2,022,749,908.45
Including: Data resources		
Contractual assets	2,763,866.97	13,261,690.62
Assets held for sale		
Non-current asset due within one year	60,242,921.84	122,294,027.78
Other current assets	562,030,362.98	225,419,883.07
Total current assets	17,945,175,930.54	14,733,970,399.92
Non-current assets:		
Loans and payments on behalf		
Debt investment	1,474,153,793.17	420,537,485.54
Other debt investment		
Long-term account receivable		
Long-term equity investment	81,511,146.82	112,745,811.75
Investment in other equity instrument		

Item	December 31,2024	January 1,2024
Other non-current financial assets	676,094,304.44	674,139,515.48
Investment real estate	66,720,850.69	50,920,487.71
Fixed assets	2,218,850,660.12	2,291,776,177.80
Construction in progress	97,807,983.40	69,920,839.20
Productive biological asset		
Oil and gas asset		
Right-of-use assets	113,784,190.78	35,146,281.21
Intangible assets	994,429,966.05	930,141,998.97
Including: Data resources		
Expense on Research and Development	74,710,694.74	97,177,535.34
Including: Data resources		
Goodwill		
Long-term expenses to be apportioned	33,336,772.23	35,698,465.62
Deferred income tax asset	176,953,941.27	159,838,664.57
Other non-current asset	19,073,662.23	26,601,614.35
Total non-current asset	6,027,427,965.94	4,904,644,877.54
Total assets	23,972,603,896.48	19,638,615,277.46
Current liabilities:		
Short-term loans	766,747,286.01	1,134,102,419.03
Loan from central bank		
Capital borrowed		
Trading financial liability		32,229,012.86
Derivative financial liability	156,359,680.92	
Note payable	7,934,125,435.65	5,910,417,290.11
Account payable	6,132,020,588.41	3,900,524,844.73
Accounts received in advance	11,085.70	55,949.90
Contractual liability	609,737,871.24	405,733,638.26
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	389,952,777.46	444,585,894.98
Taxes payable	95,871,539.98	93,221,395.45
Other account payable	1,031,439,412.53	887,428,362.41
Including: Interest payable		
Dividend payable	6,005,989.72	5,384,407.44
Commission charge and commission payable		
Reinsurance payable		



Item	December 31,2024	January 1,2024
Liability held for sale		
Non-current liabilities due within one year	29,135,164.68	46,655,412.91
Other current liabilities	23,824,389.50	19,177,067.62
Total current liabilities	17,169,225,232.08	12,874,131,288.26
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		108,000,000.00
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	101,826,405.91	28,976,808.54
Long-term account payable	455,409.20	800,347.84
Long-term wages payable	10,195,289.45	11,497,075.82
Accrual liability	45,030,417.22	32,054,790.39
Deferred income	125,435,177.90	132,977,494.33
Deferred income tax liabilities	44,072,593.30	19,587,398.52
Other non-current liabilities		
Total non-current liabilities	327,015,292.98	333,893,915.44
Total liabilities	17,496,240,525.06	13,208,025,203.70
Owner's equity:		
Share capital	1,029,923,715.00	1,029,923,715.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	2,750,470,215.39	3,125,503,457.77
Less: Inventory shares		
Other comprehensive income	-21,222,419.68	-20,704,362.05
Reasonable reserve	20,968,173.59	11,246,811.91
Surplus public reserve	502,454,071.02	477,053,194.82
Provision of general risk		
Retained profit	1,803,207,185.06	1,438,315,123.94
Total owner's equity attributable to parent company	6,085,800,940.38	6,061,337,941.39
Minority interests	390,562,431.04	369,252,132.37
Total owner's equity	6,476,363,371.42	6,430,590,073.76
Total liabilities and owner's equity	23,972,603,896.48	19,638,615,277.46

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Hu Xiangfei

## 2. Balance Sheet of Parent Company

In RMB

Item	December 31,2024	January 1,2024
Current assets:		
Monetary funds	3,939,389,057.28	4,809,758,761.19
Trading financial assets		18,729,757.94
Derivative financial assets	19,821,438.48	
Note receivable		38,674.50
Account receivable	833,235,885.99	1,451,795,533.72
Receivable financing	1,442,869,017.45	1,497,014,392.88
Accounts paid in advance	48,554,780.33	57,223,852.86
Other account receivable	149,182,032.46	61,841,221.91
Including: Interest receivable		
Dividend receivable	12,124,951.70	
Inventories	666,268,187.19	563,055,688.46
Data resources		
Contractual assets		37,408.05
Assets held for sale		
Non-current assets maturing within one year		122,294,027.78
Other current assets	291,466,689.98	117,873,746.80
Total current assets	7,390,787,089.16	8,699,663,066.09
Non-current assets:		
Debt investment	925,585,208.34	185,038,444.44
Other debt investment		
Long-term receivables		
Long-term equity investments	2,063,325,214.07	1,857,475,810.90
Investment in other equity instrument		
Other non-current financial assets	641,137,345.26	639,796,405.98
Investment real estate	3,126,179.84	3,335,032.47
Fixed assets	1,053,825,318.71	1,129,605,191.26
Construction in progress	59,788,586.47	23,067,134.99
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets	12,954,326.53	14,847,119.40
Intangible assets	442,210,732.72	450,919,869.65
Data resources		
Research and development costs	38,924,294.89	59,134,989.07
Data resources		
Goodwill		

Item	December 31,2024	January 1,2024
Long-term deferred expenses	17,709,281.58	18,688,725.10
Deferred income tax assets	95,484,746.18	112,630,572.62
Other non-current assets	638,649.57	638,649.57
Total non-current assets	5,354,709,884.16	4,495,177,945.45
Total assets	12,745,496,973.32	13,194,841,011.54
Current liabilities:		
Short-term borrowings	746,224,022.12	1,128,097,377.36
Trading financial liability		13,310,995.04
Derivative financial liability	35,876,471.02	
Notes payable	2,977,167,497.82	2,697,168,522.01
Account payable	2,256,196,451.43	2,296,410,046.78
Accounts received in advance		
Contractual liability	175,438,827.79	107,529,353.67
Wage payable	107,686,556.89	159,773,962.41
Taxes payable	17,041,928.43	25,137,168.64
Other accounts payable	943,872,547.30	951,772,428.91
Including: Interest payable		
Dividend payable	5,405,989.72	4,784,407.44
Liability held for sale		
Non-current liabilities due within one year	2,368,977.68	42,339,541.12
Other current liabilities	7,744,840.19	4,875,594.29
Total current liabilities	7,269,618,120.67	7,426,414,990.23
Non-current liabilities:		
Long-term loans		108,000,000.00
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	12,915,911.24	14,511,484.16
Long-term account payable		
Long term employee compensation payable	5,434,796.15	6,554,481.48
Accrued liabilities	12,165,219.71	8,758,265.23
Deferred income	81,760,946.33	75,130,950.40
Deferred income tax liabilities	15,926,816.74	13,589,235.48
Other non-current liabilities		
Total non-current liabilities	128,203,690.17	226,544,416.75
Total liabilities	7,397,821,810.84	7,652,959,406.98
Owners' equity:		

Item	December 31,2024	January 1,2024
Share capital	1,029,923,715.00	1,029,923,715.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	2,601,775,532.74	2,740,508,510.57
Less: Inventory shares		
Other comprehensive income		
Special reserve		505,111.75
Surplus reserve	502,235,905.34	476,835,029.14
Retained profit	1,213,740,009.40	1,294,109,238.10
Total owner's equity	5,347,675,162.48	5,541,881,604.56
Total liabilities and owner's equity	12,745,496,973.32	13,194,841,011.54

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Hu Xiangfei

### 3. Consolidated Profit Statement

In RMB

Item	2024	2023
I. Total operating income	28,601,036,014.96	24,377,974,386.94
Including: Operating income	28,601,036,014.96	24,377,974,386.94
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	27,829,543,526.32	23,607,302,828.05
Including: Operating cost	25,411,275,203.27	21,134,276,562.82
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and extras	112,742,900.98	200,227,814.27
Sales expense	1,477,154,043.38	1,423,788,018.72
Administrative expense	359,672,540.20	371,930,885.44
R&D expense	637,242,233.83	597,529,355.84
Financial expense	-168,543,395.34	-120,449,809.04
Including: Interest expenses	24,540,000.01	31,212,055.56

Item	2024	2023
Interest income	182,415,110.59	193,136,304.82
Add: Other income	196,071,087.54	146,672,702.27
Investment income (Loss is listed with “-”)	35,709,856.70	7,895,511.23
Including: Investment income on affiliated company and joint venture	9,165,103.88	19,133,884.40
The termination of income recognition for financial assets measured by amortized cost	-38,661,658.21	-22,489,932.70
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)	-87,184,652.30	7,293,761.73
Loss of credit impairment (Loss is listed with “-”)	14,901,780.81	-81,468,574.70
Losses of devaluation of asset (Loss is listed with “-”)	-116,583,058.63	-55,234,107.48
Income from assets disposal (Loss is listed with “-”)	160,661.55	1,880,089.33
III. Operating profit (Loss is listed with “-”)	814,568,164.31	797,710,941.27
Add: Non-operating income	10,938,462.86	15,072,219.01
Less: Non-operating expense	11,928,863.23	8,367,475.17
IV. Total profit (Loss is listed with “-”)	813,577,763.94	804,415,685.11
Less: Income tax expense	88,910,261.07	36,422,352.81
V. Net profit (Net loss is listed with “-”)	724,667,502.87	767,993,332.30
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)	724,667,502.87	767,993,332.30
2.termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		
1.Net profit attributable to owner’s of parent company	699,270,051.82	735,828,796.67
2.Minority shareholders’ gains and losses	25,397,451.05	32,164,535.63
VI. Net after-tax of other comprehensive income	-465,244.39	433,908.69
Net after-tax of other comprehensive income attributable to owners of parent company	-518,057.63	177,100.58
(I) Other comprehensive income items which will not be reclassified subsequently to profit or loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	-518,057.63	177,100.58
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		

Item	2024	2023
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements	-518,057.63	177,100.58
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders	52,813.24	256,808.11
VII. Total comprehensive income	724,202,258.48	768,427,240.99
Total comprehensive income attributable to owners of parent Company	698,751,994.19	736,005,897.25
Total comprehensive income attributable to minority shareholders	25,450,264.29	32,421,343.74
VIII. Earnings per share:		
(i) Basic earnings per share	0.6790	0.7144
(ii) Diluted earnings per share	0.6790	0.7144

As for the enterprise combined under the same control, net profit of 1,918,902.01 yuan achieved by the merged party before combination while -5,606,904.68 yuan achieved last period

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Hu Xiangfei

#### 4. Profit Statement of Parent Company

In RMB

Item	2024	2023
I. Operating income	10,332,554,876.58	9,608,398,530.57
Less: Operating cost	9,451,034,846.99	8,715,341,736.95
Taxes and surcharge	45,865,395.79	86,233,117.13
Sales expenses	235,254,055.13	254,382,015.75
Administration expenses	131,613,837.20	139,854,173.76
R&D expenses	320,054,920.88	281,165,357.51
Financial expenses	-55,380,238.83	-34,410,768.97
Including: Interest expenses	15,040,671.80	28,980,467.63
Interest income	81,778,925.78	91,292,890.78
Add: Other income	34,545,492.77	26,474,061.57
Investment income (Loss is listed with "-")	76,459,962.63	190,286,552.58
Including: Investment income on affiliated Company and joint venture	8,398,963.65	18,713,956.61
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with "-")	-9,688,921.63	-6,157,758.00
Net exposure hedging income (Loss is listed with "-")		
Changing income of fair value (Loss is listed with "-")	-17,915,256.16	13,710,776.81
Loss of credit impairment (Loss is listed with "-")	3,500,641.91	-9,095,054.57

Losses of devaluation of asset (Loss is listed with “-”)	-24,234,772.55	-11,009,739.57
Income on disposal of assets (Loss is listed with “-”)	3,044.16	1,382,274.00
II. Operating profit (Loss is listed with “-”)	276,471,172.18	377,581,769.26
Add: Non-operating income	594,900.34	1,740,921.86
Less: Non-operating expense	3,573,902.82	3,452,240.92
III. Total Profit (Loss is listed with “-”)	273,492,169.70	375,870,450.20
Less: Income tax	19,483,407.70	17,525,416.84
IV. Net profit (Net loss is listed with “-”)	254,008,762.00	358,345,033.36
(i) continuous operating net profit (net loss listed with “-”)	254,008,762.00	358,345,033.36
(ii) termination of net profit (net loss listed with “-”)		
V. Net after-tax of other comprehensive income		
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
VI. Total comprehensive income	254,008,762.00	358,345,033.36
VII. Earnings per share:		
(i) Basic earnings per share	0.2466	0.3479
(ii) Diluted earnings per share	0.2466	0.3479

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Hu Xiangfei

## 5. Consolidated Cash Flow Statement

In RMB

Item	2024	2023
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Item	2024	2023
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	31,497,336,084.34	25,438,947,904.30
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	1,035,628,999.48	637,810,770.31
Other cash received concerning operating activities	133,495,520.84	111,256,994.49
Subtotal of cash inflow arising from operating activities	32,666,460,604.66	26,188,015,669.10
Cash paid for purchasing commodities and receiving labor service	25,054,928,387.36	20,833,778,564.54
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	2,103,869,806.96	1,944,382,915.07
Taxes paid	403,412,758.30	571,959,228.25
Other cash paid concerning operating activities	1,133,992,434.08	764,985,530.77
Subtotal of cash outflow arising from operating activities	28,696,203,386.70	24,115,106,238.63
Net cash flows arising from operating activities	3,970,257,217.96	2,072,909,430.47
II. Cash flows arising from investing activities:		
Cash received from recovering investment	13,508,000,000.00	1,290,000,000.00
Cash received from investment income	60,849,394.98	38,159,487.68
Net cash received from disposal of fixed, intangible and other long-term assets	3,354,735.13	7,434,757.68
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	196,402,523.43	311,151,134.87
Subtotal of cash inflow from investing activities	13,768,606,653.54	1,646,745,380.23
Cash paid for purchasing fixed, intangible and other long-term assets	324,899,569.37	272,087,223.62
Cash paid for investment	15,117,895,464.58	1,531,781,453.97
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		



Item	2024	2023
Other cash paid concerning investing activities	21,299,366.89	116,511,395.99
Subtotal of cash outflow from investing activities	15,464,094,400.84	1,920,380,073.58
Net cash flows arising from investing activities	-1,695,487,747.30	-273,634,693.35
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	2,356,263,587.01	1,923,365,052.15
Other cash received concerning financing activities	246,479,246.91	376,292,509.50
Subtotal of cash inflow from financing activities	2,602,742,833.92	2,299,657,561.65
Cash paid for settling debts	2,863,465,327.65	1,617,564,263.12
Cash paid for dividend and profit distributing or interest paying	337,885,485.36	134,699,226.43
Including: Dividend and profit of minority shareholder paid by subsidiaries	5,083,093.40	16,677,010.63
Other cash paid concerning financing activities	110,281,026.17	89,323,864.66
Subtotal of cash outflow from financing activities	3,311,631,839.18	1,841,587,354.21
Net cash flows arising from financing activities	-708,889,005.26	458,070,207.44
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	19,040,332.09	13,436,104.02
V. Net increase of cash and cash equivalents	1,584,920,797.49	2,270,781,048.58
Add: Balance of cash and cash equivalents at the period -begin	8,391,177,936.62	6,120,396,888.04
VI. Balance of cash and cash equivalents at the period -end	9,976,098,734.11	8,391,177,936.62

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Hu Xiangfei

## 6. Cash Flow Statement of Parent Company

In RMB

Item	2024	2023
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	10,717,024,476.32	8,764,645,288.77
Write-back of tax received	482,117,381.83	219,064,162.92
Other cash received concerning operating activities	60,704,809.80	39,429,001.18
Subtotal of cash inflow arising from operating activities	11,259,846,667.95	9,023,138,452.87
Cash paid for purchasing commodities and receiving labor service	9,054,439,591.12	7,020,255,494.88
Cash paid to/for staff and workers	555,653,802.87	555,776,356.25
Taxes paid	64,481,802.14	130,615,286.70
Other cash paid concerning operating activities	320,519,228.73	247,010,356.89
Subtotal of cash outflow arising from operating activities	9,995,094,424.86	7,953,657,494.72
Net cash flows arising from operating activities	1,264,752,243.09	1,069,480,958.15
II. Cash flows arising from investing activities:		

Cash received from recovering investment	6,888,000,000.00	170,094,761.15
Cash received from investment income	73,566,793.59	252,919,498.24
Net cash received from disposal of fixed, intangible and other long-term assets	528,490.00	4,023,955.68
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	76,881,804.89	92,192,116.86
Subtotal of cash inflow from investing activities	7,038,977,088.48	519,230,331.93
Cash paid for purchasing fixed, intangible and other long-term assets	165,621,042.85	145,165,539.29
Cash paid for investment	8,091,282,909.96	239,391,719.60
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities	5,392,311.69	54,598,530.06
Subtotal of cash outflow from investing activities	8,262,296,264.50	439,155,788.95
Net cash flows arising from investing activities	-1,223,319,176.02	80,074,542.98
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Cash received from loans	2,023,749,317.81	1,917,365,052.15
Other cash received concerning financing activities	5,141,249.61	191,861,996.18
Subtotal of cash inflow from financing activities	2,028,890,567.42	2,109,227,048.33
Cash paid for settling debts	2,555,295,723.05	1,433,564,263.12
Cash paid for dividend and profit distributing or interest paying	322,879,236.79	115,586,128.29
Other cash paid concerning financing activities	49,918,200.78	52,320,157.85
Subtotal of cash outflow from financing activities	2,928,093,160.62	1,601,470,549.26
Net cash flows arising from financing activities	-899,202,593.20	507,756,499.07
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-6,776,238.15	1,866,961.18
V. Net increase of cash and cash equivalents	-864,545,764.28	1,659,178,961.38
Add: Balance of cash and cash equivalents at the period -begin	4,746,147,736.99	3,086,968,775.61
VI. Balance of cash and cash equivalents at the period -end	3,881,601,972.71	4,746,147,736.99

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Hu Xiangfei

**7. Statement of Changes in Owners' Equity (Consolidated)**

This Period

In RMB

Item	2024														
	Owners' equity attributable to the parent Company													Minority interests	Total owners' equity
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Provision of general risk	Retained profit	Other	Subtotal		
		Preferred stock	Perpetual capital securities	Other											
I. The ending balance of the previous year	1,029,923,715.00				2,805,503,457.77		-20,704,362.05	11,246,811.91	477,053,194.82		1,521,759,836.64		5,824,782,654.09	369,252,132.37	6,194,034,786.46
Add: Changes of accounting policy															
Error correction of the last period															
Enterprise combine															

## Annual Report 2024

under the same control															
Other					320,000,000.00						-83,444,712.70		236,555,287.30		236,555,287.30
II. The beginning balance of the current year	1,029,923,715.00				3,125,503,457.77		-20,704,362.05	11,246,811.91	477,053,194.82		1,438,315,123.94		6,061,337,941.39	369,252,132.37	6,430,590,073.76
III. Increase/ Decrease in the period (Decrease is listed with “-”)					-375,033,242.38		-518,057.63	9,721,361.68	25,400,876.20		364,892,061.12		24,462,998.99	21,310,298.67	45,773,297.66
(i) Total comprehensive income							-518,057.63				699,270,051.82		698,751,994.19	25,450,264.29	724,202,258.48
(ii) Owners’ devoted and decreased capital					-375,033,242.38								-375,033,242.38		-375,033,242.38
1.Commo															

## Annual Report 2024

n shares invested by sharehold ers															
2. Capital invested by holders of other equity instrument s															
3. Amount reckoned into owners equity with share-base d payment															
4. Other					-375, 033, 242. 38								-375,033,242.38		-375,033,242.38
(iii) Profit distributio n									25,400,876.20		-334,377,99 0.70		-308,977,114.50	-5,083,093.40	-314,060,207.90
1. Withdraw al of surplus									25,400,876.20		-25,400,876. 20				

## Annual Report 2024

reserves															
2. Withdrawal of general risk provisions															
3. Distribution for owners (or shareholders)											-308,977,114.50		-308,977,114.50	-5,083,093.40	-314,060,207.90
4. Other															
(iv) Carrying forward internal owners' equity															
1. Capital reserves converted to capital (share capital)															
2. Surplus reserves converted to capital															

## Annual Report 2024

(share capital)															
3. Remedyin g loss with surplus reserve															
4. Carry-ove r retained earnings from the defined benefit plans															
5. Carry-ove r retained earnings from other comprehe nsive income															
6. Other															
(v) Reasonabl e reserve								9,721, 361.6 8					9,721,361.68	943,127.78	10,664,489.46
1. Withdraw								40,41 5,747. 60					40,415,747.60	1,758,422.51	42,174,170.11

## Annual Report 2024

al in the report period															
2. Usage in the report period								30,69 4,385. 92					30,694,385.92	815,294.73	31,509,680.65
(vi) Others															
IV. Balance at the end of the period	1,029,923,71 5.00				2,75 0,47 0,21 5.39		-21,222,4 19.68	20,96 8,173. 59	502,454,071.0 2		1,803,207,1 85.06		6,085,800,940.3 8	390,562,431.04	6,476,363,371.42

## Last Period

In RMB

Item	2023														
	Owners' equity attributable to the parent Company													Minority interests	Total owners' equity
	Shar e capit al	Other equity instrument			Capit al reser ve	Less: Inve ntory share s	Other compreh ensive income	Reaso nable reserv e	Surplus reserve	Provis ion of gener al risk	Retained profit	Other	Subtotal		
		Prefe rred stock	Perp etual capit al secur ities	Othe r											
I. The ending balance of the previous year	1,02 9,92 3,71 5.00				2,80 6,49 3,90 4.30		-20,881,4 62.63	2,467, 205.7 8	441,201,471.9 8		909,082,037.6 6		5,168,286,872. 09	370,748,395.26	5,539,035,267.35
Error correction									17,219.50		167,328.13		184,547.63	-8,145.54	176,402.09



## Annual Report 2024

of the last period															
Enterprise combine under the same control															
Other					320, 000, 000. 00						-78,235,400.8 3		241,764,599.1 7		241,764,599.17
II. The beginning balance of the current year	1,02 9,92 3,71 5.00				3,12 6,49 3,90 4.30		-20,881,4 62.63	2,467, 205.7 8	441,218,691.4 8		831,013,964.9 6		5,410,236,018. 89	370,740,249.72	5,780,976,268.61
III. Increase/ Decrease in the period (Decrease is listed with “-”)					-990, 446. 53		177,100. 58	8,779, 606.1 3	35,834,503.34		607,301,158.9 8		651,101,922.5 0	-1,488,117.35	649,613,805.15
(i) Total comprehensive income							177,100. 58				735,828,796.6 7		736,005,897.2 5	32,421,343.74	768,427,240.99
(ii) Owners’ devoted and decreased capital					-990, 446. 53								-990,446.53	-18,627,553.47	-19,618,000.00
1.Common shares invested by shareholders															
2. Capital invested by holders of other equity instruments															
3. Amount reckoned into owners equity															

## Annual Report 2024

with share-based payment															
4. Other					-990,446.53							-990,446.53	-18,627,553.47	-19,618,000.00	
(iii) Profit distribution								35,834,503.34		-128,527,637.69		-92,693,134.35	-16,677,010.63	-109,370,144.98	
1. Withdrawal of surplus reserves								35,834,503.34		-35,834,503.34					
2. Withdrawal of general risk provisions															
3. Distribution for owners (or shareholders)										-92,693,134.35		-92,693,134.35	-16,677,010.63	-109,370,144.98	
4. Other															
(iv) Carrying forward internal owners' equity															
1. Capital reserves conversed to capital (share capital)															
2. Surplus reserves conversed to capital (share capital)															
3. Remedying loss with surplus reserve															

## Annual Report 2024

4. Carry-over retained earnings from the defined benefit plans															
5. Carry-over retained earnings from other comprehensive income															
6. Other															
(v) Reasonable reserve								8,779,606.13					8,779,606.13	1,395,103.01	10,174,709.14
1. Withdrawal in the report period								31,277,872.27					31,277,872.27	2,105,658.15	33,383,530.42
2. Usage in the report period								22,498,266.14					22,498,266.14	710,555.14	23,208,821.28
(vi) Others															
IV. Balance at the end of the period	1,029,923.71				3,125,503.45		-20,704,362.05	11,246,811.91	477,053,194.82		1,438,315,123.94		6,061,337,941.39	369,252,132.37	6,430,590,073.76

Legal Representative: Wu Dinggang

Person in charge of accounting works: Pang Haitao

Person in charge of accounting institute: Hu Xiangfei

**8. Statement of Changes in Owners' Equity (Parent Company)**

This Period

In RMB

Item	2024											
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other com	Reasonable reserve	Surplus reser	Retained profit	Other	Total owners' equity
		Preferred	Perpetual	Other								

## Annual Report 2024

		stock	capital securities				preh ensi ve inco me		ve			
I. The ending balance of the previous year	1,029,923,71 5.00				2,740,50 8,510.57			505,111.75	476, 835, 029. 14	1,294,109,238.10		5,541,881,604.56
Add: Changes of accounting policy												
Error correction of the last period												
Other												
II. The beginning balance of the current year	1,029,923,71 5.00				2,740,50 8,510.57			505,111.75	476, 835, 029. 14	1,294,109,238.10		5,541,881,604.56
III. Increase/ Decrease in the period (Decrease is listed with “-”)					-138,73 2,977.83			-505,111.75	25,4 00,8 76.2 0	-80,369,228.70		-194,206,442.08
(i) Total comprehensiv e income										254,008,762.00		254,008,762.00
(ii) Owners’ devoted and					-138,73 2,977.83							-138,732,977.83

## Annual Report 2024

decreased capital												
1.Common shares invested by shareholders												
2. Capital invested by holders of other equity instruments												
3. Amount reckoned into owners equity with share-based payment												
4. Other					-138,732,977.83							-138,732,977.83
(iii) Profit distribution									25,400,876.20	-334,377,990.70		-308,977,114.50
1. Withdrawal of surplus reserves									25,400,876.20	-25,400,876.20		
2. Distribution for owners (or shareholders)										-308,977,114.50		-308,977,114.50
3. Other												

Annual Report 2024

(iv) Carrying forward internal owners' equity												
1. Capital reserves converted to capital (share capital)												
2. Surplus reserves converted to capital (share capital)												
3. Remedying loss with surplus reserve												
4. Carry-over retained earnings from the defined benefit plans												
5. Carry-over retained earnings from other comprehensive income												

## Annual Report 2024

6. Other												
(v) Reasonable reserve								-505,111.75				-505,111.75
1. Withdrawal in the report period								10,305,674.40				10,305,674.40
2. Usage in the report period								10,810,786.15				10,810,786.15
(vi) Others												
IV. Balance at the end of the period	1,029,923,715.00				2,601,775,532.74				502,235,905.34	1,213,740,009.40		5,347,675,162.48

Last period

In RMB

Item	2023											
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Retained profit	Other	Total owners' equity
		Preferred stock	Perpetual capital securities	Other								
I. The ending balance of the previous year	1,029,923,715.00				2,740,508,510.57			687,069.38	440,983,306.30	1,064,136,866.98		5,276,239,468.23
Add: Changes of accounting policy									17,219.50	154,975.45		172,194.95

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Error correction of the last period												
Other												
II. The beginning balance of the current year	1,029,923,715.00				2,740,508,510.57			687,069.38	441,000,525.80	1,064,291,842.43		5,276,411,663.18
III. Increase/Decrease in the period (Decrease is listed with “-”)								-181,957.63	35,834,503.34	229,817,395.67		265,469,941.38
(i) Total comprehensive income										358,345,033.36		358,345,033.36
(ii) Owners’ devoted and decreased capital												
1.Common shares invested by shareholders												
2. Capital invested by holders of other equity instruments												



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3. Amount reckoned into owners equity with share-based payment												
4. Other												
(iii) Profit distribution									35,834,503.34	-128,527,637.69		-92,693,134.35
1. Withdrawal of surplus reserves									35,834,503.34	-35,834,503.34		
2. Distribution for owners (or shareholders)										-92,693,134.35		-92,693,134.35
3. Other												
(iv) Carrying forward internal owners' equity												
1. Capital reserves conversed to capital (share capital)												
2. Surplus reserves conversed to capital (share												

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capital)												
3. Remedying loss with surplus reserve												
4. Carry-over retained earnings from the defined benefit plans												
5. Carry-over retained earnings from other comprehensive income												
6. Other												
(v) Reasonable reserve								-181,957.63				-181,957.63
1. Withdrawal in the report period								8,557,762.79				8,557,762.79
2. Usage in the report period								8,739,720.42				8,739,720.42
(vi) Others												
IV. Balance at the end of the period	1,029,923,715.00				2,740,508,510.57			505,111.75	476,835,029.14	1,294,109,238.10		5,541,881,604.56



## I. Company profile

Changhong Meiling Co., Ltd (hereinafter referred to as “the Company”) , originally named as Hefei Meiling Co., Ltd. is an incorporated Company established and reorganized by Hefei Meiling Refrigerator General Factory and approved on June 12<sup>th</sup> 1992 through [WanTiGaiHanZi (1992) No.039] issued by original Mechanism Reform Committee of Anhui Province. On August 30<sup>th</sup> 1993, through Anhui Provincial Government [Wanzhenmi (1993) No.166] and re-examination of China Securities Regulatory Commission, the Company made first public issue for 30 million A shares and the Company was listed on Oct. 18<sup>th</sup>, 1993 in Shenzhen Stock Exchange. On August 13<sup>th</sup>, 1996, the Company was approved to issue 100 million B shares to investors abroad through [ZhengWeiFa (1996) No.26] issued by China Securities Regulatory Commission. The Company went public in Shenzhen Stock Exchange on August 28<sup>th</sup>, 1996.

State-owned Assets Supervision & Administration Commission of the State Council approved such transfers with Document GuoziChanquan (2007) No.253 Reply on Matters of Hefei Meiling Group Holdings Limited Transferring Partial State-owned Ownership, Hefei Meiling Group Holdings Limited (hereinafter referred to as Meiling Group) transferred its holding 37,852,683 shares in 82,852,683 state-owned shares of the Company to Sichuan Changhong Electronic Group Co., Ltd (hereinafter referred to as Changhong Group), other 45,000,000 shares to Sichuan Changhong Electric Co. Ltd (hereinafter referred to as Sichuan Changhong). On Aug 15, 2007, the above ownership was transferred and Cleaning Corporation Limited.

On 27 August 2007, State-owned Assets Supervision & Administration Commission of Anhui Provincial Government replied with Document [WGZCQH (2007) No.309] Reply on “Related Matters of Share Merger Reform of Hefei Meiling Co., Ltd.”, agreed the Company’s ownership split reform plan. The Company made consideration that non-tradable share holders deliver 1.5 shares to A share holders per 10 shares, and original Meiling Group made prepayment 3,360,329 shares for some non-tradable share holders as consideration for split reform plan.

On 29 May 2008, concerning 34,359,384 state-owned shares (including 3,360,329 shares paid for other non-tradable shareholders by original Meiling Group in share reform) held by original Meiling Group, the “Notice of Freely Transfer of Meiling Electrics Equity held by Meiling Group”[HGZCQ(2008) No. 59] issued from State-owned Assets Supervision & Administration Commission of Hefei Municipal, agrees to transfer the above said shares to Hefei Xingtai Holding Group Co., Ltd.(“Xingtai Holding Co.”) for free. On 7 August 2008, the “Reply of Transfer Freely of Part of the Shares of Hefei Meiling Co., Ltd. held by State-owned shareholders” [GZCQ (2007) No. 752] issued by SASAC, agrees the above said transferring.

On October 29, 2008, ChanghongGroup signed Agreement on Equity Transfer of Hefei Meiling Co., Ltd with Sichuan Changhong, in which 32,078,846 tradable A-shares with conditional subscription of the Company (accounting for 7.76% in total shares) held by Changhong Group. On 23 December 2008, “Reply of Transfer Freely of Part of the Shares of Hefei Meiling Co., Ltd. held by State-owned shareholders” [GZCQ (2008) No. 1413] issued by SASAC agrees the above said share transferring.

On 24 December 2010, being deliberated and approved in 32<sup>nd</sup> Session of 6<sup>th</sup> BOD and 2<sup>nd</sup> Extraordinary Shareholders’ General Meeting of 2010 as well as approval of document [ZJXK (2010) No. 1715] from CSRC, totally 116,731,500 RMB ordinary shares (A stock) were offering privately to target investors with issue price of RMB 10.28/share. Capital collecting amounting to RMB 1,199,999,820 after issuing expenses RMB 22,045,500 deducted, net capital collected

amounting to RMB 1,177,954,320, and paid-in capital (share capital) increased RMB 116,731,500 with capital reserve (share premium) RMB 1,061,106,088.5 increased. The increasing capital has been verified by Capital Verification Report No.: [XYZH2010CDA6021] issued from Shin Wing CPA Co., Ltd.

On 20 June 2011, the general meeting of the Company considered and approved the 2010 profit distribution plan, namely to distribute cash dividends of RMB0.5 (tax included) plus two shares for every ten shares held by shareholders to all shareholders, based on the total share capital of 530,374,449 shares as of 31 December 2010. The total share capital of the Company upon profit distribution increased to 636,449,338 shares. The capital increase was verified by Anhui HuashenZhengda Accounting Firm with the verification report WHSZDKYZ (2011) No.141.

On 26 June 2012, the general meeting of the Company considered and approved the 2011 profit distribution and capitalization of capital reserve plan, namely to distribute cash dividends of RMB0.5 (tax included) plus two shares for every ten shares to all shareholders capitalized from capital reserve, based on the total share capital of 636,449,338 shares as of 31 December 2011. The total share capital of the Company upon implementation of capitalization of capital reserve increased to 763,739,205 shares from 636,449,338 shares, and was verified by Anhui AnlianXinda Accounting Firm with the verification report WALXDYZ (2012) No.093.

On November 18, 2015, considered and approved by the 12<sup>th</sup> Session of the 8<sup>th</sup> BOD of the company and the first extraordinary general meeting in 2016, and approved by the document of China Securities Regulatory Commission [CSRC License No. (2016) 1396] “Reply to the approval of non-public offering of shares of Hefei Meiling Co., Ltd.”, the company has actually raised funds of 1,569,999,998.84 yuan by non-public offering of no more than 334,042,553 new shares at face value of 1 yuan per share and with issue price no less than 4.70 yuan per share, after deducting the issue costs of 29,267,276.08 yuan, the net amount of raised funds is 1,540,732,722.76 yuan, the increased paid-in capital (share capital) of 280,858,676.00 yuan, increased capital reserve (share premium) of 1,259,874,046.76 yuan. This capital increase has been verified by No. [XYZH2016CDA40272] capital verification report of Shine Wing Certified Public Accountants (LLP).

Since the first repurchase of shares on November 4, 2020, the company had cumulatively repurchased 14,674,166 shares of the company (B shares) in centralized bidding transactions through the special securities account for repurchase until February 18, 2022, and completed the cancellation procedures of the repurchased shares at the Shenzhen Branch of China Securities Depository and Clearing Co., Ltd. on March 2, 2022, a total of 14,674,166 shares of the company (B shares) were cancelled, accounting for 1.4048% of the company's total share capital before cancellation. After the cancellation, the total share capital of the company was reduced from 1,044,597,881 shares to 1,029,923,715 shares.

Ended as December 31, 2024, total share capital of the Company amounting to 1,029,923,715 shares with ordinary shares in full. Among which, 881,733,881 shares of A-share accounting 85.61% in total shares while B-share with 148,189,834 shares accounting 14.39% in total shares. Specific capital structure is as follows:

Type of stock	Quantity	Proportion
<b>(I)Restricted shares</b>	6,154,085	0.60
1. State-owned shares		

Type of stock	Quantity	Proportion
2. State-owned legal person's shares	1,141,053	0.11
3. Other domestic shares	5,013,032	0.49
Including: Domestic legal person's shares	3,363,539	0.33
Domestic natural person's shares	1,649,493	0.16
4. Foreign shares		
<b>(II)Unrestricted shares</b>	1,023,769,630	99.40
1. RMB Ordinary shares	875,579,796	85.01
2. Domestically listed foreign shares	148,189,834	14.39
3. Overseas listed foreign shares		
4. Others		
<b>Total shares</b>	1,029,923,715	100.00

The Company belongs to the manufacture of light industry, and engaged in the production and sale of refrigerator, freezer and air-conditioner. Unified social credit code of the Company: 9134000014918555XK; Address: No.2163, Lianhua Road, Economy and Technology Development Zone, Hefei City; Legal Representative: Wu Dinggang; register capital (paid-in capital): 1,029,923,715 yuan; type of company: limited liability company(joint venture and listed of Taiwan, Hong Kong and Macao)

This financial statement was approved by the Board of Directors of the Company on April 1, 2025. According to the Articles of Association of the Company, the financial statement will be submitted to the General Meeting of Shareholders for review.

## **II.Basis for preparation of financial statement**

### **1.Basis for preparation**

According to the actual transactions and matters, the Company's financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and its application guidelines, explanations and other relevant provisions (hereinafter referred to as "Accounting Standards for Business Enterprises") promulgated by the Ministry of Finance, as well as the disclosure-related provisions of No.15 Rules on Information Disclosure and Compilation of Companies Offering Securities to the Public - General Provisions on Financial Reports (revised in 2023) issued by China Securities Regulatory Commission (hereinafter referred to as "CSRC").

### **2.Continuous operation**

The Company recently has a history of profitability operation and has financial resources supporting, and prepared the financial statement on basis of going concern is reasonable.

## **III.Significant Accounting Policy and accounting Estimation**

Specific accounting policies and accounting estimates: The specific accounting policies and accounting estimates formulated by the Company according to the actual production and operation characteristics include bad debt provision of receivable, inventory depreciation provision, capitalization conditions of R&D expenses, revenue recognition and measurement, etc.

1.Statement on observation of accounting standards for enterprise

The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises, and truly, accurately and completely reflect the financial status of the Company on December 31, 2024, as well as the operating results and cash flow in 2024.

2.Accounting period

The accounting period of the Company is the calendar date from 1 January to 31 December.

3.Operation cycle

Operation cycle of the Company was 12 months, and it is the standard of flow classification for assets and liabilities.

4.Standard currency for accounting

The Company takes RMB as the standard currency for accounting.

5.Determination method and selection basis of importance standard

The Company follows the principle of materiality in preparing and disclosing financial statements.

The matters disclosed in the notes to the financial statements involving judgement by materiality standard, and the determination method and selection basis of materiality standard are as follows:

Matters disclosed involving the judgment by materiality standards	Determination method and selection basis of importance standard
Material receivables with bad debt provision accrued individually	The single accrual amount accounts for 10% of the total bad debt provision of various receivables and is more than RMB 50 million
Material amount recovered or reversed from bad debt provision of receivables in this period	The single amount recovered or reversed accounts for more than 10% of the total receivables and is more than RMB 50 million
Actual write-off of material receivables	The single write-off amount accounts for more than 10% of the total bad debt provision of various receivables and is more than RMB 50 million
Significant change has taken place in the book value of the contract assets	The change in book value of contract assets accounts for more than 30% of the balance of contract assets at the beginning of the period
Significant change has taken place in the book value of contractual liabilities	The change in book value of contractual liabilities accounts for more than 30% of the balance of contractual liabilities at the beginning of the period
Material contractual liabilities with an age of more than one year	Contractual liabilities with a single aging of more than one year account for more than 10% of the total contractual liabilities and are more than RMB 50 million
Material payables	Payables with a single aging of more than one year account for more than 5% of the total payables and are more than RMB 100 million
Other material payables	Other payables with a single aging of more than one year account for more than 5% of the total amount of other payables and are more than RMB 50 million
Material construction in progress	The budget of a single project is more than RMB 100 million
Material capitalized R&D projects	The ending balance of a single project accounts for more than

Matters disclosed involving the judgment by materiality standards	Determination method and selection basis of importance standard
	10% of the ending balance of development expenditure and is more than RMB 10 million
Important investment activities	The cash received from or paid for a single investment activity accounts for more than 10% of the total inflow or outflow and is more than RMB 100 million
Important non-wholly-owned subsidiaries	The net assets of subsidiaries account for more than 1% of the Company's net assets
An important cooperative enterprise or joint venture	The book value of the long-term equity investment in a single investee accounts for more than 1% of the Company's net assets and is more than RMB 50 million, or the investment profit and loss under the long-term equity investment method accounts for more than 1% of the Company's consolidated net profit
Major activities not involving current cash receipts and payments	It does not involve the current cash receipts and payments, and the impact on the current statements is greater than 10% of the net assets

#### 6.Accountant arrangement method of business combination under common control and not under common control

As acquirer, the Company measures the assets and liabilities acquired through business combination under common control at their carrying values as reflected in the consolidated financial statement of the ultimate controller as of the combination date. Capital reserve shall be adjusted in respect of any difference between carrying value of the net assets acquired and carrying value of the combination consideration paid. In case that capital reserve is insufficient to offset, the Company would adjust retained earnings.

The acquiree's net identifiable assets, liabilities or contingent liabilities acquired through business combination not under common control shall be measured at fair value as of the acquisition date. The cost of combination represents the fair value of the cash or non-cash assets paid, liabilities issued or committed and equity securities issued by the Company as at the date of combination in consideration for acquiring the controlling power in the acquiree, together with the sum of any directly related expenses occurred during business combination(in case of such business combination as gradually realized through various transactions, the combination cost refers to the sum of each cost of respective separate transaction). Where the cost of the combination exceeds the acquirer's interest in the fair value of the acquirer's identifiable net assets acquired, the difference is recognized as goodwill; where the cost of combination is lower than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the Company shall firstly make further review on the fair values of the net identifiable assets, liabilities or contingent liabilities acquired as well as the fair value of the non-cash assets portion of combination consideration or the equity securities issued by the Company. In case that the Company finds the cost of combination is still lower than the acquirer's interest in the fair value of the acquiree's identifiable net assets after such further review, the difference is recognized in non-operating income for the current period when combination occurs.



#### 7.Criteria for Control and Preparation Method of Consolidated Financial Statements

Control means that the Company has the power over the investee, enjoys variable returns by participating in the related activities of the investee, and has the ability to influence the amount of returns by using the power over the investee.

The Company shall put all the subsidiaries controlled and main body structured into consolidated financial statements.

Any difference arising from the inconformity of accounting year or accounting policies between the subsidiaries and the Company shall be adjusted in the consolidated financial statements.

All the material inter-company transactions, non-extraordinary items and unrealized profit within the combination scope are written-off when preparing consolidated financial statement. Owners' equity of subsidiary not attributable to parent company and current net gains and losses, other comprehensive income and total comprehensive income attributable to minority shareholders are recognized as non-controlling interests, minority interests, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders in consolidated financial statement respectively.

As for subsidiary acquired through business combination under common control, its operating results and cash flow will be included in consolidated financial statement since the beginning of the period when combination occurs. When preparing comparative consolidated financial statement, the relevant items in previous years financial statement shall be adjusted as if the reporting entity formed upon combination has been existing since the ultimate controller commenced relevant control.

As for equity interests of the investee under common control acquired through various transactions which eventually formed business combination, the Company shall supplement disclosure of the accounting treatment in consolidated financial statement in the reporting period when controlling power is obtained. For example, as for equity interests of the investee under common control acquired through various transactions which eventually formed business combination, adjustments shall be made as if the current status had been existing when the ultimate controller commenced control in connection of preparing consolidated financial statement; in connection with preparing comparative statement, the Company shall consolidate the relevant assets and liabilities of the acquiree into the Company's comparative consolidated financial statement to the extent not earlier than the timing when the Company and the acquiree are all under control of the ultimate controller, and the net assets increased due to combination shall be used to adjust relevant items under owners' equity in comparative statement. In order to prevent double computation of the value of the acquiree's net assets, the relevant profits and losses, other comprehensive income and change of other net assets recognized during the period from the date when the Company acquires original equity interests and the date when the Company and the acquiree are all under ultimate control of the same party (whichever is later) to the date of combination in respect of the long-term equity investment held by the Company before satisfaction of combination shall be utilized to offset the beginning retained earnings and current gains and losses in the period as the comparative financial statement involves, respectively.

As for subsidiary acquired through business combination not under common control, its operating results and cash flow will be included in consolidated financial statement since the Company obtains controlling power. When preparing consolidated financial statement, the Company shall adjust the subsidiary's financial statement based on the fair value of the various identifiable assets,

liabilities or contingent liabilities recognized as of the acquisition date.

As for equity interests of the investee not under common control acquired through various transactions which eventually formed business combination, the Company shall supplement disclosure of the accounting treatment in consolidated financial statement in the reporting period when controlling power is obtained. For example, as for equity interests of the investee not under common control acquired through various transactions which eventually formed business combination, when preparing consolidated financial statement, the Company would re-measure the equity interests held in the acquiree before acquisition date at their fair value as of the acquisition date, and any difference between the fair value and carrying value is included in current investment income. In case that the equity interests in acquiree held by the Company before the relevant acquisition date involves other comprehensive income at equity method and change of other owners' equity (other than net gains and losses, other comprehensive income and profit distribution), then the equity interests would transfer to investment gains and losses for the period which the acquisition date falls upon. The other comprehensive income arising from change of the net liabilities or net assets under established benefit scheme as acquiree's re-measured such scheme is excluded.

The transaction with non-controlling interest to dispose long-term equity investment in a subsidiary without losing control rights over the subsidiary, the difference between the proceeds from disposal of interests and the decrease of the shared net assets of the subsidiary is adjusted to capital premium (share premium). In case capital reserve is not sufficient to offset the difference, retained earnings will be adjusted.

As for disposal of part equity investment which leads to losing control over the investee, the Company would remeasure the remaining equity interests at their fair value as of the date when the Company loses control over the investee when preparing consolidated financial statement. The sum of consideration received from disposal of equity interest and fair value of the remaining equity interest, less the net assets of the original subsidiary attributable to the Company calculated based on the original shareholding proportion since the acquisition date or the date then consolidation commences, is included in investment gains and losses for the period when control is lost, meanwhile to offset goodwill. Other comprehensive income related to equity interest investment in original subsidiaries is transferred into current investment gains and losses upon lost of control. If the disposal of the equity investment of subsidiary is realized through multi pletran section sunlit loss of control and is a pack age deal. the accounting treatment of the sterna sections should be dealt with as one transaction of disposal of the subsidiary until loss of control. However, before the Company loses total control of the subsidiary, the differences between the actual disposal price and the share of the net assets of the subsidiary disposed of in every transaction should be recognized as other comprehensive income in the consolidated financial statements, and transferred to profit or loss when losing control.

#### 8. Accounting treatment for joint venture arrangement and joint controlled entity

The joint venture arrangement of the Company consists of joint controlled entity and joint venture. As for jointly controlled entity, the Company determines the assets held and liabilities assumed separately as a party to the jointly controlled entity, recognizes such assets and liabilities according to its proportion, and recognizes relevant income and expense separately under relevant agreement or according to its proportion. As for asset transaction relating to purchase and sales with the jointly controlled entity which does not constitute business activity, part of the gains and

losses arising from such transaction attributable to other participators of the jointly controlled entity is only recognized.

#### 9. Cash and cash equivalents

Cash comprises cash on hand and deposits that can be readily withdrawn on demand.

Cash equivalents include short-term (generally within three months of maturity at acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 10. Foreign currency business and foreign currency financial statement conversion

##### (1) Foreign currency business

As for the foreign currency business, the Company converts the foreign currency amount into RMB amount pursuant to the spot exchange rate as of the business day. As at the balance sheet date, monetary items expressed by foreign currency are converted into RMB pursuant to the spot exchange rate as of the balance sheet date. The conversion difference occurred is recorded into prevailing gains and losses, other than the disclosure which is made according to capitalization rules for the exchange difference occurred from the special foreign currency borrowings borrowed for constructing and producing the assets satisfying condition of capitalization. As for the foreign currency non-monetary items measured by fair value, the amount is then converted into RMB according to the spot exchange rate as of the confirmation day for fair value. And the conversion difference occurred during the procedure is recorded into prevailing gains and losses directly as change of fair value. As for the foreign currency non-monetary items measured by historical cost, conversion is made with the spot exchange rate as of the business day, with no change in RMB amount.

##### (2) Conversion of foreign currency financial statement

Spot exchange rate as of the balance sheet date is adopted for conversion of assets and liabilities in foreign currency balance sheet; as for the items in statement of owners' equity except for "Retained profit", conversion is made pursuant to the spot exchange rate of business day; income and expense items in income statement then are also converted pursuant to the spot exchange rate of transaction day. Difference arising from the aforementioned conversions shall be listed separately in items of owners' equity. Spot exchange rate as of the occurrence date of cash flow is adopted for conversion of foreign currency cash flow. The amount of cash affected by exchange rate movement shall be listed separately in cash flow statement.

#### 11. Financial assets and liabilities

A financial asset or liability is recognized when the group becomes a party to a financial instrument contract. The financial assets and financial liabilities are measured at fair value on initial recognition. For the financial assets and liabilities measured by fair value and with variation reckoned into current gains/losses, the related transaction expenses are directly included in current gains or losses; for other types of financial assets and liabilities, the related transaction costs are included in the initial recognition amount.

##### (1) Method for determining the fair value of financial assets and financial liabilities

Fair value refers to the price that a market participant can get by selling an asset or has to pay for transferring a liability in an orderly transaction that occurs on the measurement date. For a financial instrument having an active market, the Company uses the quoted prices in the active market to determine its fair value. Quotations in an active market refer to prices that are readily

available from exchanges, brokers, industry associations, pricing services, etc., and represent the prices of market transactions that actually occur in an arm's length transaction. If there is no active market for a financial instrument, the Company uses valuation techniques to determine its fair value. Valuation techniques include reference to prices used in recent market transactions by parties familiar with the situation and through voluntary trade, and reference to current fair values of other financial instruments that are substantially identical, discounted cash flow methods, and option pricing models.

(2) Category and measurement on financial assets

The group divided the financial assets as the follow while initially recognized: the financial assets measured at amortized cost; the financial assets measured at fair value and whose changes are included in other comprehensive income; and the financial assets measured by fair value and with variation reckoned into current gains/losses. The classification of financial assets depends on the business model that the Group's enterprises manage the financial assets and the cash flow characteristics of the financial assets.

1) The financial assets measured at amortized cost

Financial assets are classified as financial assets measured at amortized cost when they also meet the following conditions: The group's business model for managing the financial assets is to collect contractual cash flows; the contractual terms of the financial assets stipulate that cash flow generated on a specific date is only paid for the principal and interest based on the outstanding principal amount. For such financial assets, the effective interest method is used for subsequent measurement according to the amortized cost, and the gains or losses arising from amortization or impairment are included in current profits and losses. Such financial assets mainly include monetary funds, notes receivable, accounts receivable, other receivables, debt investment and long-term receivables, and so on. The Group lists the debt investment and long-term receivables due within one year (including one year) from the balance sheet date as non-current assets due within one year, and lists the debt investment with time limit within one year (including one year) when acquired as other current assets.

2) Financial assets measured at fair value and whose changes are included in other comprehensive income

Financial assets are classified as financial assets measured at fair value and whose changes are included in other comprehensive income when they also meet the following conditions: The Group's business model for managing the financial assets is targeted at both the collection of contractual cash flows and the sale of financial assets; the contractual terms of the financial asset stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount. For such financial assets, fair value is used for subsequent measurement. The discount or premium is amortized by using the effective interest method and is recognized as interest income or expenses. Except the impairment losses and the exchange differences of foreign currency monetary financial assets are recognized as the current profits and losses, the changes in the fair value of such financial assets are recognized as other comprehensive income until the financial assets are derecognized, the accumulated gains or losses are transferred to the current profits and losses. Interest income related to such financial assets is included in the current profit and loss. Such financial assets are listed as other debt investments, other debt investments due within one year (including one year) from the balance sheet date are listed as non-current assets due within one year; and other debt investments with time limit within

one year (including one year) when acquired are listed as other current assets.

3) Financial assets measured at fair value and whose changes are included in current gains/losses  
Financial assets except for the above-mentioned financial assets measured at amortized cost and financial assets measured at fair value and whose changes are included in other comprehensive income are classified as financial assets measured at fair value and whose changes are included in current profits and losses, which adopt fair value for subsequent measurement and all changes in fair value are included in current profits and losses. The Group classifies non-trading equity instruments as financial assets measured at fair value and whose changes are included in current profits and losses. Such financial assets are presented as trading financial assets, and those expire after more than one year and are expected to be held for more than one year are presented as other non-current financial assets.

### (3) Devaluation of financial instrument

On the basis of expected credit losses, the Group performs impairment treatment on financial assets measured at amortized cost and financial assets measured at fair value and whose changes are included in other comprehensive income and recognize the provisions for loss.

Credit loss refers to the difference between all contractual cash flows that the Company discounts at the original actual interest rate and are receivable in accordance with contract and all cash flows expected to be received, that is, the present value of all cash shortages. Among them, for the purchase or source of financial assets that have suffered credit impairment, the Company discounts the financial assets at the actual interest rate adjusted by credit.

The Group considers all reasonable and evidenced information, including forward-looking information, based on credit risk characteristics. When assessing the expected credit losses of receivables, they are classified according to the specific credit risk characteristics as follows:

1) For receivables and contractual assets and lease receivables (including significant financing components and not including significant financing components), the Group measures the provisions for loss based on the amount of expected credit losses equivalent to the entire duration.

① Evaluate expected credit losses based on individual items: credit notes receivable (including accepted letters of credit) of financial institutions in notes receivable and accounts receivable, and related party payments (related parties under the same control and significant related parties); dividends receivable, interest receivable, reserve funds, investment loans, cash deposits (including warranty), government grants (including dismantling subsidies) in other receivables, and receivables with significant financing components (i.e. long-term receivables);

② The Group considers all reasonable and evidenced information, including forward-looking information, when assessing expected credit losses. When there is objective evidence that its customer credit characteristics and ageing combination cannot reasonably reflect its expected credit loss, the current value of the expected future cash flow is measured by a single item, and the

cash flow shortage is directly written down the book balance of the financial asset.

The Group considers all reasonable and evidenced information, including forward-looking information, when assessing expected credit losses. When there is objective evidence that its customer credit characteristics and ageing combination cannot reasonably reflect its expected credit loss, the current value of the expected future cash flow is measured by a single item, and the cash flow shortage is directly written down the book balance of the financial asset.

2) Assess the expected credit losses on a case-by-case basis for other assets to which the financial instruments are impaired, such as the loan commitments and financial guarantee contracts that are not measured at fair value through profit or loss, financial assets measured at fair value and whose changes are recognized in other comprehensive income; other financial assets measured at amortized cost (such as other current assets, other non-current financial assets, etc.).

#### (4) Reorganization basis and measure method for transfer of financial assets

The financial assets meet one of following requirements will be terminated recognition: ① The contract rights of collecting cash flow of the financial assets is terminated; ②The financial assets has already been transferred, and the Company has transferred almost all risks and remunerations of financial assets ownership to the transferee; ③The financial assets has been transferred, even though the Company has neither transferred nor kept almost all risks and remunerations of financial assets ownership, the Company has given up controlling the financial assets.

If the enterprise has neither transferred or kept almost all risks and remunerations of financial assets ownership, nor given up controlling the financial assets, then confirm the relevant financial assets according to how it continues to involve into the transferred financial assets and confirm the relevant liabilities accordingly. The extent of continuing involvement in the transferred financial assets refers to the level of risk arising from the changes in financial assets value faced by the enterprise.

If the entire transfer of financial assets satisfies the demand for derecognition, reckon the balance between the book value of the transferred financial assets and the sum of consideration received from transfer and fluctuation accumulated amount of fair value formerly reckoned in other consolidated income in the current profits and losses.

If part transfer of financial assets satisfies the demand for derecognition, apportion the integral book value of the transferred financial assets between the derecognized parts and the parts not yet derecognized according to each relative fair value, and reckon the balance between the sum of consideration received from transfer and fluctuation accumulated amount of fair value formerly reckoned in other consolidated income that should be apportioned to the derecognized parts and the apportioned aforementioned carrying amounts in the current profits and losses.

When the Group sells financial assets adopting the mode of recourse, or endorses and transfers its financial assets, it is necessary to ensure whether almost all the risks and rewards of ownership of the financial assets have been transferred. If almost all the risks and rewards of ownership of the financial assets have been transferred to the transferee, the financial assets shall be derecognized; if almost all the risks and rewards of ownership of the financial assets are retained, the financial assets shall not be derecognized; if almost all the risks and rewards of ownership of the financial assets are neither transferred nor retained, continue to judge whether the company retains control over the assets, and conduct accounting treatment according to the principles described in the preceding paragraphs.

#### (5) Category and measurement of financial liability

Financial liability is classified into financial liability measured by fair value and with variation reckoned into current gains/losses and other financial liability at initially measurement.

① the financial liability measured by fair value and with variation reckoned into current gains/losses

The conditions to be classified as trading financial liabilities and as financial liabilities designated to be measured at fair value and whose changes are included in current profit or loss at the initial recognition are consistent with the conditions to be classified as trading financial assets and as financial assets designated to be measured at fair value and whose changes are included in current profit or loss at the initial recognition. Financial liabilities measured at fair value and whose changes are included in current profit or loss are subsequently measured at fair value, and the gain or loss arising from changes in fair value and the dividends and interest expense related to these financial liabilities are included in current profit or loss.

② Other financial liability

It must go through the delivery of the derivative financial liabilities settled by the equity instrument to link to the equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured, and the subsequent measurement is carried out in accordance with the cost. Other financial liabilities are subsequently measured at amortized cost by using the effective interest method. The gain or loss arising from derecognition or amortization is included in current profit or loss.

③ Financial guarantee contract

The financial guarantee contract of a financial liability which is not designated to be measured at fair value through profit or loss is initially recognized at fair value, and its subsequent measurement is carried out by the higher one between the amount confirmed in accordance with

the Accounting Standards for Business Enterprises No. 13 — Contingencies after initial recognition and the balance after deducting the accumulated amortization amount determined in accordance with the principle of Accounting Standards for Business Enterprises No. 14—Revenue from the initial recognition amount.

(6) Termination of recognition of financial liability

The financial liability or part of it can only be terminated for recognized when all or part of the current obligation of the financial liability has been discharged. The Group (debtor) and the creditor sign an agreement to replace the existing financial liabilities with new financial liabilities, and if the contract terms of the new financial liabilities are substantially different from the existing financial liabilities, terminated for recognized the existing financial liabilities and at the same time recognize the new financial liabilities. If the financial liability is terminated for recognized in whole or in part, the difference between the carrying amount of the part that terminated for recognized and the consideration paid (including the transferred non-cash assets or the assumed new financial liabilities) is included in current profits and losses.

(7) Off-set between the financial assets and liabilities

When the Company has a legal right to offset a recognized financial asset and a financial liability and such legal right is currently enforceable, and the Company plans to settle the financial asset on a net basis or to realize the financial asset and settle the financial liability simultaneously, the financial asset and the financial liability are presented in the balance sheet at their respective offsetting amounts. In addition, the financial assets and financial liabilities are presented in the balance sheet separately, and are not offset against each other.

(8) Derivatives and embedded derivatives

Derivatives are initially measured at fair value on the signing date of the relevant contract, and are subsequently measured at fair value. Except for derivatives that are designated as hedging instruments and are highly effective in hedging, the gains or losses arising from changes in fair value will be determined based on the nature of the hedging relationship in accordance with the requirements of the hedge accounting and be included in the period of profit and loss, other changes in fair value of derivatives are included in current profits and losses. For a hybrid instrument that includes an embedded derivative, if it is not designated as a financial asset or financial liability measured at fair value and whose changes are included in current profit or loss, the embedded derivative does not have a close relationship with the main contract in terms of economic characteristics and risks, and as with embedded derivatives, if the tools existing



separately conform to the definition of the derivatives, the embedded derivatives are split from the hybrid instruments and are treated as separate derivative financial instruments. If it is not possible to measure the embedded derivative separately at the time of acquisition or subsequent balance sheet date, the whole hybrid instrument is designated as a financial asset or financial liability measured at fair value and whose changes are included in current profits and losses.

#### (9) Equity instrument

The equity instrument is the contract to prove the holding of the surplus stock of the assets with the deduction of all liabilities in the Group. The Company issues (including refinancing), repurchases, sells or cancels equity instruments as movement of equity. No fair value change of equity instrument would be recognized by the Company. Transaction costs associated with equity transactions are deducted from equity. The Group's various distributions to equity instrument holders (excluding stock dividends) reduce shareholders' equity.

### 12. Inventory

Inventories of the Company principally include raw materials, stock goods; work in process, self-made semi-finished product, materials consigned to precede, low-value consumption goods, goods in transit, goods in process, mould and contract performance costs.

Perpetual inventory system is applicable to inventories. For daily calculation, standard price is adopted for raw materials, low-value consumption goods and stock goods. Switch-back cost of the current month is adjusted by distribution price difference at the end of the month, the dispatched goods will share the cost differences of inventory while in settlement the business income; and low-value consumption goods is carried forward at once when being applied for use and the mould shall be amortized within one year after receipt.

Inventory at period-end is valued by the Lower-of-value between the cost and net realizable value. The provision for inventory depreciation shall be drawn from the difference between the book cost of a single inventory item and its net realizable value, and the provision for inventory depreciation shall be recorded into the current profit and loss.

### 13. Contract assets

#### (1) Confirmation methods and standards of contract assets

Contract assets refer to the right of the Company to receive consideration after transferring goods to customers, and this right depends on factors other than the passage of time. If the Company sells two clearly distinguishable commodities to a customer and has the right to receive payment because one of the commodities has been delivered, but the payment is also dependent on the

delivery of the other commodity, the Company shall take the right to receive payment as a contract asset.

(2) Determination method and accounting treatment method of expected credit loss of contract assets

For the determination method for expected credit loss of contract assets, please refer to the above-mentioned

Accounting treatment methods for financial instrument impairment. The Company calculates the expected credit loss of contract assets on the balance sheet date, if the expected credit loss is greater than the book value of provision for impairment of contract assets, the Company shall recognize the difference as an impairment loss, debiting the "asset impairment loss" and crediting the "contract asset impairment provision". On the contrary, the Company shall recognize the difference as an impairment gain and keep the opposite accounting records.

If the Company actually incurs credit losses and determines that the relevant contract assets cannot be recovered, for those approved to be written off, debit the "contract asset impairment reserve" and credit the "contracted asset" based on the approved write-off amount. If the written-off amount is greater than the provision for loss that has been withdrawn, the "asset impairment loss" is debited based on the difference.

#### 14. Contract cost

(1) The method of determining the amount of assets related to the contract cost

The Company's assets related to contract costs include contract performance cost and contract acquisition cost.

The contract performance cost is the cost incurred by the Company for the performance of the contract, those that do not fall within the scope of other accounting standards and meet the following conditions at the same time are recognized as an asset as the contract performance cost: the cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs clarified to be borne by the customer, and other costs incurred solely due to the contract; this cost increases the Company's future resources for fulfilling the contract's performance obligations; this cost is expected to be recovered.

Contract acquisition cost is the incremental cost incurred by the Company to obtain the contract, those that are expected to be recovered are recognized as the contract acquisition cost as an asset; if the asset amortization period does not exceed one year, it shall be included in the current profit and loss when it occurs. Incremental cost refers to the cost (such as sales commission, etc.) that will not incur if the Company doesn't obtain the contract. The Company's expenses (such as travel

expenses incurred regardless of whether the contract is obtained) incurred for obtaining the contract other than the incremental costs expected to be recovered are included in the current profits and losses when they are incurred, except those are clarified to be borne by the customer.

(2) Amortization of assets related to contract costs

The Company's assets related to contract costs are amortized on the same basis as the recognition of commodity income related to the asset and included in the current profit and loss.

(3) Impairment of assets related to contract costs

When the Company determines the impairment loss of assets related to the contract cost, it first determines the impairment loss of other assets related to the contract that are confirmed in accordance with other relevant accounting standards for business enterprises; then based on the difference between the book value of which is higher than the remaining consideration that the Company is expected to obtain due to the transfer of the commodity related to the asset and the estimated cost of transferring the related commodity, the excess shall be provided for impairment and recognized as an asset impairment loss.

If the depreciation factors of the previous period changed later, causing the aforementioned difference to be higher than the book value of the asset, the original provision for asset impairment shall be reversed and included in the current profit and loss, but the book value of the asset after the reversal shall not exceed the book value of the asset on the reversal date under the assumption that no impairment provision is made.

## 15. Long-term equity investment

Long-term equity investment of the Company is mainly about investment in subsidiary, investment in associates and investment in joint-ventures.

For long-term equity investments acquired through business combination under common control, the initial investment cost shall be the acquirer's share of the carrying amount of net assets of the acquiree as of the combination date as reflected in the consolidated financial statement of the ultimate controller. If the carrying amount of net assets of the acquiree as of the combination date is negative, the investment cost of long-term equity investment shall be zero. For long-term equity investment acquired through business combination not under common control, the initial investment cost shall be the combination cost.

Excluding the long-term equity investment acquired through business combination, there is also a kind of long-term equity investment acquired through cash payment, for which the actual payment for the purchase shall be investment cost; If Long-term equity investments are acquired by issuing equity securities, fair value of issuing equity investment shall be investment cost; for Long-term

equity investments which are invested by investors, the agreed price in investment contract or agreement shall be investment cost; and for long-term equity investment which is acquired through debt reorganization and non-monetary assets exchange, regulations of relevant accounting standards shall be referred to for confirming investment cost.

The Company adopts cost method for investment in subsidiaries, makes calculation for investments in joint-ventures and associates by equity method.

When calculated by cost method, long-term equity investment is priced according to its investment cost, and cost of the investment is adjusted when making additional investment or writing off investment; When calculated by equity method, current investment gains and losses represent the proportion of the net gains and losses realized by the invested unit in current year attributable to or undertaken by the investor. When the Company is believed to enjoy proportion of net gains and losses of invested unit, gains and losses attributable to the Company according to its shareholding ratio is to computer out according to the accounting policy and accounting period of the Company, on the basis of the fair value of various recognizable assets of the invested unit as at the date of obtaining of the investment, after offset of gains and losses arising from internal transactions with associates and joint-ventures, and finally to make confirmation after adjustment of net profit of the invested unit. Confirmation on gains and losses from the long-term equity investment in associates and joint-ventures held by the Company prior to the first execution day, could only stand up with the precedent condition that debit balance of equity investment straightly amortized according to its original remaining term has already been deducted, if the aforementioned balance relating to the investment do exist.

In case that investor loses joint control or significant influence over investee due to disposal of part equity interest investment, the remaining equity interest shall be calculated according to Accounting Standards for Business Enterprise No.22-Recognition and Measurement of Financial Instrument. Difference between the fair value of the remaining equity interest as of the date when loss of joint control or significant influence and the carrying value is included in current gains and losses. Other comprehensive income recognized in respect of the original equity interest investment under equity method should be treated according to the same basis which the investee adopts to directly dispose the relevant assets or liabilities when ceasing adoption of equity method calculation; and also switches to cost method for calculating the long-term equity investments which entitles the Company to have conduct control over the invested units due to its additional investments; and switches to equity method for calculating the long-term equity investments which entitles the Company to conduct common control or significant influence, while no control over the invested units due to its additional investments, or the long-term equity investments which entitles the Company with no control over the invested units any longer while with

common control or significant influence.

When disposing long-term equity investment, the balance between it carrying value and effective price for obtaining shall be recorded into current investment income. When disposing long-term equity investment which is calculated by equity method, the proportion originally recorded in owners' equity shall be transferred to current investment income according to relevant ratio, except for that other movements of owners' equity excluding net gains and losses of the invested units shall be recorded into owners' equity

16. Investment real estate

The investment real estate of the Company includes leased houses and buildings, and is accounted value by its cost. Cost of purchased-in investment real estate consists of payment for purchase, relevant taxes and other expenditure which is attributable to the assets directly; while cost of self-built investment real estate is formed with all necessary expenditures occurred before construction completion of the assets arriving at the estimated utilization state.

Consequent measurement of investment estate shall be measured by cost method. Depreciation is provided with average service life method pursuant to the predicted service life and net rate of salvage value. The predicted service life and net rate of salvage value and annual depreciation are listed as follows:

Category	Depreciation term(Year)	Predicted rate of salvage value (%)	Depreciation rate per annual (%)
House and buildings	30-40 years	4.00-5.00	2.375-3.20

When investment real estate turns to be used by holders, it shall switch to fixed assets or intangible assets commencing from the date of such turning. And when self-used real estate turns to be leased out for rental or additional capital, the fixed assets or intangible assets shall switch to investment real estate commencing from the date of such turning. In situation of switch, the carrying value before the switch shall be deemed as the credit value after the switch.

When investment real estate is disposed, or out of utilization forever and no economic benefit would be predicted to obtain through the disposal, the Company shall terminate recognition of such investment real estate. The amount of income from disposal, transfer, discarding as scrap or damage of investment real estate after deducting the asset' s carrying value and relevant taxation shall be written into current gains and losses.

17.Fixed assets

Fixed assets of the Company are tangible assets that are also held for the production of goods, provision of services, rental or management of operations, have a useful life of more than one year and have a unit value of more than 2,000 yuan.

Their credit value is determined on the basis of the cost taken for obtaining them. Of which, cost of purchased-in fixed assets include bidding price and import duty and relevant taxes, and other expenditure which occurs before the fixed assets arrive at the state of predicted utilization and

which could be directly attributable to the assets; while cost of self-built fixed asset is formed with all necessary expenditures occurred before construction completion of the assets arriving at the estimated utilization state; credit value of the fixed assets injected by investors is determined based on the agreed value of investment contracts or agreements, while as for the agreed value of investment contracts or agreements which is not fair, it shall take its fair value as credit value; and for fixed assets which are leased in through finance leasing, credit value is the lower of fair value of leased assets and present value of minimized leasing payment as at the commencing date of leasing.

Consequent expenditure related to fixed assets consists of expenditures for repair and update reform. For those meeting requirements for recognition of fixed assets, they would be accounted as fixed asset cost; and for the part which is replaced, recognition of its carrying value shall cease; for those not meeting requirements for recognition of fixed assets, they shall be accounted in current gains and losses as long as they occur. When fixed asset is disposed, or no economic benefit would be predicted to obtain through utilization or disposal of the asset, the Company shall terminate recognition of such fixed asset. The amount of income from disposal, transfer, discarding as scrap or damage of fixed asset after deducting the asset's carrying value and relevant taxation shall be written into current gains and losses.

The Company withdraws depreciation for all fixed assets except for those which have been fully depreciated while continuing to use. It adopts average service life method for withdrawing depreciation which is treated respectively as cost or current expense of relevant assets according to purpose of use. The depreciation term, predicted rate of salvage value and depreciation rate applied to fixed assets of the Company are as follows:

Category	Depreciation term	Predicted rate of salvage value	Depreciation rate per year
House and buildings	30-40 years	4%-5%	2.375%-3.20%
Machinery equipment	10-14 years	4%-5%	6.786%-9.60%
Transport equipment	5-12 years	4%-5%	7.92%-19.20%
Other equipment	8-12 years	4%-5%	7.92%-12.00%

End of each year, the Company makes re-examination on predicted service life, predicted rate of salvage value and depreciation method at each year-end. Any change will be treated as accounting estimation change.

#### 18. Construction in progress

On the day when the construction in progress reaches the expected usable state, it will be carried forward to fixed assets according to the estimated value based on the construction budget, cost or actual construction cost, and depreciation will be accrued from the next month, and the difference in the original value of fixed assets shall be adjusted after the completion of the final accounting procedures.

#### 19. Borrowing expense

For the incurred borrowing expense that can be directly attributable to fixed assets, investment real estate, and inventory which require more than one year of purchase, construction or production activities to reach the intended usable or saleable state, the capitalization begins when the asset expenditure has occurred, the borrowing expense have occurred, and the acquisition, construction or production activities necessary to make the asset reach the intended usable or saleable state have begun; when the acquisition, construction or production of assets that meet the capitalization conditions reaches the intended usable or saleable state, stop the capitalization, the borrowing expense incurred thereafter are included in the current profit and loss. If an asset that meets the capitalization conditions is abnormally interrupted during the acquisition, construction or production process, and the interruption lasts for more than 3 months, the capitalization of borrowing expense shall be suspended until the acquisition, construction or production activities of the asset restart.

Capitalization shall be exercised for interest expense actually occurred from special borrowings in current period after deduction of the interest income arising from unutilized borrowing capital which is saved in banks or deduction of investment income obtained from temporary investment; For recognition of capitalized amount of common borrowing, it equals to the weighted average of the assets whose accumulated expense or capital disburse is more than common borrowing times capitalization rate of occupied common borrowing. Capitalization rate is determined according to weighted average interest rate of common borrowing.

## 20. Right-of-use assets

Upon becoming a lessee under a lease contract, the Company is entitled to receive substantially all of the economic benefits, arising from the use of the identified assets during the period of use and is entitled to recognized the right-of-use assets at the sum of the present value of the lease liability, prepaid rent and initial direct costs, and to recognized the depreciation and interest expenses respectively, when the use of the identified assets dominates during that period of use.

When the Company becomes the lessee of a lease contract, for short-term leases of less than one year without a purchase option and leases with a value of less than 40000 yuan (excluding sublease or expected sublease assets), the Company elects to follow simplified treatment and record the related assets at cost or current gain/loss on a straight-line basis over the lease period.

## 21. Intangible assets

### (1) Valuation method, service life and impairment test

The Company's intangible assets include land use rights, trademark rights and non-proprietary technology, which are measured at actual cost at the time of acquisition, of which, acquired intangible assets are stated at actual cost based on the price actually paid and related other

expenditure; the actual cost of an intangible asset invested by an investor is determined at the value agreed in the investment contract or agreement, except where the agreed value in the contract or agreement is not fair, in which case the actual cost is determined at fair value.

The Company analyzes and judges the service life of intangible assets when acquiring them. Intangible assets with definite service life, such as land use rights, are amortized by the straight-line method during the service life from the time when the intangible assets are available for use until they are no longer recognized as intangible assets. Other intangible assets shall be amortized according to the service life stipulated in the contract or law. Intangible assets with uncertain service life shall not be amortized. Intangible assets developed by the Company shall be generally amortized on an average of 3-5 years according to the benefit period of the results of the project recognized in advance.

The service life and amortization method of intangible assets with limited service life shall be reviewed at the end of the year. If the estimated service life and amortization method of intangible assets are different from those previously estimated, the amortization period and amortization method shall be changed. The service life of intangible assets with uncertain service life shall be rechecked. If there is evidence that their service life is limited, estimate their service life and treat them as intangible assets with limited service life. If there is any change after the recheck, it will be regarded as the change of accounting estimate.

## (2) Collection scope of R&D expenditure and related accounting treatment methods

The Company's R&D expenditure is directly related to the Company's R&D activities, including R&D staff salaries, direct input expenses, depreciation expenses and other expenses.

The R&D expenditure of the Company is divided into research stage expenditure and development stage expenditure according to its nature and whether there is great uncertainty in the final formation of intangible assets from R&D activities. Research stage expenditure is included in the current profits and losses when it occurs; Development stage expenditure is recognized as intangible assets if it meets the following conditions at the same time: (1) It is technically feasible to complete the intangible assets so that they can be used or sold; (2) It has the intention to complete the intangible assets and use or sell them; (3) The products produced by using the intangible assets exist in the market or the intangible assets themselves exist in the market; (4) It has sufficient technical, financial and other resources to support the development of the intangible assets, and has the ability to use or sell the intangible assets; (5) Expenditure attributable to the development stage of the intangible assets can be reliably measured.

-Expenditure attributable to development of the intangible assets could be reliable measured.

Expenditure arising during development not satisfying the above conditions shall be recorded in current gains and losses upon occurrence. Development expenditure which had been recorded in gains and losses in previous period



would not be recognized as assets in later period. Expenditure arising during development phase which has been starting capitalization is listed in balance sheet as development expenditure, and transferred to intangible assets since the project reaches at predicted utilization state.

## 22. Impairment of long-term assets

As at each balance sheet date, the Company has inspection on fixed assets, construction in process and intangible assets with limited service life. When the following indications appear, assets may be impaired, and the Company would have impairment test. As for goodwill and intangible assets which have uncertain service life, no matter there is impairment or not, impairment test shall be conducted at the end of every year. If it is hard to make test on recoverable amount of single asset, test is expected to make on the basis of the assets group or assets group portfolio where such asset belongs to.

Indications for impairment are as follows:

- (1) Market value of asset drops a lot in current period, the drop scope is obviously greater than the predicted drop due to move-on of times or normal utilization;
- (2) Economy, technology or law environment where enterprise operates or market where asset is located will have significant change in current or recent periods, which brings negative influence to enterprise;
- (3) Market interest rate or returning rate of other market investments have risen in current period, which brings influence in calculating discount rate of present value of predicted future cash flow of assets, which leads to a great drop in recoverable amount of such assets;
- (4) Evidence proving that asset is obsolete and out of time or its entity has been damaged;
- (5) Asset has been or will be keep aside, terminating utilization or disposed advance;
- (6) Internal report of enterprise shows that economic performance of asset has been or will be lower than prediction, such as that net cash flow created by asset or operation profit (or loss) realized by asset is greatly lower (or higher) than the predicted amount;
- (7) Other indications showing possible impairment of assets

After impairment test, if the carrying value exceeds the recoverable amount of the asset, the balance is recognized as impairment loss. As long as impairment loss of the aforementioned assets is recognized, it couldn't be switched back in later accounting periods. Recoverable amount of assets refers to the higher of fair value of assets net disposal expense and present value of predicted cash flow of the asset.

## 23. Contract liability

Contract liabilities reflect the Company's obligation to transfer goods to customers for consideration received or receivable from customers. Before the Company transfers the goods to the customer, if the customer has paid the contract consideration or the Company has obtained the right to unconditionally receive the contract consideration, the contract liability is recognized based on the received or receivable amount at the earlier time point of the actual payment by the customer and the payment due.

#### 24. Goodwill

Goodwill represents balance between equity investment cost or business combination cost under no common control exceeding the attributable part or fair value of recognizable net assets of party invested or purchased (obtained through business combination) as of acquisition day or purchase day.

Goodwill relating to subsidiaries is separately listed in consolidated financial statement. And goodwill relating to associates and joint-ventures is included in carrying value of long-term equity investment.

#### 25. Long-term deferred expenses

The company's long-term deferred expenses refer to the expenses that have been paid, but should be borne by the current period and future periods with an amortization period of more than one year (excluding one year), and these expenses are amortized evenly during the benefit period. If the long-term deferred expense item cannot benefit the future accounting period, all the amortized value of the item that has not been amortized will be transferred into the current profit and loss.

#### 26. Staff remuneration

Employee benefits mainly include all kinds of remuneration incurred in exchange for services rendered by employees or compensation to the termination of employment relationship such as short-term wages, post-employment benefits, compensation for the termination of employment relationship and other long-term employee welfare.

Short-term remuneration includes: staff salary, bonus, allowances and subsidies, staff benefits, social insurances like medical insurance, work-related injury insurance and maternity insurance, housing fund, labor union funds and staff education funds, short-term paid absence of duty, short-term profit sharing scheme, and non-monetary benefits as well as other short-term remuneration. During the accounting period when staff provides services, the short-term remuneration actually occurred is recognized as liabilities and shall be included in current gains and losses or related asset costs according to the beneficial items.

Retirement benefits mainly consist of basic pension insurance, unemployment insurance and early-retirement benefits, etc. retirement benefit scheme represents the agreement reached by the Company and its employees in respect of retirement benefits, or the rules or regulations established by the Company for providing retirement benefits to employees. In particular, defined contribution plan means a retirement benefit plan, pursuant to which, the Company makes fixed contribution to independent fund, upon which, and it is not obliged to make further payment.

Defined benefit plan refers to retirement benefit scheme other than defined contribution plan.

The early retirement policy for staff and workers of the Company is the compensation for encouraging staff and workers to accept the reduction voluntarily. The employees make applications voluntarily, the two parties sign the compensation agreement after approved by the Company and calculate the compensation amount according to the compensation standard passed by the staff representative conference, and the Company confirms it as dismiss welfare and reckons it in current profits and losses. As the Company promises to adjust the treatment for early retiring staff and workers with the increase of social basic cost of living allowances, the discount elements will not be considered for calculating the dismiss welfare.

#### 27. Lease liability

Upon becoming a lessee under a lease contract, the Company recognizes a lease liability for the leased-in asset at the present value of the unpaid lease payments, net of lease incentives (except for short-term leases and leases of low-value assets for which simplified treatment is elected), when it is entitled to receive substantially all of the economic benefits arising from the use of the identified asset during the period of use and is entitled to dominate the use of the identified asset during that period of use.

#### 28. Accrual liability

If the business in connection with such contingencies as a security involving a foreign party, commercial acceptance bill discount, pending litigation or arbitration, product quality assurance, etc. meets all of the following conditions, the Company will confirm the aforesaid as liabilities: the obligation is an existing obligation of the Company; performance of the obligation is likely to cause economic benefits to flow out of the enterprise; the amount of the obligation is reliably measurable.

#### 29. Special reserve

The work safety expense extracted according to the regulations will be included in the cost of related products or the current profit and loss, and also included in the special reserve; When used, it will be treated separately according to whether fixed assets are formed or not: if it is an expense expenditure, the special reserve will be directly offset; If the fixed assets are formed, the expenses incurred shall be collected, and the fixed assets shall be confirmed when the predetermined usable state is reached, and at the same time, the equivalent special reserve shall be offset and the equivalent accumulated depreciation shall be confirmed.

#### 30. Revenue

The Company's sales revenue is mainly comprised of revenue from sale of goods, labor providing income and revenue from assignment of asset use rights.

The Company has fulfilled the performance obligations in the contract, that is, revenue is recognized when the customer obtains control of the relevant goods or services.

If the contract contains two or more performance obligations, the Company will allocate the transaction price to each individual performance obligation according to the relative proportion of the stand-alone selling price of the goods or services promised by each individual performance obligation on the date of the contract. The revenue is measured according to the transaction price of each individual performance obligation.

The transaction price is the amount of consideration that the Company expects to be entitled to receive due to the transfer of goods or services to customers, excluding payments on behalf of third parties. The transaction price confirmed by the Company does not exceed the amount at which the cumulatively recognized revenue will most likely not to undergo a significant switch back when the relevant uncertainty is eliminated. The money expected to be returned to the customer will be regarded as a return liability and not included in the transaction price. If there is a significant financing component in the contract, the Company shall determine the transaction price based on the amount payable on the assumption that the customer pays in cash when obtaining the control of the goods or services. The difference between the transaction price and the contract consideration shall be amortized by the effective interest method during the contract period. On the starting date of the contract, if the Company expects that the interval between the customer's acquisition of control of the goods or services and the customer's payment of the price doesn't exceed one year, the significant financing components in the contract shall be ruled out.

When meeting one of the following conditions, the Company is to perform its performance obligations within a certain period of time, otherwise, it is to perform its performance obligations at a certain point in time:

- 1) The customer obtains and consumes the economic benefits brought by the Company's performance at the same time as the Company's performance;
- 2) Customers can control the products under construction during the performance of the Company;
- 3) The goods produced by the Company during the performance of the contract have irreplaceable uses, and the Company has the right to collect payment for the accumulated performance part of the contract during the entire contract period.

For performance obligations performed within a certain period of time, the Company recognizes

revenue in accordance with the performance progress during that period and determine the progress of performance in accordance with the output method. When the performance progress cannot be reasonably determined, if the cost incurred by the Company is expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

For performance obligations performed at a certain point in time, the Company recognizes revenue at the point when the customer obtains control of the relevant goods or services. When judging whether a customer has obtained control of goods or services, the Company will consider the following signs:

- 1) The Company has the current right to collect payment for the goods or services;
- 2) The Company has transferred the goods in kind to the customer;
- 3) The Company has physically transferred the goods to the customer;
- 4) The Company has transferred the principal risks and rewards of ownership of the goods to the customer;
- 5) The customer has accepted the goods or services, etc.

The Company's right to receive consideration for goods or services that have been transferred to customers are presented as contractual assets, which are impaired on the basis of expected credit losses. The Company's unconditional right to receive consideration from customers is shown as a account receivable. The obligation to transfer goods or services to customers for which the Company has received consideration receivable from them is shown as a contractual liability.

Specific methods of income recognition:

1. Income from transfer of commodities

For the commodities sold between the Company and customers, income is usually recognized at the time when the control right of the commodities is transferred, based on comprehensive consideration of the factors such as obtaining the current right to collect the commodity payment, the transfer of the main risks and rewards in the ownership of the commodities, the transfer of the legal ownership of the commodities, the transfer of the physical assets of the commodities, and the acceptance of the commodities by the customers. For the goods picked up by the merchants themselves, the income is recognized when the goods are picked up; For the goods delivered by logistics, the income is recognized when the goods are delivered at the merchant for signing; For the sales business with consignment characteristics, according to the contract, the income is recognized when the merchant provides the commodity settlement list; For the sales business through online sales channels, when the commodities are delivered to customers for receipt, it is regarded as the

main risk and rewards on the ownership of the commodities are transferred, and the realization of the sales income of the commodities is recognized; With regard to export income, according to the contract, after the goods are delivered to the port or place designated by the customer or to the carrier designated by the customer, and the customs declaration is passed, the income is recognized.

## 2. Income from providing labor services

For the quality assurance service, the service has been provided according to the contract, and the income is recognized when the payment is received or the documents (including the amount) signed by the customer are obtained (unless it is indicated that it is not a condition for income recognition); For technical development service, the service has been provided according to the contract, and the income is recognized according to the business recognition documents of both parties; For other engineering services, the income is recognized by stages according to the project performance progress, and the performance progress is determined according to the output method.

## 31. Government subsidy

Government subsidy of the Company include project grants, financial subsidies and job stabilization subsidies. Of which, asset-related government subsidy are government subsidy acquired by the Company for the acquisition or other formation of long-term assets; government subsidy related to revenue are government subsidy other than those related to assets. If the government document does not clearly specify the subsidy object, the Company will judge according to the above-mentioned distinguishing principle. If it is difficult to distinguish, it will be overall classified as a government subsidy related to income.

If government subsidies are monetary assets, they are measured according to the amount actually received. For subsidies paid on the basis of a fixed quota standard, when there is conclusive evidence at the end of the year that it can meet the relevant conditions stipulated by the financial support policy and is expected to receive financial support funds, they are measured according to the amount receivable. If the government subsidy is a non-monetary asset, it shall be measured at its fair value, when the fair value cannot be obtained reliably, it shall be measured at its nominal amount (1 yuan).

Government subsidies related to assets are recognized as deferred income. Asset-related government subsidies that are recognized as deferred income are included in the current profit and loss in installments according to the average life method during the useful life of the relevant assets.

If the relevant asset is sold, transferred, scrapped or damaged before the end of its useful life, the undistributed deferred income balance shall be transferred to the current profit and loss of asset disposal.

### 32. Deferred Income Tax Assets and Deferred Income Tax Liabilities

A deferred tax asset and deferred tax liability shall be determined by a difference (temporary difference) between the carrying amount of an asset or liability and its tax base. The deferred tax asset shall be recognized for the carry forward of unused deductible losses that it is probable that future taxable profits will be available against which the deductible losses can be utilized. For temporary difference arising from initial recognition of goodwill, no corresponding deferred income tax liabilities will be recognized. For temporary difference arising from initial recognition of assets and liabilities occurred in the transaction related to non-business combination which neither affect accounting profit nor taxable income (or deductible losses), no corresponding deferred income tax assets and deferred income tax liabilities will be recognized. As of the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured at the effective tax rate applicable to the period when recovery of assets or settlement of liabilities occur. The Company recognizes deferred income tax assets to the extent of future taxable income tax which is likely to be obtained to offset deductible temporary difference, deductible losses and tax credits. For the confirmed deferred income tax assets.

### 33. Lease

When the Company becomes the lessee of the lease contract, has the right to obtain almost all the economic benefits arising from the use of the identified assets during the period of use, and has the right to lead the use of the identified assets during the period of use, the present value of unpaid lease payments of the lease assets after deducting lease incentives (except for short-term leases and leases of low-value assets for which simplified treatment is selected) is recognized as a lease liability, and a right-of-use asset is recognized based on the sum of the present value of the lease liability, prepaid rent, and initial direct costs, and depreciation and interest expenses are recognized separately.

When the Company becomes the lessee of a lease contract, for short-term leases of less than one year without a purchase option and leases with a value of less than 40,000 yuan (excluding sublease or expected sublease assets), the Company elects to follow simplified treatment and record the related assets at cost or current gain/loss on a straight-line basis over the lease period.

When the Company becomes the lessor of a lease contract, it classifies the lease into an operating lease and a finance lease at the lease commencement date. A finance lease is a lease that transfers substantially all the risks and rewards associated with the ownership of an asset. Operating leases

are leases other than finance leases. Rentals under operating leases are recognized as income on a straight-line basis over the lease term. Finance leases are recorded at the net lease investment value of the finance lease receivable, which is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received as of the commencement date of the lease term. There are both leasing and non-leasing businesses in the contract and can be split, and the leasing business is financially accounted according to the lease standards. There are both leasing and non-leasing businesses in the contract and cannot be split, and the entire contract is included in the lease business for financial accounting according to the lease standards.

The lease change needs to be judged whether it can be recognized as a single leasing business, and it needs to be recognized separately if it meets the recognition conditions of a single lease; if it does not meet the recognition of a single leasing business, or there is a major event or change within the controllable range of the lessee, re-evaluate and measure the present value of lease liabilities, and adjust the book value of the right-of-use asset accordingly. If the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the lessee shall include the remaining amount in the corresponding expenses for the current period.

When the Company becomes the lessor of a lease contract, the lease is divided into operating lease and finance lease on the start date of lease. A finance lease is a lease that transfers substantially all the risks and rewards associated with ownership of an asset. An operating lease refers to a lease other than finance leases. The rent of an operating lease is recognized as income on a straight-line basis during the lease term. For an finance lease, the net investment in the lease is regarded as the entry value of the finance lease receivables, and the net investment in the lease is the sum of the unguaranteed residual value and the present value of the lease receipts that have not been received on the start date of the lease term.

#### 34. Income tax accounting

The Company accounted the income tax in a method of debit in balance sheet. The income tax expenses include income tax in the current year and deferred income tax. The income tax associated with the events and transactions directly included in the owners' equity shall be included in the owners' equity; and the deferred income tax derived from business combination shall be included in the carrying amount of goodwill, except for that above, the income tax expense shall be included in the profit or loss in the current period.

The income tax expense in the current year refers to the tax payable, which is calculated according to the tax laws on the events and transactions incurred in the current period. The deferred income tax refers to the difference between the carrying amount and the deferred tax assets and deferred



tax liabilities at Current Year-end recognized in the method of debit in the balance sheet.

### 35. Segment information

Business segment was the major reporting form of the Company, which divided into four parts: air-conditioning, refrigerator & freezer& washing machine, small home appliance and others. The transfer price among the segments will recognize based on the market price, common costs will allocated by income proportion between segments except for the parts that without reasonable allocation.

### 36. Explanation on significant accounting estimation

The management of the Company needs to apply estimation and assumption when preparing financial statement which will affect the application of accounting policy and amounts of assets, liabilities, income and expense. The actual condition may differ from the estimation. Constant evaluation is conducted by the management in respect of the key assumption involved in the estimation and judgment of uncertainties. Effect resulting from change of accounting estimation is recognized in the period the change occurs and future periods.

The following accounting estimation and key assumption may result in material adjustment to the book value of assets and liabilities in future period.

#### (1) Inventory impairment provision

The Company's provision for impairment of inventories on the balance sheet date is the part of the net realizable value lower than the cost of inventories. The net realizable value of the inventory of goods that are directly used for sale, such as the goods in stock, the goods sent out, and the materials for sale, and the low-consumption goods, shall be determined by the amount of the estimated selling price of the inventory minus the estimated selling expenses and relevant taxes. The net realizable value of the material inventory held for production is determined by the amount of the estimated selling price of the finished product produced minus the estimated cost to be incurred at the time of completion, the estimated selling expenses and relevant taxes.

#### (2) Accounting estimation on long-term assets impairment provision

The Company makes impairment test on fixed assets such as buildings, machine and equipment which have impairment indication and long-term assets such as goodwill as at the balance sheet date. The recoverable amount of relevant assets and assets group shall be the present value of the projected future cash flow which shall be calculated with accounting estimation.

If the management amends the gross profit margin and discount rate adopted in calculation of future cash flow of assets and assets group and the amended gross profit margin is lower than the currently adopted one or the amended discount rate is higher than the currently adopted one, the

Company needs to increase provision of impairment provision. If the actual gross profit margin is higher (or the discount rate is lower) than the estimation of management, the Company can not transfer back the long term assets impairment provision provided already.

(3) Accounting estimation on realization of deferred income tax assets

Estimation on deferred income tax assets needs estimation on the taxable income and applicable tax rate for each future year. Realization of deferred income tax assets depends on whether a company is able to obtain sufficient taxable income in future. Change of future tax rate and switch back of temporary difference could affect the balance of income tax expense (gains) and deferred income tax. Change of the aforesaid estimation may result in material adjustment to deferred income tax.

(4) Usable term and residual value rate of fixed assets and intangible assets

The Company, at least at the end of each accounting year, reviews the projected usable life and residual value rate of fixed assets and intangible assets. The projected usable life and residual value rate are determined by the management based on the historical experiences of similar assets by reference to the estimation generally used by the same industry with consideration on projected technical upgrade. If material change occurs to previous estimation, the Company shall accordingly adjust the depreciation expenses and amortization expenses for future period.

37. Other comprehensive income

Other comprehensive income represents various gains and losses not recognized in current gains and losses according to other accounting rules.

Other comprehensive income items shall be reported in the following two classes under other relevant accounting rules:

(1) Other comprehensive income items that can not be reclassified into gains and losses in future accounting periods, mainly including changes arising from re-measurement of net liabilities or net assets under defined benefit plan and interest in investee's other comprehensive income which are measured under equity method and which can not be reclassified into gains and losses in future accounting periods;

(2) Other comprehensive income items that will be reclassified into gains and losses in future accounting periods upon satisfaction of required conditions, mainly includes the share of other comprehensive income that is reclassified into profit and loss when the investee's subsequent accounting periods are accounted for in accordance with the equity method and meet the specified conditions, the fair value changes occurred by the debt investment that is measured at fair value and whose changes are included in other comprehensive income, the difference between the

original book value included in other comprehensive income and the fair value when a financial asset measured at amortized cost is reclassified as a financial asset measured at fair value and its changes are included in other comprehensive income, the loss provisions for financial assets measured at fair value and whose changes are included in other comprehensive income, the gains or losses generated from cash flow hedging instruments are part of effective hedging, and the differences in conversion of foreign currency financial statements.

### 38. Change of significant accounting policies and accounting estimates

#### 1. Change of significant accounting policy

(1) Changes in accounting policies caused by changes in accounting standards for business enterprises

1) Since January 1, 2024, the company has implemented the provisions of "Division of Current Liabilities and Non-current Liabilities" stipulated in the Interpretation No.17 of Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and this accounting policy change has no impact on the company's financial statements.

2) Since January 1, 2024, the Company has implemented the provisions of "Disclosure of Supplier Financing Arrangements" in Interpretation No.17 of Accounting Standards for Business Enterprises promulgated by the Ministry of Finance. See V (4) 3 for the specific disclosure impact.

3) Since January 1, 2024, the company has implemented the provisions of "Accounting Treatment of After-sale Leaseback Transactions" stipulated in the Interpretation No.17 of Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and this accounting policy change has no impact on the Company's financial statements.

4) Since January 1, 2024, the Company has implemented the provisions of "Accounting Treatment for Guaranteed Quality Assurance that is not a single performance obligation" stipulated in the Interpretation No.18 of Accounting Standards for Business Enterprises promulgated by the Ministry of Finance, and made retrospective adjustments to the information in comparable periods.

The impact of implementing the above accounting policies on the consolidated income statement for the year 2023 is as follows:

Report items significantly affected	Consolidated report impact amount	Individual reports of the parent company affect the amount
2023 Annual Income Statement Items		
Operating cost	148,752,958.42	20,592,252.94

Sale cost	-148,752,958.42	-20,592,252.94
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Relevant accounting policy changes have been approved at the 12th meeting of the 11th Board of Directors of the Company

#### IV. Taxation

##### 1. Major taxes and tax rates

Tax (expenses)	Tax (expenses) base	Tax (expenses) rate
VAT	The output tax is calculated based on the income from sales of goods and taxable services calculated according to the provisions of the tax law. After deducting the input tax allowed to be deducted in the current period, the difference is the VAT taxable	13%,9%,6%,5%,3%
House Property Tax	In case of ad valorem, it will be levied according to 1.2% of the residual value after deducting 30% from the original value of the property; In case of rent-based collection, it will be levied according to 12% of the rental income	1.2%、12%
Land use tax	Actual land area used	1-6 yuan/m <sup>2</sup>
Urban maintenance and construction tax	Turnover tax	7%,5%
Education surcharge	Turnover tax	3%
Local education surcharge	Turnover tax	2%
Corporate income tax	Taxable income	29%,25%,22%,20%,15%

Description of taxpayers with different corporate income tax rates:

Name	Income tax rate
The Company	15.00%
Zhongke Meiling Cryogenic Technology Co., Ltd.	15.00%
Zhongshan Changhong Electric Co., Ltd.	15.00%
Sichuan Hongmei Intelligent Technology Co., Ltd.	15.00%
Mianyang Meiling Refrigeration Co., Ltd.	15.00%
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	15.00%
Hefei Meiling Nonferrous Metal Products Co., Ltd.	15.00%
Jiangxi Meiling Electric Appliance Co., Ltd.	15.00%
Sichuan Changhong Air-conditioner Co., Ltd.	15.00%
Hefei Meiling Wulian Technology Co., Ltd	15.00%

Name	Income tax rate
Anhui Tuoxing Technology Co., Ltd.	20.00%
Guangzhou Changhong Trading Co., Ltd.	20.00%
Hebei Hongmao Daily Appliance Technology Co., Ltd.	20.00%
CH-Meiling International (Philippines) Inc.	20.00%
Changhong Ruba Trading Company (Private) Limited	29.00%
CHANGHONG MEILING ELECTRIC INDONESIA,PT	22.00%
Other taxpayers except the above	25.00%

## 2. Preferential tax

### 1. Corporate income tax

(1) On November 30, 2023, the Company passed the high-tech enterprise certification and obtained the high-tech enterprise certificate numbered GR2020340006385, and shall enjoy the national high-tech enterprise income tax rate of 15%, which is valid for three years.

(2) On October 16, 2023, the subsidiary Zhongke Meiling Cryogenic Technology Co., Ltd. obtained the high-tech enterprise certificate numbered GR202334003036 approved by the Anhui Provincial Department of Science and Technology, the Anhui Provincial Department of Finance, and the Anhui Provincial Taxation Bureau of the State Administration of Taxation, and shall enjoy the 15% enterprise income tax rate of the national high-tech enterprise, which is valid for three years.

(3) On December 28, 2023, the subsidiary Zhongshan Changhong Electric Appliance Co., Ltd. obtained a high-tech enterprise certificate with a certificate number of GR202344012950 approved by the Guangdong Provincial Department of Science and Technology, the Guangdong Provincial Department of Finance and the Guangdong Provincial Taxation Bureau of the State Administration of Taxation, and shall enjoy a national enterprise income tax rate of 15% for high-tech enterprises, which is valid for three years

(4) On December 6, 2024, the subsidiary Sichuan Hongmei Intelligent Technology Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202451002000 approved by the Science and Technology Department of Sichuan Province, the Finance Department of Sichuan Province and the Sichuan Provincial Tax Service, State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(5) The subsidiary Mianyang Meiling Refrigeration Co., Ltd. belongs to the encouraged industries listed in the Guidance Catalogue of Industrial Structure Adjustment, and is entitled to the

preferential tax policy of enterprise income tax for the development of the western region, and its enterprise income tax is levied at a reduced rate of 15%, which is valid until December 31, 2030.

(6) On December 22nd, 2022, the subsidiary Hongyuan Ground Energy Heat Pump Technology (Zhongshan) Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202244005222 approved by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province and Guangdong Provincial Tax Service, State Taxation Administration, and was entitled to the enterprise income tax rate of 15% for national high-tech enterprises for a period of three years.

(7) On November 28, 2024, the subsidiary Hefei Meiling Non-ferrous Metal Products Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202434004167 approved by Anhui Provincial Department of Science and Technology, Anhui Provincial Department of Finance and Anhui Provincial Taxation Service, State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(8) On November 4, 2022, the subsidiary Jiangxi Meiling Electric Appliance Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202236000475 approved by Science and Technology Department of Jiangxi Province, Jiangxi Provincial Department of Finance and Jiangxi Tax Service, State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(9) On November 29, 2022, the subsidiary Sichuan Changhong Air Conditioning Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202251005824 approved by Science and Technology Department of Sichuan Province, Sichuan Provincial Finance Department and State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(10) On November 28, 2024, the subsidiary Hefei Meiling IOT Technology Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202434004986 approved by Anhui Provincial Department of Science and Technology, Anhui Provincial Department of Finance and Anhui Provincial Taxation Service, State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(11) According to the Announcement of the Ministry of Finance and the State Taxation Administration on Further Supporting the Development of Tax and Fee Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households (Announcement No.12 of the Ministry of Finance and the State Taxation Administration in 2023), "The taxable income of small and low-profit enterprises will be reduced by 25%, and the enterprise income tax policy will be paid at a rate of 20%, which will be implemented until December 31, 2027". The subsidiaries

Anhui Tuoxing Technology Co., Ltd., Guangzhou Changhong Trading Co., Ltd. and Hebei Hongmao Household Appliance Technology Co., Ltd. applied the above preferential policies this year.

## 2.VAT

(1) According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Policy of Adding and Deducting VAT for Advanced Manufacturing Enterprises (Announcement No.43 of the Ministry of Finance and the State Taxation Administration in 2023), additional VAT payable of 5% will be deducted according to the deductible input tax in the current period for advanced manufacturing enterprises from January 1, 2023 to December 31, 2027. The Company and its subsidiaries Zhongke Meiling Cryogenics Technology Co., Ltd., Zhongshan Changhong Electric Co.,Ltd., Hongyuan Ground Energy Heat Pump Technology (Zhongshan) Co., Ltd., Hefei Meiling Non-ferrous Metal Products Co., Ltd., Jiangxi Meiling Electric Appliance Co., Ltd. and Sichuan Changhong Air Conditioning Co., Ltd. applied the above preferential policies.

(2) According to the Notice of the Ministry of Finance and the State Taxation Administration on the VAT Policy of Software Products (CS [2011] No.100), for sales by general VAT taxpayers of the software products developed and produced by themselves, after the VAT is levied at the rate of 13%, the part whose actual VAT tax exceeds 3% will be refunded immediately. The subsidiaries Zhongke Meiling Cryogenics Technology Co., Ltd. and Sichuan Hongmei Intelligent Technology Co., Ltd. applied the above preferential policies.

## V.Consolidated financial statement item notes

### 1. Monetary fund

Item	Ending balance	Beginning balance
Cash	19,623.13	15,600.68
Bank deposit	5,430,927,146.17	4,160,140,914.47
Other monetary fund	492,614,908.35	427,457,768.37
Deposit funds from the financial company	4,568,889,072.96	4,255,008,952.20
Total	10,492,450,750.61	8,842,623,235.72
Including: total amount deposited in overseas	39,440,542.18	25,902,580.15

### 2. Tradable financial assets

Item	Ending Balance	Beginning Balance
Financial assets measured at fair value and whose changes are included in current gains/losses		39,236,447.63
Including: Derivative financial assets		39,236,447.63

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Item	Ending Balance	Beginning Balance
Total		39,236,447.63

3. Derivative financial assets

project	Ending Balance	Beginning Balance
forward exchange contract	72,010,074.43	
total	72,010,074.43	

4. Note receivable

(1) Detail

Item	Ending Balance	Beginning Balance
Bank acceptance		228,500.00
Trade acceptance		38,674.50
Total		267,174.50

(2) By accrual of bad debt provision

1) Detail

Category	Beginning balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
With bad debt provision accrual on single item	267,174.50	100.00			267,174.50
Including: Bank acceptance	228,500.00	85.52			228,500.00
Trade acceptance	38,674.50	14.48			38,674.50
Subtotal	267,174.50	100.00			267,174.50
Account receivable withdrawal bad debt provision by portfolio					
Total	267,174.50	100.00			267,174.50

5. Account receivable

(1) Category of account receivable by aging

Account age	Balance at year-end	Balance at year-begin
Within 1 year (Including 1 year)	1,497,253,392.98	1,653,598,197.84
Including:		



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Account age	Balance at year-end	Balance at year-begin
Within 3 months (3 months included)	1,368,463,315.70	1,465,495,273.51
More than 3 months and less than 6 months (6 months included)	97,181,265.60	140,402,241.40
Over 6 months and within one year (One year included)	31,608,811.68	47,700,682.93
Over one year - within 2 years (2 years included)	75,307,523.19	131,382,522.20
Over 2 years - within 3 years (3 years included)	87,182,259.34	154,167,214.15
Over 3 years	188,612,629.93	76,295,036.77
Total	1,848,355,805.44	2,015,442,970.96

(2) By accrual of bad debt provision

1) Detail

Category	Balance at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable that withdrawal bad debt provision by single item	736,905,399.87	39.87	174,360,359.87	23.66	562,545,040.00
Including: Account receivable with letter of credit	204,543,428.36	11.07			204,543,428.36
Current payment with related party	485,828,526.67	26.28	129,934,772.07	26.74	355,893,754.60
Receivables whose single amount is not significant but whose single provision for bad debts	46,533,444.84	2.52	44,425,587.80	95.47	2,107,857.04
Account receivable withdrawal bad debt provision by portfolio	1,111,450,405.57	60.13	146,017,071.09	13.14	965,433,334.48
Including: account receivable of engineering customers	185,634,242.24	10.04	54,756,852.90	29.50	130,877,389.34
Receivables other than engineering customers	925,816,163.33	50.09	91,260,218.19	9.86	834,555,945.14
<b>Total</b>	1,848,355,805.44	100.00	320,377,430.96	17.33	1,527,978,374.48

Continued

Category	Amount at year-begin		
	Book balance	Bad debt provision	Book value

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	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable that withdrawal bad debt provision by single item	712,659,116.51	35.36	195,578,324.84	27.44	517,080,791.67
Including: Account receivable with letter of credit	83,951,301.01	4.17			83,951,301.01
Current payment with related party	575,373,568.93	28.55	154,606,151.98	26.87	420,767,416.95
Receivables whose single amount is not significant but whose single provision for bad debts	53,334,246.57	2.65	40,972,172.86	76.82	12,362,073.71
Account receivable withdrawal bad debt provision by portfolio	1,302,783,854.45	64.64	139,561,406.03	10.71	1,163,222,448.42
Including: account receivable of engineering customers	212,621,463.45	10.55	44,910,916.50	21.12	167,710,546.95
Receivables other than engineering customers	1,090,162,391.00	54.09	94,650,489.53	8.68	995,511,901.47
<b>Total</b>	<b>2,015,442,970.96</b>	<b>100.00</b>	<b>335,139,730.87</b>	<b>16.63</b>	<b>1,680,303,240.09</b>

2) Receivables whose single amount is not significant but whose single provision for bad debts

Receivables whose single amount is not significant but whose single provision for bad debts, refers to the minor single receivables, and withdrawal bad debt provision by combination shows no risk characteristic of the receivables, 116 clients involved.

3) Account receivable withdrawal bad debt provision by portfolio

A.Account receivable of engineering customers

Account age	Balance at year-end		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	25,327,660.33		
More than 3 months and less than 6 months (6 months included)	14,901,434.29		
Over 6 months and within one year (One year included)	28,923,666.97		
Over one year - within 2 years (2 years included)	56,974,354.61	11,394,870.93	20.00
Over 2 years - within 3 years (3 years included)	32,290,288.15	16,145,144.08	50.00
Over 3 years	27,216,837.89	27,216,837.89	100.00
<b>Total</b>	<b>185,634,242.24</b>	<b>54,756,852.90</b>	<b>29.50</b>

Continued

Account age	Balance at year-begin		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	33,502,386.39		
More than 3 months and less than 6 months (6 months included)	29,638,184.67		
Over 6 months and within one year (One year included)	29,724,507.75		
Over one year - within 2 years (2 years included)	71,526,399.70	14,305,279.94	20.00
Over 2 years - within 3 years (3 years included)	35,248,696.77	17,624,348.39	50.00
Over 3 years	12,981,288.17	12,981,288.17	100.00
Total	212,621,463.45	44,910,916.50	21.12

B.Receivables other than engineering customers

Account age	Balance at year-end		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	832,210,142.16	8,322,101.42	1.00
More than 3 months and less than 6 months (6 months included)	8,867,933.33	886,793.33	10.00
Over 6 months and within one year (One year included)	2,545,036.25	509,007.25	20.00
Over one year - within 2 years (2 years included)	1,083,159.99	541,580.00	50.00
Over 2 years - within 3 years (3 years included)	545,777.06	436,621.65	80.00
Over 3 years	80,564,114.54	80,564,114.54	100.00
Total	925,816,163.33	91,260,218.19	9.86

Continued

Account age	Balance at year-begin		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	940,622,126.91	9,406,221.28	1.00
More than 3 months and less than 6 months (6 months included)	42,030,490.13	4,203,049.01	10.00
Over 6 months and within one year (One year included)	9,463,055.00	1,892,611.00	20.00

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Account age	Balance at year-begin		
	Book balance	Bad debt provision	Provision ratio (%)
Over one year - within 2 years (2 years included)	2,765,533.98	1,382,766.99	50.00
Over 2 years - within 3 years (3 years included)	87,576,718.61	70,061,374.88	80.00
Over 3 years	7,704,466.37	7,704,466.37	100.00
Total	1,090,162,391.00	94,650,489.53	8.68

C. Bad debt provision of accounts receivable

1) Detail

Category	Balance at year-begin	Changes this year				Balance at year-end
		Accrual	Withdrawal or reversal	Resale or write-off	Other decreases	
Withdrawal bad debt provision by single item	195,578,324.84	7,394,931.77	28,600,649.28		-12,247.46	174,360,359.87
Withdrawal bad debt provision by portfolio	139,561,406.03	6,212,365.75			243,299.31	146,017,071.09
Total	335,139,730.87	13,607,297.52	28,600,649.28		231,051.85	320,377,430.96

2) Recovery or reversal of important bad debt reserves in this period

Unit name	Amount recovered or reversed	Reason for reversal	Recovery mode	Basis and rationality of determining the original provision for bad debts
Sichuan Zhiyijia Network Technology Co., Ltd.	26,402,499.40	Payment recovery	Customer repayment	Mainly due to recovery of bad debts accrued in the early period due to the deterioration of Gome's business
Subtotal	26,402,499.40			

(4) Account receivable actually written-off in Current Year

N/A

(5) Top 5 accounts receivable and contract assets amount

Top 5 receivables collected by arrears party amounting to 587,980,658.36yuan in total, accounted

for 31.76% of the receivables of current year-end, the bad debt provision accrual correspondingly amounting to 90,080,165.99 yuan at year-end balance.

## 6. Receivables financing

### (1) Detail

Item	Ending balance	Opening balance
Bank acceptance	1,482,928,143.55	1,641,858,740.34
Financial company acceptance bill	34,059,810.28	
Total	1,516,987,953.83	1,641,858,740.34

### (2) By accrual of bad debt provision

Category	Ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Withdrawal bad debt provision by single item	1,516,987,953.83	100.00			1,516,987,953.83
Including: Bank acceptance	1,482,928,143.55	97.75			1,482,928,143.55
Financial company acceptance bill	34,059,810.28	2.25			34,059,810.28
Total	1,516,987,953.83	100.00			1,516,987,953.83

### Continued

Category	Balance at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Withdrawal bad debt provision by single item	1,641,858,740.34	100.00			1,641,858,740.34
Including: Bank acceptance	1,641,858,740.34	100.00			1,641,858,740.34
Total	1,641,858,740.34	100.00			1,641,858,740.34

(3) Changes in credit impairment provisions

There is no bad debt provision accrued, recovered or reversed this year;

(4) Financing of receivables that have been pledged at the end of the year

Item	Year-end pledged amount
Bank acceptance	584,233,204.78
Subtotal	584,233,204.78

Note: with purpose of improving the note utilization, the Company draw up bank acceptance by pledge parts of the outstanding notes receivable to the bank. For details of the pledge of bills receivable, see Note V. 26. Assets with restricted ownership or use rights.

(5) Notes endorsement or discount and undue on balance sheet date listed in receivables financing at the end of the year

Item	Amount derecognition at period-end
Bank acceptance	804,812,890.67
Financial company acceptance bill	6,118,683.00
Total	810,931,573.67

7. Accounts paid in advance

(1) Age of account paid in advance

Aging	Ending balance			
	Book balance	Ratio(%)	Provision for impairment	Book value
Within one year	59,929,582.83	99.30		59,929,582.83
1-2 years	266,216.81	0.44		266,216.81
2-3 years	47,912.63	0.08		47,912.63
Over 3 years	108,633.00	0.18		108,633.00
Total	60,352,345.27	100.00		60,352,345.27

Continued

Aging	Opening balance			
	Book balance	Ratio(%)	Provision for impairment	Book value
Within one year	43,346,277.88	94.65		43,346,277.88
1-2 years	811,122.73	1.77		811,122.73
2-3 years	707,919.39	1.55		707,919.39

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Aging	Opening balance			
	Book balance	Ratio(%)	Provision for impairment	Book value
Over 3 years	930,855.02	2.03		930,855.02
<b>Total</b>	45,796,175.02	100.00		45,796,175.02

(2) Top 5 of account paid in advance

Top 5 of account paid in advance in balance at period-end amounting to 48,658,243.44 yuan, accounted for 80.62% of the account.

8. Other account receivable

(1) Detail

Ending balance	Ending balance	Opening balance
Dividend receivable	12,124,951.70	
Other account receivable	123,266,319.09	100,159,876.70
<b>Total</b>	135,391,270.79	100,159,876.70

(2) Dividend receivable

Ending balance	Ending balance	Opening balance
Sichuan Zhiyijia Network Technology Co., Ltd.	11,849,751.70	
Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership Enterprise (Limited Partnership)	275,200.00	
Subtotal	12,124,951.70	

(3) Other receivable

1)) Category of other account receivable

Nature	Book balance at year-end	Book balance at year-begin
Loans of employee's pretty cash	15,452,988.04	21,047,009.96
Cash deposit	11,343,322.56	20,927,726.52
Export rebate	95,274,068.20	41,300,752.20
Related party	3,020,490.22	17,748,842.07
Other	1,327,326.50	2,195,851.43
Subtotal	126,418,195.52	103,220,182.18

2) By account age

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Account age	Balance at year-end	Balance at year-begin
Within 3 months	112,225,289.22	77,938,073.75
More than 3 months and less than 6 months	787,433.33	1,842,273.09
Over 6 months and within one yea	3,137,720.39	12,066,909.96
1-2 years	2,433,214.96	3,017,092.43
2-3 years	2,216,446.08	2,473,240.42
Over 3 years	5,618,091.54	5,882,592.53
Subtotal	126,418,195.52	103,220,182.18

3) By accrual of bad debt provision

Category	Amount at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
That withdrawal bad debt provision by single item	126,192,156.34	99.82	3,057,306.45	2.42	123,134,849.89
In which: other receivables with no major individual amount but bad debt provision accrued individually	27,897,597.92	22.07	3,057,306.45	10.96	24,840,291.47
Export rebate receivable	95,274,068.20	75.36			95,274,068.20
Related party funds	3,020,490.22	2.39			3,020,490.22
Bad debt provision accrued by portfolio	226,039.18	0.18	94,569.98	41.84	131,469.20
In which: other receivables accrued by aging portfolio	226,039.18	0.18	94,569.98	41.84	131,469.20
Total	126,418,195.52	100.00	3,151,876.43	2.49	123,266,319.09

Continued

Category	Balance at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
That withdrawal bad debt provision by single item	102,904,714.16	99.70	2,945,873.36	2.86	99,958,840.80
In which: other receivables with no major individual amount but bad debt provision accrued individually	43,855,119.89	42.49	2,945,873.36	6.72	40,909,246.53



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Category	Balance at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Export rebate receivable	41,300,752.20	40.01			41,300,752.20
Related party funds	17,748,842.07	17.20			17,748,842.07
Bad debt provision accrued by portfolio	315,468.02	0.30	114,432.12	36.27	201,035.90
In which: other receivables accrued by aging portfolio	315,468.02	0.30	114,432.12	36.27	201,035.90
Total	103,220,182.18	100.00	3,060,305.48	2.96	100,159,876.70

4) Changes in bad debt provisions

①Detail

Bad debt provision	First stage	Second stage	Third stage	Subtotal
	Expected credit loss in next 12 months	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	
Balance at year-begin	181.49	58,484.21	3,001,639.78	3,060,305.48
Balance at year-begin in Current Year	—	—	—	
--Transfer to the second stage				
-- Transfer to the third stage				
-- Reversal to the second stage				
-- Reversal to the first stage				
Provision in Current Year	5,749.78	-36,079.13	132,367.51	102,038.16
Reversal in Current Year			10,467.21	10,467.21
Write off in Current Year				
Other change				
Balance at year-end	5,931.27	22,405.08	3,123,540.08	3,151,876.43

②Bad debt provision for other receivables accrued, recovered or reversed this year

Category	Year-beginning	Amount of change this year	Year-end
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		Accrual	Recovery or reversal	Write-off or cancellation	Other	balance
Withdrawal bad debt provision by single item	2,945,873.36	121,900.30	10,467.21			3,057,306.45
Withdrawal bad debt provision by portfolio	114,432.12	-19,862.14				94,569.98
Subtotal	3,060,305.48	102,038.16	10,467.21			3,151,876.43

5) Other account receivable actually written-off in Current Year:N/A

6) Top 5 other receivables

Name	Nature	Balance at year-end	Account age	Proportion in total other receivables ending balance (%)	Bad debt provision Balance at year-end
Unit I	Tax rebate	95,274,068.20	Within 3 months	75.36	
Unit II	Related party	2,217,600.00	Within 3 months	1.75	
Unit III	Loans of employee's pretty cash	1,749,678.39	Within 3 months	1.38	
Unit IV	Cash deposit	1,689,512.96	6 months-1 year	1.34	
Unit V	Loans of employee's pretty cash	1,492,204.27	Within 3 months	1.18	
Total		102,423,063.82		81.01	

## 9. Inventories

(1) Detail

Item	Amount at year-end		
	Book balance	Inventory price decline provision/contract performance cost impairment provision	Book value
Raw materials	212,959,918.52	5,083,192.31	207,876,726.21

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Item	Amount at year-end		
	Book balance	Inventory price decline provision/contract performance cost impairment provision	Book value
Low value consumable articles	266,404.78	97,317.58	169,087.20
Deferred expense for mould	90,498,578.88		90,498,578.88
Stock commodities	2,140,311,193.05	101,125,135.79	2,039,186,057.26
Goods in transit	1,144,852,004.99	9,982,021.26	1,134,869,983.73
Goods-in-process	10,482,237.67	39,214.30	10,443,023.37
Contract performance cost	31,928,661.07	4,108.38	31,924,552.69
Total	3,631,298,998.96	116,330,989.62	3,514,968,009.34

(Continued)

Item	Opening balance		
	Book balance	Inventory price decline provision/contract performance cost impairment provision	Book value
Raw materials	150,806,222.67	4,061,217.23	146,745,005.44
Low value consumable articles	3,141,564.20	143,306.82	2,998,257.38
Deferred expense for mould	47,131,566.78		47,131,566.78
Stock commodities	1,216,312,053.20	60,027,642.16	1,156,284,411.04
Goods in transit	641,198,998.83	7,934,263.70	633,264,735.13
Goods-in-process	7,337,268.01		7,337,268.01
Contract performance cost	28,988,664.67		28,988,664.67
Total	2,094,916,338.36	72,166,429.91	2,022,749,908.45

(2) Provision for inventory depreciation and contract performance cost impairment provision

1) Detail

Item	Opening balance	Increase this period		Decrease this period		Ending balance
		Accrual	Other	Reversal or reselling	Other	

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Item	Opening balance	Increase this period		Decrease this period		Ending balance
		Accrual	Other	Reversal or reselling	Other	
Raw materials	4,061,217.23	3,356,900.39		2,334,925.31		5,083,192.31
Low value consumable articles	143,306.82	2,634.64		48,623.88		97,317.58
Stock commodities	60,027,642.16	76,933,185.81		35,748,538.30	87,153.88	101,125,135.79
Goods in transit	7,934,263.70	16,960,541.01		14,912,783.45		9,982,021.26
Goods-in-process		39,214.30				39,214.30
Contract performance cost		121,857.53		117,749.15		4,108.38
<b>Total</b>	<b>72,166,429.91</b>	<b>97,414,333.68</b>		<b>53,162,620.09</b>	<b>87,153.88</b>	<b>116,330,989.62</b>

2) Specific basis for determining the net realizable value, and the reasons for reversal or write-off of inventory depreciation provision in this period

Item	Specific basis for determining of net realizable value	Reasons for the reversal or reselling in Current Period
Raw materials	Cost is higher than net realizable value (The processed products are decline)	For production
Stock commodities	Cost is higher than net realizable value (The market price at period-end fell)	For sale
Goods in transit	Cost is higher than net realizable value (The market price at period-end fell)	For sale
Low value consumable articles	Cost is higher than net realizable value	Already used
Contract performance cost	Engineering construction cost is higher than net realizable value (The processed products are decline)	Already used

# 10. Contract assets

## (1) Detail

Item	Ending balance		
	Book balance	Impairment provision	Book value
Warranty	3,226,503.19	462,636.22	2,763,866.97
<b>Total</b>	<b>3,226,503.19</b>	<b>462,636.22</b>	<b>2,763,866.97</b>

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	Book value
Warranty	13,879,087.90	617,397.28	13,261,690.62
<b>Total</b>	13,879,087.90	617,397.28	13,261,690.62

(2) Amount and reasons for significant changes in book value during the year

Items	Change amount	Change cause
Warranty	-10,497,823.65	New performance sales contract
Total	-10,497,823.65	

(3) Provision for impairment of contract asset in the Period

Category	Balance at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Withdrawal bad debt provision by single	3,226,503.19	100.00	462,636.22	14.34	2,763,866.97
Total	3,226,503.19	100.00	462,636.22	14.34	2,763,866.97

Continued

Category	Amount at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Withdrawal bad debt provision by single	13,879,087.90	100.00	617,397.28	4.45	13,261,690.62
Total	13,879,087.90	100.00	617,397.28	4.45	13,261,690.62

(4) Provision for impairment of contract asset in the Period

Item	Amount at year-begin	Increase this year				Amount at year-end
		Accrual	Other	Reversal or reselling	Other	
Withdrawal bad debt provision by single	617,397.28	37,408.05	192,169.11			462,636.22
Total	617,397.28	37,408.05	192,169.11			462,636.22

11. Non-current assets coming due within one year

(1) Detail

Name	Balance at year-end			Balance at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Creditor's right investment due within one year	53,831,301.37		53,831,301.37	122,294,027.78		122,294,027.78
Warranty money due within one year	6,531,620.47	120,000.00	6,411,620.47			
Total	60,362,921.84	120,000.00	60,242,921.84	122,294,027.78		122,294,027.78

(2) Creditor's right investment due within one year

Name	Balance at year-end			Balance at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
large deposit certificates	53,831,301.37		53,831,301.37	122,294,027.78		122,294,027.78
Total	53,831,301.37		53,831,301.37	122,294,027.78		122,294,027.78

(3) Creditor's right investment due within 1 year at the end of the year:NO

12.Other current asset

Item	Balance at year-end			Balance at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
VAT to be deducted	6,591,963.44		6,591,963.44			
Advance payment of income tax	38,375,210.13		38,375,210.13	29,599,620.50		29,599,620.50
VAT input tax is to be deducted	199,284,116.97		199,284,116.97	193,911,165.30		193,911,165.30
Contract acquisition cost				701,222.80		701,222.80
Time deposits held to maturity	253,112,899.55		253,112,899.55			
Hold a large loan due	54,770,499.43		54,770,499.43			

Item	Balance at year-end			Balance at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Local sales tax in Pakistan	689,887.41		689,887.41	511,584.19		511,584.19
Deferred expenses	9,205,786.05		9,205,786.05	696,290.28		696,290.28
Total	562,030,362.98		562,030,362.98	225,419,883.07		225,419,883.07

13.Creditors' right investment

(1) Detail

Item	Balance at year-end		
	Book balance	Impairment provision	Book value
large deposit certificates	1,474,153,793.17		1,474,153,793.17
Total	1,474,153,793.17		1,474,153,793.17

Continued

Item	Balance at year-begin		
	Book balance	Impairment provision	Book value
large deposit certificates	420,537,485.54		420,537,485.54
Total	420,537,485.54		420,537,485.54

(2) Other important creditor's right investment

Item	Balance at year-end				
	Face value	Interest rate	Actual rate	Date of expiring	Overdue principal
Fixed deposit	250,000,000.00	3.05	3.05	2027-5-24	
Fixed deposit	150,000,000.00	2.70	2.70	2026-8-7	
large deposit certificates	150,000,000.00	3.15	3.15	2027-5-16	
large deposit certificates	100,000,000.00	2.60	2.60	2027-6-21	
large deposit certificates	80,000,000.00	3.35	3.35	2026-3-28	
Subtotal	730,000,000.00				

Continued

Item	Balance at year-begin				
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	Face value	Interest rate	Actual rate	Date of expiring	Overdue principal
large deposit certificates	100,000,000.00	3.20	3.20	2026-1-31	
large deposit certificates	80,000,000.00	3.35	3.35	2026-3-28	
large deposit certificates	50,000,000.00	3.30	3.30	2026-6-14	
large deposit certificates	50,000,000.00	3.10	3.10	2026-6-26	
large deposit certificates	30,000,000.00	3.30	3.30	2026-5-31	
large deposit certificates	30,000,000.00	3.20	3.20	2026-3-16	
large deposit certificates	25,000,000.00	3.25	3.20	2025-8-30	
large deposit certificates	25,000,000.00	3.30	3.20	2025-8-30	
large deposit certificates	20,000,000.00	3.15	3.15	2026-7-31	
Subtotal	410,000,000.00				

14. Long-term equity investment

(1) Classification situation

Item	Balance at year-end		
	Book balance	Impairment provision	Book value
Associated companies	84,608,551.82	3,097,405.00	81,511,146.82
Total	84,608,551.82	3,097,405.00	81,511,146.82

Continued

Item	Balance at year-begin		
	Book balance	Impairment provision	Book value
Associated companies	112,745,811.75		112,745,811.75
Total	112,745,811.75		112,745,811.75

(2) Detail

Invested	Balance at year-begin	Changes in Current Year
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enterprise	Book value	Impairment provision	Additional investment	Disinvestment	Investment profit and loss confirmed by equity method	Other comprehensive income adjustment
Associated companies						
Sichuan Zhiyijia Network Technology Co., Ltd.	68,854,162.70				8,268,998.98	
Hefei Xingmei Assets Management Co., Ltd.	14,139,256.78				25,235.21	
Chengdu Guigu Environmental Tech. Co., Ltd	8,756,262.50				-1,252,182.11	
Sichuan Tianyou Guigu Technology Co., Ltd.	2,948,859.23				-184,548.86	
.Sichuan Hongyun Venture Investment Partnership (LP)	18,047,270.54			18,000,000.00	104,729.46	
Hefei Xinmei Solar Energy Technology Co., Ltd					2,202,871.20	
Changhong Ruba Electric Company (Private) Ltd.						
Total	112,745,811.75			18,000,000.00	9,165,103.88	

Continued

Invested enterprise	Changes in Current Year				Balance at year-end	
	Other changes of equity	Declaration of cash dividends or profits	Provision for impairment	Other	Book value	Impairment provision
Associated companies						
Sichuan Zhiyijia Network Technology Co., Ltd.		16,947,492.61			60,175,669.07	

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Invested enterprise	Changes in Current Year				Balance at year-end	
	Other changes of equity	Declaration of cash dividends or profits	Provision for impairment	Other	Book value	Impairment provision
Hefei Xingmei Assets Management Co., Ltd.					14,164,491.99	
Chengdu Guigu Environmental Tech. Co., Ltd			3,008,655.00		4,495,425.39	3,008,655.00
Sichuan Tianyou Guigu Technology Co., Ltd.			88,750.00		2,675,560.37	88,750.00
.Sichuan Hongyun Venture Investment Partnership (LP)		152,000.00				
Hefei Xinmei Solar Energy Technology Co., Ltd		2,202,871.20				
Changhong Ruba Electric Company (Private) Ltd.						
Total		19,302,363.81	3,097,405.00		81,511,146.82	3,097,405.00

(3) Impairment test of long-term equity investment

Item	Book value	Recoverable amount	Impairment amount accrued in this period
Chengdu Guigu Environmental Tech. Co., Ltd	7,504,080.39	4,495,425.39	3,008,655.00
Sichuan Tianyou Guigu Technology Co., Ltd.	2,764,310.37	2,675,560.37	88,750.00
Subtotal	10,268,390.76	7,170,985.76	3,097,405.00

Continued

Item	Number of years of forecast period	Key parameters of forecast period and their determination basis	Key parameters of stable period and their determination basis
Chengdu Guigu Environmental Tech. Co., Ltd	Half year	It is expected that liquidation will begin in July 2025, and the financial data from the balance sheet date to the liquidation time will be predicted, and the future recoverable amount will be determined in combination with the	Not applicable

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Item	Number of years of forecast period	Key parameters of forecast period and their determination basis	Key parameters of stable period and their determination basis
		estimated liquidation expenses	
Sichuan Tianyou Guigu Technology Co., Ltd.	Half year	It is expected that liquidation will begin in July 2025, and the financial data from the balance sheet date to the liquidation time will be predicted, and the future recoverable amount will be determined in combination with the estimated liquidation expenses	Not applicable
Subtotal			

15. Other non-current financial assets

Item	Ending balance	Opening balance
Sichuan Changhong Group Finance Co., Ltd.	556,681,286.83	554,145,436.29
Sichuan Hongyun New-Generation Information technology Venture Capital Fund Partnership (limited partnership)	30,929,099.25	36,507,860.19
Changhong Group Sichuan ShenwanHongyuan Strategic New Industrial Parent Fund Partnership (limited partnership)	69,913,918.36	68,686,219.00
Huishang Bank Co., Ltd.	18,570,000.00	14,800,000.00
<b>Total</b>	<b>676,094,304.44</b>	<b>674,139,515.48</b>

16. Investment real estate

(1) Detail

Item	House and buildings	Total
I.Original book value		
Balance at year-begin	62,361,143.47	62,361,143.47
Increase in this year	35,001,468.95	35,001,468.95
1) Transfer of fixed assets	35,001,468.95	35,001,468.95
Decrease in this year		
Balance at year-end	97,362,612.42	97,362,612.42
Accumulated depreciation and accumulated amortization		
Balance at year-begin	11,440,655.76	11,440,655.76
.Increase in this year	19,201,105.97	19,201,105.97

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1) Withdrawal or amortization	1,978,095.75	1,978,095.75
2) Deprecation and transfer of fixed assets	17,223,010.22	17,223,010.22
Decrease in this year		
Balance at year-end	30,641,761.73	30,641,761.73
Book value		
Ending book value	66,720,850.69	66,720,850.69
Opening book value	50,920,487.71	50,920,487.71

(2) Investment real estate without property certification held

Item	Book value	Reasons for failing to complete property rights certificate
J03workshop	Book value	Related property rights in procedure
Subtotal	17,727,364.92	

17. Fixed assets

(1) Detail

Item	Book value at year-end	Book value at year-begin
Fixed assets	2,186,003,136.01	2,259,482,994.04
Liquidation of fixed assets	32,847,524.11	32,293,183.76
Total	2,218,850,660.12	2,291,776,177.80

(2) Fixed assets

(1) Detail

Item	House and buildings	Machinery equipment	Transport equipment	Other equipment	Total
Original book value					
Balance at year-begin	1,986,815,666.30	1,906,289,172.39	36,650,072.30	281,151,364.21	4,210,906,275.20
Increase in this year	4,993,904.65	189,915,198.45	5,523,240.42	48,287,841.75	248,720,185.27
1) Purchase		14,959,107.15	1,077,495.97	3,987,932.29	20,024,535.41
2) Construction in progress transfer-in	4,370,084.62	173,874,253.73	4,445,744.45	44,205,796.63	226,895,879.43
3) Increase in foreign currency translation				60,601.72	60,601.72
4) Other	623,820.03	1,081,837.57		33,511.11	1,739,168.71
.Decrease in this year	65,074,297.92	87,510,302.36	2,324,801.47	10,882,664.08	165,792,065.83
1) Dispose or		60,787,180.53	1,896,962.34	9,496,848.24	72,180,991.11

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Item	House and buildings	Machinery equipment	Transport equipment	Other equipment	Total
retirement					
2) Construction in progress transfer-in		22,713,498.68	423,333.30	242,796.85	23,379,628.83
3) Transfer investment real estate	35,001,468.95				35,001,468.95
4) Decrease in foreign currency translation			4,505.83		4,505.83
5) Other	30,072,828.97	4,009,623.15		1,143,018.99	35,225,471.11
Balance at year-end	1,926,735,273.03	2,008,694,068.48	39,848,511.25	318,556,541.88	4,293,834,394.64
.Accumulated depreciation					
.Balance at year-begin	611,809,867.87	1,164,231,721.95	25,939,684.97	142,820,391.82	1,944,801,666.61
.Increase in this year	64,100,197.87	149,702,411.26	2,561,167.88	32,276,169.77	248,639,946.78
1) Accrual	64,016,036.73	148,747,448.58	2,561,167.88	32,225,148.78	247,549,801.97
2) Impact of foreign currency conversion				50,750.56	50,750.56
3) Other	84,161.14	954,962.68		270.43	1,039,394.25
Decrease in this year	17,326,275.84	63,947,774.21	2,155,790.19	8,259,942.26	91,689,782.50
1) Dispose or retirement		53,440,218.78	1,798,894.85	8,033,041.45	63,272,155.08
2) Construction in progress transfer-in		9,320,907.89	351,895.80	201,080.29	9,873,883.98
3)Transfer investment real estate	17,223,010.22				17,223,010.22
4) Impact of foreign currency conversion			4,999.54		4,999.54
5) Other	103,265.62	1,186,647.54		25,820.52	1,315,733.68
Balance at year-end	658,583,789.90	1,249,986,359.00	26,345,062.66	166,836,619.33	2,101,751,830.89
Impairment provision					
Balance at year-begin	199,392.18	5,378,326.42		1,043,895.95	6,621,614.55
Increase in this year					
.Decrease in this year		524,101.85		18,084.96	542,186.81
1) )Dispose or retirement		516,900.44		18,084.96	534,985.40
2) Other		7,201.41			7,201.41

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Item	House and buildings	Machinery equipment	Transport equipment	Other equipment	Total
Balance at year-end	199,392.18	4,854,224.57		1,025,810.99	6,079,427.74
Book value					
.Ending book value	1,267,952,090.95	753,853,484.91	13,503,448.59	150,694,111.56	2,186,003,136.01
Opening book value	1,374,806,406.25	736,679,124.02	10,710,387.33	137,287,076.44	2,259,482,994.04

2) Fixed assets temporary idle at year-end.

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Remark
House and buildings	823,277.88	252,088.41	199,392.18	371,797.29	
Machinery equipment	39,385,736.87	30,989,159.75	4,732,667.16	3,663,909.96	
Transport equipment	866,983.91	823,634.70		43,349.21	
Other	2,721,454.57	2,555,965.98	29,415.81	136,072.78	
Subtotal	43,797,453.23	34,620,848.84	4,961,475.15	4,215,129.24	

3) Fixed assets leased through operating lease at year-end

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Remark
House and buildings	113,862,815.88	49,563,207.96		64,299,607.92	
Machinery equipment	24,069,771.36	14,068,782.52		10,000,988.84	
Other equipment	290,703.88	284,096.33		6,607.55	
<b>Total</b>	138,223,291.12	63,916,086.81		74,307,204.31	

4) Fixed assets without property certificate

Item	Book value	Reason of not complete the property certificate
J01workshop	25,111,339.70	Related property rights in procedure
Canopy	1,473,562.66	Related property rights in procedure
Connecting corridor	3,054,589.49	Related property rights in procedure
J02workshop	27,092,611.16	Related property rights in procedure
J09raw material warehouse	6,006,540.59	Related property rights in procedure

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Item	Book value	Reason of not complete the property certificate
J19D guard room	133,256.49	Related property rights in procedure
J19E guard room	133,256.49	Related property rights in procedure
J08 packing materials warehouse	4,169,409.45	Related property rights in procedure
J50finished product warehouse	15,623,863.61	Related property rights in procedure
J51finished product warehouse	15,159,508.88	Related property rights in procedure
J53finished product warehouse	11,503,048.93	Related property rights in procedure
J54finished product warehouse	10,751,165.10	Related property rights in procedure
J55finished product warehouse	9,912,153.77	Related property rights in procedure
J56 finished product warehouse	9,912,153.77	Related property rights in procedure
J52finished product warehouse	10,995,311.37	Related property rights in procedure
J08 packing materials warehouse	23,479,798.48	Related property rights in procedure
Subtotal	174,511,569.94	

(3). Disposal of fixed assets

Item	Amount at year-end	Amount at year-begin
Relevant assets disposal for reserved lands	32,293,183.76	32,293,183.76
Undisposed equipment	554,340.35	
Subtotal	32,847,524.11	32,293,183.76

Pursuant to the urban planning requirements of Hefei Municipal Government and the Government of Feidong county, the land reserve center of Feidong county will purchase and store the land use right of an economic development zone located at Feidong county, Hefei city, which is owned by the Company's subordinate companies, Equator Electric and Equator Home Appliance, respectively, with an area of 19,245.09 sq.m. (Approximately 28.87 mu, Land Use Right Certificate No.: Dong Guo Yong (2008) No. 0366, the stated use of the land is for industrial purpose) and an area of 46,161.9 sq.m. (Approximately 69.24 mu, Land Use Right Certificate No.: Dong Guo Yong (2008) No. 0367, the stated use of the land is for industrial purpose). The total consideration for purchasing and storage is approximately 36 million yuan, of which the consideration for the land use right owned by Equator Electric and Equator Home Appliance is

approximately 10.59 million yuan and 25.41 million yuan, respectively. The Company has completed the relocation of occupants of the premises, and the net fixed assets in relation to the land will transfer as disposal, accounting treatment will be conduct in line with relevant rules upon receiving of the relocation compensation.

No impairment of relevant assets disposal for reserved lands at year-end.

## 18. Construction in progress

### (1) Detail

Item	Balance at year-end	Balance at year-begin
Construction in progress	97,807,983.40	69,920,839.20
<b>Total</b>	<b>97,807,983.40</b>	<b>69,920,839.20</b>

### (2) Construction in progress

#### 1) Details of construction in progress

Item	Amount at year-end			Amount at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Refrigerator Front-end Capacity Improvement Project of Hefei Manufacturing Base	27,527,110.50		27,527,110.50			
Capacity Improvement and Transformation Project of Air Conditioning Manufacturing System	14,077,889.01		14,077,889.01	24,062,124.83		24,062,124.83
Investment Project to Manufacturing Company by Washing Machine Business Department to Increase Production and Guarantee Supply in 2024	8,092,928.45		8,092,928.45			
Zhongshan Changhong Technical Transformation Project	6,432,519.38		6,432,519.38	7,036,680.59		7,036,680.59
Extrusion and Crushing Capacity Improvement Demand Project of Hefei	3,654,455.49		3,654,455.49	1,033,130.00		1,033,130.00



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Item	Amount at year-end			Amount at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Refrigerator Manufacturing Company						
Plastic Vacuum Forming Machine Project	3,590,796.45		3,590,796.45	1,027,433.62		1,027,433.62
Fixed Assets Project of 7 kg Supporting Production Equipment	3,535,542.99		3,535,542.99	1,534,513.28		1,534,513.28
Reconstruction of J05 Two-Device Workshop of Air Conditioning Company - Steel Platform Project	3,447,901.14		3,447,901.14			
To-be-installed Equipment Project	2,774,000.00		2,774,000.00	2,003,069.71		2,003,069.71
Door Shell Capacity Equipment Update Project	1,947,251.99		1,947,251.99			
Investment Project for Switching Technology Platform of Cabinet Air Conditioning Heat Exchanger	1,686,232.80		1,686,232.80			
Update Project of Multi-gun Feeding Equipment on the Back of Large Refrigerator	1,446,902.65		1,446,902.65			
Investment Project of Production Equipment for Inner Cylinder of Meiling Export Dryer	1,441,592.92		1,441,592.92			
New Flat Color Plate Door Shell Line Project	397,699.12		397,699.12	2,155,584.07		2,155,584.07
Construction Project of Liquid Nitrogen Tank Production Line	23,349.06		23,349.06	680,956.02		680,956.02
Relocation and Capacity Expansion Project of Meiling Extrusion Line				339,115.04		339,115.04
Projects to improve the capacity and production efficiency of the washing machine manufacturing				1,624,647.04		1,624,647.04

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Item	Amount at year-end			Amount at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
company in the first quarter						
Investment Project of Washing Machine Supporting Production Equipment				617,699.12		617,699.12
Changhong Meiling Promotion Project of Industrial Internet				5,563,207.57		5,563,207.57
Efficiency Improvement and Transformation Project of Large Refrigerators				1,388,626.00		1,388,626.00
Adaptability Transformation Project of Fin Stamping Production Line and Its Supporting Equipment				2,634,632.94		2,634,632.94
Rectification Project of Elevators and Fire Hazards in Charging Area of Finished Product Warehouse				1,124,589.14		1,124,589.14
Transformation and Maintenance Project of Large Line for B-line Shift Recovery				2,048,088.46		2,048,088.46
Manufacturing System Automation Project in 2023				1,113,002.29		1,113,002.29
Commercial Kitchen Refrigerator Cabinet Project				1,894,989.00		1,894,989.00
Laboratory Investment Project				627,076.10		627,076.10
Other project	17,731,811.45		17,731,811.45	11,411,674.38		11,411,674.38
Total	97,807,983.40		97,807,983.40	69,920,839.20		69,920,839.20

2) Changes in significant construction in progress

Projects	Budget	Book balance at period-begin	Increase in Current Period	Transfer to fixed assets in Current Period	Other decrease	Book balance at period-end
Front-end	88,000,000.00		38,550,472.22	8,695,934.69	2,327,427.03	27,527,110.50

Projects	Budget	Book balance at period-begin	Increase in Current Period	Transfer to fixed assets in Current Period	Other decrease	Book balance at period-end
expansion project of Hefei base with an annual output of refrigerator cabinets						

(Continued)

Projects	Proportion of project investment in budget	Progress	Accumulated amount of interest capitalization	including: interest capitalized amount of Current Period	Interest capitalization rate of Current Period	Source of funds
Front-end expansion project of Hefei base with an annual output of refrigerator cabinets	43.81	68.70				Self-raised

## 19. Right-of-use assets

Item	House and buildings	Total
Original book value		
Balance at year-begin	43,077,219.46	43,077,219.46
Increase in this year	140,945,907.49	140,945,907.49
(1) New lease	140,945,907.49	140,945,907.49
Decrease in this year	51,808,320.42	51,808,320.42
(1) Expiration of lease and change of contract	51,693,396.83	51,693,396.83
(2) Impact of foreign currency conversion	114,923.59	114,923.59
Balance at year-end	132,214,806.53	132,214,806.53
Accumulated depreciation		
Balance at year-begin	7,930,938.25	7,930,938.25
Increase in this year	13,591,410.48	13,591,410.48

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Item	House and buildings	Total
(1) )Accrual	13,591,410.48	13,591,410.48
. Decrease in this year	3,091,732.98	3,091,732.98
(1) Expiration of lease and change of contract	3,079,341.96	3,079,341.96
(2) Impact of foreign currency conversion	12,391.02	12,391.02
Balance at year-end	18,430,615.75	18,430,615.75
Book value		
Ending book value	113,784,190.78	113,784,190.78
Opening book value	35,146,281.21	35,146,281.21

The Company accrual the depreciation on right-of-use assets from the commencement date of the lease period. Depending on use of the assets, amount of accrual will included in costs of relevant assets or current gain/loss.

## 20. Intangible assets

### (1) Detail

Item	Land use right	Trademark special right	Non-patent technology	Patent technology	Other	Total
.Original book value						
Balance at year-begin	926,964,151.60	283,292,439.34	743,027,808.89	196,090,356.16	11,193,437.00	2,160,568,192.99
Increase in this year			115,842,290.70	114,343,648.32	660,622.64	230,846,561.66
1) Purchase			1,828,141.58		281,000.00	2,109,141.58
2) Internal research			114,014,149.12	114,343,648.32		228,357,797.44
3) Other					379,622.64	379,622.64
Decrease in this year			20,470,204.82		84,615.44	20,554,820.26
1)Dispose			20,090,582.18			20,090,582.18
2) Other			379,622.64		84,615.44	464,238.08
Balance at year-end	926,964,151.60	283,292,439.34	838,399,894.77	310,434,004.48	11,769,444.20	2,370,859,934.39
Accumulated amortization						
Balance at year-begin	251,860,307.11	283,292,439.34	550,293,846.69	76,940,491.50	4,235,458.67	1,166,622,543.31
.Increase in this year	19,663,819.27		91,207,638.03	38,162,340.12	1,371,805.93	150,405,603.35

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Item	Land use right	Trademark special right	Non-patent technology	Patent technology	Other	Total
.Original book value						
1) )Accrual	19,663,819.27		91,207,638.03	38,162,340.12	1,087,088.97	150,120,886.39
2) Other					284,716.96	284,716.96
Decrease in this year			15,718,530.66			15,718,530.66
1) Dispose			15,433,813.70			15,433,813.70
2) Other			284,716.96			284,716.96
Balance at year-end	271,524,126.38	283,292,439.34	625,782,954.06	115,102,831.62	5,607,264.60	1,301,309,616.00
.Impairment provision						
Balance at year-begin			41,003,993.41	18,291,161.97	4,508,495.33	63,803,650.71
Balance at year-end			12,095,041.19	3,655,520.53		15,750,561.72
1) Accrual			12,095,041.19	3,655,520.53		15,750,561.72
Decrease in this year			4,050,099.37		383,760.72	4,433,860.09
1) Dispose			4,050,099.37			4,050,099.37
2) Other					383,760.72	383,760.72
Balance at year-end			49,048,935.23	21,946,682.50	4,124,734.61	75,120,352.34
Book value						
Ending book value	655,440,025.22		163,568,005.48	173,384,490.36	2,037,444.99	994,429,966.05
Opening book value	675,103,844.49		151,729,968.79	100,858,702.69	2,449,483.00	930,141,998.97

The intangible assets resulted from internal research takes 9.63% of the balance of intangible assets at year-end

(2) Intangible assets impairment text

Item	Book value	Recoverable amount	Impairment amount
Non-patent technology	9,241,832.80	2,939,427.92	6,302,404.88
Non-patent technology	5,792,636.31		5,792,636.31
Patent technology	4,075,343.94	419,823.41	3,655,520.53
Subtotal	19,109,813.05	3,359,251.33	15,750,561.72

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Item	Number of years of forecast period	Key parameters of forecast period and their determination basis	Key parameters of stable period and their determination basis
Non-patent technology	3	Sales volume, revenue, and cost; Determine based on comprehensive analysis of enterprise budget and development plan	Sales volume, revenue, and cost; Determine based on comprehensive analysis of enterprise budget and development plan
Non-patent technology	5	Sales volume, revenue, and cost; Determine based on comprehensive analysis of enterprise budget and development plan	Sales volume, revenue, and cost; Determine based on comprehensive analysis of enterprise budget and development plan
Patent technology	5	Sales volume, revenue, and cost; Determine based on comprehensive analysis of enterprise budget and development plan	Sales volume, revenue, and cost; Determine based on comprehensive analysis of enterprise budget and development plan
Subtotal			

21. Development expense

Item	Amount at year-end			Amount at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Technology development for Air-conditioner	35,786,399.85		35,786,399.85	38,042,546.27		38,042,546.27
Technology development for refrigerator	38,924,294.89		38,924,294.89	59,134,989.07		59,134,989.07
<b>Total</b>	74,710,694.74		74,710,694.74	97,177,535.34		97,177,535.34

22. Goodwill

(1) Original value of goodwill

Invested enterprise	Opening balance	Formation from enterprise merger	Decrease this year		Balance at year-end
			Dispose	Other	
Hefei Meiling Group Holdings Limited	3,553,367.77				3,553,367.77

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Invested enterprise	Opening balance	Formation from enterprise merger	Decrease this year		Balance at year-end
			Dispose	Other	
Total	3,553,367.77				3,553,367.77

(2) Impairment loss of goodwill

Invested enterprise	Opening balance	Increase this period		Decrease this period		Ending balance
		Accrual	Other	Accrual	Other	
Hefei Meiling Group Holdings Limited	3,553,367.77					3,553,367.77
Total	3,553,367.77					3,553,367.77

23. Long-term prepaid expenses

Item	Opening balance	Increase this period	Amortization for the period	Other decreases	Ending balance	
Fixed assets overhaul	33,216,682.07	12,912,594.08	15,025,844.20	331,197.44	30,772,234.51	
Rental plant decoration project	2,308,827.63	1,215,902.27	960,192.18		2,564,537.72	
Technical support project of vaccine traceability date interface	172,955.92		172,955.92			
Total	35,698,465.62	14,128,496.35	16,158,992.30	331,197.44	33,336,772.23	

24. Deferred tax assets and deferred tax liabilities

(1) Deferred income tax assets without the offset

Item	Ending balance		Opening balance	
	Deductible <i>temporary</i> difference	Deferred income tax assets	Deductible <i>temporary</i> difference	Deferred income tax assets
Deduction of loss	360,864,560.75	54,129,684.11	575,117,840.02	86,267,676.00
Asset impairment provision	338,637,346.07	51,171,867.09	313,597,900.75	47,114,940.66
Lease liabilities	121,116,910.59	18,556,500.32	35,460,065.89	4,786,118.44
Changes in fair value	156,334,600.79	23,450,190.12	323,557.50	48,533.63
Deferred income	77,980,146.46	11,697,021.96	89,179,865.35	13,376,979.81

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Item	Ending balance		Opening balance	
	Deductible <i>temporary</i> difference	Deferred income tax assets	Deductible <i>temporary</i> difference	Deferred income tax assets
Estimated liability	44,310,978.00	6,994,965.59	31,904,790.39	4,785,718.56
Dismission welfare	12,394,842.89	1,859,226.44	13,940,576.25	2,091,086.44
Withholding expenses	6,624,971.58	1,387,454.96	6,464,906.83	1,367,611.03
Deferred income tax assets recognized for development expenditure	51,380,204.58	7,707,030.68		
Total	1,169,644,561.71	176,953,941.27	1,065,989,502.98	159,838,664.57

(2) Deferred income tax liabilities without the offset

Item	Ending balance		Opening balance	
	Taxable temporary differences	Deferred income tax liability	Taxable temporary differences	Deferred income tax liability
Recognized by changes in fair value	143,241,777.44	21,486,266.61	72,922,565.81	10,938,384.87
Right to use assets	112,973,204.23	17,323,066.27	35,146,281.21	4,804,068.40
Recognized by fixed assets depreciation	35,081,399.76	5,263,260.42	25,632,968.47	3,844,945.25
Total	291,296,381.43	44,072,593.30	133,701,815.49	19,587,398.52

(3) Details of unrecognized deferred income tax assets

Item	Ending balance	Opening balance
Deductible <i>temporary</i> difference	175,445,032.54	159,322,703.86
Deductible loss	204,180,133.57	258,387,040.61
Total	379,625,166.11	417,709,744.47

25. Other non-current assets

Item	Amount at year-end			Amount at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Prepaid engineering,	276,000.00		276,000.00			
Prepaid equipment	9,704,450.56		9,704,450.56	15,299,373.85		15,299,373.85



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Item	Amount at year-end			Amount at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Warranty money due within one year	9,623,211.67	530,000.00	9,093,211.67	11,955,960.50	653,720.00	11,302,240.50
Total	19,603,662.23	530,000.00	19,073,662.23	27,255,334.35	653,720.00	26,601,614.35

26.Assets with restricted ownership or use right

Item	Book Balance	Book value	Restriction type	Restriction information
Monetary funds	510,680,650.07	510,680,650.07	Frozen	Security deposit; Frozen for litigation
Receivable financing	584,233,204.78	584,233,204.78	Pledge	Pledge for issuing bank acceptance bills
Total	1,094,913,854.85	1,094,913,854.85		

(Continued from the table above)

Item	Book Balance	Book value	Restriction type	Restriction information
Monetary funds	440, 543, 697. 92	440, 543, 697. 92		
Accounts receivable financing	997, 291, 535. 93	997, 291, 535. 93	freeze	bond; Frozen due to litigation
fixed assets	478, 732, 601. 33	321, 209, 491. 52	pledge	Used for issuing bank acceptance bills as collateral
intangible assets	415, 797, 056. 93	264, 252, 595. 08	mortgage	Apply for loan mortgage
Investment real estate	5, 795, 017. 72	3, 097, 441. 68	mortgage	Apply for loan mortgage
total	2, 338, 159, 909. 83	2, 026, 394, 762. 13		

27. Short-term loans

Category	Ending balance	Opening balance
Loan in credit	750,608,522.12	1,128,967,080.14
Pledge loan	16,000,000.00	
Guaranteed loan		5,000,000.00
Interest payable	138,763.89	135,338.89

Category	Ending balance	Opening balance
<b>Total</b>	766,747,286.01	1,134,102,419.03

28. Trading financial liability

Item	Closing balance	Opening balance
Trading financial liability		32,229,012.86
Including: Derivative financial liability		32,229,012.86
<b>Total</b>		32,229,012.86

29. Derivative financial liabilities

project	Closing balance	Opening balance
forward exchange contract	156,359,680.92	
<b>total</b>	156,359,680.92	

30. Note payable

Type	Balance at year-end	Balance at year-begin
Bank acceptance	6,418,137,195.82	5,610,344,422.69
Trade acceptance	870,829,729.52	
Commercial Acceptance Bill	645,158,510.31	300,072,867.42
<b>Total</b>	7,934,125,435.65	5,910,417,290.11

31. Account payable

(1) Detail

Item	Amount at year-end	Amount at year-begin
Within 1 year	6,045,137,505.31	3,811,958,127.23
Amount aged over 1 year	86,883,083.10	88,566,717.50
<b>Total</b>	6,132,020,588.41	3,900,524,844.73

(2) Major account payable with over one year book age at year-end.:N/A

32.Received in advance.

Category	Amount at year-end	Amount at year-begin
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Category	Amount at year-end	Amount at year-begin
Rent received in advance	11,085.70	55,949.90
Total	11,085.70	55,949.90

### 33. Contract liabilities

#### (1) Detail

Item	Balance at year-end	Balance at year-begin
Within 1 year	583,600,476.83	362,934,770.50
Over 1 year	26,137,394.41	42,798,867.76
Total	609,737,871.24	405,733,638.26

(2) Major contract liabilities with over one year book age at year-end.: N/A

(3) Amount and reasons for major changes in book value during the reporting period

Item	Change amount	Reason
Goods	204,004,232.98	Advance payment for goods increased
Total	204,004,232.98	

### 34. Wages payable

#### (1) Detail

Item	Balance at year-begin	Increase this year	Decrease this year	Balance at year-end
Short-term compensation	438,369,579.20	1,930,190,966.10	1,984,122,640.50	384,437,904.80
After-service welfare-defined contribution plans	1,752,993.49	148,057,949.72	148,410,427.62	1,400,515.59
Dismiss welfare	4,463,322.29	5,669,237.45	6,018,202.67	4,114,357.07
<b>Total</b>	444,585,894.98	2,083,918,153.27	2,138,551,270.79	389,952,777.46

#### (2) Short-term compensation

Item	Balance at year-begin	Increase this year	Decrease this year	Balance at year-end
Wages, bonuses, allowances and subsidies	430,145,684.21	1,726,001,349.96	1,781,303,808.76	374,843,225.41

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Item	Balance at year-begin	Increase this year	Decrease this year	Balance at year-end
Welfare for workers and staff	557,735.88	54,953,299.76	54,617,192.77	893,842.87
Social insurance	1,701,031.21	63,386,832.93	63,630,447.52	1,457,416.62
Including: Medical insurance	1,671,812.10	57,958,925.64	58,196,974.93	1,433,762.81
Work injury insurance	29,219.11	5,427,907.29	5,433,472.59	23,653.81
Housing accumulation fund	5,451,792.24	78,836,424.65	78,735,630.00	5,552,586.89
Labor union expenditure and personnel education expense	513,335.66	7,013,058.80	5,835,561.45	1,690,833.01
<b>Total</b>	438,369,579.20	1,930,190,966.10	1,984,122,640.50	384,437,904.80

(3) Defined contribution plans

Item	Balance at year-begin	Increase this year	Decrease this year	Balance at year-end
Basic endowment insurance	598,361.39	142,927,254.43	142,810,804.27	714,811.55
Unemployment insurance	1,154,632.10	5,130,695.29	5,599,623.35	685,704.04
<b>Total</b>	1,752,993.49	148,057,949.72	148,410,427.62	1,400,515.59

35. Tax payable

Item	Balance at year-end	Balance at year-begin
Enterprise income tax	37,295,721.67	22,442,997.30
VAT	18,736,805.30	16,639,990.58
Individual income tax	10,765,426.61	9,049,531.30
Urban maintenance and construction tax	9,332,329.70	8,813,777.65

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Item	Balance at year-end	Balance at year-begin
Educational surtax	6,751,533.75	6,398,148.77
Stamp tax	5,165,439.65	4,295,452.50
Real estate tax	4,547,226.68	4,421,430.56
Land use tax	1,752,087.81	1,752,087.77
Other local taxes	1,524,968.81	2,971,284.02
Treatment fund for abandon electrics & electronics		16,436,695.00
Total	95,871,539.98	93,221,395.45

36. Other account payable

(1) Detail

Item	Balance at year-end	Balance at year-begin
Dividend payable	6,005,989.72	5,384,407.44
Other account payable	1,025,433,422.81	882,043,954.97
Total	1,031,439,412.53	887,428,362.41

(2) Dividend payable

Item	Balance at year-end	Balance at year-begin
China Life Insurance (Group) Company	43,992.07	288,404.82
The People's Insurance Company (Group) of China Limited	65,987.57	432,607.23
Bank of Communications-Fuguo Tianyi Value Securities Investment Fund	153,697.50	153,697.50
Hefei Branch of Bank of China	631,013.60	446,576.60
Hefei Collective Industrial Association	631,012.60	446,575.90
Provincial trust and investment company Wuhu office	504,810.90	357,261.30
Other	3,975,475.48	3,259,284.09
Total	6,005,989.72	5,384,407.44

(3) Other account payable by nature

Nature	Balance at year-end	Balance at year-begin
Accrued expenses	503,726,134.42	382,265,202.45
Receivables received temporary and deducted temporary	6,356,898.80	13,212,983.35

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Nature	Balance at year-end	Balance at year-begin
Deposit, margin	170,587,261.56	171,636,107.69
Related parties	312,082,468.47	285,904,610.83
Other	32,680,659.56	29,025,050.65
Total	1,025,433,422.81	882,043,954.97

37. Non-current liability due within one year

Item	Balance at year-end	Balance at year-begin
Long-term loan principal and interest due within one year	9,844,660.00	40,172,155.56
Lease liabilities due within one year	19,290,504.68	6,483,257.35
Total	29,135,164.68	46,655,412.91

38. Other current liabilities

Item	Balance at year-end	Balance at year-begin
Tax to be resold	18,610,598.53	18,920,057.53
Factoring fees payable	5,213,790.97	218,335.59
Supply chain bill reversal		38,674.50
Total	23,824,389.50	19,177,067.62

39. Long term borrowings

Item	Ending balance	Amount at year-begin
Loan in mortgage		108,000,000.00
<b>Total</b>		108,000,000.00

40. Lease liability

Item	Balance at year-end	Balance at year-begin
Lease prepayment	119,266,218.75	34,691,151.02
Less: Unrecognized financing charges	17,439,812.84	5,714,342.48
Total	101,826,405.91	28,976,808.54

41. Long-term payable

(1) Detail

Item	Balance at year-end	Balance at year-begin
Special payable	455,409.20	800,347.84
<b>Total</b>	455,409.20	800,347.84

(2) Special payable

Item	Balance at year-begin	Increase this year	Decrease this year	Balance at year-end
Special funds for technological transformation from Zhongshan Changhong	800,347.84		344,938.64	455,409.20
<b>Subtotal</b>	800,347.84		344,938.64	455,409.20

42. Long-term wage payable

Item	Balance at year-end	Balance at year-begin
Dismissal welfare	10,195,289.45	11,497,075.82
<b>Total</b>	10,195,289.45	11,497,075.82

43. Accrual liability

Item	Balance at year-end	Balance at year-begin
Product quality guarantee <sup>note1</sup>	41,657,177.57	29,939,918.07
Litigation matters <sup>note2</sup>	3,373,239.65	2,114,872.32
<b>Total</b>	45,030,417.22	32,054,790.39

Note 1: Product quality deposit is the maintenance expense provided by the Company under the national policy.

Note 2: In November 2021, Zhejiang Teruisi Pharmaceutical Inc. filed a lawsuit against Zhongke Meiling for the "Cold Storage Design, Equipment Purchase and Installation Construction Contract". Currently, quality of the subject under the contract is being authenticated by a third party engineering quality appraisal agency, the initial start-up operation test is now completed. Zhongke Meiling intends to maintain the cold storage project, and the estimated maintenance cost is 1,720,534.42 yuan. The management raised a total of 1,652,705.23 yuan against other operating lawsuits

44. Deferred income

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Item	Balance at year-begin	Increase this year	Decrease this year	Balance at year-end	Reason
Subsidies of development project	102,040,223.27	23,346,500.00	28,234,866.43	97,151,856.84	Government subsidies
Subsidies of Relocation	30,937,271.06		2,653,950.00	28,283,321.06	Government subsidies
Total	132,977,494.33	23,346,500.00	30,888,816.43	125,435,177.90	

#### 45. Share capital

Item	Opening balance	Change during the period (+, -)					Ending balance
		New shares issued	Bonus share	Shares transferred from capital reserve	Other	Subtotal	
Total shares	1,029,923,715.00						1,029,923,715.00

#### 46. Capital reserve

##### (1) Detail

Item	Opening balance	Increase this period	Decrease this period	Ending balance
Share premium	3,077,460,366.37		375,033,242.38	2,702,427,123.99
Other capital reserve	48,043,091.40			48,043,091.40
<b>Total</b>	3,125,503,457.77		375,033,242.38	2,750,470,215.39

##### (2) Other note

The change of capital reserve in this period is mainly due to the Company's acquisition of the equity of its subsidiary Hefei Changhong Industry Co., Ltd. under the same control.

#### 47. Other comprehensive income

Item	Balance at year-begin	Current Year		Balance at year-end
		Net after-tax amount of other comprehensive income	Less:	



		Account before income tax in Current Year	Less: written in other compreh ensive income in previous period and carried forward to gains and losses in current period	Less : Inco me tax expe nses	Belong to parent company after tax	Belong to minority shareholder s after tax	previousl y included in other comprehe nsive income, transfere d to retained earnings in the current period (after tax attributab le to the parent company)	
Reclassify other comprehensiv e income into profit or loss	-20,704,362.05	-465,244.39			-518,057.63	52,813.24		-21,222,419.68
Including: Conversion difference arising from foreign currency financial statement	-20,704,362.05	-465,244.39			-518,057.63	52,813.24		-21,222,419.68
Total	-20,704,362.05	-465,244.39			-518,057.63	52,813.24		-21,222,419.68

#### 48.Special reserves

##### (1)Detail

Item	Amount at year-begin	Increase this year	Decrease this year	Amount at year-end
Safety production costs	11,246,811.91	40,415,747.60	30,694,385.92	20,968,173.59
Total	11,246,811.91	40,415,747.60	30,694,385.92	20,968,173.59

##### (2) Other note

Note: This year's increase refers to the work safety expenses accrued according to the notice

issued by the Ministry of Finance on November 21, 2022 on printing and distributing the Administrative Measures for the Extraction and Use of Work Safety Expenses of Enterprises (CZ [2022] No.136).

#### 49. Surplus reserves

##### (1) Detail

Item	Amount at year-begin	Increase this year	Decrease this year	Amount at year-end
Statutory surplus reserve	361,445,492.66	25,400,876.20		386,846,368.86
Discretionary surplus reserve	115,607,702.16			115,607,702.16
Total	477,053,194.82	25,400,876.20		502,454,071.02

##### (2) Other note

The increase in this period is due to the statutory surplus reserve accrued by 10% of the parent company's net profit.

#### 50. Retained profit

##### (1) Detail

Item	Current Year	Last Year
Undistributed profit at the end of the previous period before adjustment	1,521,759,836.64	909,082,037.66
Adjust the total amount of undistributed profits at the beginning of the period	-83,444,712.70	-78,068,072.70
Adjust the initial undistributed profits in the later stage	1,438,315,123.94	831,013,964.96
Add: Net profit attributable to the owners of the parent company for the current period	699,270,051.82	735,828,796.67
Less: withdraw of statutory surplus reserve	25,400,876.20	35,834,503.34
Withdraw of general risk provision		
Dividend payable for ordinary shares	308,977,114.50	92,693,134.35
Balance at year-end	1,803,207,185.06	1,438,315,123.94

##### (2) Adjustment of the details of undistributed profits at the beginning of the period

The change of consolidation scope caused by the same control affects the undistributed profit at the beginning of the period RMB -83,444,712.70.

#### (II)Item notes of the consolidated profit statement

##### 1. Operation income and operation cost

##### (1)Detail

Item	Current Year	Last Year
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	Income	Cost	Income	Cost
Main business	28,335,360,230.42	25,262,724,426.57	24,128,954,793.41	20,979,329,606.68
Other business	265,675,784.54	148,550,776.70	249,019,593.53	154,946,956.14
Total	28,601,036,014.96	25,411,275,203.27	24,377,974,386.94	21,134,276,562.82

(2) The decomposition information of operation income and operation cost

Type	Current Year		Last Year	
	Income	Cost	Income	Cost
Product				
Including: Air-conditioning	15,407,055,870.21	14,334,050,593.14	11,566,440,523.53	10,553,796,367.40
Refrigerator, Freezer	9,560,071,716.63	8,085,319,070.60	9,088,215,517.67	7,459,217,140.19
Washing machine	1,746,832,584.10	1,444,516,804.89	1,329,017,674.88	1,103,161,215.02
Small household appliances and kitchen and bathroom	1,491,831,582.42	1,304,824,476.33	1,849,440,139.12	1,625,597,604.62
Other product	129,568,477.06	94,013,481.61	295,840,938.21	237,557,279.45
Other business	265,675,784.54	148,550,776.70	249,019,593.53	154,946,956.14
Area				
Including: Domestic	18,352,947,530.79	16,206,086,697.44	16,772,667,160.17	14,534,302,232.34
Overseas	10,248,088,484.17	9,205,188,505.83	7,605,307,226.77	6,599,974,330.48
Subtotal	28,601,036,014.96	25,411,275,203.27	24,377,974,386.94	21,134,276,562.82

(3) Information related to the transaction price allocated to the remaining performance obligations  
On December 31, 2024, the income corresponding to the performance obligations that have been signed but not yet fulfilled or not yet fully fulfilled is RMB 74,542,459.76, of which RMB 74,542,459.76 is expected to be recognized in 2025.

2. Business tax and extra charges

Item	Current Year	Last Year
City construction tax	25,914,199.06	30,631,637.08
Real estate tax	25,461,294.25	25,176,737.11
Stamp duty	24,703,855.76	20,280,757.53
Education surcharge	19,726,338.56	23,303,329.57
Land use tax	9,127,558.32	9,128,146.80

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Item	Current Year	Last Year
Water fund	7,737,529.88	7,728,166.29
Treatment fund for abandon electrics & electronics		83,956,488.00
Other	72,125.15	22,551.89
Total	112,742,900.98	200,227,814.27

### 3. Sales expense

Item	Current Year	Last Year
Salary, extra charges and labor service expenses	576,155,784.54	652,507,519.61
Market support expenses	351,459,135.82	299,985,325.55
Shipping and Installation expense	185,363,073.10	170,138,310.70
Storage lease expenses	129,398,876.12	99,071,460.40
Insurance	49,096,523.31	34,655,440.67
Travelling expenses	27,486,626.86	28,183,664.81
Three fee	15,860,631.14	32,226,527.64
Business activity expenses	15,368,031.16	16,818,583.84
Vehicle expenses	14,708,517.19	13,438,130.42
Service	8,789,029.44	16,695,232.90
Depreciation expenses	7,844,732.52	8,123,955.41
Other	95,623,082.18	51,943,866.77
Total	1,477,154,043.38	1,423,788,018.72

### 4. Administration expense

Item	Current Year	Last Year
Salary and social insurance etc.	198,437,769.99	234,911,595.10
Depreciation	45,919,238.84	45,622,889.34
Software use	22,466,676.77	12,408,011.23
Water and electricity fee	9,289,865.46	6,526,175.82
Employment guarantee fund for the disabled	8,447,278.23	7,230,460.80
Service	8,312,503.04	6,004,749.22

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Item	Current Year	Last Year
Property insurance	7,188,254.55	6,220,209.31
Other low-value consumables amortization	6,003,814.88	1,087,977.03
Engineering maintenance fee	5,994,580.74	3,547,756.90
Safety in production	5,079,502.47	4,936,056.08
Domestic travelling fee	4,070,311.00	3,868,355.25
Other	38,462,744.23	39,566,649.36
Total	359,672,540.20	371,930,885.44

5. R&D expenses

Item	Current Year	Last Year
Salary and social insurance etc.	268,361,918.57	289,259,184.48
Amortized intangible assets	196,665,452.62	175,442,949.00
Trial fee of R&D	90,943,254.33	76,386,928.59
Inspection and authentication fee	18,549,348.84	17,003,613.90
Other expenses	62,722,259.47	39,436,679.87
Total	637,242,233.83	597,529,355.84

6. Financial expenses

Item	Current Year	Last Year
Interest expenditure	21,059,820.87	31,212,055.56
Less: Interest income	182,415,110.59	193,136,304.82
Add: exchange loss	670,047.10	54,126,655.77
Discount expenditure	-27,355,384.73	-27,110,900.70
Handling fee expenditure	16,017,052.87	13,591,856.02
Interest expense on lease liability	3,480,179.14	866,829.13
Total	-168,543,395.34	-120,449,809.04

7. Other income

Item	Current amount	Amount of the same period last year	Amount included in current non-recurring gains and losses
Government subsidies related to assets	31,233,755.07	30,780,817.58	31,233,755.07

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Item	Current amount	Amount of the same period last year	Amount included in current non-recurring gains and losses
Government subsidies related to income	63,679,326.83	49,409,103.14	63,679,326.83
Refund of handling fee for personal income tax withheld	767,204.01	515,213.04	
Additional VAT deduction	92,050,712.81	56,552,366.70	
VAT will be refunded upon collection	8,340,088.82	9,415,201.81	
Total	196,071,087.54	146,672,702.27	94,913,081.90

8. Investment income

Item	Current Year	Last Year
Long-term equity investment income by equity method	9,165,103.88	19,133,884.40
Disposition of the investment income generated by the long-term equity investment		22,760.28
Investment income of other non-current financial assets during holding period	14,911,850.55	12,932,690.90
Investment income obtained from the disposal of trading financial assets	35,122,865.42	-21,761,889.37
Investment income obtained from disposal of derivative financial assets	-17,541,274.69	
Interest income from debt investment during the holding period	32,712,969.75	20,057,997.72
The termination of income recognition for financial assets measured by amortized cost	-38,661,658.21	-22,489,932.70
Total	35,709,856.70	7,895,511.23

9. Changes in fair value gains

Item	Current Period	Last Period
Trading financial assets		-18,695,483.36
Including :Income of fair value changes from derivative financial instruments		-18,695,483.36
Derivative financial assets	32,773,626.80	
Among them: Income from fair value changes generated by derivative financial instruments	32,773,626.80	
Trading financial liability		9,732,511.92
Including: Income of fair value changes from derivative financial instruments		9,732,511.92

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Item	Current Period	Last Period
Derivative financial liabilities	-124,130,668.06	
Among them: Income from fair value changes generated by derivative financial instruments	-124,130,668.06	
Other non-current financial assets measured at fair value	4,172,388.96	16,256,733.17
Including : Amount of change in the fair value of the current profit and loss of the non-trading equity instruments	4,172,388.96	16,256,733.17
Total	-87,184,652.30	7,293,761.73

10. Credit impairment loss

Item	Current Year	Last Year
Account receivable bad debt loss	14,993,351.76	-81,390,317.77
Other account receivable bad debt loss	-91,570.95	-78,256.93
Total	14,901,780.81	-81,468,574.70

11. Assets impairment loss

Item	Current Period	Last Period
Loss on inventory valuation	-96,363,207.80	-36,533,558.64
Impairment loss on intangible assets	-15,750,561.72	-18,200,119.46
Long-term equity investment impairment loss	-3,097,405.00	
Development expense impairment loss	-1,530,365.17	
Impairment loss on contractual assets	94,761.06	-500,429.38
Other impairment losses of non-current assets	63,720.00	
Total	-116,583,058.63	-55,234,107.48

12. Income from assets disposal

Item	Current Period	Last Period
Income from non-current assets disposal	160,661.55	1,880,089.33
Including: income classify to assets ready for sale	160,661.55	1,880,089.33
Income from the disposal of the right to use the assets	427,769.09	73,793.22
Income from fixed assets disposal	-267,107.54	1,806,296.11

Item	Current Period	Last Period
Income from non-current assets disposal	160,661.55	1,880,089.33
Including: income classify to assets ready for sale	160,661.55	1,880,089.33
Total	160,661.55	1,880,089.33

### 13. Non-operation revenue

Item	Current Period	Last Period	Amount reckoned into non-recurring gains/losses in Current Period
Income of penalty	2,820,099.56	6,392,175.77	2,820,099.56
other	8,118,363.30	8,680,043.24	8,118,363.30
Total	10,938,462.86	15,072,219.01	10,938,462.86

### 14. Non-operating expenditure

Item	Current Period	Last Period	Amount reckoned into non-recurring gains/losses in Current Period
Non-current asset retirement losses	4,336,902.78	5,218,522.66	4,336,902.78
Public welfare donation expenditure	934,781.74	1,106,759.24	934,781.74
Other	6,657,178.71	2,042,193.27	6,657,178.71
Total	11,928,863.23	8,367,475.17	11,928,863.23

### 15. Income tax expenses

Item	Current Year	Last Year
Current income tax	81,540,342.99	32,617,426.64
Deferred income Tax	7,369,918.08	3,804,926.17
Total	88,910,261.07	36,422,352.81

### 16. Other comprehensive income

Found more in 47. Other comprehensive income in V

(III) Items of cash flow statement

(1) Cash related to business activities

1) Cash received from other activities relating to operation

Item	Current Year	Last Year
Government subsidy and rewards	86,323,429.01	54,092,201.06



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Item	Current Year	Last Year
Cash deposit, deposit	21,680,522.40	37,414,693.10
Other	25,491,569.43	19,750,100.33
Total	133,495,520.84	111,256,994.49

(2) Cash paid for other activities relating to operation

Item	Current Year	Last Year
Operating out of cash expenses	1,087,578,839.60	699,585,416.82
Petty cash, deposit, Cash deposit	46,413,594.48	65,400,113.95
Total	1,133,992,434.08	764,985,530.77

(2) Cash related to Investment activities

1) Important cash received related to investment activities

Item	Current Period	Last Period
Structural deposits	13,070,000,000.00	1,120,000,000.00
Large deposit certificate	220,000,000.00	170,000,000.00
Total	13,290,000,000.00	1,290,000,000.00

(2) Important cash payable related to investment activities

Item	Current Period	Last Period
Structural deposits	13,070,000,000.00	1,120,000,000.00
Large deposit certificate	872,862,222.20	360,000,000.00
Total	13,942,862,222.20	1,480,000,000.00

(3) Cash received from other activities relating to investment

Item	Current Period	Last Period
Interest income arising from bank savings	177,500,877.49	190,340,378.30
Capital collection	17,129,427.73	119,615,832.70
Cash deposit	1,706,624.53	1,194,923.87
Income of forward exchange settlement	65,593.68	
Total	196,402,523.43	311,151,134.87

(4) Cash paid for other activities relating to investment

Item	Current Period	Last Period
Losses of forward exchange settlement	21,299,366.89	116,011,395.99
Bid bond refund		500,000.00

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Item	Current Period	Last Period
Total	21,299,366.89	116,511,395.99

( 3) Cash related to financing activities

1) Cash received from other activities relating to financing

Item	Current Year	Last Year
Recover restricted funds	16,831,731.38	356,794,918.15
Meiling series (internal) bill discounting fundraising	229,647,515.53	19,497,591.35
Total	246,479,246.91	376,292,509.50

2) Cash paid for other activities relating to financing

Item	Current Year	Last Year
Turn into limited funds	86,968,683.53	71,212,010.57
Distribusigned to shareholders at the time of cancellation	14,470,087.35	8,257,294.29
Lease liability principal and interest	8,361,366.02	9,788,959.46
Dividend service charge	230,889.27	65,600.34
Other	250,000.00	
Total	110,281,026.17	89,323,864.66

4. Supplementary of the consolidated cash flow statement

Supplementary	Current Period	Last Period
1. Net profit is adjusted to cash flow of operation activities:		
Net profit	724,667,502.87	767,993,332.30
Add: provision for depreciation of assets	116,583,058.63	55,234,107.48
Credit impairment provision	-14,901,780.81	81,468,574.70
Depreciation of fixed assets, consumption of oil gas assets and depreciation of productive biological assets	264,209,453.01	248,036,737.69
Amortization of intangible assets	150,120,886.39	149,895,749.73
Amortization of long-term retained expense	16,158,992.30	9,199,217.86
Loss from disposal of fixed assets, intangible assets and other long term assets (gain is listed with “-”)	-160,661.55	-1,880,089.33
Loss from discarding fixed assets as useless (gain is listed with “-”)	4,103,076.53	5,081,404.15
Loss from change of fair value (gain is listed with “-”)	87, 184, 652. 30	-7,293,761.73
Financial expense (gain is listed with “-”)	-157, 205, 062. 67	-105,597,302.07

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Supplementary	Current Period	Last Period
Investment loss (gain is listed with “-”)	-35,709,856.70	-8,966,008.84
Decrease of deferred income tax assets (increase is listed with “-”)	-17,115,276.70	1,727,030.73
Increase of deferred income tax liabilities (decrease is listed with “-”)	24,485,194.78	2,077,895.44
Decrease of inventories (increase is listed with “-”)	-1,588,581,308.69	-296,195,160.51
Decrease of operational accounts receivable (increase is listed with “-”)	186,215,213.84	-758,811,422.19
Increase of operational accounts receivable (decrease is listed with “-”)	4,210,203,134.43	1,930,939,125.06
Other		
Net cash flow arising from operation activities	3,970,257,217.96	2,072,909,430.47
2. Major investment and financing activities that do not involve cash receipts:		
Conversion of debt into capital		
Switching Company bonds due within one year		
New right to use assets		
3. Net change in cash and cash equivalents:		
Balance at period-end of cash	9,976,098,734.11	8,391,177,936.62
Less: Opening balance of cash	8,391,177,936.62	6,120,396,888.04
Add: Balance at period-end of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	1,584,920,797.49	2,270,781,048.58

## 5. Cash and cash equivalent

### (1) Detail

Item	Current Period	Last Period
1) Cash	9,976,098,734.11	8,391,177,936.62
Including: cash in stock	19,623.13	15,600.68
Bank deposits available for payment at any time.	9,974,662,103.93	8,387,434,041.46
Other monetary fund available for payment at any time	1,417,007.05	3,728,294.48
2) Cash equivalents		

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Item	Current Period	Last Period
Including: bond investment due within 3 months		
Balance of cash and cash equivalents at period-end	9,976,098,734.11	8,391,177,936.62

(2) Monetary funds that are not cash and cash equivalents

Item	This year's amount	Last year's amount	Reasons other than cash and cash equivalents
Judicial freezing of funds due to contract disputes	504,942,490.94	412,827,872.71	Limited use
Guarantee and acceptance bill deposit	5,738,159.13	27,715,825.21	Limited use
Interest receivable	5,671,366.43	10,901,601.18	Interest accrual
Total	516,352,016.50	451,445,299.10	

6. Changes in liabilities arising from fund-raising activities

Item	Amount at year-begin	Increase this year		Decrease in the year		Amount at year end
		Cash changes	Non cash changes	Cash changes	Non cash changes	
Short-term	1,134,102,419.03	2,346,263,587.01	8,871,602.37	2,722,489,371.00	951.40	766,747,286.01
Long-term loans	148,172,155.56	10,000,000.00	135,116.92	148,462,612.48		9,844,660.00
Lease liabilities	35,460,065.89		115,123,187.68	8,361,366.02	21,104,976.96	121,116,910.59
Dividend payable	5,384,407.44		347,853,265.05	347,231,682.77		6,005,989.72
Subtotal	1,323,119,047.92	2,356,263,587.01	471,983,172.02	3,226,545,032.27	21,105,928.36	903,714,846.32

7. Statement of cash flow in net amount

Item	Relevant facts	Basis for adopting net presentation	Financial impact
Forward foreign exchange delivery	As a legal entity, the Company reports the gains or losses of foreign exchange contract delivery to the receipt of other cash related to investment activities and the payment of other cash related to investment activities	The reported information is more intuitive	No
Restricted funds	As a legal entity, the Company reports the current year's change of restricted funds to the receipt of other cash related to fundraising activities and the payment of other cash related to fundraising activities	Rolling reflection	No

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Item	Relevant facts	Basis for adopting net presentation	Financial impact
Meiling (internal) notes discount fundraising amount	As a legal entity, the Company reclassifies the current year's change in Meiling (internal) notes discount undue, from cash received from sales of goods, service provision/cash paid from purchase of goods, and receipt of services to other received cash related to fund-raising activities/other paid cash related to fundraising activities	Rolling reflection	No

8. It does not involve the current cash receipts and payments, but affects the financial situation of the enterprise or may affect the cash flow of the enterprise in the future

N/A

(IV)Other

1. Foreign currency

(1) Detail

Item	Ending foreign currency balance	Exchange rate	Ending RMB converted balance
Monetary fund			417,983,789.41
Including: USD	30,492,303.47	7.1884	219,190,874.26
Euro	16,271,655.23	7.5257	122,455,595.76
AUD	5,436,976.88	4.5070	24,504,454.80
PKR	1,100,078,112.61	0.0258	28,409,517.26
IDR	40,026,618,584.00	0.000451	18,052,004.98
Won	983,088,756.00	0.004938	4,854,492.28
PHP	4,158,018.92	0.1243	516,850.07
Account receivable			1,304,756,472.57
Including: USD	112,606,719.14	7.1884	809,462,139.87
Euro	17,259,951.25	7.5257	129,893,215.12
AUD	21,965,383.89	4.5070	98,997,985.19
HKD	125,183,875.84	0.9260	115,920,269.03
PKR	392,500,262.03	0.0258	10,136,319.27

Item	Ending foreign currency balance	Exchange rate	Ending RMB converted balance
IDR	221,379,247,642.96	0.000451	99,842,040.69
Won	3,481,016,998.00	0.004938	17,189,261.94
PHP	187,569,318.78	0.1243	23,315,241.46
Other account receivable			1,806,114.89
Including: USD	200,000.00	7.1884	1,437,680.00
PKR	4,890,883.07	0.0258	126,307.06
IDR	255,496,000.00	0.000451	115,228.70
PHP	1,020,893.70	0.1243	126,899.13
Account payable			79,388,986.73
Including: USD	7,558.56	7.1884	54,333.95
PKR	742,849,280.85	0.0258	19,184,082.68
IDR	96,728,874,373.00	0.000451	43,624,722.34
PHP	132,949,170.22	0.1243	16,525,847.76

(2) Description of overseas business entities

Name of overseas company	Main place of business	Recording currency	Whether the recording currency changes	Reason of change
CHMeilingInternational(Philippines) Inc.	Philippines	Philippine peso	No	
ChanghongRubaTradingCompany (Private) Limited	Lahore, Pakistan	PKR	No	
CHANGHONGMEILINGELECTRICINDONESIA,PT	Indonesia	IDR	No	

2. Lease

(1) The Company as lessee

1) Please refer to Note V (I) 18 to the financial statements for details about the right-to-use assets.

2) The amount of lease expenses included in the current profits and losses is as follows:

Item	Current amount	Amount of the same period last year
Interest expense of lease liabilities	3,480,179.14	866,829.13
Short-term lease expense	8,899,819.70	10,020,995.84

The Company's accounting policies for short-term lease and low-value asset lease are detailed in Note III (XXXIII) to the financial statements.

3) The total cash outflow related to lease is RMB 16,533,558.16.

4) For details of the maturity analysis of lease liabilities and the corresponding liquidity risk management, please refer to the description of Note IX (II) to the financial statements.

(2) The Company as lessor

1) Operating lease of the Company as lessor

Item	Current amount	Amount of the same period last year
Lease income	42,904,760.57	49,331,981.60

For details of operating leased-out fixed assets, please refer to Note V (I) 17 of the financial statements.

2) Financial lease

The Company has no financial lease as a lessor

3) The Company does not recognize the profit and loss of financial lease sales as a manufacturer or distributor.

3. Supplier financing arrangement

(1) Terms and conditions of supplier financing arrangements

Types of supplier financing arrangements	Terms and conditions
Financing business	The supplier handles the financing business with Yuanxin Financial Leasing Co., Ltd. according to the bills issued by the Company, discounts the relevant bills and shortens the payment period

(2) Liabilities related to supplier financing arrangements

1) Book value of related liabilities

Item	Ending amount	Opening amount
Accounts payable	185,567,424.38	133,021,074.80
In which: the supplier has received the payment	185,567,424.38	133,021,074.80
Subtotal	185,567,424.38	133,021,074.80

2) Maturity date range for related liabilities

Item	Maturity date range of final payment
Liabilities belonging to financing arrangements	1-6 months after the invoice is issued

## VI.R&D expenditure

### (I) R&D expenditure

Item	Amount incurred this year	Amount incurred last year
Salary and social insurance etc.	290,438,820.29	333,204,514.37
Amortized intangible assets	128,863,813.35	128,124,567.42
Cost of mould	138,699,736.02	93,918,099.78
Trial fee of R&D	90,611,055.62	83,379,401.74
Technical development cost	70,128,627.53	26,648,055.81
Depreciation	27,268,033.15	20,217,498.97
Inspection and authentication fee	28,187,701.47	19,974,458.24
Domestic travel expenses	4,367,990.30	3,760,534.31
Other	66,098,532.36	36,123,499.16
Total	844,664,310.09	745,350,629.80
Including: expensed R&D expenditure	637,242,233.83	597,529,355.84
Capitalized R&D expenditure	207,422,076.26	147,821,273.96

### (II) Development expenditure

#### 1. Changes of opening and ending balance of development expenditure

Item	Opening balance	Increase in this period		Decrease in this period			Ending balance
		Internal development expenditure	Others	Recognized as intangible assets	Transferred to current profits and losses	Others	
Development of air conditioning technology	38,042,546.27	156,424,332.47		158,680,478.89			35,786,399.85
Development of ice washing technology	59,134,989.07	50,997,743.79		69,677,318.55		1,531,119.42	38,924,294.89
Total	97,177,535.34	207,422,076.26		228,357,797.44		1,531,119.42	74,710,694.74

#### 2. Impairment of development expenditure

#### Changes in impairment provision for development expenditure



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Item	Opening amount	Increase in this period		Decrease in this period		Ending amount
		Accrual	Others	Disposal or scrapping	Others	
Development of ice washing technology		1,530,365.17		1,530,365.17		
Subtotal		1,530,365.17		1,530,365.17		

## VII. Changes of consolidation rage

### 1. Enterprise combined are not under the same control

#### 1.) Business merger under the same control in this period

Name of merged party	Proportion of rights and interests obtained in business merger	Basis for forming business merger under the same control	Merger date	Basis for determining the merger date
Hefei Changhong Industry Co., Ltd.	100.00%	Under the control of Sichuan Changhong Electric Co.,Ltd.	2024-11-20	Equity change

(Continued)

Name of merged party	Income of the merged party from the beginning of the current merger period to the merger date	Net profit of the merged party from the beginning of the current merger period to the merger date	Income of the merged party during the comparison period	Net profit of the merged party during the comparison period
Hefei Changhong Industry Co., Ltd.	23,789,354.60	1,918,902.01	130,078,151.73	-4,840,697.26

### 2. Merger cost

Merger cost	375,033,242.38
Cash	375,033,242.38

### 3. Book value of the assets and liabilities of the merged party on the merger date

#### (1) Detail

Item	Hefei Changhong Industry Co., Ltd.	
	Merger date	End of last period
Assets	245,444,834.36	264,664,633.71

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Item	Hefei Changhong Industry Co., Ltd.	
	Merger date	End of last period
Monetary fund	30,542,227.43	1,937,710.01
Account receivable	26,842,753.96	46,604,860.24
Financing receivable		254,932.58
Advance payment	4,512.15	60,355.39
Other receivable	1,359,651.17	17,206,067.73
Contract assets	50,000.00	50,000.00
Fixed assets	144,106,028.05	154,864,143.52
Intangible assets	42,539,661.60	43,686,564.24
Liabilities	8,527,632.82	29,666,334.18
Not payable		6,285,132.71
Account payable	3,802,278.48	18,220,935.84
Advance received	420,478.56	
Contract liabilities	3,439.36	34,882.24
Salary payable to staff and worker	709,255.59	973,678.42
Taxes payable	809,721.27	1,303,643.74
Other payable	2,782,021.01	2,763,641.11
Other current liabilities	438.55	4,526.12
Long-term employee remuneration payable		79,894.00
Net assets	236,917,201.54	234,998,299.53
Less: Minority equity		
Net assets obtained	236,917,201.54	234,998,299.53

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

1. Increase in the scope of merger

Name of company	Mode of equity acquisition	Time of equity acquisition	Amount of capital contribution (RMB '0,000)	Ratio of contribution (%)
Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd.	New	March 26, 2024	10,000.00	100.00

## VIII. Equity in other entity

### (I) Composition of enterprise groups

1. The Company included 24 subsidiaries including Zhongke Meiling Cryogenics Technology Co., Ltd., Sichuan Changhong Air Conditioning Co., Ltd. and Zhongshan Changhong Electric Co.,Ltd. into the scope of consolidated financial statements.

### 2. Basic information of subsidiaries

Name of subsidiary	Registered capital (RMB '0,000)	Main place of business and place of registration	Business nature	Shareholding ratio (%)		Acquisition method
				Direct	Indirect	
Jiangxi Meiling Electric Appliance Co., Ltd.	5,000.00	Jingdezhen, Jiangxi	Manufacture and sale	98.75	1.25	Funded establishment
Mianyang Meiling Refrigeration Co., Ltd.	10,000.00	Mianyang	Manufacturing and sales	95.00	5.00	Funded establishment
Zhongke Meiling Cryogenic Technology Co., Ltd	9,673.09	Hefei	Manufacturing and sales	47.4512		Funded establishment
Anhui Tuoxing Technology Co., Ltd.	1,000.00	Hefei	Technology R & D		47.4512	Funded establishment
Anhui Ling'an Medical Equipment Co., Lt	5,000.00	Lu'an	Manufacturing and sales		47.4512	Funded establishment
Sichuan Changhong Air-conditioner Co., Ltd	85,000.00	Mianyang	Manufacturing and sales	100.00		Enterprise combined under the same control
Ground Energy Heat Pump Tech. Co., Ltd.	5,000.00	Mianyang	Manufacturing and sales		85.00	Funded establishment
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	4,500.00	Zhongshan	Manufacturing and sales		85.00	Funded establishment
Sichuan Changhong Intelligent Technology Co., Ltd.	10,000.00	Mianyang	Manufacturing and sales		100.00	Funded establishment
Zhongshan Changhong Electric Co., Ltd	33,400.00	Zhongshan	Manufacturing and sales	90.00	10.00	Enterprise combined

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Name of subsidiary	Registered capital (RMB '0,000)	Main place of business and place of registration	Business nature	Shareholding ratio (%)		Acquisition method
				Direct	Indirect	
						under the same control
Changhong Ruba Trading Company (Private)Limited	8,308.98	Pakistan	Sales		60.00	Funded establishment
Changhong Meiling Electric Indonesia,PT	4,027.20	Jakarta	Sales		100.00	Funded establishment
Guangzhou Changhong Trading Co., Ltd.	100.00	Zhuangzhou	Sales		100.00	Funded establishment
Changhong Meiling Ridian Technology Co., Ltd	8,300.00	Zhongshan	Manufacturing and sales	99.0361		Enterprise combined under the same control
Hebei Hongmao Daily Appliance Technology Co., Ltd	500.00	Handan	Manufacturing and sales		99.0361	Funded establishment
Hefei Meiling Group Holdings Limited	8,000.00	Hefei	Sales	100.00		Funded establishment
Hefei Meiling Nonferrous Metal Products Co., Ltd	2,428.68	Hefei	Manufacturing and sales		100.00	Enterprise combined not under the same control
Meiling Equator Appliance (Hefei) Co., Ltd.	2,479.31	Hefei	Manufacturing and sales		100.00	Enterprise combined not under the same control
Meiling Equator Appliance Co., Ltd.	1,200.00	Hefei	Manufacturing and sales		100.00	Enterprise combined not under the same control
Hefei Meiling Wulian Technology Co., Ltd.	1,000.00	Hefei	Software Development	100.00		Funded establishment

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Name of subsidiary	Registered capital (RMB '0,000)	Main place of business and place of registration	Business nature	Shareholding ratio (%)		Acquisition method
				Direct	Indirect	
			nt			ent
CH-Meiling International (Philippines) Inc.	688.91	Philippine	Sales	100.00		Funded establishment
Hefei Changhong Meiling Life Appliances Co., Ltd.	5,000.00	Hefei	Sale	70.00		Funded establishment
Sichuan Hngmei Intelligent Technology Co., Ltd	500.00	Mianyang	Software Development	100.00		Funded establishment
Hefei Changhong Industrial Co., Ltd.	10,000.00	Hefei	Manufacturing and sales	99.00	1.00	Enterprise combined under the same control

### 3. Other note

(1) Basis for holding half or less voting rights but still controlling the investee, and holding more than half voting rights but not controlling the investee

The Company holds 47.4512% equity of Zhongke Meiling and is its largest shareholder. In addition to independent directors, the Board of Directors of Zhongke Meiling comprises a total of three members, of which Chairman Wu Dinggang just serves as the chairman of the controlling shareholder Changhong Meiling, and Director Zhong Ming serves as the director and member of Changhong Meiling, which controls the daily operation of Zhongke Meiling.

(2) Major non-wholly-owned subsidiary

#### 1. Detail

Subsidiary	Shareholding ratio of minority	Gains/losses attributable to minority in Current Period	Dividend distributed to minority announced in Current Period	Balance of minority's interest at period-end
Zhongke Meiling				
Ground Energy	15.00%	1,152,690.17		11,138,843.47
Ridian Technology	0.9639%	-176,968.07		1,187,703.07
Meiling Life Appliances	30.00%	11,824,916.21		53,762,971.03

2. Financial information for major non-wholly-owned subsidiary

(1) Asset and Liabilities

Subsidiary	Ending balance					
	Current assets	Non-current assets	Total assets	Current liability	Non-current liability	Total liabilities
Zhongke Meiling	616,938,129.16	128,338,295.37	745,276,424.53	125,597,564.66	7,937,753.69	133,535,318.35
Ground Energy	659,779,005.79	119,097,321.45	778,876,327.24	634,669,777.13	69,947,593.70	704,617,370.83
Ridian Technology	203,569,313.35	35,669,577.14	239,238,890.49	114,766,806.02	946,297.67	115,713,103.69
Meiling Life Appliances	626,279,605.77	53,468,923.29	679,748,529.06	497,055,436.73	3,483,188.91	500,538,625.64

(Continued)

Subsidiary	Opening balance					
	Current assets	Non-current assets	Total assets	Current liability	Non-current liability	Total liabilities
Zhongke Meiling	590,872,333.93	143,608,411.32	734,480,745.25	120,874,302.44	12,086,470.45	132,960,772.89
Ground Energy	256,060,078.76	27,234,236.22	283,294,314.98	216,616,587.41	2,400.97	216,618,988.38
Ridian Technology	226,657,040.82	40,283,953.89	266,940,994.71	125,655,866.42	292,501.04	125,948,367.46
Meiling Life Appliances	621,873,116.90	613,240.68	622,486,357.58	481,523,383.11	1,169,458.41	482,692,841.52

(2) Profit and loss and cash flow situation

Subsidiary	Current Period			
	Operation income	Net profit	Total comprehensive income	Cash flow from operation activity
Zhongke Meiling	295,773,281.94	18,087,029.57	18,087,029.57	25,513,232.80
Ground Energy	1,576,880,674.39	7,684,601.11	7,684,601.11	50,051,754.93
Ridian Technology	140,493,379.04	-18,360,438.04	-18,360,438.04	-154,927.16
Meiling Life Appliances	1,335,609,757.73	39,416,387.36	39,416,387.36	40,668,906.07

(Continued)

Subsidiary	Last Period			
	Operation income	Net profit	Total comprehensive income	Cash flow from operation activity

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Subsidiary	Last Period			
	Operation income	Net profit	Total comprehensive income	Cash flow from operation activity
Zhongke Meiling	302,800,718.15	16,126,507.82	16,126,507.82	-9,706,149.56
Ground Energy	564,892,721.56	15,842,650.38	15,842,650.38	56,039,000.87
Ridian Technology	238,871,773.09	2,116,223.21	2,116,223.21	14,725,141.77
Meiling Life Appliances	1,660,852,475.77	57,607,898.93	57,607,898.93	77,583,337.61

### 3. Equity in joint venture or associate enterprise

#### (1) Major joint venture or associate enterprise

Joint venture or associate enterprise	Main office place	Register place	Business nature	Shareholding ratio (%)		Accounting treatment for investment of joint venture or associate enterprise
				Directly	Indirectly	
Sichuan Zhiyijia Network Technology Co., Ltd.	Mianyang	Mianyang	Sales	50.00		Equity

#### 2. Financial information for major Joint venture

Item	Sichuan Zhiyijia Network Technology Co., Ltd.	
	Balance at year-end/Current Year	Balance at year-begin /Last Year
Current assets	2,007,299,998.18	2,466,521,759.37
Non-current assets	20,768,579.44	18,519,147.09
Total assets	2,028,068,577.62	2,485,040,906.46
Current liability	1,902,969,573.01	2,343,467,271.81
Non-current liability	6,391,421.04	5,509,063.82
Total liabilities	1,909,360,994.05	2,348,976,335.63
Minority's interest		
Equity attributable to shareholder of parent company	118,707,583.57	136,064,570.83
Share of net assets measured by shareholding	59,353,791.79	68,032,285.42
Adjustment	821,877.28	821,877.28

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Item	Sichuan Zhiyijia Network Technology Co., Ltd.	
	Balance at year-end/Current Year	Balance at year-begin /Last Year
--Goodwill	821,877.28	821,877.28
Book value of the equity investment for associate enterprise	60,175,669.07	68,854,162.70
Fair value of equity investment for the affiliates with consideration publicly		
Operation income	481,211,169.61	509,222,643.15
Net profit	16,537,997.96	37,428,167.10
Net profit from the termination of the business operations		
Other comprehensive income		
Total comprehensive income	16,537,997.96	37,428,167.10
Dividend received from associate enterprise in Current Year	5,097,740.91	1,629,022.64

3. Financial summary for non-important Joint venture and associate enterprise

Item	Balance at year-end/Current Year	Balance at year-begin /Last Year
Associated companies:		
Total book value of investment	21,335,477.75	43,891,649.05
Total amount measured by shareholding ratio		
--Net profit	-3,204,885.32	-28,901,875.68
--Other comprehensive income	-733,111.33	7,663,003.10
-- Total comprehensive income	-3,937,996.65	-21,238,872.58

4. Excess loss occurred in joint venture or affiliates

Hefei Meiling Solar Energy Technology Co., Ltd and  
ChanghongRubaElectricCompany(Private)Ltd have losses above the quota.

**IX. Government subsidies**

(I) New government subsidies in this period

Item	New subsidy amount in this period
Government subsidies related to assets	23,346,500.00
Of which: included in deferred income	23,346,500.00
Government subsidies related to income	72,019,415.65



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Item	New subsidy amount in this period
In which: included in other income	72,019,415.65
Total	95,365,915.65

(2) Liabilities involving government subsidies

Items presented in financial statements	Opening amount	Increase in this period Subsidy amount	Amount included in other income in this period	Amount included in non-operating income in this period
Deferred income	132,977,494.33	23,346,500.00	30,888,816.43	
Subtotal	132,977,494.33	23,346,500.00	30,888,816.43	

Continued

Items presented in financial statements	Amount of cost offset in this period	Amount of assets written off in this period	Other changes	Ending amount	Assets/income-related
Deferred income				125,435,177.90	Asset-related
Subtotal				125,435,177.90	

(3) Amount of government subsidies included in the current profits and losses

Item	Current amount	Amount of the same period last year
Other income	103,253,170.72	89,605,122.53
Financial expenses		42,100.00
Total	103,253,170.72	89,647,222.53

(4) Government subsidies returned in this period

Item	Returned amount	Return reason
Return of incentive funds for promoting new industrialization policy in the Hefei Economic Zone in 2019	30,000.00	Issue error, notified to return
Return of partial prepaid subsidy funds for the new apprenticeship training of enterprises in 2021	187,500.00	Following personnel dismissal resulting in a decrease in subsidies
Total	217,500.00	

**X. Relevant risks related with financial instrument**

The main financial instruments of our company include loans, accounts receivable, accounts payable, trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities, etc Trading financial liability, the details of which are set out in Note V.Risks related to these financial instruments include exchange risks and interest rate risks. The management of the Company controls and monitors the risk exposures to ensure the above risks are under control.

#### 1. Various risk management objectives and policies

The Company's goal in risk management is to strike a proper balance between risks and benefits, reduce the negative impact of risks on the Company's operating performance to the lowest level, and maximize the interests of shareholders and other equity investors. Based on this risk management goal, the basic strategy of the Company's risk management is to identify and analyze all kinds of risks faced by the Company, establish an appropriate risk tolerance bottom line and conduct risk management, and timely and reliably supervise all kinds of risks to control the risks within a limited range.

##### (1) Market risk

###### 1) Exchange rate risk

The Company pays close attention to the impact of exchange rate changes on the Company. The Company attaches great importance to the study of exchange rate risk management policies and strategies. In order to avoid the exchange rate risk of foreign currency payment and foreign currency collection and settlement income, the Company has signed several forward foreign exchange contracts with banks. The fair value of forward foreign exchange contracts recognized as derivative financial instruments on December 31,2024 is RMB -84,349,606.49. Changes in the fair value of derivative financial instruments have been included in the profit and loss, and the relevant contents of "V. 9 Income from changes in fair value" in this note. In the meantime, with the constant change in the share of the international market, if there are risks beyond the control of the Company, such as unilateral large changes in the RMB exchange rate, the Company will reduce the risks by adjusting the sales or purchasing strategies.

###### 2) Interest rate risk

The Company's interest rate risk arises from bank loans and interest-bearing debts. Financial liabilities with floating interest rate expose the Company to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Company to fair value interest rate risk. The Company decides the relative proportion of fixed interest rate and floating interest rate contracts according to the market environment at that time. On December 31,2024, the Company's interest-bearing debts were mainly the fixed-rate loan contracts denominated in RMB, with a total amount of RMB776,591,946.01; The Company's risk of changes in the fair value of financial instruments due to changes in interest rates is

mainly related to fixed-rate bank loans. The Company's risk of cash flow changes of financial instruments caused by interest rate changes is mainly related to floating interest rate bank loans. The Company pays close attention to the impact of this part of interest rate changes on the Company and attaches importance to the study of interest rate risk management policies and strategies.

## (2) Credit risk

On December 31n,2024, the biggest credit risk exposure that may cause the financial loss of the Company mainly comes from the loss of the Company's financial assets caused by the failure of the other party to the contract and the financial guarantee undertaken by the Company, including: the book amount of the financial assets recognized in the consolidated balance sheet; For financial instruments measured at fair value, the book value reflects their risk exposure, but not the maximum risk exposure, and its maximum risk exposure will change with the change of fair value in the future. In order to reduce the credit risk, the Company set up a special department to determine the credit line, conduct credit approval, and implement other monitoring procedures to ensure that necessary measures are taken to recover overdue creditor's rights. Meanwhile, the Company tries to reduce the impact of credit default of creditor's rights by purchasing credit insurance. In addition, the Company reviews the recovery of each single receivable on each balance sheet date to ensure that sufficient bad debt provision is made for unrecoverable funds. Therefore, the management of the Company believes that the credit risk assumed by the Company has been greatly reduced. The Company's working capital is deposited in the finance company, so the credit risk of working capital is low. The Company has adopted necessary policies to ensure that all sales customers have good credit records. The total amount of the top five accounts receivable is RMB 587,980,658.36, accounting for 31.76% of the accounts receivable at the end of the year, which is dependent on major customers. Except for the top five accounts receivable, the Company has no other major credit risks.

## (3) Liquidity risk

Liquidity risk is the risk that the Company cannot fulfill its financial obligations on the due date. The Company's method of managing liquidity risk is to ensure that there is enough financial liquidity to fulfill the due debts through capital plan management, without causing unacceptable losses or damaging the reputation of the company. According to the requirements of the capital plan cycle, the Company makes a capital plan in advance to ensure that there is sufficient capital when the debt is due. The management of the Company monitors the use of bank loans and ensures compliance with the loan agreement. In the meantime, it conducts financing negotiations with financial institutions to maintain a certain credit line and reduce liquidity risk.

Financial liabilities are classified by remaining maturity date

Item	Ending amount
------	---------------

	Book value	Undiscounted contract amount	Within 1 year	1-3 years	More than 3 years
Bank loan	776,591,946.01	783,822,244.05	783,822,244.05		
Derivative financial liabilities	156,359,680.92	156,359,680.92	156,359,680.92		
Notes payable	7,934,125,435.65	7,934,125,435.65	7,934,125,435.65		
Accounts payable	6,132,020,588.41	6,132,020,588.41	6,132,020,588.41		
other payables	1,025,433,422.81	1,025,433,422.81	1,025,433,422.81		
Lease liabilities (including those due within one year)	121,116,910.59	142,586,055.14	23,319,836.39	119,266,218.75	
Subtotal	16,145,647,984.39	16,174,347,426.98	16,055,081,208.23	119,266,218.75	

## 2.Hedging

### (1)The Company carries out hedging business and risk management

The Company mainly uses forward foreign exchange contracts to hedge the risk of exchange rate fluctuations. The Company designates the purchased forward foreign exchange contracts as hedging instruments, treats them in accordance with the hedge accounting method, and evaluates the hedged items of unconfirmed asset liability itemssuch as unrecognized fixed commitments at the balance sheet date. The Company uses the ratio analysis method to evaluate the effectiveness of the hedge, and considers that it is highly effective, and the amount of hedge invalidity recognized in the current period is not material

Item	Corresponding risk management strategies and objectives	Qualitative and Quantitative information on hedged risk	The economic relationship between the hedged item and the related hedging instrument	Expected effective achievement of risk management objectives	The impact of the corresponding hedging activity on the risk exposure
Forward foreign exchange contracts	A foreign exchange risk prevention strategy with hedging as the core and risk prevention as the	The extent to which changes in the fair value of the hedging instrument can offset the	Forward foreign exchange contracts are hedging instruments that are locked based on the foreign exchange exposure generated	Foreign exchange hedging refers to the risk management activity of designating a	According to the hedge accounting standards, in order to ensure the effectiveness of hedging, the

Item	Corresponding risk management strategies and objectives	Qualitative and Quantitative information on hedged risk	The economic relationship between the hedged item and the related hedging instrument	Expected effective achievement of risk management objectives	The impact of the corresponding hedging activity on the risk exposure
	purpose	change in the fair value or cash flows of the hedged item caused by the hedged risk	by the business: foreign exchange exposures include book assets and irrevocable orders. Irrevocable orders, which are defined commitments that have not yet been confirmed; Not yet recognized, which means that it has not been recognized in the balance sheet; A firm commitment refers to the exchange of a specific amount of resources at an agreed price and the signing of a legally binding agreement at a specific date or period in the future	financial instrument as a hedging instrument in order to manage the risk exposure arising from foreign exchange risk, so that the fair value or cash flow of the hedging instrument changes in anticipation of offsetting all or part of the change in the fair value or cash flow of the hedged item	premise of exposure hedging is that the currency is the same, the direction is opposite, and the expected date of receipt and payment of foreign exchange is similar

(2) The Company conducts qualified hedging business and applies hedge accounting

Item	Book value related to hedged items and hedging instruments	Hedging adjustment of accumulated fair value of hedged items included in the book value of hedged items	Hedging effectiveness and source of part with invalid hedging	Impact of hedging accounting on the Company's financial statements
Fair value hedging				
Hedging instruments- Derivative financial liabilities	72,010,074.43		Financial expenses - Exchange losses; Investment income; Change of income fair value	-110,397,578.69
Hedging	156,359,680.92			

Item	Book value related to hedged items and hedging instruments	Hedging adjustment of accumulated fair value of hedged items included in the book value of hedged items	Hedging effectiveness and source of part with invalid hedging	Impact of hedging accounting on the Company's financial statements
instruments- Derivative financial liabilities				
hedged items-assets	5,076,274,396.73			
hedged items-liabilities				

### 3. Transfer of financial assets

#### (1)Classification of transfer modes

Transfer mode	Nature of transferred financial assets	Amount of transferred financial assets	Derecognized or Not	Judgment basis of derecognition
Notes endorsement/ Notes discount	Receivable financing	2,595,774,351.83	Derecognize d	Almost all its risks and rewards have been transferred
Factoring	Accounts receivable	7,039,895,390.42	Derecognize d	Almost all its risks and rewards have been transferred
Subtotal		9,635,669,742.25		

#### (2)Financial assets that are derecognized due to transfer

Item	Ways of financial assets transfer	Amount of financial assets derecognized	Gains or losses related to derecognition
Receivable financing	Notes endorsement/ Notes discount	2,595,774,351.83	-8,050,999.01
Accounts receivable	Factoring	7,039,895,390.42	-38,646,658.21
Subtotal		9,635,669,742.25	-46,697,657.22

## XI. Fair value disclosure

### 1. Asset and liability measured by fair value at end of Current Period and fair value measurement level

Item	Fair value at period-end			
	1 <sup>st</sup> level	2 <sup>nd</sup> level	3 <sup>rd</sup> level	Total

Item	Fair value at period-end			
	1 <sup>st</sup> level	2 <sup>nd</sup> level	3 <sup>rd</sup> level	Total
I. Continuous fair value measurement				
1. Derivative financial assets	72,010,074.43			72,010,074.43
(1) Forward foreign exchange contracts	72,010,074.43			72,010,074.43
2. Accounts receivable financing			1,516,987,953.83	1,516,987,953.83
3. Other non current financial assets		100,843,017.61	575,251,286.83	676,094,304.44
Total assets continuously measured at fair value	72,010,074.43	100,843,017.61	2,092,239,240.66	2,265,092,332.70
4. Derivative financial liabilities	156,359,680.92			156,359,680.92
(1) Forward foreign exchange contracts	156,359,680.92			156,359,680.92
Total liabilities continuously measured at fair value	156,359,680.92			156,359,680.92

2. The basis for determining the market price of continuous and non-continuous first-level fair value measurement items

The derivative financial assets held by the Company and measured at the first-level fair value are futures contracts and foreign exchange options, and the market price of futures contracts is determined based on the closing price of futures contracts at the end of the period; The market price of foreign exchange options is determined according to the quotation of foreign exchange options contract products by financial institutions at the end of the period.

3. Qualitative and quantitative information on the valuation techniques used and important parameters for continuous and non-continuous second-level fair value measurement items

Other non-current financial assets held by the Company and measured at the second-level fair value are long-term investments in fund companies, and the book value of long-term investments in fund companies after evaluation can represent the best estimate of fair value within this range.

4. Qualitative and quantitative information on the valuation techniques used and important

parameters for continuous and non-continuous third-level fair value measurement items

Other non-current financial assets held by the Company and measured at the third-level fair value are investments in Sichuan Changhong Group Finance Co., Ltd. and Huishang Bank Co., Ltd., and the fair value is estimated by a series of valuation models, and the assumptions adopted are not supported by observable market prices or interest rates. The Company believes that the fair value estimated by the valuation technique and its changes are reasonable and the most suitable value on the balance sheet date.

The receivable financing held by the Company and measure at the third-level fair value is a bank acceptance bill receivable, which has a small credit risk and a short remaining period. The Company determines its fair value based on its face balance.

## XII. Related parties and related transaction

### (I) Relationship of related parties

#### 1. Controlling shareholder and ultimate controller

Controlling shareholder and ultimate controller	Registration place	Business nature	Registered capital	Share-holding ratio in the Company	Voting rights ratio in the Company
Sichuan Changhong Electric Co., Ltd.	Mianyang	Manufacture and sales	4,616,244,222.00	27.36%	27.36%

#### (1) Controlling shareholder and ultimate controller

Sichuan Changhong Electronics Holding Group is the controlling shareholder of Sichuan Changhong Electric Co., LTD, and the SASAC Mianyang office holds 90% equity interests of Sichuan Changhong Electronic Holding Group, which means that SASAC Mianyang office is the ultimate controller of the Company.

#### (2) Register capital and change thereof of controlling shareholder

Controlling shareholder	Opening balance	Increase this period	Decrease this period	Ending balance
Sichuan Changhong Electric Co., Ltd.	4,616,244,222.00			4,616,244,222.00

#### (3) Shares held by the controlling shareholder and its changes on equity

Controlling shareholder	Amount of shares held		Shareholding ratio	
	Ending balance	Opening balance	Ratio at period-end	Ratio at period-beginning
Sichuan Changhong Electric Co., Ltd.	281,832,434.00	281,832,434.00	27.36%	27.36%

#### 2. Subsidiary

Found more in Note “VIII. 1 (1) Enterprise group composition”



### 3. Joint venture and associated enterprise

Other Joint venture and associated enterprise that have related transactions occurred with the Company in Current Period or occurred in last period, and with balance results:

For details of the Company's important joint ventures or joint ventures, please refer to Note VIII (III)

1: Relevant contents of important joint ventures or associated enterprise. Other Joint venture and associated enterprise that have related transactions occurred with the Company in Current Period or occurred in last period, and with balance results:

Joint venture and associated enterprise	Relationship with the company
Changhong Ruba Electric Company (Private) Ltd.	Associated enterprise of subsidiary Zhongshan Changhong
Sichuan Tianyou Guigu Technology Co., Ltd	Associated enterprise of subsidiary Changhong Air-conditioner
Ground Energy Heat Tech. Co., Ltd	Associated enterprise of subsidiary Changhong Air-conditioner
Chengdu Guigu Environmental Tech. Co., Ltd	Associated enterprise of subsidiary Changhong Air-conditioner
Sichuan Zhiyijia Network Technology Co., Ltd.	Associated enterprise of the Company, has the same controlling shareholder and actual control of the Company

### 4. Other related party

Other related party	Relationship with the company
Mianyang Haili Appliance Co., Ltd.	Associated enterprise of controlling shareholder
Sichuan Hongyun New-Generation Information technology Venture Capital Fund Partnership (limited partnership)	Associated enterprise of controlling shareholder
Sichuan Hongran Green Energy Co., Ltd.	Associated enterprise of controlling shareholder
Sichuan Changxin Refrigeration Parts Co., Ltd.	Associated enterprise of controlling shareholder
Mianyang High-tech Zone Hongfu Technology Co., Ltd	An enterprise where the supervisor of the controlling shareholder acts as its legal representative
Sichuan Baiku Technology Co., Ltd	Associated enterprise of other enterprise that have the same controlling shareholder
Sichuan Hongyu Metal Manufacturing Co., Ltd.	Associated enterprise of other enterprise that have the same controlling shareholder
CHANGHONG (HK) TRADING LIMITED	Control by same controlling shareholder and ultimate controller
Changhong Europe Electric s.r.o	Control by same controlling shareholder and ultimate controller
CHANGHONG.ELECTRIC.(AUSTRALIA)PTY.LTD.	Control by same controlling shareholder and

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Other related party	Relationship with the company
	ultimate controller
Orion.PDP.Co.,Ltd	Control by same controlling shareholder and ultimate controller
PT.CHANGHONG ELECTRIC INDONESIA	Control by same controlling shareholder and ultimate controller
Chengdu Changhong Electronic Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Guangdong Changhong Electronics Co., Ltd.	Control by same controlling shareholder and ultimate controller
Guangyuan Changhong Electronics Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
081 Electronic Group Co., Ltd.	Control by same controlling shareholder and ultimate controller
MianyangHongshang Real Estate Co., Ltd.	Control by same controlling shareholder and ultimate controller
Mianyang Huafeng Hulian Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Aichuang Science & Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Ailink Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Ansifei Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Aoku Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Hongmofang Network Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Hongwei Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Hongxin Software Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Huafeng Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Jiahong Industry Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Kuaiyidian Electric Appliance Service Chain Co., Ltd	Control by same controlling shareholder and ultimate controller
Sichuan Qineng Zhongzheng Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Qirui Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller

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Other related party	Relationship with the company
Sichuan Qisai Microelectronics Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Package Printing Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Power Source Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Electronic Products Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan ChanghongGerun Environmental Protection Tech. Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong International Hotel Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Group Finance Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan ChanghongJijia Fine Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Jiahua Information Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Education and Technology Co., Ltd	Control by same controlling shareholder and ultimate controller
Sichuan ChanghongJichuang Lithium Technology Co., Ltd	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Precision Electronics Tech. Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Minsheng Logistics Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Device Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Network Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Property Service Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong New Energy Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan ChanghongXinwang Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Real Estate Co., Ltd.	Control by same controlling shareholder and ultimate controller

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Other related party	Relationship with the company
Yibin Hongxing Electric Co., Ltd.	Control by same controlling shareholder and ultimate controller
Yuanxin Financial Leasing Co., Ltd.	Control by same controlling shareholder and ultimate controller
Changhong International Holdings (Hong Kong) Co., Ltd.	Control by same controlling shareholder and ultimate controller
Changhua Huayi Compressor Co., Ltd.	Control by same controlling shareholder and ultimate controller
Zhongjiu Shining Medical Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller

(II) Related transactions

1. Purchasing commodity

Related party	Content	Current Year (In 10 thousand yuan)	Approved tradingquota (In 10 thousand yuan)	Whether the tradinginit is exceeded	Last year (In 10 thousand yuan)
Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Purchasing commodity	109,355.07	130,000.00	No	79,012.78
Sichuan Changxin Refrigeration Parts Co., Ltd.	Purchasing commodity	66,108.78			53,476.76
Sichuan ChanghongJijia Fine Co., Ltd.	Purchasing commodity	65,751.66	65,000.00	Yes	47,010.15
Changhong Huayi Compressor Co., Ltd.	Purchasing commodity	56,726.83	80,000.00	No	56,361.04
Mianyang Haili Appliance Co., Ltd	Purchasing commodity	41,209.09			36,490.77
Sichuan Aichuang Technology Co., Ltd.	Purchasing commodity	15,558.82	30,000.00	No	16,847.00
Sichuan Changhong Package Printing Co., Ltd.	Purchasing commodity	14,933.66	20,000.00	No	11,012.12
Sichuan Changhong Electics Co., Ltd.	Purchasing commodity	9,529.65	23,000.00	No	34,337.22
Sichuan Changhong Precision Electronics Tech. Co., Ltd.	Purchasing commodity	3,122.63	4,000.00	No	2,515.35
Sichuan Aoku Technology Co., Ltd.	Purchasing commodity	2,576.51	8,000.00	No	2,758.52
Sichuan Changhong Electronic Products Co., Ltd.	Purchasing commodity	2,433.07	5,000.00	No	2,771.62
Changhong International Holdings (Hong Kong) Co.,	Purchasing commodity	1,952.84	16,000.00	No	5,500.00

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Related party	Content	Current Year (In 10 thousand yuan)	Approved tradingquota (In 10 thousand yuan)	Whether the tradinginit is exceeded	Last year (In 10 thousand yuan)
Ltd.					
Sichuan Ailian Technology Co., Ltd.	Purchasing commodity	1,230.76	3,000.00	No	1,234.06
Guangdong Changhong Electronics Co., Ltd.	Purchasing commodity	1,080.41	6,000.00	No	753.21
Sichuan Zhiyijia Network Technology Co., Ltd.	Purchasing commodity	604.42	6,000.00	No	806.22
Sichuan Changhong Device Technology Co., Ltd	Purchasing commodity	501.45	6,000.00	No	797.63
Changhong Ruba Electric Company(Private)Ltd.	Purchasing commodity	409.17			1,318.25
Sichuan Hongran Green Energy Co., Ltd.	Purchasing commodity	132.33			145.41
Sichuan Changhong New Energy Technology Co., Ltd.	Purchasing commodity	80.08	5,000.00	No	20.18
Sichuan Hongwei Technology Co., Ltd.	Purchasing commodity	33.49	6,000.00	No	4.72
Sichuan Changhong International Hotel Co., Ltd.	Purchasing commodity	3.31	5,000.00	No	3.23
Sichuan Jiahong Industrial Co., Ltd.	Purchasing commodity	0.99	5,000.00	No	2.80
Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Purchasing commodity	0.49	5,000.00	No	0.05
GuangyuanChanghong Electronic Technology Co., Ltd	Purchasing commodity				160.34
CHANGHONG (HK) TRADING LIMITED	Purchasing commodity				120.12
081 Electronic Group Co., Ltd.	Purchasing commodity				5.30
Sichuan Hongyu Metal Manufacturing Co., Ltd.	Purchasing commodity				1.47
Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Purchasing commodity				0.18
Sichuan Changhong Source Co., Ltd.	Purchasing commodity				0.18
Total		640,275.63			357,182.46

2. Accept the services

Related party	Content	Current Year	Approved trading quota	Whether the trading limit is exceeded	Last Year
Sichuan Changhong Minsheng Logistics Co., Ltd.	Accept the services	690,604,599.29	750,000,000.00	No	683,224,664.94
Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Accept the services	388,970,261.6	510,000,000.00	No	318,337,233.03
Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Accept the services	41,840,238.31	100,000,000.00	No	40,943,864.06
Sichuan Changhong Electric Co., Ltd.	Accept the services	29,383,913.77	75,000,000.00	No	3,886,724.22
Sichuan Qiruik Technology Co., Ltd.	Accept the services	9,037,166.72	50,000,000.00	No	9,907,402.78
Sichuan Changxin Refrigeration Part Co., Ltd.	Accept the services	8,616,507.40			2,113,071.18
Sichuan Jiahong Industrial Co., Ltd.	Accept the services	7,053,542.74	50,000,000.00	No	5,580,266.42
Sichuan ChanghongJijia Fine Co., Ltd.	Accept the services	4,513,721.37	30,000,000.00	No	7,801,048.46
Sichuan Hongwei Technology Co., Ltd.	Accept the services	2,791,966.25	75,000,000.00	No	6,920.35
Sichuan Changhong Electronics Holding Group Co., Ltd.	Accept the services	2,447,354.74	2,938,000,000.00	No	2,836,845.39
Sichuan Hongxin Software Co., Ltd.	Accept the services	1,982,132.08	75,000,000.00	No	13,997,853.78
Sichuan Changhong International Hotel Co., Ltd.	Accept the services	1,306,322.67	50,000,000.00	No	736,015.39
Mianyang High-tech Zone Hongfu Technology Co., Ltd	Accept the services	1,293,081.71	2,000,000.00	No	

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Related party	Content	Current Year	Approved trading quota	Whether the trading limit is exceeded	Last Year
Sichuan Aichuang Technology Co., Ltd.	Accept the services	620,668.67	50,000,000.00	No	1,371,321.88
Guangdong Changhong Electronics Co., Ltd.	Accept the services	306,937.56	75,000,000.00	No	1,112,606.43
Sichuan Changhong Electronic Products Co., Ltd.	Accept the services	221,109.20	75,000,000.00	No	
Sichuan Changhong Gerun Environmental Protection Technology Co., Ltd	Accept the services	118,705.94	50,000,000.00	No	325,332.17
Sichuan Changhong Property Service Co., Ltd.	Accept the services	112,407.14	50,000,000.00	No	145,611.44
Sichuan Zhiyijia Network Technology Co., Ltd.	Accept the services	105,496.47	75,000,000.00	No	139,286.01
Chengdu Guigu Environmental Tech. Co., Ltd	Accept the services	84,905.66			
Sichuan Changhong Electric Product Co., Ltd.	Accept the services	34,147.70	75,000,000.00	No	275,044.71
Sichuan Changhong Network Technology Co., Ltd.	Accept the services	30,517.92	75,000,000.00	No	30,517.92
Sichuan Changhong New Network Technology Co., Ltd.	Accept the services	8,532.11	75,000,000.00	No	
Sichuan Changhong Intelligent Manufacturing	Accept the services	6,042.83	75,000,000.00	No	94,339.62

Related party	Content	Current Year	Approved trading quota	Whether the trading limit is exceeded	Last Year
Technology Co., Ltd.					
Sichuan Hongfangfang Network Technology Co., Ltd	Accept the services				94,339.62
Yuanxin Financial Leasing Co., Ltd.	Accept the services				214,645.83
Orion.PDP.Co.,ltd	Accept the services				50,097.44
Sichuan Ailink Technology Co., Ltd.	Accept the services				10,754.72
Total		1,191,490,279.91			1,093,141,468.17

### 3. Sales of goods

Related party	Content	Current Period(in 10 thousand Yuan)	Last Period(in 10 thousand Yuan)
Sichuan Zhiyijia Network Technology Co., Ltd.	Sales of goods	734, 224. 78	728, 895. 73
CHANGHONG (HK) TRADING LIMITED	Sales of goods	65,382.61	69,999.52
CHANGHONG ELECTRIC (AUSTRALIA) PTY.LTD.	Sales of goods	25,696.65	17,630.27
Changhong International Holdings (Hong Kong) Co., Ltd.	Sales of goods	17,436.75	11,246.60
Changhong Europe Electric s.r.o	Sales of goods	9,553.85	10,299.23
Orion.PDP.Co.,ltd	Sales of goods	4,062.24	4,478.34
Mianyang Huafeng Hulian Technology Co., Ltd.	Sales of goods	790.27	
Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Sales of goods	616.30	654.81
Yuanxin Financial Leasing Co., Ltd	Sales of goods	256.85	
PT.CHANGHONG ELECTRIC INDONESIA	Sales of goods	194.30	
Sichuan Changhong Minsheng Logistic	Sales of goods	177.14	79.93



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Related party	Content	Current Period(in 10 thousand Yuan)	Last Period(in 10 thousand Yuan)
Co., Ltd.			
Sichuan Changhong Electric Co., Ltd.	Sales of goods	121.69	472.04
Sichuan Changhong New Energy Technology Co.,Ltd.	Sales of goods	98.75	-
Sichuan ChanghongGerun Environmental Protection Technology Co., Ltd	Sales of goods	98.43	-
Sichuan Changhong Device Technology Co., Ltd	Sales of goods	95.13	14.81
Sichuan Changhong Jiahua Information Products Co., Ltd	Sales of goods	43.24	
Chengdu Guigu Environmental Technology Co., Ltd	Sales of goods	29.05	43.78
Sichuan Aiku Technology Co., Ltd.	Sales of goods	25.52	21.93
Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Sales of goods	17.23	21.18
Sichuan Changhong Electric Holdings Group Co., Ltd.	Sales of goods	14.67	0.60
Sichuan Ailian Technology Co., Ltd.	Sales of goods	10.54	0.78
Sichuan Changhong Network Technology Co., Ltd.	Sales of goods	7.54	
Sichuan Baiku Technology Co.,Ltd.;	Sales of goods	2.99	19.20
Sichuan Changhong Real Estate Co., Ltd.	Sales of goods	2.39	6.11
Sichuan Aichuang Technology Co., Ltd.	Sales of goods	2.26	407.43
MianyangHongsheng Real Estate Co., Ltd.	Sales of goods	1.59	
Sichuan ChanghongJija Fine Co., Ltd.	Sales of goods	1.09	2.68
Sichuan Changhong Power Source Co., Ltd.	Sales of goods	0.75	5.46
Sichuan Hongwei Technology Co.,Ltd.	Sales of goods	0.16	
Sichuan Changhong International Hotel Co., Ltd.	Sales of goods	0.11	
Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Sales of goods		258.76
Sichuan ChanghongJihuang Lithium Technology Co., Ltd	Sales of goods		114.78
Sichuan Tianyou Guigu Technology Co., Ltd.	Sales of goods		96.18
Changhong Huayi Compressor Co., Ltd.	Sales of goods		89.44

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Related party	Content	Current Period(in 10 thousand Yuan)	Last Period(in 10 thousand Yuan)
Guangyuan Changhong Electronic Technology Co., Ltd	Sales of goods		31.76
Guangdong Changhong Electronic Co., Ltd.	Sales of goods		27.03
Ground Energy Heat Pump Tech. Co., Ltd.	Sales of goods		23.32
Zhongji Flash Medical Technology Co., Ltd	Sales of goods		14.57
Sichuan Qineng Zhongzheng Technology Co., Ltd	Sales of goods		9.85
Yibin Hongxing Electric Co., Ltd.	Sales of goods		8.67
Sichuan Hongmofang Network Technology Co., Ltd.	Sales of goods		6.06
Sichuan Qisai Microelectronics Co.,Ltd.	Sales of goods		4.99
Sichuan Changhong Precision Electronic Technology Co., Ltd	Sales of goods		1.08
Sichuan Jiahong Industril Co., Ltd.	Sales of goods		0.84
Sichuan Changhong Property Service Co., Ltd.	Sales of goods		0.46
Sichuan Qiruik Technology Co., Ltd.	Sales of goods		0.27
Sichuan Ansifei Technology Co., Ltd.	Sales of goods		0.01
Total		858,964.87	844,988.50

#### 4. Providing services

Related party	Content	Current Year	Last Year
Mianyang Huafeng Hulian Technology Co., Ltd.	Provide the services	10,724,113.48	349,753.68
Sichuan Changhong Electric Co., Ltd.	Providing services	7,577,406.09	11,395,693.06
Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Providing services	4,099,830.16	3,690,091.63
Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Provide the services	1,463,906.78	2,337,991.38
Changhong Huayi Compressor Co., Ltd.	Provide the services	1,396,465.80	1,343,950.04
Sichuan Aichuang Technology Co., Ltd.	Providing services	955,904.56	4,743,474.93
Sichuan Changhong New Energy Technology Co., Ltd.	Providing services	660,622.02	
Yuanxin Financial Leasing Co., Ltd.	Providing services	570,024.15	907,791.40
Sichuan Changhong Device Technology Co., Ltd	Providing services	552,789.38	124,018.93

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Related party	Content	Current Year	Last Year
Sichuan ChanghongJija Fine Co., Ltd.	Provide the services	455,956.13	229,038.19
Sichuan Changhong Property Service Co., Ltd.	Providing services	214,043.74	259,029.87
Sichuan Changhong Network Technology Co., Ltd.	Provide the services	173,539.62	268,020.00
Sichuan Changhong Minsheng Logistics Co., Ltd.	Providing services	136,628.82	425,430.66
Sichuan Zhiyijia Network Technology Co., Ltd.	Providing services	101,440.08	185,395.50
Changhong International Holdings (Hong Kong) Limited	Providing services	101,351.88	
Sichuan Aoku Technology Co., Ltd.	Providing services	77,946.40	4,456.25
Sichuan Changhong Jihuang Lithium Technology Co., Ltd	Providing services	53,864.91	2,277,747.12
Sichuan Changhong International Hotel Co., Ltd	Providing services	42,909.37	65,714.90
Sichuan Changhong Education and Technology Co., Ltd	Providing services	9,000.00	9,000.00
Chengdu Guigu Environment Technology Co., Ltd.	Provide the services	8,391.23	10,061.17
Sichuan Changhong Electric Group Co., Ltd.	Providing services	5,875.00	6,742.60
Sichuan Changhong Electric Part Co., Ltd.	Providing services	3,600.00	7,200.00
Sichuan Ailan Technology Co.,Ltd.	Providing services	3,229.42	
Sichuan Qiruik Technology Co., Ltd.	Provide the services	1,446.00	95,653.62
Guangdong Changhong Electronics Co., Ltd	Providing services		627,354.91
Sichuan Qineng Zhongzheng Technology Co., Ltd.	Providing services		108,865.14
Sichuan Hongwei Technology Co.,Ltd	Providing services		69,735.85
Sichuan Changhong Real Estate Co., Ltd.	Provide the services		45,992.16
Sichuan Qisai \Microelectronics Co., Ltd.	Providing services		44,593.58
Sichuan Changhong Precision Electronic Technology Co., Ltd	Providing services		21,039.34
Mianyang Huafeng Technology Co., Ltd.	Providing services	-11,201.00	576,234.00
Sichuan Changhong Network Technology Co., Ltd.	Provide the services	-101,370.00	16,670.00

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Related party	Content	Current Year	Last Year
Total		29,277,714.02	30,246,739.91

5. Related rental

(1) Rent out

Lessor	Lessee	Type of assets	Leasing income in Current Period	Leasing income in Last Period
Changhong Meiling	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Apartments, warehouses, factories	1,998,754.51	2,956,810.97
Changhong Meiling	Sichuan Changhong Jijia Fine Co., Ltd.	apartment, forklift, warehouse	796,113.61	950,642.38
Changhong Meiling	Sichuan Changhong Minsheng Logistics Co., Ltd.	apartment, office	219,708.07	206,115.96
Changhong Meiling	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Apartments, Offices, Forklifts	202,690.08	162,376.19
Changhong Meiling	Sichuan Zhiyijia Network Technology Co., Ltd.	Apartment	188,256.88	188,256.88
Changhong Meiling	Sichuan Aoku Technology Co., Ltd.	Warehouse	5,858.10	43,392.81
Changhong Meiling	Sichuan Hongxin Software Co., Ltd.	Apartments		4,400.00
Changhong Meiling	Sichuan Changhong Precision Electronic Technology Co., Ltd	Apartments		1,105.00
Changhong Meiling	Sichuan Aichuang Science & Technology Co., Ltd.	Warehouse		39,014.00
Changhong Meiling	Changhong Huayi Compressor Co., Ltd.	Warehouse		5,811.32
Changhong Meiling	Sichuan Ailink Technology Co., Ltd.	Warehouse		3,496.76
Changhong Air-conditioner	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Factory buildings and equipment	5,716,010.19	5,524,818.10
Changhong Air-conditioner	Sichuan Changhong Jijia Fine Co., Ltd.	Factory buildings and equipment	3,706,088.50	3,662,397.40
Changhong Air-conditioner	Sichuan Changhong Electric Co., Ltd.	Factory buildings and equipment	844,041.16	807,070.04
Changhong Air-conditioner	Sichuan Changxin Refrigeration Parts Co., Ltd.	Processing equipment of U	53,333.35	159,999.98

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Lessor	Lessee	Type of assets	Leasing income in Current Period	Leasing income in Last Period
Changhong Air-conditioner	Chengdu Guigu Environmental Tech. Co., Ltd	Workshop	28,403.67	28,403.67
Changhong Air-conditioner	Sichuan Changhong Electric Holding Co., Ltd.	Workshop		4.49
Ridian Technology	Sichuan Changhong Device Technology Co., Ltd.	Workshop	1,285,985.43	2,147,149.80
Changhong Ridian	Sichuan Changhong Precision Electronics Tech. Co., Ltd.	Workshop	845,919.00	
Changhong Ridian	Sichuan Ailink Technology Co., Ltd.	Workshop	47,314.29	47,314.29
Zhongshan Changhong	Sichuan Changhong Minsheng Logistics Co., Ltd.	Parts of the office building rent-out	44,297.16	44,297.16
Zhongshan Changhong	Sichuan Changhong Moulding Tech. Co., Ltd.	living area		34,946.67
Zhongshan Changhong	Sichuan Changhong Precision Electronics Tech. Co., Ltd.	living area		67,200.00
Jiangxi Meiling	Sichuan Changhong Minsheng Logistics Co., Ltd.	Warehouse	1,016,358.11	822,288.36
Jiangxi Meiling	Sichuan ChanghongJijia Fine Co., Ltd.	warehouse	16,000.00	8,000.00
Jiangxi Meiling	Sichuan Aichuang Science & Technology Co., Ltd.	Warehouse	9,600.00	9,600.00
Jiangxi Meiling	Sichuan Changhong Minsheng Logistics Co., Ltd.	Workshop	9,142.86	9,142.86
Jiangxi Meiling	Sichuan Aoku Technology Co., Ltd.	Warehouse	3,840.00	
Jiangxi Meiling	Changhong Huayi Compressor Co., Ltd.	Warehouse		4,800.00
Hefei Industrial	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Workshop	9,538,474.71	
Hefei Industrial	Sichuan ChanghongJijia Fine Co., Ltd.	Workshop	2,451,535.20	2,451,535.20
Hefei Industrial	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Workshop	243,950.40	21,600.00
Hefei Industrial	Sichuan Changhong Minsheng Logistics Co., Ltd.	Workshop	202,464.00	260,150.40
Hefei Industrial	Sichuan Changhong Education and Technology Co., LTD	Workshop	17,280.00	6,898,252.83
Hefei Industrial	Sichuan Changhong Precision Electronic Technology Co., Ltd	Workshop		12,672,547.93

Lessor	Lessee	Type of assets	Leasing income in Current Period	Leasing income in Last Period
Total			29,491,419.28	40,242,941.45

(2) Lessee of related parties

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Lessor	Lessee	Type of assets	Rental charges for short-term and low-value assets (if any)		Variable lease payments not included in lease liabilities measurement (if any)		Rent paid		Interest expenses on lease liabilities assumed		Increased use right assets	
			Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period
Changhong Huayi Compressor Co., Ltd.	Jiangxi Meiling	Staff dormitory	114,803.62	115,810.67								
Chengdu Changhong Electronic Technology Co., Ltd.	Hongmei Intelligent	Office					128,587.13		11,572.84		746,115.01	
Chengdu Changhong Electronic Technology Co., Ltd.	Hongmei Intelligent	Office					658,462.06	678,008.96	32,923.10	47,945.48	658,462.06	
Sichuan Zhiyijia Network	Changhong Air-conditio	Office	4,954.13									

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Technology Co., Ltd.	ner											
Sichuan Jiahong Industrial Co., Ltd.	Changhong Air-conditioner	Staff dormitory	432,717.96	399,176.91								
Sichuan Changhong Electric Co., Ltd.	Changhong Air-conditioner	Workshop	240,198.20									
Sichuan Changhong Electronics Holding Group Co., Ltd.	Changhong Air-conditioner	Rent		143,252.58			188,111.04		7,014.92		376,222.06	
Sichuan Changhong Electric Co., Ltd.	Changhong Air-conditioner	VISA laboratory					306,863.00	306,863.00	34,315.04	34,315.04		1,534,315.05
Guangdong Changhong Electronics Co., Ltd.	Ground energy heat pump	Staff dormitory	81,398.37	80,355.16								
Sichuan Jiahong Industrial Co., Ltd.	Intelligent air conditioning	Staff dormitory	88,304.15									
Sichuan Changhong	Mianyang Meiling	Workshop	97,312.98	96,779.07			2,132,911.64	2,831,656.00	1,067,896.18	451,647.92	48,252,806.05	26,088,842.03



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Electric Co., Ltd.												
Sichuan Jiahong Industrial Co., Ltd.	Mianyang Meiling	Staff dormitory	31,379.40	32,599.20								
Chengdu Changhong Electric Technology Co., Ltd.	Meiling Life appliance	Office		130,997.43								
Guangdong Changhong Electronics Co., Ltd.	Ridian Technology	Staff dormitory	41,405.14	64,994.60								
Total			1,132,473.95	1,063,965.62			3,414,934.87	3,816,527.96	1,153,722.08	533,908.44	50,033,605.18	27,623,157.08

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6. Related guarantee

Secured party	Sponsored party	Maximum guarantee amount	Start	Date due	Completed (Y/N)
Guarantee:		(In 10 thousand Yuan)			Fulfill
Changhong Meiling	Meiling Group	4,500.00	2023-5-11	2024-5-11	Yes
Changhong Meiling	Meiling Group	8,000.00	2023-7-12	2024-7-11	Yes
Changhong Meiling	Meiling Group	20,000.00	2024-10-16	2027-10-15	No
Changhong Meiling	Ridian Technology	4,000.00	2023-7-8	2024-7-8	Yes
Changhong Meiling	Ridian Technology	3,500.00	2022-11-10	2023-11-9	Yes
Changhong Meiling	Ridian Technology	3,500.00	2024-2-6	2024-12-28	No
Changhong Meiling	Zhongshan Changhong	15,000.00	2022-8-15	2023-8-14	Yes
Changhong Meiling	Zhongshan Changhong	10,000.00	2023-5-30	2024-5-29	Yes
Changhong Meiling	Zhongshan Changhong	6,000.00	2023-3-15	2024-3-15	Yes
Changhong Meiling	Zhongshan Changhong	7,000.00	2023-6-15	2024-6-14	Yes
Changhong Meiling	Zhongshan Changhong	10,000.00	2023-5-11	2024-5-10	Yes
Changhong Meiling	Zhongshan Changhong	15,000.00	2023-8-23	2024-8-23	Yes
Changhong Meiling	Zhongshan Changhong	20,000.00	2023-7-3	2024-7-3	Yes
Changhong Meiling	Zhongshan Changhong	5,000.00	2023-7-28	2024-7-27	Yes
Changhong Meiling	Zhongshan Changhong	10,000.00	2023-5-12	2024-5-12	Yes
Changhong Meiling	Zhongshan Changhong	5,000.00	2023-11-2	2024-11-2	Yes
Changhong Meiling	Meiling Life Appliances	5,000.00	2022-10-26	2023-10-25	Yes
Changhong Meiling	Meiling Life Appliances	2,000.00	2023-4-24	2024-4-23	Yes
Changhong Meiling	Meiling Life Appliances	5,000.00	2024-1-1	2024-8-14	Yes
Changhong Meiling	Meiling Life	8,000.00	2023-2-22	2024-1-12	Yes

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Secured party	Sponsored party	Maximum guarantee amount	Start	Date due	Completed (Y/N)
	Appliances				
Changhong Meiling	Meiling Life Appliances	8,000.00	2024-1-22	2025-1-22	No
Changhong Meiling	Meiling Life Appliances	5,000.00	2023-4-21	2024-4-21	Yes
Changhong Meiling	Meiling Life Appliances	2,000.00	2023-11-3	2024-11-2	Yes
Changhong Meiling	Meiling Life Appliances	10,000.00	2023-12-1	2024-11-30	No
Changhong Meiling	Meiling Life Appliances	4,000.00	2023-12-15	2024-6-4	Yes
Changhong Meiling	Changhong air-conditioner	60,000.00	2023-3-18	2024-3-18	Yes
Changhong Meiling	Changhong air-conditioner	12,000.00	2023-4-14	2024-4-13	Yes
Changhong Meiling	Changhong air-conditioner	10,000.00	2023-1-17	2023-10-11	Yes
Changhong Meiling	Changhong air-conditioner	5,000.00	2023-1-17	2024-1-16	Yes
Changhong Meiling	Changhong air-conditioner	16,000.00	2023-2-27	2024-2-26	Yes
Changhong Meiling	Changhong air-conditioner	30,000.00	2023-3-16	2024-3-16	Yes
Changhong Meiling	Changhong air-conditioner	1,500.00	2023-7-5	2023-12-13	Yes
Changhong Meiling	Changhong air-conditioner	60,000.00	2024-6-18	2024-12-31	No
Zhongke Meiling	Anhui Tuoxing	1,000.00	2023-6-20	2024-6-4	Yes
Zhongke Meiling	Anhui Tuoxing	400.00	2023-8-15	2024-8-14	No
Zhongke Meiling	Anhui Tuoxing	1,000.00	2023-10-20	2024-10-20	Yes
Zhongke Meiling	Anhui Tuoxing	1,000.00	2024-7-24	2025-6-17	No
Zhongke Meiling	Lingan Medical	1,000.00	2023-8-25	2024-8-24	Yes
Zhongke Meiling	Lingan Medical	1,000.00	2023-10-20	2024-10-20	Yes
Zhongke Meiling	Lingan Medical	1,000.00	2024-10-31	2025-10-30	No

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Secured party	Sponsored party	Maximum guarantee amount	Start	Date due	Completed (Y/N)
Counter guarantee:					
Meiling Group	Changhong Meiling	4,500.00	2023-5-11	2024-5-11	Yes
Meiling Group	Changhong Meiling	8,000.00	2023-7-12	2024-7-11	Yes
Meiling Group	Changhong Meiling	20,000.00	2024-10-16	2027-10-15	No
Ridian Technology	Changhong Meiling	4,000.00	2023-7-8	2024-7-8	Yes
Ridian Technology	Changhong Meiling	3,500.00	2022-11-10	2023-11-9	Yes
Ridian Technology	Changhong Meiling	3,500.00	2024-2-6	2024-12-28	No
Zhongshan Changhong	Changhong Meiling	15,000.00	2022-8-15	2023-8-14	Yes
Zhongshan Changhong	Changhong Meiling	10,000.00	2023-5-30	2024-5-29	Yes
Zhongshan Changhong	Changhong Meiling	6,000.00	2023-3-15	2024-3-15	Yes
Zhongshan Changhong	Changhong Meiling	7,000.00	2023-6-15	2024-6-14	Yes
Zhongshan Changhong	Changhong Meiling	10,000.00	2023-5-11	2024-5-10	Yes
Zhongshan Changhong	Changhong Meiling	15,000.00	2023-8-23	2024-8-23	Yes
Zhongshan Changhong	Changhong Meiling	20,000.00	2023-7-3	2024-7-3	Yes
Zhongshan Changhong	Changhong Meiling	5,000.00	2023-7-28	2024-7-27	Yes
Zhongshan Changhong	Changhong Meiling	10,000.00	2023-5-12	2024-5-12	Yes
Zhongshan Changhong	Changhong Meiling	5,000.00	2023-11-2	2024-11-2	Yes
Meiling Life Appliances	Changhong Meiling	5,000.00	2022-10-26	2023-10-25	Yes
Meiling Life Appliances	Changhong Meiling	2,000.00	2023-4-24	2024-4-23	Yes
Meiling Life Appliances	Changhong Meiling	5,000.00	2024-1-1	2024-8-14	Yes
Meiling Life Appliances	Changhong Meiling	8,000.00	2023-2-22	2024-1-12	Yes

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Secured party	Sponsored party	Maximum guarantee amount	Start	Date due	Completed (Y/N)
Meiling Life Appliances	Changhong Meiling	8,000.00	2024-1-22	2025-1-22	No
Meiling Life Appliances	Changhong Meiling	5,000.00	2023-4-21	2024-4-21	Yes
Meiling Life Appliances	Changhong Meiling	2,000.00	2023-11-3	2024-11-2	Yes
Meiling Life Appliances	Changhong Meiling	10,000.00	2023-12-1	2024-11-30	No
Meiling Life Appliances	Changhong Meiling	4,000.00	2023-12-15	2024-6-4	Yes
Changhong air-conditioner	Changhong Meiling	60,000.00	2023-3-18	2024-3-18	Yes
Changhong air-conditioner	Changhong Meiling	12,000.00	2023-4-14	2024-4-13	Yes
Changhong air-conditioner	Changhong Meiling	10,000.00	2023-1-17	2023-10-11	Yes
Changhong air-conditioner	Changhong Meiling	5,000.00	2023-1-17	2024-1-16	Yes
Changhong air-conditioner	Changhong Meiling	16,000.00	2023-2-27	2024-2-26	Yes
Changhong air-conditioner	Changhong Meiling	30,000.00	2023-3-16	2024-3-16	Yes
Changhong air-conditioner	Changhong Meiling	1,500.00	2023-7-5	2023-12-13	Yes
Changhong air-conditioner	Changhong Meiling	60,000.00	2024-6-18	2024-12-31	No
Anhui Tuoxing	Zhongke Meiling	1,000.00	2023-6-20	2024-6-4	Yes
Anhui Tuoxing	Zhongke Meiling	400.00	2023-8-15	2024-8-14	No
Anhui Tuoxing	Zhongke Meiling	1,000.00	2023-10-20	2024-10-20	Yes
Anhui Tuoxing	Zhongke Meiling	1,000.00	2024-7-24	2025-6-17	No
Lingan Medical	Zhongke Meiling	1,000.00	2023-8-25	2024-8-24	Yes
Lingan Medical	Zhongke Meiling	1,000.00	2023-10-20	2024-10-20	Yes
Lingan Medical	Zhongke Meiling	1,000.00	2024-10-31	2025-10-30	No

7. Assets transfer and debt reorganization of related parties

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Related party	Type	Current Period	Last Period
Sichuan Changhong Electric Co., Ltd.	Sale of Fixed assets	1,761,621.34	
Sichuan Qiruik Technology Co., Ltd.	Sale of Fixed assets	359,033.63	
Guangdong Changhong Electric Co., Ltd.	Sale of Fixed assets	83,599.99	
Sichuan Changhong Mold Paasitic Technology Co., Ltd	Sale of Fixed assets	58,103.56	
Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Sale of Fixed assets	14,493.81	
Sichuan Hongxin Software Co., Ltd.	Purchase and construction of fixed assets	1,551,878.45	3,061,404.42
Sichuan Changhong Electric Co., Ltd.	Constructio n of fixed assets	952,598.21	428,600.00
Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Purchase and construction of fixed assets	352,395.49	2,100,406.26
Sichuan Hongwei Technology Co., Ltd.	Purchase and construction of fixed assets	281,000.00	
Sichuan Qiruik Technology Co., Ltd.	Purchase and construction of fixed assets	146,900.00	
Sichuan Changhong Electronics Holding Group Co., Ltd.	Purchase and construction of fixed assets		1,698,113.21
Sichuan Changhong Jiahua Information Product Co., Ltd.	Purchase and		275,800.17

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	construction of fixed assets		
Chengdu Guigu Environment Technology Co., Ltd.	Purchase and construction of fixed assets		50,600.00
081 Electronic Group Co., Ltd.	Purchase and construction of fixed assets	184,634.57	
Sichuan Zhiyijia Network Technology Co., Ltd.	Purchase and construction of fixed assets	78,818.00	40,519.46
Sichuan Hongxin Software Co., Ltd.	Purchase of intangible assets	679,245.28	3,192,988.66
Sichuan Qirui Technology Co., Ltd.	Purchase of intangible assets		288,000.00
Total		6,504,322.3 3	11,136,432.1 8

8. Other related party transactions

Name of company	Content	Current Period (in 10 thousand Yuan)	Last Period (in 10 thousand Yuan)
Yuanxin Financial Leasing Co., Ltd.	Financing business	149,852.72	47,232.36

9. Related transaction with Changhong Finance Company

(1) Saving balance

Name of company	Ending balance	Opening balance	Interest income from bank saving in the period
Changhong Meiling Co., Ltd.	1,415,028,147.56	2,052,187,201.79	45,273,962.71
Zhongshan Changhong Electric Co., Ltd.	1,283,231,387.72	761,905,289.07	13,733,280.71

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Name of company	Ending balance	Opening balance	Interest income from bank saving in the period
Sichuan Changhong Air-conditioner Co., Ltd	1,255,972,933.70	977,689,247.58	18,017,640.33
Hefei Changhong Meiling Life Appliances Co., Ltd.	240,741,317.89	243,577,856.45	2,978,281.45
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	169,736,029.92	167,225,376.64	3,247,242.76
Changhong Meiling Ridian Technology Co., Ltd.	80,215,052.07	56,655,316.22	179,946.97
Zhongke Meiling Cryogenic Technology Co., Ltd	80,025,044.46	60,561,687.38	1,101,447.61
Hefei Changhong Industrial Co., Ltd.	33,061,349.30	1,890,237.02	68,592.31
Anhui Tuoxing Technology Co., Ltd.	7,364,529.96	7,358,942.16	161,550.47
Anhui Ling'an medical equipment Co., Ltd.	2,991,432.99	825.26	126.31
Hefei Meiling Group Holdings Limited	498,534.27	304,516.48	6,580.09
Mianyang Meiling Refrigeration Co., Ltd.	14,082.62	13,743.00	50.63
Jiangxi Meiling Electric Appliance Co., Ltd.	9,230.50	9,667.64	39.80
Ground Energy Heat Pump Tech. Co., Ltd.			0.51
Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd.			2,016.30
Total	4,568,889,072.96	4,329,379,906.69	84,770,758.96

(2) Discounted bills

Name	face amount	Bill discount amount	Discounting fees Amount of expenses
Sichuan Changhong Air-conditioner Co., Ltd	888,967,457.93	882,371,606.00	6,595,851.93
Changhong Meiling Co., Ltd.	532,621,822.26	529,682,758.57	2,939,063.69
Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd	222,837,475.57	222,837,475.57	
Hefei Changhong Meiling Life Appliances Co., Ltd.	130,877,265.21	130,125,972.66	751,292.55
Zhongshan Changhong Electric Co., Ltd	8,377,206.93	8,318,511.81	58,695.12
Changhong Meiling Ridian Technology	7,539,519.04	7,503,749.88	35,769.16



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Name	face amount	Bill discount amount	Discounting fees Amount of expenses
Co., Ltd.			
Anhui Ling'an medical equipment Co., Ltd.	3,000,000.00	2,985,000.00	15,000.00
Total	1,794,220,746.94	1,783,825,074.49	10,395,672.45

(3) Issuance of invoices

Name of company	Issuer	Bill amount	Types
Sichuan Changhong Air-conditioner Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	837,430,755.91	Financial company acceptance bill
Zhongshan Changhong Electric Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	440,492,818.94	Financial company acceptance bill
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	191,117,342.13	Financial company acceptance bill
Changhong Meiling Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	96,656,000.00	Financial company acceptance bill
Hefei Changhong Meiling Life Appliances Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	95,895,778.80	Financial company acceptance bill
Zhongke Meiling Cryogenic Technology Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	43,722,178.46	Financial company acceptance bill
Hefei Meiling Group Holdings Limited	Sichuan Changhong Group Finance Co., Ltd.	35,793,311.60	Financial company acceptance bill
Changhong Meiling Ridian Technology Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	8,921,432.24	Financial company acceptance bill
Anhui Ling'an medical equipment Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	1,074,502.45	Financial company acceptance bill
Total		1,751,104,120.53	

(4) Credit or other financial services

Name	Transaction content	Amount incurred this year
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Name	Transaction content	Amount incurred this year
Sichuan Changhong Air Conditioning Co., Ltd	Guarantee letter	628,690.07
Total		628,690.07

10. Remuneration for key management

Item	Current Year (In 10 thousand yuan)	Last Year (In 10 thousand yuan)
Remuneration for key management	920.64	516.67

(III) Come and go balance with related parties

1. Receivable items

Item	Related party	Balance at year-end		Balance at year-begin	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Account receivable	Sichuan Zhiyijia Network Technology Co., Ltd.	128,220,885.04	83,477,192.59	188,235,530.60	110,410,176.95
Account receivable	CHANGHONG (HK) TRADING LIMITED	124,276,627.62		139,679,048.37	
Account receivable	Changhong International Holdings (Hong Kong) Co., Ltd.	90,937,385.97	5,052,875.52	67,734,903.25	3,339,617.94
Account receivable	CHANGHONG ELECTRIC (AUSTRALIA) PTY.LTD.	74,487,210.94	39,350.40	79,488,591.21	
Account receivable	Changhong Ruba Electric Company (Private) Ltd.	41,322,357.73	41,322,357.73	40,856,357.09	40,856,357.09
Account receivable	Orion.PDP.Co.,ltd	12,279,923.14		13,506,278.22	
Account receivable	Mianyang Huafeng Hulian Technology Co., Ltd.	9,218,144.00		8,800.00	
Account receivable	Changhong Europe Electric s.r.o	2,558,625.17	42,995.83	31,860,854.17	
Account receivable	Sichuan Changhong Electric Appliance Co., Ltd	729,165.87		7,510,684.66	

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Item	Related party	Balance at year-end		Balance at year-begin	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Account receivable	Sichuan Aichuang Technology Co., Ltd.	402,121.61		3,195,467.74	
Account receivable	Yuanxin Financial Leasing Co., Ltd.	381,503.00		558,665.14	
Account receivable	Changhong Huayi Compressor Co., Ltd.	380,929.13		718,403.54	
Account receivable	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	323,007.09		351,250.17	
Account receivable	Sichuan ChanghongJijia Fine Co., Ltd.	293,742.36			
Account receivable	Sichuan Changhong Electric Part Co., Ltd.	8,300.00			
Account receivable	Sichuan Aoku Technology Co., Ltd.	5,618.00			
Account receivable	Sichuan Changhong Minsheng Logistics Co., Ltd.	2,980.00		12,760.00	
Account receivable	Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.			727,500.00	
Account paid in advance	Sichuan Changhong Electric Co., Ltd.			216,411.80	
Account paid in advance	Sichuan Huafeng Technology Co., Ltd./			176,400.00	
Account receivable	Sichuan Changhong Modeling Technology Co., Ltd.			176,175.52	
Account receivable	Sichuan Changhong Real Estate Co., Ltd.			119,213.45	
Account receivable	Sichuan Changhong New Network Technology Co., Ltd.			112,000.00	
Account receivable	Sichuan Changhong Network Technology Co., Ltd.			96,000.00	

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Item	Related party	Balance at year-end		Balance at year-begin	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Account receivable	Sichuan Changhong Lithium Battery Technology Co., Ltd.			30,600.00	
Account receivable	Sichuan Changhong Electric Part Co., Ltd.			954.00	
Account receivable	Sichuan Changhong Electric Holdings Group Co., Ltd.			720.00	
Account paid in advance	Chengdu Changhong Electric Technology Co., Ltd.	345,692.58		381,126.07	
Account paid in advance	Sichuan Changhong Minsheng Logistics Co., Ltd.	248,306.00		8,396.00	
Account paid in advance	Sichuan Ailian Technology Co., Ltd.	50,889.49		53,247.60	
Account paid in advance	Sichuan Changhong Electric Co., Ltd.			19.17	
Other account receivable	Sichuan Hongyun New-Generation Information technology Venture Capital Fund Partnership (limited partnership)	2,217,600.00			
Other account receivable	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	570,493.29		313,490.41	
Other account receivable	Sichuan Zhiyijia Network Technology Co., Ltd.	209,510.00		303,019.00	
Other account receivable	Sichuan Jiahong Industrial Co., Ltd.	19,982.00			
Other account receivable	Sichuan Changhong Property Service Co., Ltd.	2,904.93		2,904.93	
Other account	Sichuan Changhong Electric Appliance			17,129,427.73	

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Item	Related party	Balance at year-end		Balance at year-begin	
		Book balance	Bad debt provision	Book balance	Bad debt provision
receivable	Co., Ltd				
Contract assets	Yuanxin Financial Leasing Co., Ltd.	534,886.00			
Total		490,028,790.96	129,934,772.07	593,565,199.84	154,606,151.98

2. Payable items

Item	Related party	Balance at year-end	Balance at year-begin
Account payable	Sichuan Changhong Electric Holdings Group Co., Ltd.	299,558,983.37	23,732,724.50
Account payable	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	258,862,002.89	173,023,852.05
Account payable	Sichuan Changhong Jijia Fine Co., Ltd.	130,536,924.54	32,211,531.65
Account payable	Changhong Huayi Compressor Co., Ltd.	106,340,141.35	117,609,190.18
Account payable	Sichuan Changxin Refrigeration Parts Co., Ltd.	55,712,908.20	17,976,156.76
Account payable	Sichuan Aichuang Science & Technology Co., Ltd.	50,559,432.86	56,579,812.80
Account payable	Sichuan Changhong Package Printing Co., Ltd.	37,429,782.71	14,430,893.66
Account payable	Changhong Ruba Electric Company (Private) Ltd.	19,165,511.45	13,195,411.19
Account payable	Sichuan Changhong Electric Co., Ltd.	16,714,312.78	2,863,953.34
Account payable	Changhong International Holdings (Hong Kong) Co., Ltd.	16,331,072.34	8,933,631.46
Account payable	Sichuan Changhong Precision Electronics Tech. Co., Ltd.	7,834,650.42	2,884,803.49
Account payable	Sichuan Aoku Technology Co., Ltd.	7,036,322.79	14,614,765.93
Account payable	Sichuan Changhong Electronic Products Co., Ltd.	6,151,227.60	3,801,344.25
Account payable	Sichuan Changhong Minsheng Logistics Co., Ltd.	3,463,779.16	4,022,048.97
Account payable	Sichuan Ailink Technology Co., Ltd.	3,277,511.80	1,721,318.59

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Item	Related party	Balance at year-end	Balance at year-begin
Account payable	Guangdong Changhong Electric Co., Ltd.	3,006,306.65	1,554,593.15
Account payable	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	892,549.81	725,473.65
Account payable	Sichuan Hongxin Software Co., Ltd.	779,047.17	451,301.89
Account payable	Sichuan Hongwei Technology Co., Ltd.	297,860.00	5,492.64
Account payable	Sichuan Changhong Electronic Products Co., Ltd.	272,906.94	1,148,884.00
Account payable	Sichuan Changhong New Energy Technology Co., Ltd.	252,981.10	225,732.08
Account payable	Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	239,196.58	270,846.58
Account payable	Sichuan Changhong International Hotel Co., Ltd.	106,873.00	146,276.00
Account payable	Sichuan Zhiyijia Network Technology Co., Ltd.	32,784.73	35,267.63
Account payable	Sichuan Qiruik Technology Co., Ltd.	32,000.00	32,000.00
Account payable	Chengdu Guigu Environmental Tech. Co., Ltd	8,247.36	57,178.00
Account payable	Mianyang Haili Appliance Co., Ltd.		17,723,765.52
Account payable	PT.CHANGHONG ELECTRIC INDONESIA		1,514,130.31
Account payable	GuangyuanChanghong Electric Technology Co., Ltd.		50,286.58
Account payable	Sichuan Jiahong Industrial Co., Ltd.		396.00
Contract liability	Sichuan Zhiyijia Network Technology Co., Ltd.	71,546,849.75	32,073,215.34
Contract liability	Zhongjiu Flash Medical Technology Co., Ltd	419,207.79	
Contract liability	Sichuan Changhong Electric Co., Ltd.	354,131.55	353,941.29
Contract liability	Sichuan Changhong International Holidng(hk) Co., Ltd	427,524.59	91,046.37
Contract liability	Sichuan Aichuang Technology Co., Ltd.	198,900.00	

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Item	Related party	Balance at year-end	Balance at year-begin
Contract liability	Sichuan ChanghongGerun Environmental Protection Technology Co., Ltd	175,023.04	
Contract liability	Sichuan Baiku Technology Co., Ltd.	138,472.56	22,932.74
Contract liability	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	42,786.17	10,727.89
Contract liability	Sichuan Changhong Minsheng Logistics Co., Ltd.	14,654.89	14,654.86
Contract liability	CHANGHONG (HK) TRADING LIMITED	922.22	908.66
Contract liability	Sichuan Anshifei Technology Co., Ltd.		2,646.19
Contract liability	Sichuan Changhong Mold Plastic Tech. Co., Ltd.		2,415.93
Contract liability	081 Electronic Group Co., Ltd.		22.61
Lease liability	Sichuan Changhong Electric Co., Ltd.	24,991,184.60	27,418,257.97
Lease liability	Chengdu Changhong Electronic Technology Co., Ltd.	345,692.58	381,126.07
Lease liability	Sichuan Changhong Electronics Holding Group Co., Ltd.	188,111.02	
Lease liability	Chengdu Changhong Electronic Technology Co., Ltd.		381,126.07
Other payable	Sichuan Changhong Minsheng Logistics Co., Ltd.	168,320,548.19	132,815,918.64
Other payable	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	129,354,211.90	82,400,851.21
Other payable	Sichuan Changhong Electric Co., Ltd.	4,455,214.28	58,735.52
Other payable	Sichuan Changhong Electronics Holding Group Co., Ltd.	2,235,171.18	393,156.00
Other payable	Sichuan Changhong Mold Paasitic Technology Co., Ltd	1,933,572.12	2,559,981.65
Other payable	Changhong Huayi Compressor Co., Ltd.	1,801,167.60	1,903,400.00
Other payable	Sichuan Hongwei Technology Co., Ltd.	1,262,762.78	-
Other payable	Sichuan Qiruik Technology Co., Ltd.	826,071.35	585,767.70
Other payable	Sichuan ChanghongJijia Fine Co., Ltd.	430,500.00	425,492.32
Other payable	Sichuan Jiahong Industrial Co., Ltd.	301,482.92	18.00

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Item	Related party	Balance at year-end	Balance at year-begin
Other payable	Sichuan Zhiyijia Network Technology Co., Ltd.	232,021.08	566,063.25
Other payable	Sichuan Hongxin Software Co., Ltd.	187,735.85	594,516.98
Other payable	Sichuan ChanghongGerun Environmental Protection Technology Co., Ltd	150,000.00	-
Other payable	Sichuan Aoku Technology Co., Ltd.	132,973.56	260,212.20
Other payable	Sichuan Aichuang Technology Co., Ltd.	101,132.08	1,443,020.00
Other payable	Sichuan Changhong Electronic Products Co., Ltd.	100,000.00	50,000.00
Other payable	Sichuan Changxin Refrigeration Parts Co., Ltd.	57,098.03	173,907.41
Other payable	Sichuan Ailian Technology Co., Ltd.	51,306.28	50,000.00
Other payable	Sichuan Changhong Package Printing Co., Ltd.	50,000.00	139,699.18
Other payable	081 Electronic Group Co., Ltd.	40,867.89	-
Other payable	Sichuan Changhong Intelligence Manufacturing Technology Co., Ltd.	34,550.00	109,596.00
Other payable	Guangdong Changhong Electric Co., Ltd.	17,514.52	25,113.76
Other payable	Chengdu Guigu Environmental Technology Co., Ltd	5,717.80	-
Other payable	Sichuan Changhong International Hotel Co., Ltd	849.06	-
Other payable	Yuanxin Financial Leasing Co., Ltd	-	61,295,062.03
Other payable	Sichuan Changhong New Energy Technology Co., Ltd.	-	50,000.00
Other payable	CHANGHONG (HK) TRADING LIMITED	-	3,334.85
Other payable	Sichuan Changhong Precision Electronic Technology Co., Ltd	-	734.43
Other payable	Sichuan Changhong Device Technology Co., Ltd.	-	29.70
Total		1,435,821,246.83	858,200,695.67

### XIII. Commitments and contingencies

#### (I) Important commitments

As of December 31, 2024, the Company has no important commitments that should be disclosed but not disclosed.



## (II) Contingency

### 1. Pending action or possible liabilities formed from arbitration

In November 2021, Zhejiang Teruisi Pharmaceutical Co., Ltd. filed a lawsuit against Zhongke Meiling for the "Contract for Cold Storage Design, Equipment Procurement and Installation Construction". Up to now, Zhongke Meiling and Zhejiang Teruisi Pharmaceutical Inc. have reached a preliminary settlement intention, and have withdrawn the third-stage cost appraisal from the court, and both are communicating the project maintenance plan. The estimated maintenance cost is RMB 1,720,534.42.

As of December 31, 2024, apart from the aforementioned lawsuits, some of our subsidiaries have been defendants in certain legal proceedings and plaintiffs in other lawsuits that arise in our daily business operations. Although the outcome of these contingencies, legal proceedings, or other lawsuits cannot be determined at present, the management believes that any resulting liabilities will not have a significant negative impact on the financial condition or operating performance of the company

## **XIVI. Events occurring after the balance sheet date**

### 1. Profit distribution:

According to the audit by Pan-China Certified Public Accountants LLP, in 2024, the net profit realized in individual financial statements of the parent company was RMB 254,008,762.00. As of December 31, 2024, the cumulative undistributed profit in individual financial statements of the parent company was RMB1,213,740,009.40. In addition, in the consolidated financial statements of the company for the year 2024, the net profit attributable to the owners of the parent company was 699,270,051.82 yuan. As of December 31, 2024, the cumulative undistributed profit in the consolidated financial statements was 1,803,207,185.06 yuan.

According to relevant regulations, the distribution of company profits should be based on the profits available for distribution by the parent company, and follow the principle of distributing the lower of the cumulative undistributed profits in the consolidated financial statements and the parent company's financial statements. Therefore, the distributable profit for 2024 is the accumulated undistributed profit of RMB 1,213,740,009.40 in individual financial statements of the parent company

Based on relevant regulations and the provisions of the Company's Articles of Association, taking into account the interests of shareholders and the long-term development needs of the company, it is proposed to: Based on the total share capital of 1,029,923,715 shares as of December 31, 2024, the company will distribute a cash dividend of 3.3 yuan (including tax) to all shareholders for every 10 shares, without bonus shares or conversion of reserve funds into share capital. It is expected to distribute a cash dividend of 339,874,825.95 yuan.

After this distribution, it is expected that the remaining cumulative undistributed profit of the parent company will be 873,865,183.45 yuan, and the remaining undistributed profit will be

carried forward for distribution in future years.

The aforementioned plan has been reviewed and approved by the 12th meeting of the 11th Board of Directors of the company and is still awaiting approval by the shareholders' meeting.

## XV. Other significant matters

### (I) Branch information

#### 1. Determine the factors considered by the reporting segment

The Company determines the reporting segment based on the internal organizational structure, management requirements and internal reporting system, and according to the business segment. It assesses the operating performance of refrigerator, freezer and washing machine business, air conditioner business, small home appliances business and other product business respectively.

#### 2.Branch information

In RMB 10,000						
Item	Refrigerator, freezer Washing machine	Air-conditioner	Small home appliances	Other	Sales in branch	Total
Operation income	1, 142, 403. 05	1, 561, 619. 05	167, 973. 88	45, 208. 54	57, 100. 91	2, 860, 103. 60
Including: foreign trade income	1, 133, 744. 67	1, 561, 597. 20	148, 555. 36	16, 206. 38		2, 860, 103. 60
Income from transactions between divisions	8, 658. 38	21. 85	19, 418. 51	29, 002. 17	57, 100. 91	
Operation expenses	1, 121, 856. 59	1, 519, 683. 59	165, 473. 48	42, 824. 09	56, 715. 27	2, 793, 122. 48
Other income and expense items	12, 667. 10	1, 917. 89	1, 628. 23	988. 70	2, 825. 27	14, 376. 66
Operation profit	33, 213. 56	43, 853. 34	4, 128. 62	3, 373. 15	3, 210. 90	81, 357. 78
Total assets	1, 356, 959. 01	1, 085, 358. 64	91, 131. 17	49, 139. 52	203, 023. 35	2, 379, 565. 00
Total liability	811, 539. 38	897, 997. 95	60, 986. 28	12, 272. 00	37, 578. 81	1, 745, 216. 79
Supplementary information						

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Depreciation and amortization expenses	24,434.53	16,321.41	324.24	2,045.56	183.58	42,942.15
Capital expenditure	21,278.25	27,359.30	7.99	953.55		49,599.08

Not :Total assets do not include deferred income tax assets, and total liabilities exclude deferred income tax liabilities.

## XVI. Notes to main items of financial statement of parent company

### 1.Account receivable

#### (1) By account age

Account age	Balance at year-end	Balance at year-begin
Within 1 year (Including 1 year)	844,020,537.28	1,455,451,760.05
Including:		
Within 3 months (3 months included)	804,602,070.05	1,405,485,686.08
More than 3 months and less than 6 months (6 months included)	37,341,630.48	40,372,699.21
Over 6 months and within one year (One year included)	2,076,836.75	9,593,374.76
Over one year - within 2 years (2 years included)	967,919.29	13,012,239.58
Over 2 years - within 3 years (3 years included)	6,068,876.14	26,677,206.61
Over 3 years	46,551,037.50	24,592,353.91
Total	897,608,370.21	1,519,733,560.15

#### (2) By accrual of bad debt provision

##### 1) Detail

Category	Ending Balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable that withdrawal bad debt provision by single item	550,963,154.98	61.38	57,852,034.98	10.50	493,111,120.00
Including: Account receivable with letter of credit	24,607,781.54	2.74			24,607,781.54

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Category	Ending Balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Current payment with related party	506,527,455.83	56.43	40,131,974.45	7.92	466,395,481.38
Receivables whose single amount is not significant but whose single provision for bad debts	19,827,917.61	2.21	17,720,060.53	89.37	2,107,857.08
Account receivable withdrawal bad debt provision by portfolio	346,645,215.23	38.62	6,520,449.24	1.88	340,124,765.99
Including: account receivable of engineering customers	346,645,215.23	38.62	6,520,449.24	1.88	340,124,765.99
Total	897,608,370.21	100.00	64,372,484.22	7.17	833,235,885.99

Continued

Category	Amount at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable that withdrawal bad debt provision by single item	876,212,956.55	57.66	53,914,896.27	6.15	822,298,060.28
Including: Account receivable with letter of credit	52,483,325.93	3.45			52,483,325.93
Current payment with related party	803,660,757.46	52.88	39,553,880.21	4.92	764,106,877.25
Receivables whose single amount is not significant but whose single provision for bad debts	20,068,873.16	1.32	14,361,016.06	71.56	5,707,857.10
Account receivable withdrawal bad debt provision by portfolio	643,520,603.60	42.34	14,023,130.16	2.18	629,497,473.44
Including: account receivable of engineering customers	643,520,603.60	42.34	14,023,130.16	2.18	629,497,473.44
Total	1,519,733,560.15	100.00	67,938,026.43	4.47	1,451,795,533.72

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2) ) Account receivable withdrawal bad debt provision by portfolio

Account age	Balance at year-end		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	341,176,281.76	3,411,762.82	1.00
More than 3 months and less than 6 months (6 months included)	342,770.62	34,277.06	10.00
Over 6 months and within one year (One year included)	2,076,836.75	415,367.35	20.00
Over one year - within 2 years (2 years included)	780,567.95	390,283.98	50.00
Over 2 years - within 3 years (3 years included)	0.60	0.48	80.00
Over 3 years	2,268,757.55	2,268,757.55	100.00
Total	346,645,215.23	6,520,449.24	1.88

Continued

Account age	Balance at year-begin		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	616,484,217.92	6,164,842.18	1.00
More than 3 months and less than 6 months (6 months included)	10,991,345.13	1,099,134.51	10.00
Over 6 months and within one year (One year included)	9,190,814.21	1,838,162.84	20.00
Over one year - within 2 years (2 years included)	2,053,806.51	1,026,903.26	50.00
Over 2 years - within 3 years (3 years included)	4,531,662.28	3,625,329.82	80.00
Over 3 years	268,757.55	268,757.55	100.00
Total	643,520,603.60	14,023,130.16	2.18

(3) Changes in bad debt provisions

1) Detail

Category	Balance at year-begin	Changes this year				Balance at year-end
		Accrual	Withdrawal or reversal	Resale or write-off	Other decreases	
Withdrawal bad debt	53,914,896.27	3,987,224.58	50,085.87			57,852,034.98

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Category	Balance at year-begin	Changes this year				Balance at year-end
		Accrual	Withdrawal or reversal	Resale or write-off	Other decreases	
provision by single item						
Withdrawal bad debt provision by portfolio	14,023,130.16	-7,502,680.92				6,520,449.24
Total	67,938,026.43	-3,515,456.34	50,085.87			64,372,484.22

(5) Top 5 accounts receivable and contract assets amount

Top 5 receivables collected by arrears party amounting to 540,891,866.45 yuan in total, accounted for 60.26% of the receivables of current year-end, the bad debt provision accrual correspondingly amounting to 2,028,050.45 yuan at year-end balance.

2.Other account receivable

(1) Detail

Ending balance	Ending balance	Opening balance
Dividend receivable	12,124,951.70	
Other account receivable	137,057,080.76	61,841,221.91
Total	149,182,032.46	61,841,221.91

(2) Dividend receivable

Detail

Ending balance	Ending balance	Opening balance
Sichuan Zhiyijia Network Technology Co., Ltd.	11,849,751.70	
Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership Enterprise (Limited Partnership)	275,200.00	
Subtotal	12,124,951.70	

(3) Other receivable

1)) Category of other account receivable

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Nature	Book balance at year-end	Book balance at year-begin
Loans of employee's pretty cash	5,755,189.42	10,727,346.46
Cash deposit	4,369,898.32	4,109,987.09
Export rebate	95,274,068.20	41,179,511.61
Related party	31,839,049.68	5,957,370.23
Other	473,034.34	456,265.42
Subtotal	137,711,239.96	62,430,480.81

2) By account age

Account age	Balance at year-end	Balance at year-begin
Within 3 months	105,115,890.25	53,994,269.35
More than 3 months and less than 6 months	370,007.17	1,161,881.37
Over 6 months and within one yea	971,808.01	2,017,703.46
1-2 years	1,486,879.41	1,206,412.81
2-3 years	313,350.00	1,288,721.92
Over 3 years	29,453,305.12	2,761,491.90
Subtotal	137,711,239.96	62,430,480.81

3) By accrual of bad debt provision

①Detail

Category	Amount at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
That withdrawal bad debt provision by single item	137,711,239.96	100.00	654,159.20	0.48	137,057,080.76
In which: other receivables with no major individual amount but bad debt provision accrued individually	10,598,122.08	7.70	654,159.20	6.17	9,943,962.88
Export rebate receivable	95,274,068.20	69.18			95,274,068.20
Other receivables under the same control and of related	31,839,049.68	23.12			31,839,049.68

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Category	Amount at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
parties with significant influence					
In which: other receivables accrued by aging portfolio					
Total	137,711,239.96	100.00	654,159.20	0.48	137,057,080.76

Continued

Continued

Category	Balance at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
That withdrawal bad debt provision by single item	62,430,480.81	100.00	589,258.90	0.94	61,841,221.91
In which: other receivables with no major individual amount but bad debt provision accrued individually	15,293,598.97	24.50	589,258.90	3.85	14,704,340.07
Export rebate receivable	41,179,511.61	65.96			41,179,511.61
Other receivables under the same control and of related parties with significant influence	5,957,370.23	9.54			5,957,370.23
In which: other receivables accrued by aging portfolio					
Total	62,430,480.81	100.00	589,258.90	0.94	61,841,221.91

#### 4) Changes in bad debt provisions

##### ①Detail

Item	First stage	Second stage	Third stage	Subtotal
	Expected credit loss in next 12 months	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	
Balance at year-begin			589,258.90	589,258.90
Balance at year-begin in Current Year	—	—	—	



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Item	First stage	Second stage	Third stage	Subtotal
	Expected credit loss in next 12 months	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	
--Transfer to the second stage				
-- Transfer to the third stage				
-- Reversal to the second stage				
-- Reversal to the first stage				
Provision in Current Year			64,900.30	64,900.30
Reversal in Current Year				
Write off in Current Year				
Other change				
Balance at year-end			654,159.20	654,159.20

②Bad debt provision for other receivables accrued, recovered or reversed this year

Category	Year-beginning	Amount of change this year				Year-end balance
		Accrual	Recovery or reversal	Write-off or cancellation	Other	
Withdrawal bad debt provision by single item	589,258.90	64,900.30				654,159.20
Total	589,258.90	64,900.30				654,159.20

5) Top 5 other receivables

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Name	Nature	Balance at year-end	Account age	Proportion in total other receivable s ending balance (%)	Bad debt provi sion Balanc e at year-e nd
Unit I	Tax rebate	95,274,068.20	Within 3 months	69.18	
Unit II	Related party	26,524,883.46	Within 3 months,6months-1 year,1-2 years,2-3 years,Over 3 years	19.26	
Unit III	Loans of employee's pretty cash	2,217,600.00	Within 3 months	1.61	
Unit IV	Cash deposit	1,461,173.01	Within 3 months	1.06	
Unit V	Loans of employee's pretty cash	1,437,680.00	Within 3 months	1.05	
Total		126,915,404.67		92.16	

### 3. Long-term equity investments

#### (1) Detail

Item	Ending balance		
	Book balance	Impairment loss	Book value
Investment in subsidiaries:	1,988,985,053.01		1,988,985,053.01
Investment in associates:	74,340,161.06		74,340,161.06
Total	2,063,325,214.07		2,063,325,214.07

#### (Continued)

Item	Opening balance		
	Book balance	Impairment loss	Book value
Investment in subsidiaries:	1,756,435,120.88		1,756,435,120.88
Investment in associates:	101,040,690.02		101,040,690.02
Total	1,857,475,810.90		1,857,475,810.90

#### (2) Investment in subsidiaries

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Invested enterprise	Opening balance		Changes in Current Period			
	Book balance	Impairment loss	Additional Investment	Negative Investment	Provision for impairment loss	Other
Zhongke Meiling Cryogenic Technology Co., Ltd	42,652,000.00					
Mianyang Meiling Refrigeration Co., Ltd.	95,000,000.00					
Zhongshan Changhong Electric Co., Ltd	304,856,419.37					
Sichuan Changhong Air-conditioner Co., Ltd	955,600,437.79					
Hefei Meiling Group Holdings Limited	113,630,000.00					
Jiangxi Meiling Electric Appliance Co., Ltd.	79,000,000.00					
Changhong Meiling Ridian Technology Co., Ltd.	91,082,111.12					
Hefei Meiling Wulian Technology Co., Ltd	10,000,000.00					
CH-Meiling International (Philippines) Inc.	6,889,100.00					
Hefei Changhong Meiling Life Appliances Co., Ltd.	35,000,000.00					
Sichuan Hongmei Intelligent Technology Co., Ltd	22,725,052.60					
Hefei Changhong Industrial Co., Ltd.			232,549,932.13			
Subtotal	1,756,435,120.88		232,549,932.13			

(continued)

Invested enterprise	Ending balance	
	Book balance	Impairment loss
Zhongke Meiling Cryogenic Technology Co., Ltd	42,652,000.00	
Mianyang Meiling Refrigeration Co., Ltd.	95,000,000.00	
Zhongshan Changhong Electric Co., Ltd	304,856,419.37	
Sichuan Changhong Air-conditioner Co., Ltd	955,600,437.79	
Hefei Meiling Group Holdings Limited	113,630,000.00	

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Jiangxi Meiling Electric Appliance Co., Ltd.	79,000,000.00	
Changhong Meiling Ridian Technology Co., Ltd.	91,082,111.12	
Hefei Meiling Wulian Technology Co., Ltd	10,000,000.00	
CH-Meiling.International (Philippines) Inc.	6,889,100.00	
Hefei Changhong Meiling Life Appliances Co., Ltd.	35,000,000.00	
Sichuan Hongmei Intelligent Technology Co., Ltd	22,725,052.60	
Hefei Changhong Industrial Co., Ltd.	232,549,932.13	
Subtotal	1,988,985,053.01	

(3) Investment in associates

Invested enterprise	Opening balance		Changes in Current Period			
	Book value	Impairment loss	Additional Investment	Negative Investment	Investment gains and losses recognized under the equity method	Other comprehensive, earnings adjustment
Hefei Xingmei Assets Management Co., Ltd.	14,139,256.78				25,235.21	
Sichuan Zhiyijia Network Technology Co., Ltd.	68,854,162.70				8,268,998.98	
Sichuan Hongyun Venture Capital Partnership (Limited partnership)	18,047,270.54			18,000,000.00	104,729.46	
Total	101,040,690.02			18,000,000.00	8,398,963.65	

(continued)

Invested enterprise	Changes in Current Period				Ending balance	
	Other equity change	Cash dividend or profit announced to issued	Provision for impairment loss	Other	Book value	Impairment loss
Hefei Xingmei Assets Management Co., Ltd.					14,164,491.99	
Sichuan Zhiyijia Network Technology		16,947,492.61			60,175,669.07	

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Invested enterprise	Changes in Current Period				Ending balance	
	Other equity change	Cash dividend or profit announced to issued	Provision for impairment loss	Other	Book value	Impairment loss
Co., Ltd.						
Sichuan Hongyun Venture Capital Partnership (Limited partnership)		152,000.00				
Total		17,099,492.61			74,340,161.06	

**(II) profit statement item notes of parent company**

1. Operation income, operation cost

(1) Detail

Item	Current Period		Last Period	
	Income	Cost	Income	Cost
Main business	9,743,416,487.41	8,916,334,488.72	9,149,147,263.72	8,312,866,759.79
Other business	589,138,389.17	534,700,358.27	459,251,266.85	402,474,977.16
<b>Total</b>	10,332,554,876.58	9,451,034,846.99	9,608,398,530.57	8,715,341,736.95

(2) Income information

Item	Current Period		Last Period	
	Operation income	Operation cost	Operation income	Operation cost
Product				
Including: air conditioner	3,447,265.49	3,447,282.04	9,284,414.16	9,279,679.94
Refrigerator, freezer	7,786,693,499.05	7,182,764,867.61	7,620,019,850.61	6,971,955,522.77
Washing machine	1,722,549,267.91	1,529,070,147.07	1,298,981,507.21	1,129,740,688.09
Small household appliances and kitchen and bathroom	230,726,454.96	201,052,192.00	220,861,491.74	201,890,868.99
Other	589,138,389.17	534,700,358.27	459,251,266.85	402,474,977.16
Area				

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January 1, 2024 to December 31, 2024

(Unless other wise specified, RMB for record in the statement)

Item	Current Period		Last Period	
	Operation income	Operation cost	Operation income	Operation cost
Including: Domestic	5, 675, 953, 763. 65	5, 366, 965, 328. 84	5,565,648,590.03	5,302,764,073.54
Overseas	4, 656, 601, 112. 93	4, 084, 069, 518. 15	4,042,749,940.54	3,412,577,663.41
Subtotal	10, 332, 554, 876. 58	9, 451, 034, 846. 99	9,608,398,530.57	8,715,341,736.95

2. Investment income

Item	Current Year	Last Year
Long-term equity investment income by equity method	8,398,963.65	18,713,956.61
Long-term equity investment income by Cost method	32,784,230.13	168,821,072.56
Investment income obtained from the disposal of trading financial assets	18,233,784.22	-18,582,366.11
Investment income obtained from disposal of derivative financial assets	-8,333,541.14	
Interest income from debt investment during the holding period	20,153,596.85	14,558,956.62
Investment income of other non-current financial assets during holding period	14,911,850.55	12,932,690.90
The termination of income recognition for financial assets measured by amortized cost	-9,688,921.63	-6,157,758.00
Total	76,459,962.63	190,286,552.58

**XVII. Other supplementary information**

(1) Non-recurring gains and losses

(1) Detail

Item	Current Year	Note
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	-4, 568, 990. 35	
Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	95, 130, 581. 90	
Net profit and loss of subsidiaries arising from mergers of enterprises under the same control from the beginning of the period to the merger date	1, 918, 902. 01	

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Losses/gains from changes of fair values occurred in holding trading financial assets and trading financial liabilities, and investment income obtaining from the disposal of trading financial assets, trading financial liability and financial assets available-for-sale, excluded effective hedging business relevant with normal operations of the Company	-109,763,982.52	
Reversal of the account receivable depreciation reserves subject to separate impairment test	28,600,649.28	
Other non-operating income and expenses other than the above	3,048,181.61	
Subtotal	14,365,341.93	
Less: Impact number of enterprise income tax	-4,813,416.23	
Less: minority shareholders' equity (post-tax)	10,356,345.97	
Net non-recurring gains and losses attributable to the owner of the parent company	8,822,412.19	

2. Return on equity and earnings per share

Profit during the report period	Weighted average return on equity	Earnings per share/EPS (RMB/Share)	
		Basic EPS	Diluted EPS
Net profit attributable to ordinary shareholders of the parent company	11.18%	0.6790	0.6790
Net profit attributable to ordinary shareholders of the parent company after deduction of the non-recurring gains/losses	11.49%	0.6704	0.6704

Changhong Meiling Co., Ltd.

Chairman: Wu Dinggang

April 3, 2025