Stock Code: 600320 900947 Stock Name: Zhenhua Heavy Zhenhua B-share

Shanghai Zhenhua Heavy Industries Co., Ltd.
Annual Report 2025

CONTENTS

List of Reference Documents	Financial statements affixed with the signature and seal of legal representative, person in charge of accounting work and person in charge of accounting agency.
	Original auditors' report stamped by the accounting firm and signed and stamped with the certified public accountants.
	Original copies of the documents and announcements of the Company published on the newspaper designated by the CSRC during the reporting period.

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

Important Notice

I. The Board of Directors, directors, and officers of the Company hereby guarantee the truthfulness, accuracy and completeness of the contents carried in this annual report, guarantee no false record, serious misleading statement or great omission carried in this annual report and guarantee to assume the legal responsibilities jointly and separately.

II. All directors of the Company are present at the Board meeting.

III. Ernst & Young Hua Ming LLP issued a standard unqualified audit report for the Company.

IV. You Ruikai, chairman of the Company, Li Zhen, person in charge of accounting work, and Wang Minfei, person in charge of accounting agency (accountant in charge) hereby declare that the financial statements in this annual report are authentic, accurate and complete.

V. Proposal for profit distribution or common reserves capitalizing during the reporting period reviewed by the Board of Directors

To deliver reasonable returns to shareholders and strengthen their investment confidence, a profit distribution plan for 2025 has been proposed based on the Company's performance in 2025: to distribute a cash dividend of RMB 0.055 (tax included) per share to all shareholders, based on the total share capital registered on the record date for the implementation of the equity distribution (excluding shares held in the Company's designated securities repurchase account). The Company will not convert capital reserve into share capital, or grant bonus shares for 2025.

As of March 30, 2026, the Company's total share capital was 5,268,353,501 shares. After deducting 11,791,762 A-shares held in the Company's designated securities repurchase account, the base for distribution was 5,256,561,739 shares, on which basis the proposed total cash dividend amounts to RMB 289,110,895.65 (tax included). The total cash dividends for 2025 (including the interim cash dividend already distributed for the first half of 2025) amount to RMB 394,348,574.43. Should the Company's total share capital change prior to the record date for the implementation of the equity distribution, the Company intends to maintain the cash dividend per share unchanged and adjust the total amount of the distribution accordingly.

The proposed profit distribution plan is subject to approval at the Company's 2025 Annual General Meeting of Shareholders.

Relevant information regarding the parent company's unrecouped losses as of the end of the reporting period and their impact on matters such as the Company's profit distribution

☐ Applicable √ Not applicable

VI. Risk declaration of forward-looking statements

√ Applicable ☐ Not applicable

The forward-looking descriptions of future plans and development strategies covered in this report do not constitute substantial commitments by the Company to investors, and investors should be aware of the investment risks.

VII. Does the Company have non-operating funds occupied by the holding shareholder and its related parties?

No

VIII. Does the Company provide the external guarantees in breach of the stipulated decision- making procedure?

No

IX. Whether more than half of the directors cannot guarantee the authenticity, accuracy and completeness of the annual report disclosed by the Company?

No

X. Major Risk Warning

The company has described the related potential risks in this annual report. Investors may pay attention to the same. Please refer to "Management Discussion and Analysis" and related chapters for the risks the company may be confronted with in the future development.

XI. Others

☐ Applicable √ Not applicable

Section I Definitions

I. Definitions

The terms used in this report shall be defined as follows, unless otherwise specified:

Definition of common terms		
Company, the Company, ZPMC	Refers to	Shanghai Zhenhua Heavy Industries Co., Ltd.
CCCC	Refers to	China Communications Construction Company Ltd.
CCCG	Refers to	China Communications Construction Group Co., Ltd.
CCCG HK	Refers to	CCCG (HK) Holding Limited
Reporting period	Refers to	The period from January 1, 2025 to December 31, 2025

Section II Company Profile and Principal Financial Indexes

I. Company information

Company name in Chinese	上海振华重工（集团）股份有限公司
Abbreviation of the Company name in Chinese	振华重工
Company name in English	SHANGHAI ZHENHUA HEAVY INDUSTRIES CO.,LTD.
Abbreviation of the Company name in English	ZPMC
Legal representative of the Company	You Ruikai

II. Contact information

	Secretary of the Board of Directors	Securities Affairs Representative
Name	Sun Li	Cao Lu
Address	No. 3261, Dongfang Road, Shanghai	No. 3261, Dongfang Road, Shanghai
Telephone	021-50390727	021-50390727
Fax	021-31193316	021-31193316
E-mail	IR@ZPMC.COM	IR@ZPMC.COM

III. Basic Information

Registered address	No.3470, Pudong South Road, Shanghai
Changes of registered address	N/A
Office address	No. 3261, Dongfang Road, Shanghai
Postal code of office address	200125
Website	http://www.zpmc.com
E-mail	IR@ZPMC.COM

IV. Information disclosure and placement location

Media and websites where this Report is disclosed	Shanghai Securities News, www.cnstock.com China Securities Journal, www.cs.com.cn
Stock exchange website for disclosure of the annual report	http://www.sse.com.cn
Placement location of the annual report	Office of the Board of Directors

V. Stock information

Stock information				
Stock type	Stock exchange	Stock abbreviation	Stock code	Stock abbreviation before change
A-share	Shanghai Stock Exchange (SSE)	Zhenhua Heavy	600320	ZPMC Industries
B-share	Shanghai Stock Exchange (SSE)	Zhenhua B-share	900947	—

VI. Other relevant information

Public accounting firm engaged by the Company (domestic)	Name	Ernst & Young Hua Ming LLP
	Office address	Room 01-12, Floor 17th, Ernst & Young Tower Oriental Plaza, No.1 East Changan Street, Dongcheng District, Beijing
	Signed by the Accountants	You Fei, Huang Hongwei

VII. Main accounting data and financial indexes in recent three years

(I) Main accounting data

Unit: RMB, Currency: CNY

Main accounting data	2025	2024	Year-on-year change (%)	2023
Operating revenue	36,260,458,326	34,456,420,181	5.24	32,933,263,802
Total profits	1,116,024,014	937,429,252	19.05	785,157,669
Net profit attributable to the shareholders of the listed company	731,841,793	533,524,077	37.17	519,978,765
Net profit attributable to the shareholders of the listed company after deducting the non-recurring profits and losses	498,939,242	211,097,452	136.35	274,145,961
Net cash flows from operating activities	6,249,304,381	5,275,878,878	18.45	5,184,184,446
	At the end of 2025	At the end of 2024	Year-on-year change (%)	At the end of 2023
Net assets attributable to the shareholders of the listed company	16,176,507,028	15,867,533,500	1.95	15,756,552,794
Total assets	83,034,703,505	85,767,463,201	-3.19	84,864,576,091

(II) Major financial indexes

Major financial indexes	2025	2024	Year-on-year change (%)	2023
Basic earnings per share (RMB/share)	0.14	0.10	40.00	0.10
Diluted earnings per share (RMB/share)	0.14	0.10	40.00	0.10
Basic earnings per share after deducting non- recurring profits and losses (RMB/share)	0.09	0.04	125.00	0.05
Weighted average rate of return on net assets (%)	4.69	3.39	+1.30	3.37
Weighted average ROE after deducting non-recurring profits and losses (%)	3.19	1.29	+1.90	1.74

Explanations about the main accounting data and financial indexes in the past 3 years as at the end of the reporting period

√ Applicable ☐ Not applicable

The change in net profit attributable to shareholders of the listed company was mainly due to the increase in profit resulting from the increase in project delivery.

The change in net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses was mainly due to the increase in profit resulting from the increase in project delivery and the decrease in gains from asset disposals.

The change in basic earnings per share was mainly due to the increase in profit resulting from the increase in project delivery.

The change in diluted earnings per share was mainly due to the increase in profit resulting from the increase in project delivery.

The change in basic earnings per share after deducting non-recurring profits and losses was mainly due to the increase in profit resulting from the increase in project delivery and the decrease in gains from asset disposals.

VIII. Differences in accounting data under domestic and overseas accounting standards

(I) Difference in net profits and net assets attributable to the shareholders of the listed company in the financial statements synchronously disclosed under international and China’s accounting standards

☐ Applicable √ Not applicable

(II) Difference in net profits and net assets attributable to the shareholders of the listed company in the financial statements synchronously disclosed under foreign and China's accounting standards

☐ Applicable √ Not applicable

(III) Explanation for differences between the domestic and foreign accounting standards:

☐ Applicable √ Not applicable

IX. Main financial data in 2025 by quarter

Unit: RMB, Currency: CNY

	Q1 (Jan. to Mar.)	Q2 (Apr. to Jun.)	Q3 (Jul. to Sep.)	Q4 (Oct. to Dec.)
Operating revenue	8,517,137,247	8,878,569,412	8,610,978,826	10,253,772,841
Net profit attributable to the shareholders of the listed company	255,338,086	89,069,399	179,439,030	207,995,278
Net profit attributable to the shareholders of the listed company after deducting the non-recurring profits and losses	268,835,264	-22,738,576	117,208,191	135,634,363
Net cash flows from operating activities	1,877,299,473	1,606,531,331	-702,861,694	3,468,335,271

Explanations about the differences between the quarterly data and the data in periodically disclosed reports

☐ Applicable √ Not applicable

X. Non-recurring profit and loss items and amount

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Non-recurring profit and loss items	Amount in 2025	Note (if applicable)	Amount in 2024	Amount in 2023
Profit or loss from disposal of non-current assets, including the write-off portion of the provision of asset impairment	36,480,392		95,809,521	79,038,662
Government subsidies included in current profits and losses except for government subsidies closely related to the normal operations of the Company, in line with national policies, and obtained according to determined standards, with a lasting impact on the Company's profits and losses	157,488,939		154,291,909	107,480,822
Profit or loss from changes in fair value of financial assets and financial liabilities held by non-financial enterprises and from disposal of financial assets and financial liabilities, except for effective hedging operations associated with the Company's normal operations	81,459,300		122,619,695	94,482,602
Capital occupation fees charged to the non-financial enterprises and included in current profit or loss				
Profit or loss from the assets entrusted to others for investment or management				
Profit or loss from external entrusted loans				
Losses of various assets caused by force majeure such as natural disasters				
Reversal of provision for impairment of receivables subject to separate impairment test			37,819,017	
Profit generated when the Company's investment cost in acquiring the subsidiary, affiliated company and joint venture is less than the fair value of the recognizable net assets of the invested unit at the time of acquiring			1,914,106	
Other non-operating revenue and expenses except for the above-mentioned items	7,422,903		18,583,824	19,796,255
Other profit or loss items that conform to the definition of non- recurring profit or loss				

Non-recurring profit and loss items	Amount in 2025	Note (if applicable)	Amount in 2024	Amount in 2023
Less: Affected amount of income tax	43,453,352		74,475,101	45,161,118
Affected amount of minority equity (after tax)	6,495,631		34,136,346	9,804,419
Total	232,902,551		322,426,625	245,832,804

Explanations should be provided to the items not listed in the “Explanatory Announcement on Information Disclosure of Companies Offering Securities to the Public No. 1 - Non-recurring Profit or Loss”, but identified as non-recurring profit or loss items with significant amount by the Company, and the non-recurring profit or loss items listed in the “Explanatory Announcement on Information Disclosure of Companies Offering Securities to the Public No. 1 - Non-recurring Profit or Loss”, but defined as recurring profit or loss items by the Company.

☐ Applicable √ Not applicable

XI. Companies with equity incentive schemes or employee stock ownership plans may choose to disclose net profit after excluding the impact of share-based payments

☐ Applicable √ Not applicable

XII. Items measured at fair value

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Beginning balance	Ending balance	Current change	Impact on current profits
Jiangxi Huawu Brake Co., Ltd.	138,755,008	103,401,780	-35,353,228	84,062,335
China Railway Signal & Communication Corporation Limited	395,445,574	300,044,391	-95,401,183	-24,497,484
Hunan Fengri Power & Electric Co., Ltd.	33,199,200	45,993,605	12,794,405	171,626
CCCC Highway Bridges National Engineering Research Centre Co., Ltd.	13,179,019	15,235,278	2,056,259	0
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	7,937,621	9,555,259	1,617,638	0
Shenyang Weichen Crane Equipment Co., Ltd.	9,058,100	8,407,542	-650,558	0
Ningbo Weilong Port Machinery Co., Ltd.	24,208,224	33,296,629	9,088,405	0
Shanghai Longchang Lifting Equipment Co., Ltd.	739,815	0	-739,815	0
Jiangsu Zhangjinggao Bridge Co., Ltd.	75,410,000	75,410,000	0	0
Nezha Smart Technology (Shanghai) Co., Ltd.	26,798,909	23,297,528	-3,501,381	0
Total	724,731,470	614,642,012	-110,089,458	59,736,477

XIII. Others

☐ Applicable √ Not applicable

Section III Management Discussion and Analysis

I. Business operations during the reporting period

The Company is a well-known heavy equipment manufacturer and a state-owned company listed on A and B shares, and its holding company is China Communications Construction Group Co., Ltd., which is listed in Fortune Global 500. Headquartered in Shanghai, with several production bases in Shanghai and Suzhou and several overseas branches worldwide, the Company has more than twenty 60,000t to 100,000t complete transport vessels which can transport complete products to the world. At present, the products of the Company have been successfully sold to 111 countries and regions in the world.

Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company embraces the vision of building a world-class equipment manufacturing enterprise with global competitiveness. It pursues a talent-strong and technology-strong enterprise strategy, anchoring its operations in ports and steel structures — regarding ports as the foundation and steel as the framework. The Company concentrates on its core businesses of port machinery, offshore engineering equipment, and steel structures. It works comprehensively to enhance the core competitiveness of smart ports, and accelerates development toward high-end, intelligent, green, and global standards. The Company is committed to building a modern industrial system, vigorously fostering new quality productive forces, and systematically enhancing its integrated capabilities in equipment manufacturing and services. Through practical measures including clarifying its strategic roadmap, optimizing product performance, and refining customer services, the Company successfully achieved all major operating targets for 2025.

During the reporting period, newly signed contracts and awarded bids for the Company's port machinery business reached USD 4.6 billion, representing a year-on-year increase of 14.97%. Its ship-to-shore (STS) cranes continued to maintain the industry's leading position with the largest global market share. The traditional port machinery business posted steady gains. By deepening ties with key domestic and overseas customers, the Company secured several landmark contracts, including STS cranes for MARSA MAROC's Casablanca Port in Morocco, RTGs for Brazil's BTP Terminal, and expansion projects at Phase II of SIPG's Luodong Terminal and Ningbo's Meibei Terminal. The smart port business showed strong potential. The Company contributed to the commissioning of the Colombo West International Terminal (CWIT), Sri Lanka's first fully automated container terminal, and delivered the automated empty container yard at the Shangdong Terminal of Shanghai's Yangshan Phase IV Port. Inland waterway operations yielded early returns. The Company supported the launch of the Central Operation Area at Zhoukou Port's Central Port Zone, Henan Province's first dedicated container terminal with a one-million-TEU capacity. It also inaugurated its first partnership with Yunnan Communications Investment & Construction Group. The aftermarket segment expanded rapidly, highlighted by wins in multiple domestic automation upgrade tenders. Overseas, the Company drove the green transition of port operations through retrofit projects, notably converting diesel-powered equipment to electric.

The offshore engineering business pressed ahead steadily, booking USD 1.174 billion in new contracts and bids awarded during the year. Overseas expansion achieved new breakthroughs. The Company secured contracts for two offshore wind O&M mother vessels for France's LDA, marking its inaugural entry into the European wind farm support vessel market. It also landed contracts for multipurpose heavy-lift vessels, deepwater crane vessels, multifunctional cable-laying vessels, and a 1,600-ton gantry crane.

The steel structure business navigated significant headwinds, closing the year with USD 345 million in newly signed contracts and awarded bids. In bridge steel structures, the Company secured contracts for the Shiziyang Passageway and the Third Qiantang River Bridge. In wind power steel structures, several offshore converter stations under construction topped out. Upon completion, these facilities will play a pivotal role in scaling up China's offshore wind power development and advancing the national "Dual Carbon" goals.

The shipping business broadened its service portfolio, providing effective support for core operations. Other business segments advanced steadily.




Description of significant new non-core businesses during the reporting period

☐ Applicable" √ Not applicable

II. Industry overview during the reporting period

China's manufacturing sector is undergoing a pivotal shift from scale-led to innovation-led growth. Traditional industries are demonstrating strong revitalization in their transformation, while strategic emerging industries continue to expand. Policies supporting intelligent, green, and converged industrial development are being rolled out at pace, driving deeper advances in smart manufacturing, green manufacturing, and service-oriented manufacturing.

In port machinery, the development of world-class port clusters is accelerating, spurring robust demand for smart terminal upgrades. The industry is trending toward larger-scale, automated, intelligent, and greener solutions. New energy and lightweight equipment are moving from pilot programs to volume procurement, while exports of high-end machinery featuring LiDAR and machine vision technologies are growing steadily. In smart ports, the adoption of autonomous haulage trucks and intelligent dispatching systems is accelerating. 5G-plus IoT solutions have proven effective, unlocking demand for green infrastructure such as cold-ironing systems, energy storage, and PV installations. Major hub ports are increasingly playing a pivotal role in demonstrating best practices. In inland waterway machinery, the sector has entered a fast-growth phase driven by waterway upgrades and improved multimodal transport networks. Investment in inland infrastructure is poised to outpace that of seaports, driving significant demand for lightweight, intelligent equipment tailored to complex inland operating conditions. In the aftermarket segment, the vast global installed base of aging equipment is set to drive intensive demand for system upgrades and retrofits over the coming decade.

In offshore engineering, the industry is benefiting from dual tailwinds: cyclical recovery and structural upgrading. The global energy transition is fueling demand for wind turbine installation vessels (WTIVs) and O&M vessels. Deepwater oil and gas equipment is evolving toward greater intelligence and autonomy. With offshore wind capacity steadily expanding, global demand for high-end offshore equipment remains robust.

In steel structures, the advancement of national strategies, such as building a transportation powerhouse and new urbanization, underpins significant projected growth in the domestic bridge steel market. Concurrently, the rapid expansion of offshore wind capacity is driving sustained uptake of wind power steel structures.

III. Discussion and analysis of the performance

The year 2025 represented both the culmination of the Company's 14th Five-Year Plan and a pivotal juncture for formulating the 15th Five-Year Plan and charting the course for the next five years. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company thoroughly implemented the directives of the 20th CPC National Congress and all subsequent plenary sessions. Fully aligned with the decisions and plans of SASAC, and adhering to its overarching "123456" development framework, the Company accomplished all annual targets and delivered a high-quality conclusion to the 14th Five-Year Plan. During the reporting period, the Company significantly enhanced its development quality and efficiency, posting operating revenue of approximately RMB 36.26 billion, a year-on-year increase of 5.24%, and net profit attributable to the parent company of RMB 732 million, a year-on-year increase of 37.17%. The major initiatives undertaken are as follows:

First, the strategic roadmap became clearer. The Company refined its overall development strategy and formulated the master plan and supporting sub-plans for the 15th Five-Year Plan. It rolled out dedicated action plans that systematically map out three-year roadmaps, implementation pathways, and measures for each business line.

Second, the core businesses grew more robust. Business expansion gained further traction: the port machinery market was consolidated; the offshore engineering market was deepened; breakthroughs were achieved in the steel structure market; smart port capabilities were enhanced; design expertise was upgraded; and both inland waterway and aftermarket businesses grew rapidly. The shipping business provided solid support for core operations. Integrated service capabilities improved markedly. The Company deepened strategic partnerships with key customers and significantly enhanced cross-functional synergy spanning R&D, design, production, supply chain, logistics, and customer service. It also refined its customer service management system and launched the "OUR ZPMC" digital service platform.

Third, production fulfillment achieved higher quality. The Company streamlined coordinated management, optimized allocation of production, and ensured the effective operation of its two-tier production command system. Subcontracting oversight improved through standardized procurement and site management, alongside an optimized subcontractor mix. Project delivery quality and efficiency rose steadily, bolstered by dedicated task forces addressing key quality issues. Product quality improved continuously, with fulfillment rates increasing year-on-year across multiple production bases.

Fourth, improvements in quality and efficiency became more pronounced. The Company tightened comprehensive budget management, rolling out a project budgeting system to strengthen oversight across the entire budget cycle. Cost control measures yielded significant supply chain savings. Financial management improved through centralized fund management and stringent control over receivables, inventory, and prepayments — the "Three Types of Funds." Asset optimization initiatives enhanced the operational returns of PPP assets and self-owned properties.

Fifth, innovation-driven development became even more dynamic. The Company advanced high-end development, rolling out action plans for technological self-reliance and enhanced design management, culminating in the release of multiple international and national standards. It accelerated digital transformation by developing and implementing the "Digital and Intelligent ZPMC" Action Plan, encompassing management digitalization, data governance, smart manufacturing upgrades, and "AI Plus" applications, while advancing the implementation of smart-manufacturing projects. Green development progressed with the launch of a comprehensive decarbonization action plan and an energy-carbon management platform. The Company secured the world's first carbon footprint certification for STS cranes and RMGs, established industry benchmarks for carbon footprint quantification, and saw multiple subsidiaries recognized as local Green Factories.

Sixth, the workforce grew stronger. The Company bolstered talent development by rolling out dedicated initiatives for scientific researchers and overseas personnel. It optimized leadership appointments, deepening the tenure-based and contract-bound management system to build high-caliber leadership teams for regional headquarters. Furthermore, it advanced the development of its industrial workforce by issuing formal management regulations and a three-year action plan.

IV. Analysis of the core competitiveness during the reporting period

√ Applicable ☐ Not applicable

1. Market position advantages

The Company centers its strategy on core businesses of port machinery, offshore engineering equipment, and steel structures, while elevating the core competitiveness of smart ports and establishing diverse product families across these domains. In port machinery, the Company has retained its industry leadership in STS cranes for many consecutive years. It leverages cutting-edge design philosophies for port facilities and offers end-to-end design capabilities, encompassing smart port system integration and EPC services. In offshore engineering, the Company commands robust R&D and manufacturing capabilities for core supporting equipment. Key offerings, including large-scale cranes, jacking systems, and heavy-duty anchor winches, have earned strong market recognition domestically, backed by established technological innovation hubs. In steel structures, the Company maintains a significant market presence in bridges, offshore wind power, and marine engineering. It holds substantial technical reserves, and its production bases are fully equipped to handle diverse and complex fabrication processes.

2. Production resource advantages

The Company operates multiple modern production bases across Shanghai and Jiangsu, featuring a combined quay length of 10,208 meters and an annual steel fabrication capacity of one million tons. These diverse facilities integrate specialized workshops, expansive outdoor assembly yards, heavy-duty terminals, and a comprehensive fleet of large-scale lifting equipment, including ultra-large crane vessels, floating cranes, and gantry cranes. This infrastructure enables the efficient, high-quality, and safe execution of lifting operations for both in-house production and external customers. Furthermore, the Company owns a fleet of self-propelled heavy-lift vessels capable of transporting fully assembled large-scale products worldwide.

3. Technological R&D advantages

The Company aligns its R&D agenda with national priorities and industrial upgrading demands, anchored by a three-tier matrix of 10 innovation platforms spanning national, provincial/ministerial, and group levels. Notably, the National Engineering Research Center for Core Offshore Hoisting and Pipe-Laying Equipment became fully operational, spearheading major projects involving dredging equipment, pipe-laying/cable-laying vessels, and offshore wind power. During the reporting period, the Company kicked off 8 new national flagship projects and added 8 new R&D initiatives at the national and provincial-ministerial levels. Leveraging these platforms, it deepened its integrated "project-talent-platform" cultivation model to systematically nurture leading scientists and elite innovation teams.

Centered on its "3+1" core portfolio (port machinery, offshore engineering, steel structures, and smart ports), the Company rolled out pioneering equipment, including the 3E Ultra mega STS crane and the large-span double-rigid-leg automated RMG. It delivered the world's first automated terminal featuring a U-shaped process layout. Its proprietary Terminal Operating System (TOS) was deployed at inland container terminals. Additionally, the Company's first domestic full-rotation crane-piling machine was installed on a 110-meter elevated rotary piling vessel, while its core transmission components were integrated into China's largest-diameter domestically built tunnel boring machine, providing critical support for national megaprojects. The Company delivered the world's largest fully electric environmental cutter suction dredger and pioneered an integrated ecological dredging platform. It cracked bottleneck technologies, including intelligent perception and navigation controllers for port AGVs and DP2 dynamic positioning systems. The Company also launched iterations of key products, such as the Model S high-speed automated RMG and intelligent truck positioning systems, fostering a virtuous R&D-to-commercialization cycle.

During the reporting period, the Company assumed the role of Chair Secretariat of the ISO Port Terminals Subcommittee, actively driving the globalization of Chinese standards and cementing its industry leadership. The Company's excellence is reflected in its 4 National Science and Technology Progress Awards, 5 China Patent Excellence Awards, 35 provincial-ministerial S&T progress awards, and 1 provincial-ministerial technological invention award. It has been instrumental in drafting 9 international standards, 35 national standards, and 34 industry standards. Furthermore, it commands a portfolio of 2,721 valid patents, including 2,661 domestic and 60 international patents.

4. International presence advantages

The Company's products are present in 111 countries and regions worldwide. The Company operates 8 regional headquarters across the globe. It maintains overseas talent centers in India and Sri Lanka to safeguard delivery schedules and ensure rapid service response. Furthermore, it hosts research branches in Europe, North America, and Asia to deepen collaboration with local clients and deliver faster, superior technical services.

5. Marketing and customer service advantages

Driven by the principle of “customer-centricity — meeting needs and creating value,” the Company upholds a rapid-response ethos focused on efficiency, quality, and satisfaction. Aligning its innovation pipeline closely with market and user demands, the Company fields a customer service team of nearly 1,000 professionals. It has built an integrated, end-to-end ecosystem covering R&D, marketing, production, procurement, and service, enabling it to provide seamless, turnkey solutions from research, design, procurement and manufacturing to transportation, installation, and O&M.

6. Brand advantages

The homegrown “ZPMC” brand wields considerable influence in the global heavy equipment manufacturing sector. It was named among the first batch of Outstanding Brands among central SOEs by SASAC and has garnered accolades such as the Top 500 Chinese Brands, the Huapu Award, and the Jinpu Award.

7. Talent advantages

The Company’s core management team remains stable, boasting a well-balanced knowledge structure and age profile, coupled with global strategic vision, extensive practical backgrounds, and strong decision-making capabilities. The Company invests heavily in talent development, maintaining a robust HR system covering recruitment, training, and remuneration. It continues to expand its pool of core technical experts, thereby enhancing professional proficiency and providing sustained, high-quality brainpower to underpin the growth of all business lines.

V. Primary business performance during the reporting period

During the reporting period, the Company’s operating revenue was steadily rising, reaching RMB 36.260 billion, representing a year-on-year increase of 5.24%; the net profit attributable to shareholders of the parent company amounted to RMB 732 million, representing a year-on-year growth of 37.17%; net cash flows from operating activities totaled RMB 6.249 billion, up 18.45% compared to the same period last year.

(I) Analysis of main business

1. Analysis table of changes in the related items in profit statement and cash flow statement

Unit: RMB, Currency: CNY

Item	2025	2024	Change (%)
Operating revenue	36,260,458,326	34,456,420,181	5.24
Operating costs	31,278,160,080	30,060,171,301	4.05
Selling and distribution expenses	236,909,842	232,654,482	1.83
General and administrative expenses	837,981,962	818,457,672	2.39
Financial expenses	330,376,439	324,945,799	1.67
Research and development expenditures	1,515,374,795	1,502,397,344	0.86
Net cash flows from operating activities	6,249,304,381	5,275,878,878	18.45
Net cash flows from investment activities	-473,108,409	-221,754,360	N/A
Net cash flows from financing activities	-7,026,172,711	-4,303,151,262	N/A
Investment income	144,556,726	78,121,431	85.04
Income from fair value change	-7,820,546	13,425,987	-158.25
Credit impairment loss	-545,528,648	-418,414,816	N/A
Assets impairment losses	-386,685,061	-200,815,539	N/A
Income from disposal of assets	42,148,850	106,961,574	-60.59

The change in operating revenue was mainly due to the increase in project deliveries.

The change in operating costs was mainly due to the increase in operating cost as a result of the increase in operating revenue.

The change in selling and distribution expenses was mainly due to the Company’s increased efforts in market expansion and marketing.

The change in general and administrative expenses was mainly due to higher employee compensation for management personnel.

The change in financial expenses was mainly due to reduced exchange gains resulting from fluctuations in the exchange rate of RMB against USD.

The change in research and development expenditures was mainly due to the increase in the expensed expenditures for research and development projects of the Company.

The change in net cash flows from operating activities was mainly due to the decrease in cash payments for the Company's purchase of goods and receipt of services.

The change in net cash flows from investment activities was mainly due to the decrease in cash from investment withdrawal.

The change in net cash flows from financing activities was mainly due to the decrease in the borrowings of the Company from banks.

The change in investment income was mainly due to the increase in investment income from associates and the decrease in losses on derecognition of financial assets measured at amortized cost during the reporting period.

The change in income from fair value change was mainly due to the disposal of shares by the Company during the year.

The change in credit impairment loss was mainly due to the increase in provisions for bad debts recognized during the reporting period.

The change in assets impairment losses was mainly due to the increase in provisions for impairment of contract assets recognized during the reporting period.

The change in income from disposal of assets was mainly due to the decrease in income from disposal of fixed assets during the reporting period.

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

☐ Applicable √ Not applicable

2. Analysis of revenue and cost

√ Applicable ☐ Not applicable

The Company realized operating revenue of approximately RMB 36.260 billion, representing a year-on-year increase of 5.24%; the operating cost was RMB 31.278 billion, representing a year-on-year increase of 4.05%.

(1) Main business by sector, product, region and sales model

Unit: RMB, Currency: CNY

Main business by product						
Product	Operating revenue	Operating costs	Gross profit rate(%)	Year-on- year change in operating revenue (%)	Year-on-year change in operating cost (%)	Year-on-year change in gross profit rate (%)
Port machinery	22,776,108,389	19,303,237,872	15.25	10.60	10.30	+0.23
Heavy equipment	7,382,674,206	6,822,593,786	7.59	-10.97	-9.57	-1.43
Engineering construction projects	285,913,696	374,896,137	-31.12	-30.86	-17.56	-21.16
Steel structure and related income	3,396,764,185	3,178,636,007	6.42	1.64	-3.49	+4.97
Marine transport and others	2,261,886,121	1,470,175,904	35.00	38.29	29.92	+4.18

Main business by region						
Region	**Operating revenue**	**Operating costs**	**Gross profit rate(%)**	**Year-on- year change in operating revenue (%)**	**Year-on-year change in operating cost (%)**	**Year-on-year change in gross profit rate (%)**
Chinese Mainland	19,673,193,097	17,452,051,085	11.29	8.81	17.09	-6.28
Chinese Mainland (export sales)	551,014,260	471,458,410	14.44	276.40	231.76	+11.52
Europe	2,846,772,292	2,459,593,417	13.60	98.00	79.52	+8.90
Asia (excluding Chinese Mainland)	7,035,536,493	5,553,303,262	21.07	-28.13	-41.60	+18.21
North America	3,150,614,443	2,863,379,602	9.12	89.24	103.34	-6.30
South America	432,392,071	337,554,197	21.93	-63.80	-67.05	+7.69
Africa	2,393,015,993	1,994,999,174	16.63	33.70	40.80	-4.21
Oceania	20,807,948	17,200,559	17.34	-88.02	-88.51	+3.52

Explanations for the main business by sector, product, region and sales model

1. The amount listed in “Chinese Mainland (export sales)” in “Main business by region” was the main operation income from the export sales of the Company to the overseas subsidiaries of the Company and then sales to the related projects of the domestic customers.

(2) Analysis table of cost-volume-profit relationship

☐ Applicable √ Not applicable

(3) Fulfillment of major purchasing contracts and sales contracts

√ Applicable ☐ Not applicable

Fulfillment of major sales contracts signed by the reporting period

√ Applicable ☐ Not applicable

Unit: RMB 100 million, Currency: CNY

Subject-matter of contract	The opposite party	Total contracted value	Total amount performed	Amount performed during the reporting period	Amount to be performed	Normally performed or not	Explanation for abnormal performance of the contract
Contract for ECT Terminal of East Port, Sri Lanka	Chairman of Sri Lanka Ports Authority	2.8256	2.57748	0.74084	0.24812	Yes	
Procurement of double-trolley quayside container cranes for Phase I project of the Container Terminal Project in East Operation Section of Yantian Port Area, Shenzhen Port (secondary)	Hu Chaoyang	12.93	7.4994	1.9395	5.4306	Yes	
Deepwater crane vessel construction project for Guangzhou Salvage Bureau	Liu Jinzhang	11.488	1.7232	1.7232	9.7648	Yes	

Note: Unit of contracted value of Sri Lanka Project: USD 100 million

Fulfillment of major purchasing contracts signed by the reporting period

☐ Applicable √ Not applicable

(4) Cost analysis

Unit: RMB, Currency: CNY

Information based on product							
Product	**Items of cost structure**	**2025**	**Proportion in total cost in the current period (%)**	**2024**	**Proportion of the one in the same period of the last year in total costs (%)**	**Year-on-year change (%)**	**Description**
Port machinery	Raw material cost, labor cost and production cost	19,303,237,872	61.97	17,500,885,960	58.48	10.30	Normal operating fluctuations
Heavy equipment	Raw material cost, labor cost and production cost	6,822,593,786	21.90	7,544,542,230	25.21	-9.57	Normal operating fluctuations
Engineering construction projects	Raw material cost, labor cost and production cost	374,896,137	1.20	454,731,637	1.52	-17.56	Normal operating fluctuations
Steel structure and related income	Raw material cost, labor cost and production cost	3,178,636,007	10.20	3,293,532,465	11.01	-3.49	Normal operating fluctuations
Marine transport and others	Raw material cost, labor cost and production cost	1,470,175,904	4.72	1,131,566,701	3.78	29.92	Normal operating fluctuations

Other information about cost analysis

None

(5) Changes in consolidation scope attributable to changes in equity of main subsidiaries during the reporting period

☐ Applicable √ Not applicable

(6) Significant change or adjustment of business, products or service during the reporting period

☐ Applicable √ Not applicable

(7) Particulars about main customers and suppliers

Customers or suppliers under common control shall be presented on a combined basis as the same customer or supplier, except where they are ultimately controlled by the same state-owned assets administration authority.

Explanation of customer and supplier information presented on a combined basis according to the common-control principle

CCCG and its subsidiaries are presented on a combined basis

A. Main customers and suppliers of the Company

√ Applicable ☐ Not applicable

The sales to the top 5 customers were RMB 7,377,896,200, accounting for 20.35% of the total annual sales; the sales to the related parties among the top 5 customers were RMB 2,849,411,000, accounting for 7.86% of the total annual sales.

The purchases from the top 5 suppliers were RMB 4,036,180,600, accounting for 15.98% of total annual purchases; the purchases from the related parties among the top 5 suppliers were RMB 1,221,953,500, accounting for 4.84% of total annual purchases.

B. Indicate whether sales to a single customer accounted for over 50% of the total sales, there was any new customer in the top five customers, or the Company heavily relied on a few number of customers during the reporting period.

☐ Applicable √ Not applicable

Indicate whether sales to a single supplier accounted for over 50% of the total sales, there was any new supplier in the top five suppliers, or the Company heavily relied on a few number of suppliers during the reporting period.

☐ Applicable √ Not applicable

C. Indicate whether the Company's shares were subject to delisting risk warning or other risk warning during the reporting period

Top 5 customers

☐ Applicable √ Not applicable

Top 5 suppliers

☐ Applicable √ Not applicable

D. Indicate whether the Company generated revenue from trading business during the reporting period

☐ Applicable √ Not applicable

Top 5 customers where trading business revenue accounted for more than 10% of operating revenue

☐ Applicable √ Not applicable

Top 5 suppliers where trading business revenue accounted for more than 10% of operating revenue

☐ Applicable √ Not applicable

Other description:

None

3. Expenses

√ Applicable ☐ Not applicable

For details, see "Section III. V. Primary business performance during the reporting period — (I) Analysis of main business — 1. Analysis table of changes in the related items in profit statement and cash flow statement" of this report.

4. R&D investments

(1) Detail table of R&D investments

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Current expensed R&D investments	1,515,374,795
Current capitalized R&D investments	0
Total R&D investments	1,515,374,795
Proportion of total R&D investments in operating revenue (%)	4.18
Proportion of capitalized R&D investments (%)	0

(2) Detail table of R&D employees

√ Applicable ☐ Not applicable

Number of R&D employees in the Company	1,890
Proportion of number of R&D employees in the total employees of the Company (%)	23.82
Educational structure of R&D employees	
Educational structure category	**Number**
Doctor	16
Master	298
Undergraduate	1,403
Junior College	149
Senior high school and below	24

Age structure of R&D employees	
Age structure category	**Number**
Under 30 (exclusive)	304
30-40 (inclusive of 30 and exclusive of 40)	613
40-50 (inclusive of 40 and exclusive of 50)	815
50-60 (inclusive of 50 and exclusive of 60)	153
60 and above	5

(3) Explanation

☐ Applicable √ Not applicable

(4) Reasons for any significant change in the composition of R&D employees and the impact on the future development of the Company

☐ Applicable √ Not applicable

5. Cash flows

√ Applicable ☐ Not applicable

For details, see "Section III. V. Primary business performance during the reporting period — (I) Analysis of main business — 1. Analysis table of changes in the related items in profit statement and cash flow statement" of this report.

(II) Explanation for the significant changes in profits due to non-main business

☐ Applicable √ Not applicable

(III) Analysis of assets and liabilities

√ Applicable ☐ Not applicable

1. Assets and liabilities

Unit: RMB, Currency: CNY

Item	Amount at the end of the current period	Proportion of the amount at the end of the current period in total assets(%)	Amount at the end of the previous period	Proportion of the amount at the end of the previous period in total assets (%)	Year- on- year change (%)	Description
Notes receivable	149,325,265	0.18	50,000,000	0.06	198.65	
Non-current assets due within one year	888,580,054	1.07	1,346,060,900	1.57	-33.99	
Other current assets	1,338,624,990	1.61	858,154,532	1.00	55.99	
Right-of-use assets	17,568,182	0.02	37,979,304	0.04	-53.74	
Short-term borrowings	3,686,556,417	4.44	2,297,334,457	2.68	60.47	
Non-current liabilities due within one year	4,309,086,267	5.19	6,745,720,647	7.87	-36.12	
Estimated liabilities	302,749,809	0.36	208,887,331	0.24	44.93	

Other description:

The change in notes receivable was mainly due to the increase in commercial bills endorsed or discounted by the Company during the reporting period that may not satisfy the derecognition criteria.

The change in non-current assets due within one year was mainly due to the decrease in the Company's long-term receivables due within one year.

The change in other current assets was mainly due to the increase in the Company's input tax to be deducted.

The change in right-of-use assets was mainly due to the decrease in the Company's leased assets.

The change in short-term borrowings: was mainly due to the increase in the short-term borrowings of the Company from banks.

The change in non-current liabilities due within one year was mainly due to the decrease in the long-term borrowings due within one year of the Company from banks.

The change in estimated liabilities was mainly due to the increase in the Company's estimated after-sales service costs.

2. Overseas assets

√ Applicable ☐ Not applicable

(1) Asset size

Including: Overseas assets of 22,566,435,910 (Unit: RMB, Currency: CNY), accounting for 27.18% of the total assets.

(2) Related explanation for relatively high proportion of overseas assets

☐ Applicable √ Not applicable

3. Particulars about main restricted assets as at the end of the reporting period

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Book value at the end of the period	Reason for restriction
Monetary funds	28,075,380	Special fund, L/C deposits, L/G deposits, etc. in the overseas supervision account
Fixed assets	2,294,086,970	Collateral for loan
Long-term receivables	1,015,896,808	Hypothecation for loan
Other non-current assets	3,492,464,663	Hypothecation for loan
Contract assets	193,452,361	Hypothecation for loan
Accounts receivable	357,764,154	Hypothecation for loan
Intangible assets	1,483,548,403	Hypothecation for loan

4. Other description

☐ Applicable √ Not applicable

(IV) Analysis of operational information of the industry

√ Applicable ☐ Not applicable

Globally, the political and economic landscape remains highly volatile, with regional conflicts proliferating and uncertainties and complexities in the international environment mounting significantly. Concurrently, the ongoing technological revolution and industrial transformation continue to unlock new industry opportunities. Despite mounting external headwinds, the fundamental pillars underpinning China's high-quality development — a resilient economic base, distinct comprehensive advantages, robust dynamism, and immense growth potential — remain firmly in place, sustaining the long-term positive trajectory.

In the port machinery sector, demand for automation and smart terminal upgrades retains considerable upside. Equipment demand across BRI economies remains resilient, while the country's push to bolster inland waterway shipping is spawning fresh opportunities. Nevertheless, the sector is grappling with intensifying competition and sustained margin compression amid rising costs. Global supply chain disruptions and shifting trade patterns have introduced heightened uncertainty into overseas expansion. Furthermore, the accelerated iteration of high-end, green, and intelligent technologies is placing elevated demands on corporate innovation capabilities.

In the offshore engineering sector, long-term fundamentals point to a stable and constructive outlook. Offshore wind power has solidified its role as a critical pillar of the marine economy and the broader new energy landscape, though near-term headwinds persist. Volatility in global energy markets, slower project investment cycles, and escalating competition have collectively tempered the pace of recovery. Compounding this, the accelerated evolution of high-end equipment, intelligent systems, and key supporting components continues to entrench technological barriers, placing intensified pressure on delivery timelines, quality benchmarks, and cost controls, thereby demanding superior integrated capabilities.

In the steel structure market, synergies between transportation infrastructure and the new energy industry continue to underpin robust growth potential for bridge and wind power steel structures. However, the sector faces escalating homogeneous competition and volatile raw material costs, which are squeezing margins and complicating cost control. The bar for high-end fabrication is being raised by exacting requirements for process precision, weld quality, anti-corrosion technologies, and intelligent manufacturing proficiency.

(V) Analysis of investment

Overall analysis of external equity investment

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Investment amount by the end of reporting period	2,401,013,967
Changes in investment amount	-90,870,112
Investment amount in the same period of the last year	2,491,884,079
Change in investment amount (%)	-3.65

1. Significant equity investment

☐ Applicable √ Not applicable

2. Significant non-equity investment

☐ Applicable √ Not applicable

3. Financial assets measured at fair value

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Asset class	Beginning balance	Profit or loss on changes in fair values for the period	Accumulated fair value changes recognized in equity	Impairment provision for the period	Amount purchased in the period	Amount sold/ redeemed in the period	Other changes	Ending balance
Stock	534,200,582	-7,820,546				-122,933,865		403,446,171
Total	534,200,582	-7,820,546				-122,933,865		403,446,171

Securities investment

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Securities Variety	Stock code	Stock abbreviation	Initial investment cost	Fund source	Book value at the beginning of the period	Profit or loss on changes in fair values for the period	Accumulated fair value changes recognized in equity	Amount purchased in the period	Amount sold in the period	Profit or loss on investments in the period	Book value at the end of the period	Accounting subject
Stock	03969	CRSC	617,854,000	Self-owned funds	395,445,574	21,604,639			-117,005,822	-21,616,648	300,044,391	Held-for-trading financial assets
Stock	300095	Huawu Stock	11,071,606	Self-owned funds	138,755,008	-29,425,185			-5,928,043	110,722,262	103,401,780	Held-for-trading financial assets
Total	/	/	628,925,606	/	534,200,582	-7,820,546			-122,933,865	89,105,614	403,446,171	/

Statement of securities investment

☐ Applicable √ Not applicable

Private equity investment

☐ Applicable √ Not applicable

Derivatives investment

☐ Applicable √ Not applicable

4. Progress on the major assets restructuring during the reporting period

☐ Applicable √ Not applicable

(VI) Sales of significant assets and equities

√ Applicable ☐ Not applicable

On April 27, 2025, the 11th meeting of the Ninth Board of Directors reviewed and approved the "Proposal on Reviewing the Disposal of Equity Assets at the Right Time", whereby the Company and its subsidiaries Shanghai Zhenhua Port Machinery (Hong Kong) Co., Ltd. planned to dispose of part or all of the held-for-trading financial assets at an appropriate time based on the market conditions. The Board of Directors authorized the Company's management to dispose of the situation at an appropriate time based on the stock market conditions. See the relevant announcement (Extraordinary Announcement No. 2025-017) disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information disclosure media on April 28, 2025 for details.

See paragraph "(V) Analysis of investment" of "Part V. Primary business performance during the reporting period" under "Section III Management Discussion and Analysis" of this annual report for details of the Company's holdings.

(VII) Analysis of the primary holding companies and the joint-stock companies

√ Applicable ☐ Not applicable

Information on main subsidiaries and associates contributing more than 10% of the Company's net profit

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Company Name	Type of company	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Nantong Zhenhua Heavy Equipment Manufacturing Co., Ltd.	Subsidiary	Design, construction, dismantling, and services relating to large-scale port equipment, container yard cranes, general machinery and equipment, gearboxes and their components and spare parts; specialized contracting for steel structure engineering; design, construction, dismantling, and services relating to bridge steel structures, building steel structures, and large metal structural components and their accessories; design, construction, dismantling, and services relating to offshore wind power installation platforms, wind power modules, equipment, components, and supporting facilities; EPC contracting for offshore engineering; design, construction, dismantling, and services relating to offshore engineering equipment, offshore living platforms, oil and gas modules, equipment, components, and supporting facilities, among others.	2,500,000,000	7,166,121,357	2,527,550,941	5,336,516,846	27,230,152	53,357,406

Company Name	Type of company	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shanghai Zhenhua Heavy Industries Port Machinery General Equipment Co., Ltd.	Subsidiary	Sales of port loading and unloading machine, bulk cargo and container machine, port engineering vessels (including floating engineering cranes), material handling machinery products and parts; sales and technical services, installation and maintenance, technical consultation of all types of machine and equipment, key parts of the raw materials and accessories equipment; crane manufacturing, installation, modification and maintenance, steel structure fabrication, among others.	2,184,730,000	2,360,616,421	2,161,757,527	332,985,375	151,923	180,684
Shanghai Zhenhua Heavy Industries Group (Nantong) Transmission Machinery Co., Ltd.	Subsidiary	Construction and installation of large-scale port equipment, engineering vessels, offshore heavy equipment, mechanical equipment, gear box for wind power generation equipment; large-sized reverse branch, transmission mechanism, dynamic positioning, large-sized anchor windlass, offshore oil platform lifting device and components; design and manufacturing of the accessories	738,878,329	2,468,534,948	1,774,537,938	1,154,887,486	127,541,699	103,804,519
Shanghai Zhenhua Port Machinery (Hong Kong) Co., Ltd.	Subsidiary	Design, manufacturing and sales of port machinery, engineering vessel, steel structure and other parts	HKD 50,000,000	12,849,723,770	336,631,821	3,538,542,147	27,161,049	17,159,297
Greenland Heavylift (Hongkong) Limited	Subsidiary	Marine transport	USD 91,975,158	2,694,489,992	1,430,037,186	821,565,161	359,986,910	359,777,140
ZPMC Qidong Marine Engineering Co., Ltd.	Subsidiary	Construction, repair, conversion, and sale of general-purpose and specialized vessels of up to 100,000 tons, offshore engineering platforms; steel structure fabrication and sales; manufacture and sale of marine supplies and accessories; ship technical consulting services, among others.	303,000,000	1,755,482,973	-1,142,008,127	3,314,575,668	46,912,450	50,504,935

Acquisition and disposal of subsidiaries during the reporting period

√ Applicable ☐ Not applicable

Company Name	Method of acquisition and disposal of subsidiaries during the reporting period	Impact on overall production, operations, and operating results
ZPMC Morocco Co., Ltd.	Newly established	As of December 31, 2025, this subsidiary had no material impact on the Company's overall production, operations, or operating results.
CCCC Zhenhua Offshore Hoisting and Pipe-Laying Core Equipment Engineering Technology (Shanghai) Co., Ltd.	Newly established	As of December 31, 2025, this subsidiary had no material impact on the Company's overall production, operations, or operating results.
ZPMC Group (Hainan) Co., Ltd.	Newly established	As of December 31, 2025, this subsidiary had no material impact on the Company's overall production, operations, or operating results.
Zhenhua Haitong Intelligent Equipment Co., Ltd.	Deregistered	As of the date of deregistration, this subsidiary had no material impact on the Company's overall production, operations, or operating results.

Other description

☐ Applicable √ Not applicable

(VIII) Particulars about structured entities controlled by the Company

☐ Applicable √ Not applicable

VI. Discussion and analysis of the future development of the Company

(I) Industrial structure and trend

√ Applicable □ Not applicable

For more details, see "Part II. Industrial situation of the Company during the reporting period" and paragraph "(IV) Analysis of operational information in the industry" of "Part V. Primary business performance during the reporting period", both under the "Section III Management Discussion and Analysis".

(II) Development strategy of the Company

√ Applicable □ Not applicable

1. Development strategy

(1) Pursue one vision: Build a world-class equipment manufacturing enterprise with global competitiveness, anchored by outstanding products, a prestigious brand, cutting-edge innovation, and modern governance.

(2) Consolidate two foundations: Uphold the principle that science and technology are the primary productive force, talent is the primary resource, and innovation is the primary driver. Execute the strategies of strengthening the enterprise through talent empowerment and technological advancement.

(3) Focus on three core businesses: Embrace a global outlook centered on manufacturing excellence and core-business specialization. Stay laser-focused on the customer by meeting needs and creating value. Grounded in ports and steel structures as twin pillars, the Company will double down on its three core businesses: port machinery, offshore engineering, and steel structures. This will enable it to expand its product families, elevate the core competitiveness of smart ports, accelerate the build-out of a modern industrial system, and vigorously cultivate new quality productive forces.

(4) Accelerate development across four dimensions: Pivot toward high-end, intelligent, green, and integrated development: high-end to set direction, intelligence to drive efficiency, green to define identity, and integration to foster synergy. The Company is committed to delivering "ZPMC Solutions," developing "ZPMC Products," establishing "ZPMC Standards," and enhancing the "ZPMC" brand.

(5) Fully implement the five core principles of "Innovation, Green Development, Digital Intelligence, Integration, and Sustainability": The Company will refine its management approach — emphasizing coordination, innovation, lean practices, efficiency, and sharing. Driving a strategic pivot from volume to value, the Company is shifting from selling products to selling premium technologies, from equipment to integrated systems, from hardware to software (services), from an overseas focus to a balanced global presence, and from conventional production to intelligent, green manufacturing. These efforts will cement its position as the world's leading manufacturer and transporter of port machinery, premier provider of automated terminal solutions, and a globally recognized builder of specialized vessels and large-scale steel structures.

(6) Adhere to six guiding principles, systematically address six enduring strategic issues, and accomplish six major initiatives: Prioritize the "Six Core Elements": technologies and products, teams, competitiveness, markets, profit models, and brand culture. The Company will sharpen its integrated capabilities across market development, R&D, supply chain management, smart manufacturing, logistics, and customer service. It aims for the "Six Zeros": zero safety incidents, zero quality defects, zero emissions, zero delays, zero waste, and zero complaints.

(III) Operation plan

√ Applicable □ Not applicable

The Company stays firmly customer-centric, satisfying customer needs and creating customer value. It will aggressively capture incremental opportunities arising from China's "one network, four priorities" approach (i.e., building a modern, high-quality national comprehensive 3D transportation network, with a focus on integrated convergence, safety enhancement, digital-intelligent upgrading, and green transition) and the BRI. It will deepen strategic, innovation, and developmental synergies across the global partnership network to bolster its core product competitiveness.

The port machinery business will cement its market leadership and core competitiveness. While consolidating the dominance of its STS cranes, the Company will drive cost efficiency and productivity in yard cranes and comprehensively upgrade the performance of mobile harbor machinery. The smart port business will enhance its capabilities in delivering integrated hardware-software solutions, system integration, and value-added services. The inland waterway business will focus on developing standardized, prefabricated, and lightweight products, gradually establishing a proven development model for this market. The aftermarket business will refine its end-to-end service system across the entire value chain. The Company will control costs through essential non-fee services while expanding its market share via premium fee-based services, simultaneously driving service enhancement and business model innovation. The offshore engineering business will center on cornerstone products such as dredgers, crane vessels, and pipe-laying vessels to elevate our R&D and manufacturing prowess. The steel structure business will overhaul its operational, managerial, and production models, with a strategic focus on bridge and wind power steel structures. The shipping business will ensure stable operations by enhancing internal service quality, expanding external markets to generate value, and optimizing asset management to preserve and appreciate asset value. The investment business will align closely with the Company's core strategy, channeling resources into strategic equity investments, upgrades and transformations, and business model innovation. New industries (and new products) will target supply chain security and autonomy, support the transformation of core businesses, and address the critical needs of key clients. The Company will extend the industrial chain, deepen the value chain, integrate the supply chain, and unlock new market frontiers.

(IV) Potential risks

√ Applicable ☐ Not applicable

1. Market risk

The main business of the Company is closely related to the operation and development of macro economy and the industry cycle of the shipping industry. Currently, the complexity and challenges of the global economic situation, together with geopolitical tensions, food safety, energy security, rising inflation, and escalating debt crises, will continue to affect global trade and investment, as well as the stability of international financial markets. The Company will, based on more accurate analysis and judgment of the macroeconomic environment, promptly identify systemic risks, and proactively develop contingency plans to address potential risks.

2. Interest rate and exchange rate risk

The Company's interest rate risk mainly comes from interest-bearing liabilities. In addition, a certain proportion of overseas business brings a certain scale of foreign exchange revenue and expenditure to the Company. The Company will pay close attention to changes in exchange rates, optimize the structure of foreign currency assets and liabilities, adhere to the concept of exchange rate risk neutrality, incorporate exchange rate fluctuations into daily financial decisions, consider exchange costs into project costs, and prevent exchange rate fluctuations from having a large impact on operating results, so as to achieve sound business development.

3. Supply chain security

As an export-oriented enterprise, the Company faces persistent pressures regarding the security and stability of international supply chains. It will deepen supply chain management, integrate internal and external resources, and advance systemic supply chain development to bolster resilience and security. Strengthening supply autonomy, the Company will accelerate technological upgrades and capacity building for key systems, including electrical control assemblies, cable reels, and elevators, to forge a core competitiveness that drives sustainable growth.

(V) Others

☐ Applicable √ Not applicable

VII. Explanation of circumstances and reasons for non-disclosure by the Company in consideration of inapplicable regulations, state secrets and commercial secrets

☐ Applicable √ Not applicable

Section IV Corporate Governance, Environment, and Social

I. Related information about corporate governance

√ Applicable □ Not applicable

During the reporting period, the Company demonstrated strict adherence to the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, and other relevant laws, regulations and regulatory guidelines. Upholding rigorous operational standards and legal compliance, the Company continuously optimized its governance structure and elevated governance efficacy. In 2025, the Company convened 3 general meetings of shareholders and 10 meetings of the Board of Directors, all conducted in full compliance with laws, regulations, and internal policies regarding convening, holding, voting, and disclosure procedures.

Actively implementing reforms to the Board of Supervisors, the Company systematically revised the Articles of Association, the Rules of Procedure of the Board of Directors, and the Rules of Procedure of the General Meeting of Shareholders. These measures optimized its governance structure and deliberation processes, laying a bedrock for the efficient operation of the new governance framework. The Company strengthened the audit and risk committee of the Board of Directors to ensure a seamless transition of oversight responsibilities. Committed to fostering a scientific, prudent, and efficient Board of Directors, the Company optimized its composition by electing employee directors through the Workers' Congress. These directors participate in major decision-making, represent employee interests, and foster the organic integration of the workforce's will with corporate governance. The Company fully leverages the role of independent directors in decision-making, oversight, and professional consultation. Drawing on their professional experience and industry experience, they provide objective insights for strategic planning, risk control, and standardized operations. Through attendance at key meetings, review of operational reports, and professional training, they gain deep insights into the Company's business, thereby sharpening their oversight effectiveness and bolstering the scientific rigor and efficacy of Board decisions.

The Company strictly complies with the Securities Law, the Administrative Measures for Information Disclosure of Listed Companies, and other applicable laws and regulations. It has strengthened internal controls, refined its information disclosure policies, elevated disclosure quality, safeguarded its standing in the capital market, and protected investors' right to know. The Company discloses information through designated channels, including the SSE website, China Securities Journal, and Shanghai Securities News, publishing 107 announcements and related filings during the year. It regularly produced "One-Chart Digest" versions of its reports to enhance readability and dissemination efficiency. The Company strengthened investor relations by revising the Investor Relations Management Measures, formulating an annual IR work plan, and preparing structured roadshow materials to articulate its investment thesis. It tracked capital market dynamics to inform IR strategy. Through multiple channels, including the investor hotline, the SSE e-Interaction platform, earnings calls, and roadshows (including reverse roadshows), the Company maintained frequent, substantive engagement with investors. During the reporting period, brokerages including Zheshang Securities and Huatai Securities initiated or updated coverage, assigning the Company "Overweight" or "Buy" ratings. The Company's capital market profile strengthened markedly, and its IR efforts gained further traction.

The Company stepped up its ESG efforts, publishing multiple sustainability reports and putting in place an initial "1+N" corporate responsibility reporting matrix. It actively participated in ESG assessments, with its 2024 ESG Report rated Four-and-a-Half Stars. The Company also distilled and disseminated its best practices, with its cases named among the "Excellent Sustainability Practice Cases" by the China Association for Public Companies. In 2025, the Company was named to the "China ESG Top 100 Pioneer Central SOEs (Listed)" and received the "Responsibility Top Bull Awards · Overseas ESG Pioneer." These recognitions underscore its commitment to corporate responsibility and long-term value creation, further strengthening investor trust and market recognition.

Indicate whether there are any material differences between the Company's corporate governance practices and the relevant provisions on listed company governance under PRC laws, administrative regulations, and CSRC rules; if any, explain the reasons

☐ Applicable √ Not applicable

II. Specific measures taken by the controlling shareholder and actual controller to guarantee the asset, personnel, financial, organizational and business independence of the Company, as well as solutions, progress and subsequent plans when the Company's independence is intervened

☐ Applicable √ Not applicable

Indicate whether the controlling shareholder, the actual controller, or any entity under their control is engaged in the same or similar business with the Company. Please explain the impact of horizontal competition or any significant change to horizontal competition on the Company, solutions taken, progress and subsequent plans.

☐ Applicable √ Not applicable

III. Directors and officers

(I) Changes in shares held by current and resigned directors and officers during the reporting period and their remunerations

√ Applicable Not applicable

Unit: Share

Name	Position	Sex	Age	Starting date of tenure	Expiration date of tenure	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Change in shares in the year	Reason of change	Total amount of remuneration pre-tax acquired from the Company in the reporting period (RMB 10,000)	Remarks for the total remuneration	Whether acquiring remuneration in the related parties of the Company
You Ruikai	Director	Male	59	October 24, 2023	June 16, 2027	0	0	0		128.53	Including three-year term incentive	Yes
	Chairman			February 27, 2024	June 16, 2027							
Zhu Xiaohuai	Director	Male	57	March 7, 2018	June 16, 2027	0	0	0		159.14	Including three-year term incentive	No
	General manager (president)			September 18, 2024	June 16, 2027							
Wang Cheng	Employee director	Male	53	August 29, 2025	June 16, 2027	0	0	0		139.92	Including three-year term incentive	No
	Director (resigned)			August 25, 2021	August 29, 2025							
Li Zhen	Director	Male	55	November 25, 2024	June 16, 2027	0	0	0		67.67	Including three-year term incentive	Yes
	CFO			October 30, 2024	June 16, 2027							
Zhang Xue	Director	Male	59	December 25, 2024	June 16, 2027	0	0	0		0		Yes
Xia Lijun	Independent director	Male	50	June 28, 2023	June 16, 2027	0	0	0		12		No
Bian Yongming	Independent director	Male	61	June 17, 2024	June 16, 2027	0	0	0		12		No
Du Wenli	Independent director	Female	52	June 17, 2024	June 16, 2027	0	0	0		0		No
Yu Fang	Independent director	Male	51	August 25, 2025	June 16, 2027	0	0	0		4.14		No
Zhang Jian	Vice president	Male	57	April 20, 2015	June 16, 2027	0	0	0		136.73	Including three-year term incentive	No
Li Ruixiang	Vice president	Male	51	February 20, 2023	June 16, 2027	0	0	0		133.83	Including three-year term incentive	No
	Chief economist			April 20, 2015	June 16, 2027							
Sun Li	Chief legal counsel	Male	54	April 20, 2015	June 16, 2027	0	0	0		133.13	Including three-year term incentive	No
	Secretary of the Board of Directors			August 22, 2018	June 16, 2027							
	Chief compliance officer			July 12, 2021	June 16, 2027							
Lu Hanzhong	Vice president	Male	51	February 20, 2023	June 16, 2027	0	0	0		123.19	Including three-year term incentive	No
Shen Qiuyuan	Vice president	Female	49	February 20, 2023	June 16, 2027	0	0	0		122.14	Including three-year term incentive	No

Name	Position	Sex	Age	Starting date of tenure	Expiration date of tenure	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Change in shares in the year	Reason of change	Total amount of remuneration pre-tax acquired from the Company in the reporting period (RMB 10,000)	Remarks for the total remuneration	Whether acquiring remuneration in the related parties of the Company
Li Yiming	Vice president	Male	51	May 28, 2025	June 16, 2027	0	0	0		96.41	Including three-year term incentive	No
	Chief engineer			February 19, 2025	June 16, 2027							
Zhang Jianxing	Director (resigned)	Male	64	December 28, 2022	January 20, 2026	0	0	0		9		Yes
Zhang Hua	Independent Director (resigned)	Male	53	May 28, 2019	August 25, 2025	0	0	0		8		No
Liu Feng	Vice president (resigned)	Male	55	October 29, 2021	January 20, 2026	0	0	0		135.06	Including three-year term incentive	No
Shan Jianguo	Vice president (resigned)	Male	62	April 20, 2015	February 18, 2025	0	0	0		52.71	Including three-year term incentive	No
Total	/	/	/	/	/	0	0	0	/	1473.60	/	/

Name	Main working experiences
You Ruikai	Born in 1967, male, EMBA, professoriate senior engineer. He began his career in July 1990. From April 2007, he successively served as deputy general manager of the Investment Division of CCCC Second Harbor Engineering Co., Ltd. ("CCCC SHEC"), vice chairman, general manager and chairman of CCCC Yunfu New Port Co., Ltd., general manager of the Investment Division of CCCC SHEC, deputy secretary of the Party Committee general manager of the Investment Division of CCCC SHEC. From August 2013, he served as deputy general manager of CCCC SHEC. From May 2016, he successively served as deputy secretary of the Party Committee, director, general manager, secretary of the Party Committee, chairman and general manager of CCCC SHEC. From November 2018 to September 2023, he served as secretary of the Party Committee and chairman of CCCC SHEC. Currently, he is a director and chairman of the Company.
Zhu Xiaohuai	Born in 1969, male, MBA, senior accountant. He began his career in July 1991 and successively served as the section member and vice section manager of Financial Division of CCCC Shanghai Dredging Co., Ltd., vice director of Budget and Finance Department, vice manager (in charge of the work) or manager of Finance Department, and member of commission for disciplinary inspection of CCCC Shanghai Dredging Co., Ltd., and the director, chief accountant and Party committee standing member of CCCC Shanghai Dredging Co. Ltd., and the executive general manager and CFO of the Company. Currently, he is a director and general manager (president) of the Company.
Wang Cheng	Born in 1973, male, master of engineering, senior political worker. He started working in August 1994 and successively served as the vice secretary or secretary of league committee, and vice secretary or secretary of Party Branch of No. 2 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.; vice director and director of Organization Department of CCCC Third Harbor Engineering Co., Ltd.; secretary of the Party Committee and vice general manager of No. 2 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.; chairman of board of supervisors, vice secretary of the Party Committee, secretary of Committee for Discipline Inspection and chairman of labor union of CCCC Third Harbor Engineering Co., Ltd.; secretary of Commission for Disciplinary Inspection, supervisor and chairman of board of supervisors of the Company. He was elected as an employee director by the Company's Workers' Congress on August 29, 2025. Currently, he is employee director and chairman of the labor union of the Company.
Li Zhen	Born in 1971, male, MBA, professoriate senior accountant. He started his career in July 1994. Since March 2002, he had successively served as the CFO of Shanghai Port Machinery Co., Ltd., Chief Accountant of Shanghai Port Machinery Heavy Industry Co., Ltd., Chief Accountant, General Counsel, Standing Committee Member of the Party Committee, and Director of CCCC Third Harbor Consultants Co., Ltd., Party Committee Member and Vice President of China Communications Construction Yangtze River Delta Regional Headquarters, Deputy General Manager of Jiangsu Branch, and Chief Accountant of CCCC East China Investment and Development Co., Ltd. In January 2022, he became a Party Working Committee Member and Vice President of China Communications Construction Haixi Regional Headquarters, Deputy General Manager of Fujian Branch, and Chief Accountant of CCCC Haixi Investment Co., Ltd. Currently, he is a director and the CFO of the Company.
Zhang Xue	Born in 1967, male, MBA, professoriate senior economist. He started to work in September 1985. Since July 1996, he had successively held positions such as Manager of Beijing Tongdu Hotel at CCCC First Highway Engineering Bureau Co., Ltd. (now known as China First Highway Engineering Co., Ltd., or "CFHE"), Manager of CFHE Beijing Kaitong Industrial Corporation, Manager of Beijing Kaitong Company, Deputy Party Secretary, Executive Director and General Manager of CFHE Beijing Road and Bridge Machinery Plant Co., Ltd. (now known as CCCC Shitong Heavy Industry (Beijing) Co., Ltd.). Since April 2012, he had successively served as Deputy General Manager and Executive Deputy General Manager of China Highway Vehicle & Machinery Co., Ltd., Deputy Party Secretary (in charge) and Deputy Factory Manager of CCCC Chenzhou Road Construction Machinery Plant (now known as CCCC Chenzhou Road Construction Machinery Co., Ltd.). Since April 2016, he had been Deputy Party Secretary and Factory Manager of CCCC Chenzhou Road Construction Machinery Co., Ltd., Deputy Party Secretary, Executive Director and General Manager of CCCC Chenzhou Road Construction Machinery Co., Ltd., and Deputy Chairman of CCCC Central-South Engineering Bureau Co., Ltd. Currently, he is a director of the Company.
Xia Lijun	Born in 1976, male, PhD, professor of accounting, certified public accountant. From July 2006 to March 2011, he successively served as lecturer, master tutor, professor and doctoral supervisor of the School of Accounting, Shanghai University of Finance and Economics. From March 2011 to March 2023, he served as the director of the of Department of Accounting, Antai College of Economics and Management, Shanghai Jiao Tong University. From March 2011 to present, he has been a professor and doctoral tutor of Antai College of Economics and Management, Shanghai Jiao Tong University. He is also a member of the Professional Accounting Education Steering Committee of the Ministry of Education, a member of the China National MPAcc Education Steering Committee, a director of the Accounting Society of China, a director of China Audit Society, vice president of Shanghai Audit Society, vice president of Shanghai Cost Research Society, and an executive director of Shanghai Accounting Society. He has been selected into the "Accounting Masters Training Program" of the Ministry of Finance and other talent programs. Currently, he is an independent director of the Company.

Name	Main working experiences
Bian Yongming	Born in 1965, male, doctor of engineering, professor and doctoral supervisor. From April 1991 to present, he has worked successively as an assistant lecturer, a lecturer, an associate professor, and a professor at the College of Mechanical Engineering, Tongji University. From January 2009 to October 2012, he was the Director of the Institute of Mechanical Design and Theory at the same school. From September 2012 to December 2016, he served as Deputy Dean of the College of Mechanical Engineering. From October 2017 to May 2024, he was the Dean of the College of Mechanical Engineering. He currently serves as professor and doctoral supervisor at the School of Mechanical Engineering, Tongji University, chairman of the China Construction Machinery Society, member of the 8th Discipline Appraisal Group of the State Council Degree Committee, member of the 10th National Committee of the China Association for Science and Technology, chairman of the Major Engineering Construction Technology and Equipment Branch of the China Construction Machinery Society, deputy director of the National Engineering Research Center for Prefabricated Civil Engineering Structures, director of the Ministry of Education Engineering Research Center for Major Engineering Construction Technology and Equipment at Tongji University, among other positions. Currently, he is an independent director of the Company.
Du Wenli	Born in 1974, female, Ph.D., professor and doctoral supervisor. She has long specialized in industrial process control and optimization (mechanism and data-driven industrial process modeling, advanced control and independent coordinated control, large-scale complex chemical process systemic optimization and decision making), machine learning and artificial intelligence (data mining and statistic analysis method, knowledge migration and joint learning, big data-driven evolution and optimization), and R&D of smart factory systems and applications. Currently, she serves as Assistant President of East China University of Science and Technology, Dean of the Graduate School, Deputy Minister of the Party Committee Teacher Work Department (concurrently), Deputy Director of the Innovation and Entrepreneurship Education Center (concurrently), Director of the National Process Manufacturing Intelligent Control Technology Innovation Center, Deputy Director of the National Key Laboratory of Industrial Control Technology, Director of the Ministry of Education Engineering Research Center for Process Systems Engineering, member of the 8th Discipline Appraisal Group of the State Council Degree Committee for Control Science and Engineering, Director of the Technical Committee on Petrochemical Application of the Chinese Association of Automation, Executive Director of the Chinese Association for Artificial Intelligence, Director of the Petrochemical Application Professional Committee of the Chinese Association of Automation, Chairman of the Shanghai Process Manufacturing Innovation Research Institute, Deputy Chairman of the Shanghai Association of Automation, etc. Currently, she is an independent director of the Company.
Yu Fang	Born in 1975, male, Ph.D. He served as senior lecturer in the Department of Finance at the University of Minnesota and research analyst at Barclays Global Investors, among other positions. He has received honors including the Best Paper Award at the 2020 Annual Meeting of the Financial Management Association (FMA), the CEIBS Research Excellence Award (2014, 2018), the Beijing News China Young Economist Award (2013), the Best Paper Award at the China International Conference in Finance 2013, and the Best Corporate Finance Paper Award at the 2013 Annual Conference of the Chinese Finance Association of America, among others. He is professor of finance at the China Europe International Business School. He has served as an independent director of the Company since August 25, 2025. Currently, he is an independent director of the Company.
Zhang Jian	Born in 1969, male, MBA, senior engineer. He successively served as the technician, production planner and assistant director of No. 2 Panel beater of Shanghai Port Machinery Manufacturing Plant, director of gearbox branch of Shanghai Port Machinery Manufacturing Plant, vice director and member of the Party committee of Shanghai Port Machinery Manufacturing Plant, vice general manager of Shanghai Port Machinery Heavy Industry Co., Ltd., general manager and president assistant of ZPMC Operation Office. Currently, he is the vice president of the Company.
Li Ruixiang	Born in 1975, male, bachelor, senior economist. He successively served as the director of Technical Process Department, trainee manager of Manufacturing Department and manager of Quality Assurance Department of Zhangjiagang Base of Shanghai Port Machinery Plant; project leader, office manager, vice director of Quality Safety Office of ZPMC Quality Inspection Company, vice general manager and general manager of mechanical supporting base, secretary of Party Branch, vice chief economist, general manager of budget assessment department, general manager of Material and Equipment Procurement Department and president assistant of the Company. He currently serves as the vice president and chief economist of the Company.
Sun Li	Born in 1972, male, EMBA, senior engineer. He successively served as the project leader and vice manager of Operation Department, vice director of Operation Office and director of Off-Shore Office, general manager assistant, vice president and director of the Company. Currently, he is the chief legal counsel, secretary of the board and chief compliance officer of the Company.
Lu Hanzhong	Born in 1975, male, bachelor of engineering, professoriate senior engineer. He started working in July 1997 and successively served as the supervisor of Process Department and deputy manager of Process Department of the Company, deputy general manager of Changxing Base, general manager of Changxing Base, deputy chief craftsman and manager of Process Department of the Company, general manager of Steel Structure Division, and chairman & secretary of the Party committee of Nantong Zhenhua Heavy Equipment Manufacturing Co., Ltd. Currently, he is the vice president and chief craftsman of the Company.
Shen Qiuyuan	Born in 1977, female, bachelor of economics, senior economist. She started working in August 1999, and successively served as the project supervisor of the Business Department, general manager of the Project Management Department of the Business Office, general manager of the Port Machinery Business Department, deputy chief economist of the Company, general manager of the investment group, general manager of the Strategic Development Department, general manager of the Marketing Department (Integrated Development Management Department) and general manager assistant of the Company. Currently, she is the vice president of the Company.
Li Yiming	Born in 1975, male, master, professoriate senior engineer. He started his career in July 1999. Since July 2001, he had successively served as Deputy General Manager of the Comprehensive Mechanical Design Company of Shanghai Zhenhua Port Machinery Co., Ltd., Dean Assistant and Party Secretary of the Onshore Heavy Industries Design Research Institute of Shanghai Zhenhua Heavy Industries Co., Ltd. Since December 2016, he had successively served as Deputy Party Secretary (in charge), General Manager (Head) of the Human Resources Department (Party Organization Department), Party Committee Member, and General Manager Assistant of the company, Party Secretary and Dean of Zhenhua Design and Research Institute. He has served as chief engineer of the Company since February 18, 2025 and as vice president of the Company since May 28, 2025. Currently, he is vice president and chief engineer of the Company.

Name	Main working experiences
Zhang Jianxing (resigned)	Born in 1962, male, bachelor, professoriate senior accountant. He began his career in August 1985 and successively served as an officer in the Finance Department of CCCC Shanghai Dredging Co. Ltd., deputy chief of the Finance Section of Jiuzhou Dredging Engineering Company under CCCC Shanghai Dredging Co. Ltd., deputy director and director of the Planning and Finance Department of CCCC Shanghai Dredging Co. Ltd., member of the Party Committee, deputy general manager and chief financial officer of CHEC Dredging Co., Ltd., secretary of the Party Committee, deputy general manager and chief financial officer of CHEC Dredging Co., Ltd., member of the Party Committee, director and chief accountant of CCCC Shanghai Dredging Co. Ltd., director and general manager of CCCC Financial Leasing Co., Ltd., and secretary of the Party Committee and chairman of the board of directors of CCCC Financial Leasing Co., Ltd. He resigned as director of the Company on January 20, 2026 due to job adjustment.
Zhang Hua (resigned)	Born in 1973, male, PhD in Economics, associate professor of finance. He successively served as a researcher, lecturer and assistant professor at China Europe International Business School. Having served as an independent director of the Company for six consecutive years, he ceased to serve as an independent director of the Company on August 25, 2025.
Liu Feng (resigned)	Born in 1971, male, master, senior engineer and senior economist. He started working in July 1995, and successively served as deputy director (in charge of work) and director of the Second Division of the Department of Industry and Trade of CCCC; director and general manager assistant of the Equipment Manufacturing Marine Heavy Industry Department of CCCC; deputy general manger of the Equipment Manufacturing Marine Heavy Industry Department, deputy general manger of Science and Technology Equipment Department, deputy director of Chief Engineer Office of CCCC; deputy general manager (deputy director) of the Department of Science, Technology and Digitalization (Chief Engineer Office) of CCCG and CCCC. He resigned as director of the Company on January 20, 2026 due to job adjustment.
Shan Jianguo (resigned)	Born in 1964, male, bachelor, senior engineer. He started working in July 1988, and successively served as the technician in Shanghai Port Machinery Manufacturing Plant, the engineer and chief engineer of ZPMC Machinery Office, general manager and vice chief engineer of No.4 design office of design company, vice director and director of ZPMC Machinery Office, manager of budget assessment department and the dean of ZPMC Land-based Heavy Industry Research & Design Institute, and the president assistant of the Company. He resigned from the positions as vice president and chief engineer of the Company on February 18, 2025 due to age-related reasons.

Notes to other circumstances

☐ Applicable √ Not applicable

(II) Incumbency of current and resigned directors and officers during the reporting period

1. Position at the shareholder entity

√ Applicable ☐ Not applicable

Name of in-service staff	Name of shareholding entity	Position	Starting date of tenure	Expiration date of tenure
Liu Feng (resigned)	China Communications Construction Group Co., Ltd.	Deputy general manager (deputy director, deputy director, deputy general manager) of the Technology, Digitalization and Equipment Business Division (Academician Office, Chief Engineer's Office, New Industry Business Division) of CCCG	January 2026	
Statement of the position held in shareholding entity				

2. Position at other entities

√ Applicable ☐ Not applicable

Name of in-service staff	Name of other entities	Position held in other entities	Starting date of tenure	Expiration date of tenure
Zhu Xiaohuai	CCCC Financial Leasing Co., Ltd.	Director	May 2018	
	CCCC Highway Bridges National Engineering Research Centre Co., Ltd.	Director	September 2024	
Zhang Xue	Road & Bridge International Co., Ltd.	Director	July 2022	
	CCCC Tianhe Mechanical Equipment Manufacturing Co., Ltd.	Director	July 2022	
	CCCC Xi'an Road Construction Machinery Co., Ltd.	Director	December 2024	

Name of in-service staff	Name of other entities	Position held in other entities	Starting date of tenure	Expiration date of tenure
Xia Lijun	Antai College of Economics and Management, Shanghai Jiao Tong University	Professor, doctoral supervisor	March 2011	
	Shanghai Tongji Science & Technology Co., Ltd.	Independent director	April 2020	
	Jiangsu Recbio Technology Co., Ltd. (HKSE-listed)	Independent director	June 2021	
	Shanghai Bacai Information Technology Co., Ltd.	Executive director	April 2018	February 2026
	Shenzhen Huitai Medical Equipment Co., Ltd.	Independent director	November 2019	November 2025
Bian Yongming	School of Mechanical Engineering, Tongji University	Professor, doctoral supervisor	June 2007	
Du Wenli	East China University of Science and Technology	President Assistant	October 2024	
	Graduate School of East China University of Science and Technology	President	April 2021	
Yu Fang	China Europe International Business School	Professor	August 2009	
	Ningbo Joyson Electronic Corp.	Independent director	April 2023	
	Huaqin Technology Co., Ltd.	Independent director	January 2025	
Zhang Jian	CCCC Shanghai Equipment Engineering Co., Ltd.	Chairman	March 2017	
Lu Hanzhong	Sinoocean Offshore Assets Management Limited	Director	January 2025	
Shen Qiuyuan	ZPMC-Red Box Energy Services Limited	Chairman	August 2021	
Li Yiming	CCCC Highway Bridges National Engineering Research Centre Co., Ltd.	Deputy general manager	January 2025	
	CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Director	June 2025	
	Shanghai Zhenhua Heavy Industries Technology Co., Ltd.	Director	June 2024	
	Shanghai Zhenhua Heavy Industries Technology Co., Ltd.	General manager	June 2024	July 2025
Zhang Hua (resigned)	China Europe International Business School	Vice professor	July 2016	
	Chengdu Qushui Science and Technology Co., Ltd.	Independent director	December 2019	January 2026
Statement of the position held in other entities				

(III) Remuneration of directors and officers

√ Applicable ☐ Not applicable

Decision-making process for the remuneration of directors and officers	The remuneration of directors is submitted to the Board of Directors for review and approval after obtaining the consent of the Remuneration and Appraisal Committee of the Board of Directors and is approved by the General Meeting of Shareholders. The remuneration of officers is approved by the Board of Directors after obtaining the consent of the Remuneration and Appraisal Committee of the Board of Directors.
Do directors recuse themselves when the Board of Directors discusses matters relating to their remuneration	Yes
Recommendations made by the Remuneration and Appraisal Committee or the special meeting of independent directors on the remuneration of directors and officers	The Remuneration and Appraisal Committee maintained that the remuneration policy and compensation for directors and officers of the Company during the reporting period were legal, compliant and reasonable.
Basis for deciding the remuneration of directors and officers	For directors and officers receiving remuneration from the Company, the basic salary plus performance bonus is assessed in combination with the quantitative index of production and operation, etc. For Directors receiving remuneration from affiliates of the Company, annual remuneration is determined by the relevant affiliates. Independent directors of the Company receive a fixed annual allowance.
Actual payout of remuneration for directors and officers	See the "Changes in shares held by current and resigned directors and officers during the reporting period and their remunerations" in this section for details.
Total remuneration actually obtained by all directors and officers at the end of the reporting period	RMB 14,736,000

Assessment basis and completion status for the remuneration actually received by all directors and officers at the end of the reporting period	Remuneration was administered, implemented, and assessed in accordance with the Company's relevant remuneration management policies for directors and officers. The allowance paid to independent directors is not subject to performance assessment.
Deferred payment arrangements for the remuneration actually received by all directors and officers at the end of the reporting period	The remuneration actually paid included deferred compensation components, primarily consisting of the 2024 annual performance bonus, tenure incentive awards for the 2022-2024 term, and the 2023 outstanding enterprise assessment award. The independent directors' allowance is not subject to deferred payment arrangements.
Forfeiture and clawback arrangements for the remuneration actually received by all directors and officers at the end of the reporting period	No forfeiture or clawback of remuneration occurred during the reporting period.

(IV) Change in directors and officers of the Company

√ Applicable ☐ Not applicable

Name	Position	Change	Reason of change
Wang Cheng	Employee director	Elected	Job adjustment
Yu Fang	Independent director	Elected	Appointment
Li Yiming	Vie President & Chief Engineer	Engaged	Job adjustment
Wang Cheng	Director	Resigned	Job adjustment
Zhang Jianxing	Director	Resigned	Job adjustment
Zhang Hua	Independent director	Resigned	Completion of the maximum six-year consecutive term of service as an independent director
Liu Feng	Vice president	Resigned	Job adjustment
Shan Jianguo	Vie President & Chief Engineer	Resigned	Retirement

(V) Punishments by securities regulatory authority in recent three years

☐ Applicable √ Not applicable

(VI) Others

☐ Applicable √ Not applicable

IV. Duty performance of directors

(I) Attendance of the directors at the board meetings and the general meeting of shareholders

Director Name	Independent director or not	Attendance at Board Meetings						Attendance at the general meeting of shareholders
		Times of meetings should be attended in this year	Times of personal attendance	Times of attendance by telecommunication	Times of attendance through a proxy	Times of absence	Personal absence for two consecutive times	Times of attendance at the general meeting of shareholders
You Ruikai	No	10	10	1	0	0	No	3
Zhu Xiaohuai	No	10	10	2	0	0	No	2
Wang Cheng	No	10	10	1	0	0	No	3
Li Zhen	No	10	10	3	0	0	No	2
Zhang Xue	No	10	10	1	0	0	No	3
Xia Lijun	Yes	10	10	2	0	0	No	3
Bian Yongming	Yes	10	10	1	0	0	No	3
Du Wenli	Yes	10	10	4	0	0	No	2

Director Name	Independent director or not	Attendance at Board Meetings						Attendance at the general meeting of shareholders
		Times of meetings should be attended in this year	Times of personal attendance	Times of attendance by telecommunication	Times of attendance through a proxy	Times of absence	Personal absence for two consecutive times	Times of attendance at the general meeting of shareholders
Yu Fang	Yes	4	4	0	0	0	No	1
Zhang Jianxing (resigned)	No	10	10	2	0	0	No	2
Zhang Hua (resigned)	Yes	6	6	3	0	0	No	2

Explanations for personal absence from the meeting for two consecutive times

☐ Applicable √ Not applicable

Times of the board meetings convened in current year	10
Including:	
Times of meetings convened through telecommunication	1
Times of meetings convened on-site and through telecommunication	9

(II) Objections raised by directors on matters of the Company

☐ Applicable √ Not applicable

(III) Others

☐ Applicable √ Not applicable

V. Committees under the Board of Directors

√ Applicable ☐ Not applicable

(I) Members of committees under the Board of Directors

Category of committees	Members
Strategy committee	You Ruikai, Zhu Xiaohuai, Xia Lijun, Bian Yongming
Nominating committee	You Ruikai, Wang Cheng, Bian Yongming, Du Wenli, Yu Fang
Remuneration and appraisal committee	Du Wenli, Zhang Xue, Xia Lijun, Yu Fang
Audit and risk committee	Xia Lijun, Zhang Xue, Bian Yongming, Du Wenli, Yu Fang

Note:

1. On March 27, 2025, the Company held the tenth meeting of the Ninth Board of Directors, at which it approved the appointment of Mr. Zhu Xiaohuai, Director, as a member of the Strategy Committee, and Mr. Zhang Xue, Director, as a member of the Remuneration and Appraisal Committee and the Audit Committee.

2. On August 25, 2025, Mr. Zhang Hua resigned as chairman of the Remuneration and Appraisal Committee, member of the Nomination Committee, and member of the Audit and Risk Committee under the Board of Directors upon the expiration of his maximum six-year consecutive term of service as an independent director of the Company.

3. On August 29, 2025, the Company held the fifteenth meeting of the Ninth Board of Directors, at which it approved the appointment of Ms. Du Wenli, Independent Director, as chairwoman of the Remuneration and Appraisal Committee under the Board of Directors, and Mr. Yu Fang, Independent Director, as a member of the Nomination Committee, the Remuneration and Appraisal Committee, and the Audit and Risk Committee under the Board of Directors.

4. On January 20, 2026, Mr. Zhang Jianxing resigned from his positions as a member of the Strategy Committee and the Remuneration and Appraisal Committee under the Board of Directors due to job adjustment.

5. During the reporting period, the Audit Committee of the Company was renamed the Audit and Risk Committee.

(II) 7 meetings convened by the audit and risk committee during the reporting period

Convening date	Contents	Important comments and suggestions	Other performance of duties
March 26, 2025	Reviewed the "Proposal on the 2024 Performance Report of the Audit Committee" and other proposals	All proposals at this meeting were unanimously reviewed and approved.	
April 27, 2025	Reviewed the "Proposal on Reviewing the 2025 First Quarterly Report of the Company" and other proposals	All proposals at this meeting were unanimously reviewed and approved.	
May 28, 2025	Reviewed the "Proposal on Reviewing the Registration and Issuance of Super Short-term Financing Bills"	All proposals at this meeting were unanimously reviewed and approved.	
July 22, 2025	Reviewed the "Proposal on Reviewing the Transfer of the Entire Equity Interest in CCCC Photovoltaic and the Related Party Transaction"	All proposals at this meeting were unanimously reviewed and approved.	
August 29, 2025	Reviewed the "Proposal on Reviewing the Full Text and Summary of 2025 Semi-Annual Report of the Company" and other proposals	All proposals at this meeting were unanimously reviewed and approved.	
September 25, 2025	Reviewed the "Proposal on Reviewing the Company's Profit Distribution Plan for the First Half of 2025"	All proposals at this meeting were unanimously reviewed and approved.	
October 30, 2025	Reviewed the "Proposal on Reviewing the 2025 Third Quarterly Report of the Company"	All proposals at this meeting were unanimously reviewed and approved.	

(III) 3 meetings convened by the nominating committee during the reporting period

Convening date	Contents	Important comments and suggestions	Other performance of duties
February 19, 2025	Reviewed the "Proposal on Reviewing the Appointment of Mr. Li Yiming as Chief Engineer"	All proposals at this meeting were unanimously reviewed and approved.	
May 28, 2025	Reviewed the "Proposal on Reviewing the Appointment of Mr. Li Yiming as Deputy General Manager of the Company"	All proposals at this meeting were unanimously reviewed and approved.	
July 22, 2025	Reviewed the "Proposal on Reviewing the Additional Election of Independent Directors into the Ninth Board of Directors"	All proposals at this meeting were unanimously reviewed and approved.	

(IV) 4 meetings convened by the remuneration and appraisal committee during the reporting period

Convening date	Contents	Important comments and suggestions	Other performance of duties
March 26, 2025	Reviewed the "Proposal on Reviewing the Remuneration of Directors of the Company for 2024" and other proposals	All proposals at this meeting were reviewed and approved. Members of the Remuneration and Appraisal Committee abstained from voting when reviewing matters relating to their own remuneration.	
August 29, 2025	Reviewed the "Proposal on Reviewing the Adjustment to the Exercise Price of the Grant of Stock Options under the 2023 Stock Option Incentive Plan" and other proposals	All proposals at this meeting were unanimously reviewed and approved.	
September 25, 2025	Reviewed the "Proposal on Reviewing Responsibility Agreement for 2025 Annual Business Performance of the Management Team" and other proposals	All proposals at this meeting were unanimously reviewed and approved.	
December 25, 2025	Reviewed the "Proposal on the Assessment Results and Application of the Business Performance of the Management Team for 2024 and the 2022-2024 Term of Office"	All proposals at this meeting were unanimously reviewed and approved.	

(V) 5 meetings convened by the strategy committee during the reporting period

Convening date	Contents	Important comments and suggestions	Other performance of duties
February 19, 2025	Reviewed the "Proposal on Reviewing the Foreign Investment for the Establishment of a Subsidiary (Special Purpose Vehicle)"	All proposals at this meeting were unanimously reviewed and approved.	
March 26, 2025	Reviewed the "Proposal on Reviewing the Company's 2025 Investment Plan" and other proposals	All proposals at this meeting were unanimously reviewed and approved.	
April 27, 2025	Reviewed the "Proposal on Reviewing the Registration and Issuance of Perpetual Corporate Bonds in 2025" and other proposals	All proposals at this meeting were unanimously reviewed and approved.	
May 28, 2025	Reviewed the "Proposal on the Investment and Establishment of a Wholly-Owned Subsidiary"	All proposals at this meeting were unanimously reviewed and approved.	
October 30, 2025	Reviewed the "Proposal on Reviewing the Evaluation Report on the Implementation of the Company's 2024 Strategic Plan" and other proposals	All proposals at this meeting were unanimously reviewed and approved.	

(VI) Particulars about objections

☐ Applicable √ Not applicable

VI. Description of the risks found by the audit committee

☐ Applicable √ Not applicable

The audit committee has no objection to the supervision matters during the reporting period.

VII. Particulars about the employees in the parent company and the main subsidiaries at the end of the reporting period

(I) Particulars about employees

Number of in-service employees of the parent company	2,278
Number of in-service employees of the main subsidiaries	5,657
Total of in-service employees	7,935
Number of retired employees required to be paid by the parent company and its major subsidiaries	8
Functions	
Category	**Number of staff**
Production staff	3,811
Sales staff	380
Technical staff	2,656
Financial staff	207
Administrative staff	881
Total	7,935
Education background	
Education level	**Number (person)**
Master and above	1025
Undergraduate	4,383
Junior College	1,431
Below Junior College	1,096
Total	7,935

(II) Remuneration policies

√ Applicable ☐ Not applicable

In line with the Company's development strategy, the Company improved the remuneration distribution incentive system and performance assessment system and established and improved the performance assessment system based on the different properties and characteristics of each entity and division; promoted the salary incentive system closely linking the performance distribution with the unit or division performance, value contribution, industrial characteristics, growth phase and similar factors, and comprehensively linking the staff performance with position duty and value contribution, and thus initially established the distribution mode integrating with the market.

(III) Training plan

√ Applicable ☐ Not applicable

The Company vigorously implemented its "11466" talent strategy. Addressing both strategic development requirements and employee development needs, the Company sharpened the precision and efficacy of education and training. Aligned with annual targets and key tasks, it refined the "New Voyage" talent development program through tiered, categorized, and targeted instruction. These efforts have fortified the Company's core functions and competitiveness with robust talent pipelines and sustained brainpower.

(IV) Labor outsourcing

√ Applicable ☐ Not applicable

Total of labor outsourcing hours	1,770,000 hours
Total of labor outsourcing remuneration (RMB 10,000)	13,230.28

VIII. Proposal for profit distribution or convention of capital reserves into bonus shares

(I) Formulation, implementation or adjustment of cash dividend distribution policies

√ Applicable ☐ Not applicable

On May 28, 2025, the 2024 Annual General Meeting of Shareholders of the Company reviewed and approved the profit distribution plan for 2024. The profit distribution plan for 2024 of the Company was as follows: to distribute a cash dividend of RMB 0.055 (tax included) per share to all shareholders, based on the total share capital registered on the record date for the implementation of the equity distribution. The Company will not convert capital reserve into share capital, or grant bonus shares for 2024. Details of the above profit distribution matters are set out in the "Announcement of the Annual Profit Distribution Plan for 2024" published by the Company on the Shanghai Securities News, China Securities Journal, and the website of the Shanghai Stock Exchange (www.sse.com.cn). During the reporting period, the Company completed the implementation of profit distribution plan for 2024.

On August 25, 2025, the 2025 First Extraordinary General Meeting of Shareholders of the Company reviewed and approved the "Proposal on Reviewing the Amendments to the Articles of Association of the Company". Amendments were made to the Articles of Association of the Company concerning profit distribution and cash dividends policy, and as a result, the dividend distribution-related decision making process and mechanism were more complete, and the minority shareholders' legal rights and interests were fully protected.

On November 17, 2025, the 2025 Second Extraordinary General Meeting of Shareholders of the Company reviewed and approved the profit distribution plan for the first half of 2025. The Company's profit distribution plan for the first half of 2025 was as follows: to distribute a cash dividend of RMB 0.02 (tax included) per share to all shareholders, based on the total share capital registered on the record date for the implementation of the equity distribution (excluding shares held in the Company's designated securities repurchase account). The Company will not convert capital reserve into share capital, or grant bonus shares for the first half of 2025. Details of the above profit distribution are set out in the "Announcement on the Profit Distribution Plan for the First Half of 2025" published by the Company in Shanghai

Securities News, China Securities Journal, and on the website of the Shanghai Stock Exchange (www.sse.com.cn). In January 2026, the Company completed the implementation of profit distribution plan for the first half of 2025.

To deliver reasonable returns to shareholders and strengthen their investment confidence, a profit distribution plan for 2025 has been proposed based on the Company's performance in 2025: to distribute a cash dividend of RMB 0.055 (tax included) per share to all shareholders, based on the total share capital registered on the record date for the implementation of the equity distribution (excluding shares held in the Company's designated securities repurchase account). Cash dividends payable to holders of B-shares will be paid in U.S. dollars and converted at the central parity exchange rate of U.S. dollars against Renminbi announced by the People's Bank of China on the first business day following the date of the resolution of the Company's 2025 Annual General Meeting of Shareholders, in accordance with the Detailed Rules for the Implementation of the Provisions on Domestically Listed Foreign Shares of Joint Stock Limited Companies. The Company will not convert capital reserve into share capital, or grant bonus shares for 2025.

As of March 30, 2026, the Company's total share capital was 5,268,353,501 shares. After deducting 11,791,762 A-shares held in the Company's designated securities repurchase account, the base for distribution was 5,256,561,739 shares, on which basis the proposed total cash dividend amounts to RMB 289,110,895.65 (tax included). Should the Company's total share capital change prior to the record date for the implementation of the equity distribution, the Company intends to maintain the cash dividend per share unchanged and adjust the total amount of the distribution accordingly.

The proposed profit distribution plan is subject to approval at the Company's 2025 Annual General Meeting of Shareholders.

(II) Special statement on the cash dividend policy

√ Applicable □ Not applicable

In compliance with the Company's Articles of Association or the relevant resolutions of general meeting of shareholders	√Yes □ No
Specific and clear dividend standards and ratios	√Yes □ No
Complete decision-making procedure and mechanism	√Yes □ No
Independent directors have faithfully performed their duties and played their due role	√Yes □ No
Non-controlling shareholders are able to fully express their opinion and demand and their legal rights and interests are fully protected	√Yes □ No

(III) If the profit is positive in the reporting period and the profit of the parent company available for distribution to the shareholders is positive but the Company does not represent the plan or proposal for profit distribution in cash, the Company shall disclose in detail the reasons and the purpose and use plan of the undistributed profit

□ Applicable √ Not applicable

(IV) Proposal for profit distribution and for converting capital reserve to share capital for the reporting period

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Number of bonus shares per 10 shares (share)	-
Number of dividends per 10 shares (RMB) (taxes included)	0.75
Number of shares converted by capital reserve per 10 shares (share)	-
Amount of cash dividends (including tax)	394,348,574.43
Net profits attributable to the listed company common shareholders in consolidated statements (%)	731,841,793
Ratio of cash dividends to the net profits attributable to common shareholders of the listed company in the consolidated statement (%)	53.88
Amount of cash dividends from repurchase of shares	29,006,008.72

Total amount of cash dividends (tax included)	423,354,583.15
Ratio of the total amount of cash dividends to the net profits attributable to common shareholders of the listed company in the consolidated statement (%)	57.85

(V) Cash dividend distributions for the last three fiscal years

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Total cash dividends for the last three fiscal years (tax included) (1)	947,525,692.04
Total amount of share repurchases and cancellations for the last three fiscal years (2)	
Total amount of cash dividends and share repurchases & cancellations for the last three fiscal years (3) = (1) + (2)	947,525,692.04
Average annual net profit for the last three fiscal years (4)	595,114,878.33
Cash dividend payout ratio (%) for the last three fiscal years (5) = (3)/(4)	159.22
Net profits attributable to common shareholders of the listed company in the consolidated financial statements for the previous fiscal year	731,841,793
Undistributed profits at the end of the most recent fiscal year according to the parent company's financial statements	2,688,785,230

IX. The Company's equity incentive plan, employee stock ownership plan or other incentives to the employees and their impacts

(I) Related incentives disclosed in provisional announcement, without progress or change in follow-up implementation

√ Applicable ☐ Not applicable

Summary of events	Query index
On January 4, 2025, the Company disclosed the "Announcement on the Granting Results of the Reserved Grant under the 2023 Stock Option Incentive Plan", according to which the Company had completed the reserved grant registration process, granting a total of 3.66 million stock options to 16 eligible participants at the exercise price of RMB 4.00 per share, with the reserved grant registration date being December 26, 2024.	See the relevant announcement (Extraordinary Announcement No. 2025-001) disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information disclosure media on January 4, 2025 for details.
On August 29, 2025, the Company held the fifteenth meeting of the Ninth Board of Directors, which reviewed and approved the "Proposal on Reviewing the Adjustment to the Exercise Price of the Grant of Stock Options under the 2023 Stock Option Incentive Plan", the "Proposal on Reviewing the Cancellation of Certain Stock Options under the Company's 2023 Stock Option Incentive Plan", and other related proposals. It was approved that the exercise price of the stock options initially granted under the incentive plan be adjusted to RMB 3.205 per share and that of the reserved granted stock options be adjusted to RMB 3.945 per share; it was also approved to cancel a total of 850,000 stock options that had been granted but remained unexercised by 3 incentive participants. The Company simultaneously disclosed the "Announcement on Adjustment of the Exercise Price of Stock Options Granted under the Company's 2023 Stock Option Incentive Plan" and the "Announcement on the Cancellation of Certain Stock Options under the Company's 2023 Stock Option Incentive Plan".	See the relevant announcements (Extraordinary Announcement No. 2025-038, 2025-040, 2025-041) disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information disclosure media on August 30, 2025 for details.

(II) Incentives not disclosed in provisional announcement or with follow-up progress

Equity incentives

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Information about employee stock ownership plan

☐ Applicable √ Not applicable

Other incentives

☐ Applicable √ Not applicable

(III) Equity incentives awarded to the directors and officers during the reporting period

√ Applicable ☐ Not applicable

Unit: Share

Name	Position	Number of Stock Options Held at the Beginning of the Year	Number of New Stock Options Granted During the Reporting Period	Number of Exercisable Shares During the Reporting Period	Number of Shares Acquired Through Exercising Stock Option During the Reporting Period	Exercise Price of Stock Options (RMB)	Number of Stock Options Held at the End of the Reporting Period	Market Price at the End of the Reporting Period (RMB)
You Ruikai	Director & Chairman	450,000	0	0	0	3.945	450,000	5.15
Zhu Xiaohuai	Director & General Manager (President)	510,000	0	0	0	3.205	510,000	5.15
Wang Cheng	Employee Director	410,000	0	0	0	3.205	410,000	5.15
Zhang Jian	Vice President	410,000	0	0	0	3.205	410,000	5.15
Li Ruixiang	Vice President & Chief Economist	410,000	0	0	0	3.205	410,000	5.15
Sun Li	Chief Legal Counsel & Board Secretary & Chief Compliance Officer	410,000	0	0	0	3.205	410,000	5.15
Lu Hanzhong	Vice President	410,000	0	0	0	3.205	410,000	5.15
Shen Qiuyuan	Vice President	410,000	0	0	0	3.205	410,000	5.15
Li Yiming	Vice President & Chief Engineer	350,000	0	0	0	3.205	350,000	5.15
Liu Feng (resigned)	Vice President	410,000	0	0	0	3.205	410,000	5.15
Total	/	4,180,000	0	0	0	/	4,180,000	/

(IV) Establishment and implementation of the assessment mechanism and incentive mechanism for officers during the reporting period

√ Applicable ☐ Not applicable

Pursuant to the relevant provisions of the Company Law and the Articles of Association, the Company conducted the appointment and removal of directors and officers in a manner as specified, having basically established a comprehensive mechanism for the cultivation, selection, supervision, assessment, reward and punishment, and constraints of officers based on its actual conditions, and formulated corresponding management regulations. Officers were subject to term-based and contractual management, with their diligence and job performance during the evaluation period evaluated annually in accordance with relevant regulations, and corresponding rewards or penalties served based on the results. The Company actively promoted the implementation of its equity incentive plans to fully motivate management and core personnel and deliver new performance outcomes, so as to ensure maximized corporate efficiency and standardized operations. The Long-term Equity Incentive Plan and the 2023 Stock Option Incentive Plan formally approved by SASAC in March 2024 were subsequently passed by the shareholders at the general meeting dated June 17, 2024 to officially take effect, and the registration procedures for the initial grant and the reserved grant were completed on August 8, 2024 and December 26, 2024, respectively.

X. Development and implementation of internal control systems during the reporting period

√ Applicable □ Not applicable

The Company actively promoted the continuous improvement of internal control management system in five aspects including internal environment, risk management, major control activities, information and communication, and internal supervision and evaluation. In the meanwhile, through internal self-inspection, daily and special supervision, and internal control evaluation, the Company ensured the effective implementation of relevant management requirements, smooth communication of feedback information, and timely rectification of defects.

The Company integrated the business systems and the management flow into the control requirements of the internal control system, and continuously improved the internal control, risk and compliance management systems, such as "Management Measures for the Construction and Supervision of the Internal Control System", "Regulations on Comprehensive Risk Management", "Regulations on Compliance Management" and "Regulations on Reporting Significant Business Risk Events", and formulated a power and responsibility manual for specific management areas to make clear the control points and approval procedures of various operation and management matters, and improved the mechanisms for ex ante, interim, and ex post risk control and established a strict internal control system.

The Company continuously carried out annual internal control evaluation and internal control audit, and the annual report on internal control evaluation was submitted to the Board of Directors for discussion. In accordance with the Basic Standard for Enterprise Internal Control and its supporting guidelines, as well as the Company's internal control management systems and requirements, and taking into account its own structure and characteristics, the Company conducted a comprehensive evaluation of the reasonableness of its internal control design and the operational effectiveness across key elements including the internal environment, risk assessment, control activities, information and communication, and internal supervision. This process aimed to timely identify potential deficiencies or weaknesses at all levels, further strengthen and standardize the development of the Company's internal control system, and enhance both management quality and risk prevention capabilities. Meanwhile, the Company engaged an external professional audit firm to conduct annual internal control audits. Through these external audits, and in alignment with internal control requirements, the Company effectively identified, assessed, controlled, monitored, and improved upon risks. This approach served to organically integrate risk management, internal control, and daily operational activities, effectively controlling and preventing various types of risks to ensure the Company's sustained and stable development.

Description of material deficiencies in internal control during the reporting period

□ Applicable √ Not applicable

XI. Management and control over the subsidiaries during the reporting period

√ Applicable □ Not applicable

In accordance with the provisions of the Company Law, the Articles of Association and other relevant laws, regulations and rules, the Company continued to strengthen the management and supervision of its subsidiaries on standardized operation, information disclosure, financial capital and operation to ensure legal compliance of operation and management, assets safety and truthful financial reports and related information, and to further enhance the operation management and risk management capability of the subsidiaries.

Risk warning regarding abnormalities in the management and control of subsidiaries

□ Applicable √ Not applicable

XII. Particulars about the audit report on internal control

√ Applicable □ Not applicable

Ernst & Young Hua Ming LLP, engaged by the Company, had audited the effectiveness of the internal control of the financial statement as of December 31, 2025 and issued a standard unqualified opinion on the internal control audit report (see the announcement published on the website of Shanghai Stock Exchange on the same day as this report for details).

Audit report on internal control disclosed or not: Yes

Opinion type of internal control audit report: standard unqualified opinion

XIII. Remediation of problems identified by self-inspection in the special action on the governance of listed companies

None

XIV. Environmental information of the listed company and its main subsidiaries included in the list of enterprises subject to mandatory environmental information disclosure

√ Applicable ☐ Not applicable

<table>
<tr><td colspan="2">Number of enterprises included in the list of enterprises subject to mandatory environmental information disclosure</td><td>8</td></tr>
<tr><th>No.</th><th>Enterprise name</th><th>Reference index for the environmental information disclosure report</th></tr>
<tr><td>1</td><td>Shanghai Zhenhua Heavy Industries Co., Ltd. Changxing Branch (abbreviated as ZPMC Changxing Branch)</td><td rowspan="4">System on Corporate Environmental Information Disclosed in accordance with the Law
https://e2.sthj.sh.gov.cn/jsp/view/hjpl/index.jsp</td></tr>
<tr><td>2</td><td>Shanghai Zhenhua Port Machinery Heavy Industries Co., Ltd.</td></tr>
<tr><td>3</td><td>Shanghai Zhenhua Heavy Industries Port Machinery General Equipment Co., Ltd.</td></tr>
<tr><td>4</td><td>Shanghai Port Machinery Heavy Industries Co., Ltd. (abbreviated as Port Machinery Heavy Industries)</td></tr>
<tr><td>5</td><td>Shanghai Zhenhua Heavy Industries Co., Ltd. Nantong Branch</td><td rowspan="4">Jiangsu Enterprise “Environmental Protection Profile” Information Disclosure Platform
http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://218.94.78.91:18181/spsarchive-webapp/web/sps/views/yfpl/views/home/index.js</td></tr>
<tr><td>6</td><td>Nantong Zhenhua Heavy Equipment Manufacturing Co., Ltd. (abbreviated as ZPMC Heavy Equipment)</td></tr>
<tr><td>7</td><td>Shanghai Zhenhua Heavy Industries Group (Nantong) Transmission Machinery Co., Ltd. (abbreviated as ZPMC Transmission)</td></tr>
<tr><td>8</td><td>ZPMC Qidong Marine Engineering Co., Ltd.</td></tr>
</table>

Other description

√ Applicable ☐ Not applicable

In 2025, the Company fully implemented Xi Jinping Thought on Ecological Civilization and acted resolutely on the “Two Mountains” philosophy — that lucid waters and lush mountains are invaluable assets. It tightened and enforced accountability for environmental protection at all levels, driving environmental management toward greater systematization and refinement. First, it improved the management system. The Measures for Environmental Protection Supervision and Management were revised, and two corporate standards on particulate matter and hazardous waste management were issued, strengthening institutional guidance and systemic support. Second, it enhanced the training system. The Company undertook the development of CCCG’s mandatory courses and equipment-manufacturing specialized curricula. Nearly 200 management personnel obtained certification through the Group’s mandatory programs. Over the year, 8 energy conservation and environmental protection training sessions were held, totaling 114 credit hours, significantly improving the professional competence of environmental management personnel. Third, it intensified compliance screenings. Routine environmental supervision and inspection were carried out, and a mechanism for identifying environmental risks and hazards with closed-loop rectification was established, ensuring lawful and compliant production and operations with controllable risks. Fourth, it advanced demonstration initiatives. ZPMC Heavy Equipment and Port Machinery Heavy Industries were recognized as Provincial Green Factories. ZPMC Transmission and ZPMC Heavy Equipment obtained Class A Environmental Performance ratings for key industries in Jiangsu Province, and ZPMC Heavy Equipment was named an Advanced Intelligent Factory in Jiangsu. ZPMC Changxing Branch received the Outstanding Collective Award for Pollution and Carbon Reduction in Chongming District, Shanghai. Across the Company, 4 units were recognized as CCCG Environmental Protection Outstanding Teams and 14 environmental management personnel as Environmental Protection Pacesetters. Approximately RMB 2.2 million in special funds for energy conservation and environmental protection were secured, delivering notable demonstration effects.

In 2025, the Company adopted multiple simultaneous measures to systematically advance carbon emission reduction, achieving significant results. First, it optimized the energy mix and expanded green power use.The Company actively promoted the use of green and clean energy. Rooftop distributed PV systems were installed at production units, enabling on-site consumption of 34.47 million kWh of PV power and reducing CO2 emissions by 18,500 tons. The Company also participated actively in green power trading, with the Headquarters office building and ZPMC Changxing Branch procuring 9.081 million kWh of green electricity, markedly raising the Company's green power consumption ratio. Second, it leveraged technological retrofits to tap energy-saving potential.The Phase I Vacuum Carburizing Project and the energy-saving renovation of the 4.5 m steel plate pretreatment line were implemented, saving 185 tons of standard coal equivalent annually. The retrofit and customization of nozzle rings for marine main engine turbochargers were completed, saving approx. 193.9 tons of fuel and reducing CO2 emissions by approx. 592 tons per year. Third, it built a digital platform to enhance management efficiency.The Company's self-developed Energy and Carbon Management Platform was commissioned for trial operation, enabling online real-time collection, efficient analysis, and dynamic control of consumption data for water, electricity, gas and other utilities, providing technical support for company-wide coordinated energy and carbon management. Fourth, it built exemplary benchmarks and promoted best practices.Under the demonstration program, the "Research and Application of Intelligent Energy-Saving Control Technology for VOCs Waste Gas Treatment Systems" of ZPMC Changxing Branch and the "Main Engine Cylinder Warming System Improvement Project" of Shanghai Zhenhua Shipping Co., Ltd. were selected as Outstanding Energy Conservation and Emission Reduction Cases in Shanghai.

XV. Fulfillment of social responsibility

(I) Separate disclosure of social responsibility report, sustainability report or ESS report

√ Applicable ☐ Not applicable

Particulars about social responsibility work are presented in the 2025 Environmental, Social and Governance (ESG) Report of Shanghai Zhenhua Heavy Industries Co., Ltd. Published on the same day.

(II) External donations and public welfare programs

√ Applicable ☐ Not applicable

External donations and public welfare projects	Amount/content	Description
Total investment (RMB 10,000)	84.96	Directly provide free donations for financial support to targeted assistance areas.
Including: Fund (RMB 10,000)	75	
Amount equivalent to goods and materials (RMB 10,000)	9.96	
Number of people benefited (person)	12,000	This figure represents the estimated number of direct beneficiaries across various donation categories, including education support (schools), revitalization through organizations (communities), public welfare projects (villages and towns), and employment assistance (transferred labor force). The number of people benefiting from projects such as consumption assistance and "aiding Xinjiang with work clothes" cannot be directly counted.

Specific description

√ Applicable ☐ Not applicable

In 2025, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company implemented fully General Secretary Xi Jinping's key directives on agriculture, rural areas, and farmers. It complied rigorously with SASAC's deployment requirements for designated assistance and advanced its support programs in Lanping County, Yunnan Province in a steady and substantive manner. Total investment in external donations and public welfare initiatives reached RMB 849,600 for the year. Specifically, RMB 250,000 was allocated to the CCCC Cuiping Street Nine-Year School construction project in Lanping County to solidify the educational foundation; RMB 220,000 directed to the water supply protection upgrade project in Gaoping Village to improve local welfare infrastructure; RMB 230,000 provided for the procurement of teaching equipment for the sheet metal fabrication workshop at Lanping Secondary Vocational and Technical School to support vocational education; RMB 50,000 contributed to Yong'an Community, a Party-building twinning partner, for community development to strengthen revitalization through organizations and support Party building in the relocated community; outdoor sports equipment valued at RMB 99,600 donated to Zhenhua Kindergarten in Tu'e Township to focus on educational improvement in the township.

XVI. Specific work on consolidating and expanding the progress in poverty alleviation and rural revitalization

√ Applicable ☐ Not applicable

Item of poverty alleviation and rural revitalization	Amount/content	Description
Total investment (RMB 10,000)	374.3	Include direct investment into gratuitous assistance funds, introduction of assistance funds, purchase and sale of agricultural products and ordering of work clothes from targeted assistance areas, etc.
Including: Fund (RMB 10,000)	75	Directly provide financial support to targeted assistance areas.
Amount equivalent to goods and materials (RMB 10,000)	299.3	Include purchase and sale of agricultural products in targeted assistance areas, ordering
Number of people benefited (person)	12,000	This figure represents the estimated number of direct beneficiaries across various donation categories, including education support (schools), revitalization through organizations (communities), public welfare projects (villages and towns), and employment assistance (transferred labor force). The number of people benefiting from projects such as consumption assistance and "aiding Xinjiang with work clothes" cannot be directly counted.
Forms of assistance (such as development of local industry, creating job opportunities, improving education)	Investigation and guidance, capital investment, talents and employment support, consumption assistance, Party building pairing	The Company conducted on-site survey, held meetings to deploy assistance initiatives, invested funds, helped create job opportunities, trained grassroots cadres and rural revitalization leaders, paired with the Yong'an Community Party Committee, purchased and sold agricultural products and customized work clothes from targeted assistance areas, etc.

Specific description

√ Applicable ☐ Not applicable

In 2025, the Company's Party Committee earnestly implemented the guidelines of General Secretary Xi Jinping's important speeches and directives on rural revitalization, effectively carried out the annual targeted assistance work plan, and actively advanced various support initiatives for Lanping County. The Company continued to promote assistance measures under key themes such as "education improvement", "revitalization through talents development", "revitalization through organizations" and "industry revitalization". From October 9 to 11, 2025, the Company conducted a special research visit on rural revitalization in Lanping County and Lincang City, Yunnan Province, during which the Party Branch of the Party Affairs Department at the Company's headquarters renewed the Party-building partnership agreement with the Party Committee of Yong'an Community in Lanping County. Training programs delivered in Lanping County reached 110 grassroots managers, 45 rural revitalization leaders, and 45 technical professionals over the year. The Company deepened collaboration with Lincang Technician College by launching the "Zhenhua Offshore Equipment Talent Class." This initiative marked a strategic shift from basic labor cooperation and internships toward collaborative education and targeted talent cultivation. ZPMC Changxing Branch facilitated stable employment for 305 transferred workers from assisted regions, all of whom maintained consistent roles throughout the year.

XVII. Others

☐ Applicable √ Not applicable

Section V Important Events

I. Fulfillment of commitments

(I) Commitments of the Company's actual controller, shareholders, related parties and acquirer, as well as the Company during the reporting period or ongoing at the period-end

√ Applicable ☐ Not applicable

Commitment background	Commitment type	Commitment party	Commitment contents	Commitment time	Is there any time limit for commitment performance	Commitment term	It the commitment completed in time	Describe specific reasons for failure of commitment performance	Describe further plans in case of failure of commitment performance
Commitments related to equity incentives	Others	Company	No loans, loan guarantees or any other form of financial support will be provided to the incentive objects for the exercise of stock options granted under this incentive plan.	December 26, 2023	Yes	Termination date of incentive plan	Yes	N/A	N/A
	Others	Incentive object	If the Company has false records, misleading statements or major omissions in the information disclosure documents, resulting in non-compliance with the grant of equity or the exercise of equity arrangements, the incentive objects shall return all the benefits obtained from this incentive plan to the Company after false records, misleading statements or major omissions in the information disclosure documents are confirmed.	December 26, 2023	Yes	Termination date of incentive plan	Yes	N/A	N/A

(II) If there is earnings forecast for the assets or projects of the Company and the reporting period is still in the earnings forecast period, the Company shall explain whether the asset or project reaches the original earnings forecast and give the reasons

☐ Yes ☐ No √ Not applicable

(III) Commitments on the business performance

☐ Applicable √ Not applicable

Change of commitments on the business performance:

☐ Applicable √ Not applicable

Other description

☐ Applicable √ Not applicable

II. Non-operating funds occupied by the holding shareholder and other related parties during the reporting period

☐ Applicable √ Not applicable

III. Irregularities in the provision of guarantees

☐ Applicable √ Not applicable

IV. Explanation of the Board of Directors for Accounting Firm's "auditors' report with nonstandard opinions"

☐ Applicable √ Not applicable

V. Analysis and explanation of the Company of the causes and the impacts of the major changes in accounting policies and accounting estimates or correction of significant accounting errors

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

☐ Applicable √ Not applicable

(II) Analysis and explanation of the cause of correction of significant accounting errors and their impacts by the Company

☐ Applicable √ Not applicable

(III) Communication with former accounting firm

☐ Applicable √ Not applicable

(IV) Approval procedures and other explanations

☐ Applicable √ Not applicable

VI. Engagement and dismissal of the accounting firm

Unit: RMB, Currency: CNY

	Now engaging
Name of the domestic accounting firm	Ernst & Young Hua Ming LLP
Remuneration of the domestic accounting firm	4,850,000
Audit term of the domestic accounting firm	10
Name of Certified Public Accountant of the domestic accounting firm	You Fei, Huang Hongwei
Cumulative years of audit services provided by CPAs of the domestic accounting firm	1, 2

	Name	Remuneration
Accounting firm performing internal control audit	Ernst & Young Hua Ming LLP	450,000

Particulars about the engagement and dismissal of the accounting firm

√ Applicable ☐ Not applicable

At the 11th meeting of the Ninth Board of Directors held on April 27, 2025 and the 2024 Annual General Meeting of Shareholders held on May 28, 2025, the Company reviewed and approved the "Proposal on the Engagement of Domestic Audit Accounting Firm for the Year 2025" and agreed to renew the engagement of Ernst & Young Hua Ming LLP as the domestic auditing firm of the Company for the year 2025.

Description of the change of accounting firm during the audit period

☐ Applicable √ Not applicable

Explanation of audit fees decreased by 20% or more compared with the previous year

☐ Applicable √ Not applicable

VII. Delisting risk

(I) Reasons for the delisting risk warning

☐ Applicable √ Not applicable

(II) Countermeasures to be taken by the Company

☐ Applicable √ Not applicable

(III) Termination of the listing and its reasons

☐ Applicable √ Not applicable

VIII. Events related to bankruptcy and reorganization

☐ Applicable √ Not applicable

IX. Major lawsuit and arbitration issues

☐ The Company was involved in material litigation and arbitration matters in the fiscal year.

√ The Company was not involved in any material litigation or arbitration matters in the fiscal year.

X. Punishments on the Company as well as its directors, officers, controlling shareholder and actual controller for violation of laws or regulations, as well as the relevant rectifications

☐ Applicable √ Not applicable

XI. Particulars about the credit standings of the Company and its controlling shareholder and the actual controller during the reporting period

☐ Applicable √ Not applicable

XII. Material related party transactions

(I) Related party transactions relevant to routine business

1. Events disclosed in provisional announcement, without progress or changes in follow-up implementation

☐ Applicable √ Not applicable

2. Events disclosed in the provisional announcement, with progress or changes in follow-up implementation

√ Applicable ☐ Not applicable

At the 10th meeting of the Ninth Board of Directors of the Company held on March 27, 2025 and the 2024 Annual General Meeting of Shareholders held on May 28, 2025, the Company reviewed and approved the “Proposal on Reviewing the Signing of Framework Agreement on Routine Related Party Transactions for 2025-2027”, which had been announced and was detailed in Extraordinary Announcement No. 2025-007, 2025-011 and 2025-022.

Unit: RMB, Currency: CNY

Related party	Relationship	Type of related party transaction	Content of related party transaction	Pricing principle of related party transaction	Price of related party transaction	Amount of related party transaction	Proportion in the amount of similar transactions (%)	Settlement mode of related-party transaction	Market price	Reason or great differences between the bargain price and market price
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	1,664,018,764	1,664,018,764	4.59	Monetary funds	1,664,018,764	/
CCCC Financial Leasing Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	231,970,938	231,970,938	0.64	Monetary funds	231,970,938	/
CCCC Haifeng Wind Power Development Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	228,672,566	228,672,566	0.63	Monetary funds	228,672,566	/
CCCC Electrical and Mechanical Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	113,491,947	113,491,947	0.31	Monetary funds	113,491,947	/
CCCC Third Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	109,702,142	109,702,142	0.30	Monetary funds	109,702,142	/
CCCC First Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	85,609,701	85,609,701	0.24	Monetary funds	85,609,701	/
CCCC Second Highway Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	63,630,673	63,630,673	0.18	Monetary funds	63,630,673	/
Zhenhua Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	63,238,232	63,238,232	0.17	Monetary funds	63,238,232	/
CCCC Fourth Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	55,964,602	55,964,602	0.15	Monetary funds	55,964,602	/
Jiangmen Hangtong Shipbuilding Co., Ltd. of CCCC Fourth Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	33,828,357	33,828,357	0.09	Monetary funds	33,828,357	/
Road & Bridge International Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	29,983,631	29,983,631	0.08	Monetary funds	29,983,631	/
CCCC Tianhe Mechanical Equipment Manufacturing Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	29,575,231	29,575,231	0.08	Monetary funds	29,575,231	/
CCCC Tianjin Dredging Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	24,278,245	24,278,245	0.07	Monetary funds	24,278,245	/
China Harbour Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	21,720,388	21,720,388	0.06	Monetary funds	21,720,388	/
CCCC Third Highway Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	16,384,376	16,384,376	0.05	Monetary funds	16,384,376	/
CCCC Road & Bridge South China Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	15,411,948	15,411,948	0.04	Monetary funds	15,411,948	/
CCCC Photovoltaic Technology Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	7,800,702	7,800,702	0.02	Monetary funds	7,800,702	/
CCCC Worldcom (Chongqing) Heavy Industries Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	3,936,655	3,936,655	0.01	Monetary funds	3,936,655	/
CCCC Shanghai Equipment Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	3,072,567	3,072,567	0.01	Monetary funds	3,072,567	/
Chuwa Bussan Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	1,719,102	1,719,102	0.00	Monetary funds	1,719,102	/

Related party	Relationship	Type of related party transaction	Content of related party transaction	Pricing principle of related party transaction	Price of related party transaction	Amount of related party transaction	Proportion in the amount of similar transactions (%)	Settlement mode of related-party transaction	Market price	Reason or great differences between the bargain price and market price
CCCC Water Transportation Planning and Design Institute Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	1,599,057	1,599,057	0.00	Monetary funds	1,599,057	/
No.5 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	1,451,327	1,451,327	0.00	Monetary funds	1,451,327	/
Road and Bridge Construction Chongqing Fengfu Expressway Development Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	1,447,417	1,447,417	0.00	Monetary funds	1,447,417	/
CCCC International (Hong Kong) Holdings Limited	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	1,146,433	1,146,433	0.00	Monetary funds	1,146,433	/
Road and Bridge Construction Chongqing Fengshi Expressway Development Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	1,022,015	1,022,015	0.00	Monetary funds	1,022,015	/
Chongqing Zhongwan Expressway Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	813,205	813,205	0.00	Monetary funds	813,205	/
Friede & Goldman, Llc.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	456,478	456,478	0.00	Monetary funds	456,478	/
CCCC Guangzhou Dredging Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	424,528	424,528	0.00	Monetary funds	424,528	/
Yueyang Chenglingji New Port Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	355,965	355,965	0.00	Monetary funds	355,965	/
CCCG	Holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	94,340	94,340	0.00	Monetary funds	94,340	/
CCCC Chenzhou Road Construction Machinery Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	83,028	83,028	0.00	Monetary funds	83,028	/
CCCC Shanghai Channel Equipment Industry Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	16,549	16,549	0.00	Monetary funds	16,549	/
Chongqing Yongjiang Expressway Investment and Construction Co., Ltd. of FHEC of CCCC	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	8,891	8,891	0.00	Monetary funds	8,891	/
No.2 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Sales of goods	Project income/ lease of assets	Pricing based on market price	752	752	0.00	Monetary funds	752	/
CCCC Financial Leasing Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	14,164,609	14,164,609	0.04	Monetary funds	14,164,609	/
China Communications Construction Company (M) Sdn. Bhd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	8,531,551	8,531,551	0.02	Monetary funds	8,531,551	/
CCCG	Holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	4,339,622	4,339,622	0.01	Monetary funds	4,339,622	/
CCCC Photovoltaic Technology Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	3,625,346	3,625,346	0.01	Monetary funds	3,625,346	/
China Communications Construction Company Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	2,204,009	2,204,009	0.01	Monetary funds	2,204,009	/

Related party	Relationship	Type of related party transaction	Content of related party transaction	Pricing principle of related party transaction	Price of related party transaction	Amount of related party transaction	Proportion in the amount of similar transactions (%)	Settlement mode of related-party transaction	Market price	Reason or great differences between the bargain price and market price
China Communications Information Technology Group Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	1,548,451	1,548,451	0.00	Monetary funds	1,548,451	/
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	896,226	896,226	0.00	Monetary funds	896,226	/
China Transportation HEAD New Technology Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	663,625	663,625	0.00	Monetary funds	663,625	/
CCCC Second Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	264,151	264,151	0.00	Monetary funds	264,151	/
CCCC Shanghai Equipment Engineering Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	109,679	109,679	0.00	Monetary funds	109,679	/
CCCC Tianjin Dredging Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	94,340	94,340	0.00	Monetary funds	94,340	/
CCCC Xi'an Road Construction Machinery Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	26,604	26,604	0.00	Monetary funds	26,604	/
CCCC Shanghai Dredging Co., Ltd.	Subsidiary of the holding parent company	Rendering of service	Project income/ lease of assets	Pricing based on market price	12,053	12,053	0.00	Monetary funds	12,053	/
CCCC Third Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	187,545,289	187,545,289	0.60	Monetary funds	187,545,289	/
CCCC Tianjin Dredging Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	99,522,209	99,522,209	0.32	Monetary funds	99,522,209	/
CCCC Dredging (Group) Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	88,619,832	88,619,832	0.28	Monetary funds	88,619,832	/
China Communications Information Technology Group Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	44,285,359	44,285,359	0.14	Monetary funds	44,285,359	/
CCCC Third Highway Engineering Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	33,067,274	33,067,274	0.11	Monetary funds	33,067,274	/
CCCC Wuhan Zhixing International Engineering Consulting Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	24,777,205	24,777,205	0.08	Monetary funds	24,777,205	/
Road & Bridge East China Engineering Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	22,707,987	22,707,987	0.07	Monetary funds	22,707,987	/
CCCC First Highway Engineering Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	20,294,905	20,294,905	0.06	Monetary funds	20,294,905	/
Road & Bridge International Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	16,054,006	16,054,006	0.05	Monetary funds	16,054,006	/
CCCC Urban Operation Management Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	14,512,701	14,512,701	0.05	Monetary funds	14,512,701	/
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	8,854,717	8,854,717	0.03	Monetary funds	8,854,717	/

Related party	Relationship	Type of related party transaction	Content of related party transaction	Pricing principle of related party transaction	Price of related party transaction	Amount of related party transaction	Proportion in the amount of similar transactions (%)	Settlement mode of related-party transaction	Market price	Reason or great differences between the bargain price and market price
CCCC Construction Group Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	5,737,412	5,737,412	0.02	Monetary funds	5,737,412	/
CCCC Fourth Harbor Consultants Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	5,160,521	5,160,521	0.02	Monetary funds	5,160,521	/
Shanghai Communications Construction Contracting Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	3,974,214	3,974,214	0.01	Monetary funds	3,974,214	/
CCCC Water Transportation Planning and Design Institute Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	2,444,553	2,444,553	0.01	Monetary funds	2,444,553	/
CCCC Xingyu Technology Co., Ltd	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	2,369,417	2,369,417	0.01	Monetary funds	2,369,417	/
Shanghai China Communications Water Transportation Design & Research Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	1,942,264	1,942,264	0.01	Monetary funds	1,942,264	/
CCCC (Xiamen) Information Co., Ltd	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	1,815,100	1,815,100	0.01	Monetary funds	1,815,100	/
CCCC Property Service Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	1,474,214	1,474,214	0.00	Monetary funds	1,474,214	/
No.1 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	770,642	770,642	0.00	Monetary funds	770,642	/
CCCC Third Harbor Consultants Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	728,038	728,038	0.00	Monetary funds	728,038	/
CCCC Shanghai Dredging Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	697,669	697,669	0.00	Monetary funds	697,669	/
CCCC Photovoltaic Technology Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	480,991	480,991	0.00	Monetary funds	480,991	/
Tianjin Port Engineering Institute Co. Ltd. of CCCC First Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	438,113	438,113	0.00	Monetary funds	438,113	/
CCCC (Tianjin) Eco-environmental Protection Design & Research Institute Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	332,075	332,075	0.00	Monetary funds	332,075	/
Guizhou CCCC Xinglu Expressway Development Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	197,975	197,975	0.00	Monetary funds	197,975	/
CCCC Second Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	154,759	154,759	0.00	Monetary funds	154,759	/
Wuhan Siyuan Xingye Real Estate Brokerage Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	94,340	94,340	0.00	Monetary funds	94,340	/
China Harbour Engineering Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	66,038	66,038	0.00	Monetary funds	66,038	/
CCCC Design Consulting Group Co., Ltd.	Subsidiary of the holding parent company	Receipt of labor services	Consigned processing for the Company	Pricing based on market price	35,094	35,094	0.00	Monetary funds	35,094	/

Related party	Relationship	Type of related party transaction	Content of related party transaction	Pricing principle of related party transaction	Price of related party transaction	Amount of related party transaction	Proportion in the amount of similar transactions (%)	Settlement mode of related-party transaction	Market price	Reason or great differences between the bargain price and market price
CCCC Shanghai Equipment Engineering Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	422,729,175	422,729,175	1.35	Monetary funds	422,729,175	/
CNPC & CCCC Petroleum Sales Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	63,334,894	63,334,894	0.20	Monetary funds	63,334,894	/
CCCC (Xiamen) Information Co., Ltd	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	40,037,649	40,037,649	0.13	Monetary funds	40,037,649	/
Shanghai Zhensha Longfu Machinery Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	35,343,179	35,343,179	0.11	Monetary funds	35,343,179	/
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	25,544,239	25,544,239	0.08	Monetary funds	25,544,239	/
CCCC Shanghai Channel Equipment Industry Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	19,247,788	19,247,788	0.06	Monetary funds	19,247,788	/
CCCC Dredging (Group) Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	10,718,766	10,718,766	0.03	Monetary funds	10,718,766	/
CCCC Third Harbor Engineering Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	4,987,967	4,987,967	0.02	Monetary funds	4,987,967	/
China Communications Information Technology Group Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	2,815,382	2,815,382	0.01	Monetary funds	2,815,382	/
CCCC Wuhan Zhixing International Engineering Consulting Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	2,482,982	2,482,982	0.01	Monetary funds	2,482,982	/
CCCC (Tianjin) Eco-environmental Protection Design & Research Institute Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	1,826,863	1,826,863	0.01	Monetary funds	1,826,863	/
CCCC Xingyu Technology Co., Ltd	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	1,244,799	1,244,799	0.00	Monetary funds	1,244,799	/
China Communications Materials Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	972,123	972,123	0.00	Monetary funds	972,123	/
China Highway Vehicle & Machinery Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	820,732	820,732	0.00	Monetary funds	820,732	/
CCCC Tianjin Industry and Trade Co., Ltd.	Subsidiary of the holding parent company	Purchase of goods	Providing materials for the Company	Pricing based on market price	692,011	692,011	0.00	Monetary funds	692,011	/
Total				/	/	4,071,364,480		/	/	/
Details of large amount of sales returns										
Explanation for related party transactions					The Company reviewed and approved the "Proposal on Reviewing the Signing of Framework Agreement on Routine Related Party Transactions for 2025-2027" at the 2024 Annual General Meeting of Shareholders. In 2025, the amount of the annual related party transactions in the normal business between the Company and its subsidiaries and CCCG and its subsidiaries was about RMB 4.071 billion, which did not exceed the upper limit of the amount of routine related party transactions approved by the 2024 Annual General Meeting of Shareholders.					

3. Events not disclosed in provisional announcements

☐ Applicable √ Not applicable

(II) Related party transactions arising from acquisition or offering of assets or stock equity

1. Events disclosed in provisional announcement, without progress or changes in follow-up implementation

☐ Applicable √ Not applicable

2. Events disclosed in the provisional announcement, with progress or changes in follow-up implementation

√ Applicable ☐ Not applicable

On July 22, 2025, the fourteenth meeting of the Ninth Board of Directors of the Company reviewed and approved the "Proposal on Reviewing the Transfer of the Entire Equity Interest in CCCC Photovoltaic and the Related Party Transaction", approving the transfer by the Company of its entire equity interest in CCCC Photovoltaic Technology Co., Ltd. to China Urban and Rural Holding Group Co., Ltd. by way of a non-public agreement at a consideration of approximately RMB 34.3824 million. See the relevant announcement (Extraordinary Announcement No. 2025-033) disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information disclosure media on July 23, 2025 for details. During the reporting period, the equity transfer agreement was executed and the transfer consideration was fully paid.

3. Events not disclosed in provisional announcements

☐ Applicable √ Not applicable

4. Where agreed performance is involved, the performance achievement during the reporting period should be disclosed

☐ Applicable √ Not applicable

(III) Material related party transactions with joint external investments

1. Events disclosed in provisional announcement, without progress or changes in follow-up implementation

☐ Applicable √ Not applicable

2. Events disclosed in the provisional announcement, with progress or changes in follow-up implementation

☐ Applicable √ Not applicable

3. Events not disclosed in provisional announcements

☐ Applicable √ Not applicable

(IV) Current associated rights of credit and liabilities

1. Events disclosed in provisional announcement, without progress or changes in follow-up implementation

☐ Applicable √ Not applicable

2. Events disclosed in the provisional announcement, with progress or changes in follow-up implementation

☐ Applicable √ Not applicable

3. Events not disclosed in provisional announcements

☐ Applicable √ Not applicable

(V) Financial business between the Company and related finance companies, or between finance companies under the Company's control and related parties

√ Applicable ☐ Not applicable

1. Deposit business

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Related parties	Relationship	Maximum daily deposit limit	Deposit interest rate range	December 31, 2024	Amount incurred in the current period		December 31, 2025
					Total deposit amount in the current period	Total withdrawal amount in the current period	
CCCC Finance Company Ltd.	Subsidiary of the holding parent company	2,000,000,000	0.43%-1.75%	1,719,919,382	26,379,578,602	26,969,614,819	1,129,883,165
Total	/	/	/	1,719,919,382	26,379,578,602	26,969,614,819	1,129,883,165

2. Loan business

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Related parties	Relationship	Loan limit	Loan interest rate range	December 31, 2024	Amount incurred in the current period		December 31, 2025
					Total loan amount in the current period	Total repayment amount in the current period	
CCCC Finance Company Ltd.	Subsidiary of the holding parent company	2,000,000,000	1%	580,840,000	514,000,000	544,000,000	550,840,000
Total	/	/	/	580,840,000	514,000,000	544,000,000	550,840,000

3. Credit business or other financial business

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Related parties	Relationship	Business type	Total amount	Actual amount incurred
CCCC Finance Company Ltd.	Subsidiary of the holding parent company	Credit	2,000,000,000	427,450,000

4. Other description

☐ Applicable √ Not applicable

(VI) Others

☐ Applicable √ Not applicable

XIII. Material contracts and their performance

(I) Trusteeship, contracting and leasing matters

1. Trusteeship

☐ Applicable √ Not applicable

2. Contracting

☐ Applicable √ Not applicable

3. Leasing

√ Applicable ☐ Not applicable

Unit: RMB 10,000, Currency: CNY

Name of lessor	Name of lessee	Leased assets	Amount involved in leased assets	Starting date of leasing	Termination date of leasing	Income from leasing	Basis for determining income from leasing	Impacts of income from leasing on the Company	Related party transaction or not	Relationship
Shanghai Zhenhua Heavy Industries Co., Ltd.	Shanghai Changyi Industrial Co., Ltd	Lease of houses	520.94	2021/11/15	2031/11/14	1,875.48	Agreed	1,875.48	No	

Leasing explanation

None

(II) Guarantee

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

External guarantee of the Company (excluding guarantee to the subsidiaries)

Guarantor	Relation between the guarantor and the listed company	Guaranteed party	Guaranteed amount	Date of guarantee (signing date of agreement)	Guarantee start date	Guarantee Maturity date	Type of guarantee	Collateral (if any)	Fulfillment of the guarantee or not	Overdue or not	Amount of overdue guarantee	Counter guarantee or not	Guarantee by the related party or not	Relationship

Total amount of guarantee incurred during the reporting period (excluding guarantee to the subsidiaries)	
Total balance of guarantee at the end of the reporting period (A) (excluding guarantee to the subsidiaries)	
Guarantee of the Company and its subsidiaries to the subsidiaries	
Total amount of guarantee to the subsidiaries incurred during the reporting period	18,765,566.10
Total balance of guarantee to the subsidiaries at the end of the reporting period (B)	324,495,841.76
Total amount of guarantee of the Company (including guarantee to the subsidiaries)	
Total amount of guarantee (A+B)	324,495,841.76
Proportion of total amount of guarantee in the net assets of the Company (%)	2.01
Including:	
Amount of guarantee to the shareholders, the actual controller and related parties (C)	
Amount of debt guarantee directly or indirectly provided to the guaranteed party with the asset-liability ratio over 70% (D)	177,535,679.62
Amount of guarantee exceeding 50% of net assets (E) Total guarantee amount of the above three items (C+D+E)	
Explanation for the joint and several repayment liabilities for the undue guarantee	177,535,679.62
Description of potential joint and several liabilities arising from outstanding guarantees	
Description of the guarantees	At the Company's 2024 Annual General Meeting, the shareholders reviewed and approved the "Proposal on Reviewing the Company's External Guarantee Plan for 2025", agreeing that Shanghai Zhenhua Heavy Industries Co., Ltd. would provide guarantees for its wholly owned subsidiaries ZPMC Korea Co., Ltd. (the "Korean Subsidiary"), ZPMC ENGINEERING (MALAYSIA) SDN. BHD. (the "Malaysian Subsidiary"), and ZPMC Panama Corporation (the "Panamanian Subsidiary"), and that Zhenhua Heavy and Large Cargo Shipping (Hong Kong) Co., Ltd. ("GPO"), a 50%-owned subsidiary of the Company, would provide guarantee support for its wholly owned subsidiaries. Guarantees include: a 3-year guarantee for the Korean Subsidiary, capped at USD 20 million (equivalent to RMB 141.654 million); a 3-year guarantee for the Malaysian Subsidiary, capped at USD 25 million (equivalent to RMB 177.0675 million); a 1-to-5-year guarantee for the Panamanian Subsidiary, capped at USD 4.5 million (equivalent to RMB 31.8722 million); for GPO's subsidiaries, guarantees with a 1-to-5-year term, comprising: non-financing guarantees: up to USD 20 million (equivalent to RMB 141.654 million); financing guarantees: up to USD 203.86 million (equivalent to RMB 1,443.8605 million); engineering guarantees: up to USD 180 million (equivalent to RMB 1,274.886 million). As of December 31, 2025, the Company had provided guarantees for the Korean Subsidiary equivalent to RMB 52.4698 million, guarantees for the Malaysian Subsidiary equivalent to RMB 14.362 million, and guarantees for the Panamanian Subsidiary equivalent to RMB 866,800. GPO had provided guarantees equivalent to RMB 513.5944 million for its four wholly owned subsidiaries, of which guarantees equivalent to RMB 256.7972 million were disclosed on a pro rata shareholding basis.

(III) Consigned cash assets management

1. Consigned financing

(1) General information of consigned financing

☐ Applicable √ Not applicable

Other information

☐ Applicable √ Not applicable

(2) Information on individual consigned financing

☐ Applicable √ Not applicable

Other information

☐ Applicable √ Not applicable

(3) Provision for impairment of consigned financing

☐ Applicable √ Not applicable

2. Consigned loans

(1) General information of consigned loans

☐ Applicable √ Not applicable

Other information

☐ Applicable √ Not applicable

(2) Individual consigned loans

☐ Applicable √ Not applicable

Other information

☐ Applicable √ Not applicable

(3) Provision for impairment of consigned loans

☐ Applicable √ Not applicable

3. Other information

☐ Applicable √ Not applicable

(IV) Other material contracts

☐ Applicable √ Not applicable

XIV. Progress statement on the utilization of raised funds

☐ Applicable √ Not applicable

XV. Other significant events for investors' judgment of value and investment decision-making

☐ Applicable √ Not applicable

Section VI Changes in Shares and Shareholders' Situation

I. Changes in share capital

(I) Table of changes in shares

1. Table of changes in shares

The total number of shares of the Company and the structure of its share capital remained unchanged during the reporting period.

2. Notes to changes in shares

☐ Applicable √ Not applicable

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

☐ Applicable √ Not applicable

4. Other contents that the Company deems necessary to be disclosed or required to be disclosed by the securities regulatory authority

☐ Applicable √ Not applicable

(II) Changes in shares with restrictive conditions for sales

☐ Applicable √ Not applicable

II. Issuance and listing of securities

(I) Securities issuance by the reporting period

√ Applicable ☐ Not applicable

Unit: Share, Currency: CNY

Stocks and their derivative securities Type of securities	Issue date	Issue price (or interest rate)	Number of securities issued	Listing date	Number of securities approved for listing and trading	Delisting date
Bonds (including enterprise bonds, corporate bonds, and debt financing instruments of non-financial enterprises)						
Perpetual corporate bonds	2025/9/11	2.15%	5,000,000	2025/9/22	5,000,000	The initial term is 3 years, and the issuer has the option to extend the term.

Particulars about the issuance of securities during the reporting period (for bonds of different interest rates within the duration, please state them respectively)

☐ Applicable √ Not applicable

(II) Changes in total shares and the shareholder structure of the Company, as well as in asset and liability structures

☐ Applicable √ Not applicable

(III) Existing internal employee ownership

☐ Applicable √ Not applicable

III. Shareholders and actual controller

(I) Total number of shareholders

Total of ordinary shareholders by the end of the reporting period	197,512
Total of ordinary shareholders by the end of the month previous to the disclosure date of annual report	188,647

(II) Table of the shares held by top 10 shareholders, top 10 holders of marketable shares (or shareholders without trading limited conditions) as at the end of the reporting period

Unit: Share

Shareholdings of top ten shareholders (excluding shares lent through refinancing)							
Name of shareholder (Full Name)	Changes in the reporting period	Number of shares held at the end of the period	Proportion (%)	Number of shares with trading limited conditions held	Shares in pledge, marked or frozen		Nature of shareholder
					Share status	Quantity	
CCCG (HK) Holding Limited	0	916,755,840	17.401	0	None	0	Overseas legal person
China Communications Construction Company Ltd.	0	855,542,044	16.239	0	None	0	State-owned legal person
China Communications Construction Group Co., Ltd.	0	663,223,375	12.589	0	None	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	-25,221,604	45,303,102	0.86		Unknown		Unknown
China Merchants Bank Co., Ltd. – South China Securities 1000 Exchange Traded Fund	1,830,800	18,306,100	0.35		Unknown		Unknown
VANGUARD EMERGING MARKETS STOCK INDEX FUND	0	15,271,677	0.29		Unknown		Unknown
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	0	14,924,161	0.28		Unknown		Unknown
Zhang Zhou	5,561,396	12,406,631	0.24		Unknown		Unknown
Zhongtai Securities Co., Ltd. – ChinaAMC CSI Free Cash Flow Exchange Traded Fund	12,025,496	12,025,496	0.23		Unknown		Unknown
China Merchants Bank Co., Ltd. – ChinaAMC CSI 1000 Exchange Traded Fund	2,718,300	11,552,640	0.22		Unknown		Unknown

Shareholdings of top ten shareholders with unrestricted tradable shares (excluding shares lent through refinancing)			
Name of shareholder	Number of non- restrictive circulation shares held	Type and number of shares	
		Type	Quantity
CCCG (HK) Holding Limited	916,755,840	Foreign shares listed domestically	
China Communications Construction Company Ltd.	855,542,044	RMB ordinary shares	
China Communications Construction Group Co., Ltd.	663,223,375	RMB ordinary shares	
Hong Kong Securities Clearing Company Limited	45,303,102	RMB ordinary shares	
China Merchants Bank Co., Ltd. – South China Securities 1000 Exchange Traded Fund	18,306,100	RMB ordinary shares	
VANGUARD EMERGING MARKETS STOCK INDEX FUND	15,271,677	Foreign shares listed domestically	
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	14,924,161	Foreign shares listed domestically	
Zhang Zhou	12,406,631	RMB ordinary shares	
Zhongtai Securities Co., Ltd. – ChinaAMC CSI Free Cash Flow Exchange Traded Fund	12,025,496	RMB ordinary shares	

Shareholdings of top ten shareholders with unrestricted tradable shares (excluding shares lent through refinancing)			
Name of shareholder	Number of non- restrictive circulation shares held	Type and number of shares	
		Type	Quantity
China Merchants Bank Co., Ltd. – ChinaAMC CSI 1000 Exchange Traded Fund	11,552,640	RMB ordinary shares	
Explanation of the special accounts for repurchase among the top ten shareholders			
Note to the said shareholders' entrusting voting rights, entrusted voting rights and waived voting rights			
Notes to the related relation or consistent actions of the above-mentioned shareholders	Among the above top 10 shareholders, CCCG (HK) Holding Limited, China Communications Construction Group Co., Ltd. and China Communications Construction Company Ltd. are related companies. It was unknown to the Company whether there was related relation between other shareholders and whether they belonged to the concerted actor specified in the "Management Method on Information Disclosure for Shareholding Change of the Shareholders of Listed Companies".		
Description of preference shareholders with restored voting rights and their shareholdings			

Participation of shareholders holding over 5%, the top ten shareholders, and the top ten shareholders with unrestricted tradable shares in securities lending under the margin trading and securities lending scheme

□ Applicable √ Not applicable

The top ten shareholders and the top ten unrestricted-share holders changed due to securities lending/ return compared to the prior period

□ Applicable √ Not applicable

Shareholdings of the top ten restricted shareholders and the restrictions

□ Applicable √ Not applicable

(III) Indicate whether any strategic investor or general corporate has become a top-10 shareholder due to placement of new shares

□ Applicable √ Not applicable

IV. Controlling shareholder and actual controller

(I) Controlling shareholder

1. Legal person

√ Applicable □ Not applicable

Name	China Communications Construction Group Co., Ltd.
Company principal or legal representative	Song Hailiang
Date of establishment	December 8, 2005
Main business	Construction of overseas projects and international bidding projects at home; general contracting for construction of various special ships, leasing and maintenance of special ship and construction machines; offshore towage and professional services related to the ocean engineering; technical consultant services regarding the ship and the supporting port equipment; engaging in the general contracting of construction projects for ports, channels, highways and bridges both home and abroad (including technical and economic consultation of engineering, feasibility study, survey, design, construction, supervision, procurement and supply for related complete set of equipment or materials, and equipment installation); undertaking the general contracting of the construction of industrial and civil works, railway, metallurgy, petrochemical, tunnel, power, mine, water conservancy, and municipal works; import and export business; real estate development and property management; investment and management of transportation, hotel and tourism industries.

Equity interests in other domestic and overseas listed companies held or invested in during the reporting period	CCCG holds a 59.66% stock equity in CCCC (601800.SH, 1800.HK) and is its controlling shareholder. CCCG holds a 100% stock equity in CCCC Real Estate Group Co., Ltd. CCCC Real Estate Group Co., Ltd. holds a 52.16% stock equity in CCCC Real Estate Co., Ltd. (000736.SZ) and is its controlling shareholder. CCCG and its controlled subsidiaries collectively hold a 28.88% stock equity in Greentown China Holdings Limited (3900.HK) and are its controlling shareholders. China Urban and Rural Holding Group Co., Ltd., a wholly owned subsidiary of CCCG, holds a 33.04% stock equity in Beijing OriginWater Technology Co., Ltd. (300070.SZ) and is its controlling shareholder. CCCG, through China Urban and Rural Holding Group Co., Ltd. and CCCC Fund, collectively holds a 33.40% stock equity in Beijing OriginWater Technology Co., Ltd. CCCG, through China Communications Construction Company Limited, China Urban and Rural Holding Group Co., Ltd., and CCCC Capital Holdings Co., Ltd., holds a 58.35% stock equity in CCCC Design & Consulting Group Co., Ltd. (600720.SH) and is its controlling shareholder.
Notes to other circumstances	

2. Natural person

☐ Applicable √ Not applicable

3. Particulars about no controlling shareholder in the Company

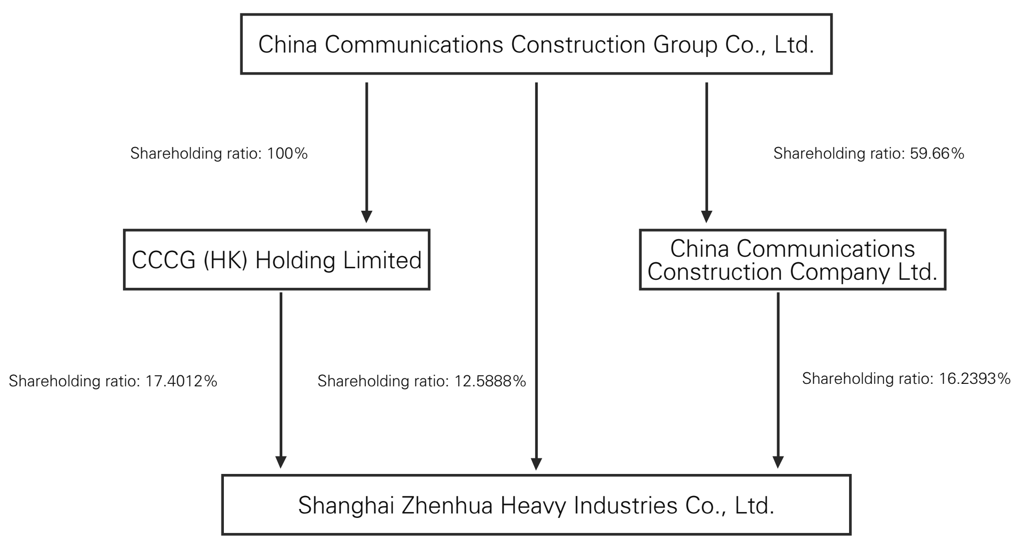
☐ Applicable √ Not applicable

4. Change of the controlling shareholder in the reporting period

☐ Applicable √ Not applicable

5. Block diagram of the ownership and control relationship between the Company and the controlling shareholder

√ Applicable ☐ Not applicable



(II) Actual controller

1. Legal person

☐ Applicable √ Not applicable

2. Natural person

☐ Applicable √ Not applicable

3. Particulars about no actual controller in the Company

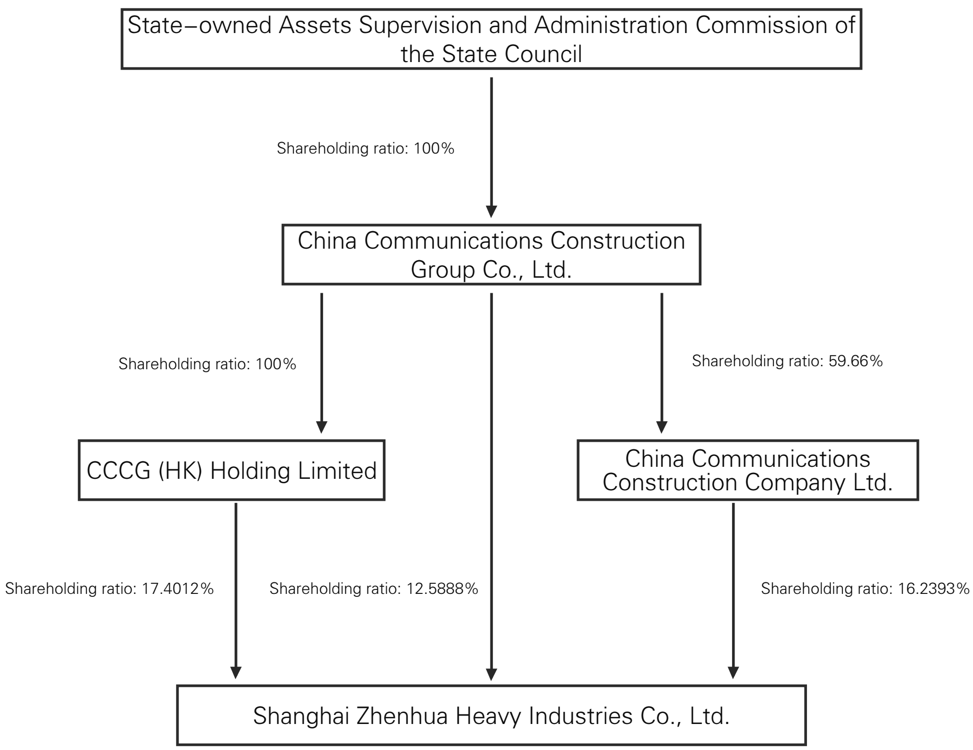
☐ Applicable √ Not applicable

4. Description of the changes in control of the Company during the reporting period

☐ Applicable √ Not applicable

5. Block diagram of ownership and control relationship between the Company and the actual controller

√ Applicable ☐ Not applicable



6. Indicate whether the actual controller controls the Company via trust or other ways of assets management

☐ Applicable √ Not applicable

(III) Other information about the controlling shareholder and the actual controller

☐ Applicable √ Not applicable

V. Indicate whether the cumulative number of shares put in pledge by the Company's controlling shareholder or the largest shareholder and its acting-in-concert parties accounts for over 80% of their shareholdings in the Company

☐ Applicable √ Not applicable

VI. Other corporate shareholders holding more than 10%

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name of corporate shareholder	Company principal or legal representative	Date of establishment	Organization Code	Registered capital	Main business or management activities
China Communications Construction Company Ltd.	Song Hailiang	October 8, 2006	91110000710934369E	16,165,711,425	General contracting of construction projects for ports, waterways, highways, bridges, etc.
CCCG (HK) Holding Limited	Peng Guangsheng	September 5, 2017	/	HKD 1,000	Investment management, project investment, project financing
Description	CCCG (HK) Holding Limited and China Communications Construction Company Ltd. are subsidiaries of China Communications Construction Group Co., Ltd.				

VII. Particulars about restrictions on shareholding reduction

☐ Applicable √ Not applicable

VIII. Specific implementation of share repurchases during the reporting period

√ Applicable ☐ Not applicable

Unit: RMB 10,000, Currency: CNY

Name of the share repurchase plan	Plan for the repurchase of certain A-shares of the Company through centralized price bidding trading
Disclosure date of the share repurchase plan	April 28, 2025
Proposed number of shares to be repurchased and percentage of total share capital (%)	0.14-0.27
Proposed repurchase amount	5,000-10,000
Proposed repurchase period	May 28, 2025 to May 27, 2026
Purpose of the repurchase	Reduction of registered capital
Number of shares repurchased	6,469,562
Percentage of repurchased shares to the underlying shares under the equity incentive plan (%) (if applicable)	N/A
Progress of the Company's disposal of repurchased shares through centralized price bidding trading	N/A

IX. Preference Shares

☐ Applicable √ Not applicable

Section VII Bonds

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

√ Applicable □ Not applicable

(I) Corporate bonds (including enterprise bonds)

√ Applicable □ Not applicable

1. Basic information on corporate bonds

Unit: RMB, Currency: CNY

Name of bond	Abbreviation	Code	Issue date	Value date	Nearest put date after April 30, 2026	Maturity date	Outstanding balance	Interest rate (%)	Payment method	Trading venue	Lead underwriter	Trustee	Investor eligibility arrangements	Trading mechanism	Whether there is a risk of delisting or deregistration
Shanghai Zhenhua Heavy Industries Co., Ltd. 2025 Public Offering of Perpetual Corporate Bonds to Professional Investors (First Tranche) (Sustainability-linked)	25 ZPMC Y1	243756.SH	2025/9/11	2025/9/15		The initial term is 3 years, and the issuer has the option to extend the term.	500,000,000	2.15	Interest shall be paid once annually, provided that the issuer does not exercise its right to defer interest payment	Shanghai Stock Exchange (SSE)	Huatai United Securities Co., Ltd.	Huatai United Securities Co., Ltd.	Offered to professional investors	Price bidding trading	No

Measures adopted by the Company to address the risk of bond delisting or deregistration

□ Applicable √ Not applicable

Interest payment and payment of bonds during the reporting period

□ Applicable √ Not applicable

2. Triggering and execution of issuer or investor option clauses and investor protection clauses

□ Applicable √ Not applicable

3. Intermediary agencies providing services for bond issue and duration business

Agency name	Office address	Signed by the Accountants (if applicable)	Person to contact	Contact number
Huatai United Securities Co., Ltd.	20/F, Tower E, Poly Plaza, No. 18 Dongfang Road, Pudong New Area, Shanghai		Huang Zhidong, Wan Yi	021-38966554
Landing Law Offices	16F, East Tower, Raffles City The Bund,. No.1089 East Daming Rd., Hongkou Dist., Shanghai, China		Liu Zhaofu, Li Jinchang	021-66529952
Ernst & Young Hua Ming LLP	50/F, World Financial Center, No. 100 Century Ave., Pudong New Area, Shanghai	You Fei, Gao Chong, Gu Chengli, Huang Hongwei	You Fei	021-22282578
Lianhe Equator Environmental Impact Assessment Co., Ltd.	Room 503, No. 80, Qufu Road, Xiaobailou Subdistrict, Hezhong District, Tianjin		Jia Ruichan	15822592841

Changes in the above intermediary agencies

□ Applicable √ Not applicable

4. Adjustment of credit rating results

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

5. Changes, variations, and implementation of guarantee, debt repayment plan, and other debt repayment guarantee measures during the reporting period and their impacts

☐ Applicable √ Not applicable

(II) Information about funds raised from corporate bonds

√ The corporate bonds involved the use of raised funds or rectification during the reporting period

☐ None of the corporate bonds involved the use of raised funds or rectification during the reporting period

1. Basic Information

Unit: RMB 100 million, Currency: CNY

Bond code	Bond abbreviation	Whether it is a special category bond	Specific type of special category bond	Total amount of proceeds raised	Balance of proceeds raised as of the end of the reporting period	Balance of the special account for proceeds raised as of the end of the reporting period
243756.SH	25 ZPMC Y1	Yes	Perpetual corporate bonds	5.00	0.00	0.00

2. Changes and adjustments to the use of proceeds raised

☐ Applicable √ Not applicable

3. Utilization of proceeds raised

(1) Actual utilization (excluding temporary supplementation of working capital)

Unit: RMB 100 million, Currency: CNY

Bond code	Bond abbreviation	Actual amount of proceeds utilized during the reporting period	Amount used to repay interest-bearing debt (excluding corporate bonds)	Amount used to repay corporate bonds	Amount used to supplement working capital	Amount involved in fixed asset investment projects	Amount involved in equity investment, debt investment, or asset acquisition	Amount used for other purposes
243756.SH	25 ZPMC Y1	5.00	5.00					

(2) Proceeds raised used to repay corporate bonds and other interest-bearing debt

√ Applicable ☐ Not applicable

Bond code	Bond abbreviation	Details of the repayment of corporate bonds	Details of the repayment of other interest-bearing debt (excluding corporate bonds)
243756.SH	25 ZPMC Y1		Repayment of RMB 100,000,000.00 to the Export-Import Bank of China; RMB 180,000,000.00 to the Agricultural Bank of China; and RMB 220,000,000.00 to the Bank of Communications

(3) Proceeds raised used to supplement working capital (excluding temporary supplementation of working capital)

☐ Applicable √ Not applicable

(4) Proceeds raised used for specific projects

☐ Applicable √ Not applicable

(5) Proceeds raised used for other purposes

☐ Applicable √ Not applicable

(6) Temporary supplementation of working capital

☐ Applicable √ Not applicable

4. Compliance of the use of proceeds raised

Bond code	Bond abbreviation	Use of proceeds as specified in the prospectus	Actual use of proceeds as of the end of the reporting period (including actual utilization and temporary supplementation of working capital)	Whether the actual use is consistent with the intended use (including the use specified in the prospectus and the use after compliant changes)	Whether the use of proceeds and the management of the special account for proceeds during the reporting period were compliant	Whether the use of proceeds complied with local government debt management regulations
243756.SH	25 ZPMC Y1	Repayment of interest-bearing debt	Repayment of interest-bearing debt	Yes	Yes	N/A

Non-compliance in the use of proceeds and the management of the proceeds account

☐ Applicable √ Not applicable

(III) Other matters required to be disclosed for special category bonds

√ Applicable ☐ Not applicable

1. The Company is an issuer of exchangeable corporate bonds

☐ Applicable √ Not applicable

2. The Company is an issuer of green corporate bonds

☐ Applicable √ Not applicable

3. The Company is an issuer of perpetual corporate bonds

√ Applicable ☐ Not applicable

Unit: RMB 100 million, Currency: CNY

Bond code	243756.SH
Bond abbreviation	25 ZPMC Y1
Outstanding balance	5.00
Status of term extension	The conditions for triggering the term extension provisions have not yet occurred, and the issuer has not exercised the extension option
Step-up in interest rate	No interest rate step-up has occurred
Interest deferral	The conditions for triggering the interest deferral provisions have not yet occurred, and no interest payment has been deferred
Mandatory interest payment	The conditions for triggering mandatory interest payment have not yet occurred, and no mandatory interest payment has been made
Whether the bonds continue to be classified as equity and the relevant accounting treatment	Yes
Other matters	None

4. The Company is an issuer of poverty alleviation corporate bonds

☐ Applicable √ Not applicable

5. The Company is an issuer of rural revitalization corporate bonds

☐ Applicable √ Not applicable

6. The Company is an issuer of Belt and Road corporate bonds

☐ Applicable √ Not applicable

7. The Company is an issuer of technology innovation corporate bonds or innovation and entrepreneurship corporate bonds

□ Applicable √ Not applicable

8. The Company is an issuer of low-carbon transition (linked) corporate bonds

□ Applicable √ Not applicable

9. The Company is an issuer of corporate bonds for financial distress relief

□ Applicable √ Not applicable

10. The Company is an issuer of corporate bonds supporting small and micro enterprises

□ Applicable √ Not applicable

11. Other matters relating to special category corporate bonds

□ Applicable √ Not applicable

(IV) Important matters related to the corporate bonds during the reporting period

√ Applicable □ Not applicable

1. Non-operating receivables and fund lending

(1) Balance of non-operating receivables and fund lending

At the beginning of the reporting period, the balance of non-operating receivables and fund lending (hereinafter referred to as "non-operating receivables and fund lending") due from other parties that did not arise directly from production and operating activities on a consolidated basis was RMB 0.0;

During the reporting period, newly incurred non-operating receivables and fund lending amounted to: RMB 0.0, and recoveries amounted to: RMB 0.0;

Whether any non-operating receivables or fund lending during the reporting period violated the relevant provisions or commitments under the prospectus

□ Yes √ No

As of the end of the reporting period, the total outstanding non-operating receivables and fund lending not yet recovered amounted to: RMB 0.0, of which the total receivables or fund lending due from the controlling shareholder, actual controller, and other related parties amounted to: RMB 0.0.

(2) Details of non-operating receivables and fund lending

As of the end of the reporting period, the ratio of the Company's outstanding non-operating receivables and fund lending on a consolidated basis to its consolidated net assets was: 0%

Whether it exceeded 10% of consolidated net assets: □ Yes √ No

(3) Implementation status of the repayment arrangements disclosed in previous reporting periods

□ Fully implemented □ Not fully implemented √ Not applicable

2. Liabilities

(1) Interest-bearing debt and changes therein

1.1 Structure of the Company's debt

At the beginning and the end of the reporting period, the balance of the Company's interest-bearing debt (on a nonconsolidated basis) was RMB 22.212 billion and RMB 16.524 billion, respectively, representing a year-on-year decrease of 25.61% during the reporting period.

Unit: RMB 100 million, Currency: CNY

Category of interest-bearing debt	Maturity			Total amount	Percentage of interest-bearing debt (%)
	Overdue	Within 1 year (inclusive)	Over 1 year (exclusive)		
Bank loans	0	23.97	97.72	121.69	73.64
Loans from non-bank financial institutions	0	0	5.51	5.51	3.33
Other interest-bearing debt	0	38.04	0	38.04	23.02
Total	0	62.01	103.23	165.24	—

As of the end of the reporting period, among the Company's outstanding credit bonds, the balance of corporate bonds was RMB 0.0, the balance of enterprise bonds was RMB 0.0, and the balance of debt financing instruments of non-financial enterprises was RMB 0.0.

1.2 Structure of interest-bearing debt on a consolidated basis

At the beginning and the end of the reporting period, the balance of interest-bearing debt of the companies within the consolidated financial statements was RMB 28.014 billion and RMB 22.048 billion, respectively, representing a year-on-year decrease of 21.30% during the reporting period.

Unit: RMB 100 million, Currency: CNY

Category of interest-bearing debt	Maturity			Total amount	Percentage of interest-bearing debt (%)
	Overdue	Within 1 year (inclusive)	Over 1 year (exclusive)		
Bank loans	0	36.87	124.99	161.86	73.41
Loans from non-bank financial institutions	0	0	5.51	5.51	2.50
Other interest-bearing debt	0	43.09	10.02	53.11	24.09
Total	0	79.96	140.52	220.48	—

As of the end of the reporting period, among the Company's outstanding credit bonds on a consolidated basis, the balance of corporate bonds was RMB 0.0, the balance of enterprise bonds was RMB 0.0, and the balance of debt financing instruments of non-financial enterprises was RMB 0.0.

1.3 Overseas bonds

As of the end of the reporting period, the outstanding balance of overseas bonds issued by the companies within the consolidated financial statements was RMB 0.0.

(2) Whether the Company and its subsidiaries had any overdue interest-bearing debt or overdue credit bonds exceeding RMB 10 million as of the end of the reporting period

□ Applicable √ Not applicable

(3) Priority liabilities enforceable against third parties

As of the end of the reporting period, the companies within the consolidated financial statements had priority liabilities enforceable against third parties:

□ Applicable √ Not applicable

3. Changes in the information disclosure management system during the reporting period

□ Changed √ No change

(V) Interbank bond market debt financing instrument of non-financial enterprises

√ Applicable □ Not applicable

1. Basic information of debt financing instruments of non-financial enterprises

Unit: RMB, Currency: CNY

Name of bond	Abbreviation	Code	Issue date	Value date	Maturity date	Outstanding balance	Interest rate (%)	Payment method	Trading venue	Investor eligibility arrangements (if any)	Trading mechanism	Risk of termination of listing and trading
Shanghai Zhenhua Heavy Industries Co., Ltd. 2022 medium-term notes series I (sci-tech innovation note)	22 ZPMC MTN001 (sci-tech innovation note)	102281893	2022/8/22	2022/8/24	2025/8/24	500,000,000	3.22	August 24 every year	Interbank market		Centralized book-entry and centralized placement	No

Company's response to the risk of termination of listing of bonds

☐ Applicable √ Not applicable

Overdue bonds

☐ Applicable √ Not applicable

Interest payment and payment of bonds during the reporting period

√ Applicable ☐ Not applicable

Name of bond	Description of interest payment and redemption
22 ZPMC MTN001 (sci-tech innovation note)	The Company made interest and principal payments in strict accordance with the relevant provisions of the prospectus, and no bond default occurred.

2. Triggering and execution of issuer or investor option clauses and investor protection clauses

☐ Applicable √ Not applicable

3. Intermediary agencies providing services for bond issue and duration business

Agency name	Office address	Signed by the Accountants (if applicable)	Person to contact	Contact number
Bank of Communications Co., Ltd.	No. 333 Lujiazui Ring Road		Zhang Peifei	021-38873279
Industrial Bank Co., Ltd.	Industrial Bank Tower, 398 Middle Jiangbin Blvd., Taijiang District, Fuzhou, Fujian		Lin Chen, Cheng Qiuyun	010-8992655, 021-62677777
China Lianhe Credit Rating Co. Ltd.	17/F, PICC Building, No.2 Jianguomenwai Street, Chaoyang District, Beijing		Zhang Qian	010-85679696
Ernst & Young Hua Ming LLP	50/F, Shanghai World Financial Center, No. 100 Century Ave., Pudong New Area, Shanghai		Gao Chong	021-22288888
Shanghai Duan & Duan Law Firm	58F, Shanghai Tower, No. 501 Yincheng Middle Road, Lujiazui Sub-district, Pudong New Area, Shanghai		Wang Xiaobo	62191103-7122

Changes in the above intermediary agencies

☐ Applicable √ Not applicable

4. Use of raised funds at the end of the reporting period

☐ Applicable √ Not applicable

Progress and operating benefits of the raised funds used for construction projects

☐ Applicable √ Not applicable

Change in the use of above funds raised from bonds during the reporting period

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

5. Adjustment of credit rating results

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

6. Implementation and changes in guarantee, debt repayment plan and other debt repayment guarantee measures during the reporting period and their impacts

☐ Applicable √ Not applicable

7. Other information on debt financing instruments of non-financial enterprises

☐ Applicable √ Not applicable

(VI) The loss in the scope of consolidated financial statements during the reporting period exceeding 10% of the net assets as at the end of the prior year

☐ Applicable √ Not applicable

(VII) Overdue interest-bearing debts other than bonds at the end of the reporting period

☐ Applicable √ Not applicable

(VIII) Violations of laws and regulations, the articles of association, the management system for information disclosure matters, as well as the impact of conditions agreed or promised in the bond prospectus on the rights and interests of bond investors during the reporting period

☐ Applicable √ Not applicable

(IX) Main accounting data and financial indexes of the Company in recent 2 years as of the end of the reporting period

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Main indexes	2025	2024	Year-on-year change (%)	Reason of change
Net profit attributable to the shareholders of the listed company after deducting the non-recurring profits and losses	498,939,242	211,097,452	136.35	Mainly due to the increase in profit resulting from the increase in project delivery and the decrease in gains from asset disposals.
Current ratio	0.92	1.00	-8.00	
Quick ratio	0.41	0.45	-8.89	
Asset-liability ratio (%)	77.41	78.64	-1.23	
EBITDA all debt ratio	0.05	0.05	0	
Interest coverage ratio	2.74	2.15	27.44	
Cash interest coverage ratio	9.75	6.36	53.30	Mainly due to the decrease in the Company's interest expenses during the reporting period.
EBITDA interest coverage ratio	5.27	4.00	31.75	Mainly due to the increase in profits and the decrease in interest expenses during the reporting period.
Loan repayment ratio (%)	100	100	0	
Interest coverage ratio (%)	100	100	0	

II. Convertible corporate bonds

☐ Applicable √ Not applicable

Section VIII Financial Report

I. Auditors' Report

√ Applicable ☐ Not applicable

Auditors' Report

Ernst & Young Hua Ming (2026) Audit No. 70023385_B01

Shanghai Zhenhua Heavy Industries Co., Ltd.

To all shareholders of Shanghai Zhenhua Heavy Industries Co., Ltd.:

I. Opinion

We have audited the financial statements of Shanghai Zhenhua Heavy Industries Co., Ltd. (hereinafter referred to as the "Company"), which comprise the consolidated balance sheet and the Company's balance sheet as at December 31, 2025, the consolidated income statement and the Company's income statement, the consolidated statement of changes in shareholders' equity and the Company's statement of changes in owners' equity and the consolidated statement of cash flows and the Company's statement of cash flows for the year then ended as well as the notes to the financial statements.

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

II. Basis for Our Opinions

We conducted our audit in accordance with Chinese Certified Public Accountants Auditing Standards. Our responsibilities under those standards are further described in the "Responsibilities of Certified Public Accounts for the Audit of the Financial Statements" section of this auditors' report. In accordance with the Code of Ethics for Chinese Certified Public Accountants and the Chinese Code of Ethics for Certified Public Accountants No. 1 – Independence Requirements for Audit and Review Engagements of Financial Statements, we are independent of the Company and have fulfilled our other responsibilities in the aspect of code of ethnics. In conducting the audit, we complied with the independence requirements applicable to audits of public interest entities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period. The response to these matters is based on the overall audit of the financial statements and the formation of audit opinions. We do not express our opinions on these matters separately. The following description of how our audit addressed the key audit matter is also against this background.

We have fulfilled the responsibilities stated in "Responsibilities of Certified Public Accounts for the Audit of the Financial Statements" section of this report, including the responsibilities related to these key audit matters. Accordingly, our audit included performing audit procedures designed to respond to the assessed risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the key audit matters described below, provide a basis for our audit opinion on the financial statements as a whole.

Key Audit Matters:	How our audit addressed the key audit matter:
1. Inventory depreciation reserves	
Shanghai Zhenhua Heavy Industries Co., Ltd. is mainly engaged in manufacturing the port container crane; in addition, it is also engaged in the manufacture of bulk handling machine, offshore heavy-duty machine and large-sized steel structure. Its inventories mainly include raw materials, outsourcing parts and components, products in the process and inventory goods. Since the production cycle of the products is relatively long, the net realizable value of the related inventory may fluctuate with the change in the market demand, resulting in the inventory depreciation risks. The management sets aside the inventory depreciation reserves according to the balance of the inventory cost and the net realizable value. The net realizable value is determined as per the estimated selling price of the inventory minus the cost, the estimated selling expenses and the related taxes that may occur in the completion on the assumption that the management layer adopts a certain estimate and hypothesis in determining the net realizable value. In case of difference between the actual figure and the originally estimated figure, the related balance will affect the book value of the inventory and the depreciation loss in the estimated fluctuation. As of December 31, 2025, in the consolidated financial statements, the balance of inventories was RMB 24.16 billion and the reserve for inventory depreciation was RMB 0.29 billion; in the financial statements of the Company, the balance of inventories was RMB 20.82 billion and the reserve for inventory depreciation was RMB 0.25 billion. The accounting policy and other disclosures regarding the inventory are stated in Note III (10), Note III (33) and Note V (9) of the financial statements.	Our procedure mainly included knowing and testing the validity of the control related to the provision of inventory depreciation reserves and the method of calculating the net realizable value of the Group. We also implemented the related auditing procedures over the inventory such as supervision of inventory to verify whether the management had marked the inventory with slow turnover and defectives and taken into full account in provision of inventory depreciation reserves. In addition, we obtained the computation sheet of provision of inventory depreciation reserves from the management, rechecked the calculation method and result. As to the key elements taken into consideration by the management in calculating the net realizable value, including the estimated selling price and the cost that may occur till completion, we evaluated the hypothesis and the estimates through analyzing the related historical data and comparing the after-date data of Shanghai Zhenhua Heavy Industries Co., Ltd. We also rechecked the disclosure of inventory depreciation reserves in financial statements.
2. Provision for bad debts of accounts receivable	
The accounts receivable of Shanghai Zhenhua Heavy Industries Co., Ltd. is mainly from the business contract on port machinery and offshore engineering manufacturing. Since it involves large contracted value, long construction period, relatively complicated technical parameters, the implementation of the contract may be affected by the periodicity of the economic environment. The accounts receivable has certain risk in the recovery in case of any dispute in contract or the industry is in recession. The provisions for bad debts of accounts receivable are recognized on the basis of estimated credit losses, involving major judgment and estimates. The management of analyzed the financial position of counter parties, guarantee acquired for accounts receivable, historical repayment records of accounts receivable, as well as the credit rating and future economic situations of counter parties for evaluating the credit risk of accounts receivable. As of December 31, 2025, in the consolidated financial statements, the balance of accounts receivable was RMB 11.97 billion and the provision for bad debts of accounts receivable was RMB 3.48 billion; in the financial statements of the Company, the balance of accounts receivable was RMB 19.60 billion and the provision for bad debts of accounts receivable was RMB 2.97 billion. The accounting policy and other disclosures regarding the provision for bad debts of accounts receivable are stated in Note III (9), Note III (33), Note V (5) and Note XV (1) of the financial statements.	Our procedures primarily included understanding and testing the internal controls established by management over the recognition of provisions for bad debts of accounts receivable; evaluating the accounting estimate relating to the depreciation reserves, such as the financial status and credit rating of the counterpart; checking the account age of accounts receivable and historical repayment record and evaluated whether the financial problems of the counter party had effects on the recovery of the accounts receivable; for the accounts receivable evaluated based on the portfolio, we rechecked the management's setting of credit risk features portfolio, checked the key information such as account age and credit record of each portfolio by sampling, and rechecked the basis of management's evaluation of credit risk and expected credit loss amount based on the credit risk features portfolio, including testing historical default data and checking the actual credit loss in the current year; rechecked the disclosure of bad debt provision for accounts receivable in financial statements.
3. Revenue recognition	
The majority of the revenue of Shanghai Zhenhua Heavy Industries Co., Ltd. comes from contracts for the custom production of large-sized port equipment, heavy equipment and steel structure for customers. We identified the revenue recognition as a key audit matter since the operating revenue is one of the key performance indicators of ZPMC and there is a significant risk of material misstatement due to the management's premature revenue recognition to achieve specific targets or expectations. In 2025, in the consolidated financial statements, the operating revenue was RMB 36.26 billion; in the financial statements of the Company, the operating revenue was RMB 32.65 billion. The accounting policy and other disclosures regarding the operating revenue are stated in Note III (24), Note III (33), Note V (50) and Note XV (4) of the financial statements.	Our procedure mainly included evaluating and testing the management's internal control related to revenue recognition, selected the sales contract with significant amount, checked the important contract terms related to revenue recognition, and evaluated the management's accounting judgment and estimate on performance obligations, revenue recognition amount (including variable consideration) and the recognition at a certain time point or within a period of time. Through selecting the samples, we verified whether the contract revenue recognized in the year conformed to the revenue recognition conditions; implemented the cutoff check procedure to validate the revenue was confirmed in the proper accounting period. For the revenue recognized in a certain period of time, we evaluated the judgment and estimate of the total contract cost and total processing amount made by the management, and made sampling to calculate and check the income determined by the occurred contract cost and the expected total contract cost again; implemented the analysis procedure against the changes in revenue and gross profit of various businesses; rechecked the disclosure of revenue recognition in financial statements.

IV. Other Information

The management of Shanghai Zhenhua Heavy Industries Co., Ltd. shall be responsible for other information. The other information comprises information of the annual report, but excludes the financial statements and our auditors' report.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. In this regard, we have nothing to report.

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

The management is responsible for preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation, and for designing, implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

In preparing the financial statements, the management is responsible for assessing the Company's going-concern ability, disclosing the matters related to going concern (if applicable) 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 supervising the Company's financial reporting process.

VI. Responsibilities of Certified Public Accounts for the Audit of 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

During the process of an audit conducted in accordance with audit standards, 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(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 by 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 basis of accounting. Based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Shanghai Zhenhua Heavy Industries Co., Ltd. to continue as a going concern. If we conclude that a material uncertainty exists, we are required to, in our auditors' report, draw attention of the users of statements to the related disclosures in the financial statements; if such disclosures are inadequate, we should modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Shanghai Zhenhua Heavy Industries Co., Ltd. to cease to continue as a going concern.

(5)Evaluate the overall presentation, structure and content (including the disclosures) of the financial statements, and evaluate 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 an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit, and bear full responsibility for our audit opinion.

We communicate with those charged with governance regarding the planned scope and timing of the audit, significant audit findings and other matters, 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 to communicate with them in regard to all relationships and other matters that may reasonably be thought to affect our independence, and related safeguards (if applicable).

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

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Ernst & Young Hua Ming LLP

Certified Public Accountant of China: You Fei
(Engagement Partner)

Certified Public Accountant of China: Huang Hongwei

Beijing, China

March 30, 2026

II. Financial Statements

Consolidated Balance Sheet

December 31, 2025

Prepared by: Shanghai Zhenhua Heavy Industries Co., Ltd.

Unit: RMB, Currency: CNY

Item	Note	December 31, 2025	December 31, 2024
Current assets:			
Monetary funds	VII (1)	4,570,277,131	5,866,827,212
Settlement provisions			
Lending funds			
Held-for-trading financial assets	VII (2)	403,446,171	534,200,582
Derivative financial assets	VII (3)	8,438,278	8,438,278
Notes receivable	VII (4)	149,325,265	50,000,000
Accounts receivable	VII (5)	8,485,823,809	7,365,793,461
Receivables financing	VII (7)	485,369,280	650,260,884
Advances to suppliers	VII (8)	822,235,371	1,031,617,859
Premiums receivable			
Reinsurance accounts receivable			
Reserves for reinsurance contract receivable			
Other receivables	VII (9)	704,236,518	780,170,637
Including: Interest receivable			
Dividends receivable			
Financial assets purchased under agreements to resell			
Inventories	VII (10)	23,864,978,518	24,554,584,666
Including: Data resources			
Contract assets	VII (6)	3,069,918,477	3,897,647,216
Assets held for sale	VII (11)	12,327,736	
Non-current assets due within one year	VII (12)	888,580,054	1,346,060,900
Other current assets	VII (13)	1,338,624,990	858,154,532
Total current assets		44,803,581,598	46,943,756,227
Non-current assets:			
Disbursement of loans and advances			
Debt investment	VII (14)		
Other debt investments	VII (15)		
Long-term receivables	VII (16)	1,262,789,513	1,081,258,063
Long-term equity investments	VII (17)	1,786,371,955	1,767,152,609
Other equity instrument investment	VII (18)	211,195,841	190,530,888
Other non-current financial assets	VII (19)		
Investment properties	VII (20)	371,596,566	406,737,755
Fixed assets	VII (21)	22,908,296,058	23,690,697,203
Construction in progress	VII (22)	1,443,133,460	1,301,728,801
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VII (25)	17,568,182	37,979,304
Intangible assets	VII (26)	4,395,845,113	4,388,171,283
Including: Data resources			
Development expenditures			
Including: Data resources			
Goodwill	VII (27)	269,293,046	271,896,748
Long-term deferred expenses	VII (28)	1,960,379	1,593,447
Deferred income tax assets	VII (29)	952,783,587	877,269,033
Other non-current assets	VII (30)	4,610,288,207	4,808,691,840
Total non-current assets		38,231,121,907	38,823,706,974
Total assets		83,034,703,505	85,767,463,201

Item	Note	December 31, 2025	December 31, 2024
Current liabilities:			
Short-term borrowings	VII (32)	3,686,556,417	2,297,334,457
Borrowings from the Central Bank			
Borrowing funds			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable	VII (35)	4,688,600,816	4,584,675,393
Accounts payable	VII (36)	12,732,696,709	10,603,482,116
Advances from customers	VII (37)	57,376,888	
Contract liabilities	VII (38)	21,579,188,821	21,485,833,167
Financial assets sold for repurchase			
Deposits from customers and interbank			
Acting trading securities			
Acting underwriting securities			
Payroll payable	VII (39)	40,089,178	40,189,914
Tax payable	VII (40)	435,826,655	344,230,174
Other payables	VII (41)	1,132,892,320	890,050,528
Including: Interest payable			
Dividends payable		105,244,272	6,593
Fees and commissions payable			
Dividend payable for reinsurance			
Liabilities held for sale			
Non-current liabilities due within one year	VII (43)	4,309,086,267	6,745,720,647
Other current liabilities			
Total current liabilities		48,662,314,071	46,991,516,396
Non-current liabilities:			
Reserve fund for insurance contracts			
Long-term borrowings	VII (45)	13,050,181,140	17,785,704,495
Bonds payable			
Including: Preferred stock			
Perpetual bond			
Lease liabilities	VII (47)	10,443,321	10,445,787
Long-term payables	VII (48)	1,461,252,947	1,717,210,910
Long-term payroll payable			
Estimated liabilities	VII (50)	302,749,809	208,887,331
Deferred income	VII (51)	343,244,081	341,562,085
Deferred income tax liabilities	VII (29)	178,639,702	137,688,522
Other non-current liabilities	VII (52)	270,818,174	251,996,220
Total non-current liabilities		15,617,329,174	20,453,495,350
Total liabilities		64,279,643,245	67,445,011,746
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	VII (53)	5,268,353,501	5,268,353,501
Other equity instruments	VII (54)	500,000,000	500,000,000
Including: Preferred stock			
Perpetual bond		500,000,000	500,000,000
Capital reserves	VII (55)	4,733,496,022	4,709,186,687
Less: treasury stock	VII (56)	29,008,907	
Other comprehensive income	VII (57)	75,744,687	77,752,796
Special reserves	VII (58)	9,252,566	16,731,029
Surplus reserves	VII (59)	1,774,994,373	1,753,183,750
General risk preparation			
Undistributed profits	VII (60)	3,843,674,786	3,542,325,737
Total owners' equity (or shareholders' equity) attributable to the owners of the parent company		16,176,507,028	15,867,533,500
Minority equity		2,578,553,232	2,454,917,955
Total owners' equity (or shareholders' equity)		18,755,060,260	18,322,451,455
Total liabilities and owners' equity (or shareholders' equity)		83,034,703,505	85,767,463,201

Legal representative of the Company: You Ruikai Person in charge of accounting work: Li Zhen Person in charge of accounting agency: Wang Minfei

Balance Sheet of the Parent Company

December 31, 2025

Prepared by: Shanghai Zhenhua Heavy Industries Co., Ltd.

Unit: RMB, Currency: CNY

Item	Note	December 31, 2025	December 31, 2024
Current assets:			
Monetary funds		2,735,541,181	3,827,553,785
Held-for-trading financial assets		103,401,780	138,755,008
Derivative financial assets			
Notes receivable		62,755,353	
Accounts receivable	XIX (1)	16,622,067,830	20,307,096,833
Receivables financing		338,588,845	342,741,773
Advances to suppliers		2,001,808,140	1,871,468,396
Other receivables	XIX (2)	2,591,815,489	3,273,122,746
Including: Interest receivable			
Dividends receivable			
Inventories		20,573,659,221	18,996,871,002
Including: Data resources			
Contract assets		1,955,194,261	2,460,999,689
Assets held for sale		12,327,736	
Non-current assets due within one year			
Other current assets		1,119,675,225	606,275,744
Total current assets		48,116,835,061	51,824,884,976
Non-current assets:			
Debt investment			
Other debt investments			
Long-term receivables			
Long-term equity investments	XIX (3)	10,883,591,725	10,351,021,410
Other equity instrument investment		211,195,841	190,530,888
Other non-current financial assets			
Investment properties		358,064,066	392,376,734
Fixed assets		4,213,476,418	4,015,302,414
Construction in progress		1,097,499,349	1,056,661,914
Productive biological assets			
Oil and gas assets			
Right-of-use assets		3,050,645	9,166,128
Intangible assets		1,323,959,348	1,362,202,411
Including: Data resources			
Development expenditures			
Including: Data resources			
Goodwill			
Long-term deferred expenses		31,376	94,129
Deferred income tax assets		885,522,954	855,067,411
Other non-current assets		732,100,657	663,482,258
Total non-current assets		19,708,492,379	18,895,905,697
Total assets		67,825,327,440	70,720,790,673

Item	Note	December 31, 2025	December 31, 2024
Current liabilities:			
Short-term borrowings		2,396,556,417	889,334,457
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable		4,531,346,956	3,861,379,521
Accounts payable		8,711,667,852	7,419,221,155
Advances from customers		57,376,888	
Contract liabilities		21,057,242,399	20,061,938,867
Payroll payable		29,374,048	29,258,184
Tax payable		226,550,279	235,344,747
Other payables		955,408,562	1,086,104,964
Including: Interest payable			
Dividends payable		105,244,272	6,593
Liabilities held for sale			
Non-current liabilities due within one year		3,805,385,064	6,415,625,514
Other current liabilities			
Total current liabilities		41,770,908,465	39,998,207,409
Non-current liabilities:			
Long-term borrowings		10,323,453,100	14,913,247,504
Bonds payable			
Including: Preferred stock			
Perpetual bond			
Lease liabilities		40,490	1,788,323
Long-term payables			
Long-term payroll payable			
Estimated liabilities		271,157,342	181,513,116
Deferred income		258,120,297	240,784,101
Deferred income tax liabilities			
Other non-current liabilities		273,644	5,687,798
Total non-current liabilities		10,853,044,873	15,343,020,842
Total liabilities		52,623,953,338	55,341,228,251
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)		5,268,353,501	5,268,353,501
Other equity instruments		500,000,000	500,000,000
Including: Preferred stock			
Perpetual bond		500,000,000	500,000,000
Capital reserves		4,931,360,781	4,907,051,446
Less: treasury stock		29,008,907	
Other comprehensive income		63,989,065	48,144,596
Special reserves		3,408,332	2,165,658
Surplus reserves		1,774,486,100	1,752,675,477
Undistributed profits		2,688,785,230	2,901,171,744
Total owners' equity (or shareholders' equity)		15,201,374,102	15,379,562,422
Total liabilities and owners' equity (or shareholders' equity)		67,825,327,440	70,720,790,673

Legal representative of the Company: You Ruikai Person in charge of accounting work: Li Zhen Person in charge of accounting agency: Wang Minfei

Consolidated Income Statement

January-December 2025

Unit: RMB, Currency: CNY

Item	Note	2025	2024
I. Total operating revenue		36,260,458,326	34,456,420,181
Including: Operating revenue	VII (61)	36,260,458,326	34,456,420,181
Interest income			
Premiums earned			
Fee and commission income			
II. Total operating cost		34,556,017,475	33,273,059,405
Including: Operating costs	VII (61)	31,278,160,080	30,060,171,301
Interest expenses			
Fee and commission expense			
Surrender value			
Net amount of compensation payout			
Net reserves for insurance liabilities			
Policy holder dividend expense			
Reinsurance expenses			
Taxes and surcharges	VII (62)	357,214,357	334,432,807
Selling and distribution expenses	VII (63)	236,909,842	232,654,482
General and administrative expenses	VII (64)	837,981,962	818,457,672
Research and development expenditures	VII (65)	1,515,374,795	1,502,397,344
Financial expenses	VII (66)	330,376,439	324,945,799
Including: Interest expenses		641,183,627	812,901,300
Interest income		353,481,891	389,180,961
Plus: Other income	VII (67)	157,299,740	145,576,944
Income from investment (loss expressed with "-")	VII (68)	144,556,726	78,121,431
Including: Income from investment of joint venture and cooperative enterprise		75,525,126	38,722,269
Income from derecognition of financial assets measured at amortized cost		-11,574,005	-54,613,813
Exchange gain (loss expressed with "-")			
Net exposure hedging gain (loss expressed with "-")			
Income from fair value change (loss expressed with "-")	VII (70)	-7,820,546	13,425,987
Credit impairment loss (loss expressed with "-")	VII (71)	-545,528,648	-418,414,816
Assets impairment losses (loss expressed with "-")	VII (72)	-386,685,061	-200,815,539
Income from disposal of assets (loss expressed with "-")	VII (73)	42,148,850	106,961,574
III. Operating profits (loss expressed with "-")		1,108,411,912	908,216,357
Plus: Non-operating income	VII (74)	25,842,164	53,998,945
Less: Non-operating expenditure	VII (75)	18,230,062	24,786,050
IV. Total profits (total loss expressed with "-")		1,116,024,014	937,429,252
Less: Income tax expenses	VII (76)	113,096,668	157,484,483
V. Net profits (net loss expressed with "-")		1,002,927,346	779,944,769
(I) Classified by business continuity			
1. Net profits from ongoing operation (net loss expressed with "-")		1,002,927,346	779,944,769
2. Net profits from discontinuing operation (net loss expressed with "-")			
(II) Classified by ownership			
1. Net profit attributable to the shareholders of parent company (net loss expressed with "-")		731,841,793	533,524,077
2. Minority interests (net loss expressed with "-")		271,085,553	246,420,692

Item	Note	2025	2024
VI. Net of tax of other comprehensive income	VII (77)	-21,613,168	30,472,971
(I) Net amount of after-tax other comprehensive income attributable to the owners of the parent company		-2,008,109	21,757,460
1. Other comprehensive income that cannot be reclassified into profit and loss		17,565,210	4,565,955
(1) Remeasurement of defined benefit plan			
(2) Other comprehensive income that cannot be reclassified into profit and loss in the invested enterprise under equity method			
(3) Fair value change of other equity instrument investments		17,565,210	4,565,955
(4) Fair value change of enterprise credit risks			
2. Other comprehensive income that will be reclassified into profit and loss		-19,573,319	17,191,505
(1) Other comprehensive income that will be reclassified into profit and loss in the invested enterprise under equity method		-828,505	14,646,563
(2) Fair value change of other debt investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Provision for credit impairment of other debt investments			
(5) Cash flow hedging reserve			
(6) Translation reserve		-18,744,814	2,544,942
(7) Others			
(II) Net of tax of other comprehensive income attributable to the minority shareholders		-19,605,059	8,715,511
VII. Total comprehensive income		981,314,178	810,417,740
(I) Total comprehensive income attributable to the owners of the parent company		729,833,684	555,281,537
(II) Total comprehensive income belonging to minority shareholders		251,480,494	255,136,203
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		0.14	0.10
(II) Diluted earnings per share (RMB/share)		0.14	0.10

In case of business combination under common control in current period, the net profit realized by the combined party before combination was RMB 0, and the net profit realized by the combined party in the previous period was RMB 0.

Legal representative of the Company: You Ruikai　　Person in charge of accounting work: Li Zhen　　Person in charge of accounting agency: Wang Minfei

Income Statement of Parent Company

January-December 2025

Unit: RMB, Currency: CNY

Item	Note	2025	2024
I. Operating revenue	XIX (4)	32,649,978,661	34,566,920,628
Less: Operating costs	XIX (4)	29,862,491,371	31,446,805,557
Taxes and surcharges		253,116,315	254,780,250
Selling and distribution expenses		163,373,271	155,409,738
General and administrative expenses		431,730,668	454,544,585
Research and development expenditures		1,073,396,668	1,092,525,439
Financial expenses		383,413,874	299,533,226
Including: Interest expenses		446,048,294	565,802,063
Interest income		59,710,611	80,198,004
Plus: Other income		39,017,864	67,785,887
Income from investment (loss expressed with "-")	XIX (5)	313,712,049	113,104,491
Including: Income from investment of joint venture and cooperative enterprise		75,525,126	38,775,117
Income from derecognition of financial assets measured at amortized cost		-11,574,005	-54,613,813
Net exposure hedging gain (loss expressed with "-")			
Income from fair value change (loss expressed with "-")		-29,425,185	-39,555,311
Credit impairment loss (loss expressed with "-")		-283,482,797	-383,046,479
Assets impairment losses (loss expressed with "-")		-357,776,552	-209,486,005
Income from disposal of assets (loss expressed with "-")		24,503,331	8,240,262
II. Operating profits (loss expressed with "-")		189,005,204	420,364,678
Plus: Non-operating income		17,711,237	19,258,466
Less: Non-operating expenditure		18,157,712	1,803,355
III. Total profits (total loss expressed with "-")		188,558,729	437,819,789
Less: Income tax expenses		-29,547,501	19,032,738
IV. Net profits (loss expressed with "-")		218,106,230	418,787,051
(I) Net profits from ongoing operation (net loss expressed with "-")		218,106,230	418,787,051
(II) Net profits from discontinuing operation (net loss expressed with "-")			
V. Net of tax of other comprehensive income		15,844,469	19,740,226
(I) Other comprehensive income that cannot be reclassified into profit and loss		17,565,210	4,565,955
1. Remeasurement of defined benefit plan			
2. Other comprehensive income that cannot be reclassified into profit and loss in the invested enterprise under equity method			
3. Fair value change of other equity instrument investments		17,565,210	4,565,955
4. Fair value change of enterprise credit risks			
(II) Other comprehensive income that will be reclassified into profit and loss		-1,720,741	15,174,271
1. Other comprehensive income that will be reclassified into profit and loss in the invested enterprise under equity method		-828,505	14,646,563
2. Fair value change of other debt investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedging reserve			
6. Translation reserve		-892,236	527,708
7. Others			
VI. Total comprehensive income		233,950,699	438,527,277
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

Legal representative of the Company: You Ruikai Person in charge of accounting work: Li Zhen Person in charge of accounting agency: Wang Minfei

Consolidated Statement of Cash Flows

January-December 2025

Unit: RMB, Currency: CNY

Item	Note	2025	2024
I. Cash flow from operating activities:			
Cash from selling commodities or offering labor		37,356,265,364	37,435,656,876
Net increase of customer deposit and deposit from other banks			
Net increase of borrowings from central bank			
Net increase of borrowing funds from other financial institutions			
Cash from obtaining original insurance contract premium			
Net cash received from reinsurance business			
Net increase in the deposits and investment of insured			
Cash from interest, handling charges and commissions			
Net increase of borrowing funds			
Net increase of repurchase of business funds			
Net cash from acting trading securities			
Refund of tax and levies		685,232,714	652,174,743
Other cash received related to operating activities		421,976,056	519,372,156
Subtotal cash inflows from operating activities		38,463,474,134	38,607,203,775
Cash paid for goods purchased and services received		27,904,261,186	29,307,515,856
Net increase of customer loans and advances			
Net increase of amount due from central bank and interbank			
Cash paid for original insurance contract claims payment			
Net increase of lending funds			
Cash paid for interest, handling charges and commissions			
Cash paid for policy dividend			
Cash paid to and for employees		2,746,218,784	2,626,047,540
Taxes and fees paid		996,630,533	718,326,527
Other cash paid related to operating activities		567,059,250	679,434,974
Subtotal cash outflows from operating activities		32,214,169,753	33,331,324,897
Net cash flows from operating activities		6,249,304,381	5,275,878,878
II. Cash flows from investment activities:			
Cash from investment withdrawal		162,984,720	421,989,782
Cash from investment income		98,825,502	113,205,574
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		189,161,706	148,958,016
Net cash from disposal of subsidiaries and other business units			
Net cash from purchase of subsidiaries			12,022,181
Other cash received related to investment activities		125,703,163	232,413,226
Subtotal cash inflows from investment activities		576,675,091	928,588,779
Cash paid for purchase of fixed assets, intangible assets and other long-term assets		1,049,783,500	1,061,984,214
Cash paid for investments			88,358,925
Net increase in hypothecated loan			
Net cash paid for obtaining subsidiaries and other business units			
Other cash paid related to investment activities			
Subtotal cash outflows from investment activities		1,049,783,500	1,150,343,139
Net cash flows from investment activities		-473,108,409	-221,754,360

Item	Note	2025	2024
III. Cash flows from financing activities:			
Cash from absorption of investments		28,132,880	49,240,000
Including: Cash received from subsidies' absorption of minority shareholders' investment		28,132,880	49,240,000
Cash received from issuance of other equity instruments		500,000,000	
Cash received from borrowings		9,365,393,463	15,944,699,596
Other cash received related to financing activities		1,682,508,625	1,942,418,735
Subtotal cash inflows from financing activities		11,576,034,968	17,936,358,331
Cash repayments of amounts borrowed		15,142,807,946	17,647,258,576
Cash paid for distribution of dividends, profits or interest expenses		1,003,833,684	1,207,097,103
Including: Dividends and profits paid by subsidiaries to minority shareholders		55,988,784	98,052,888
Other cash paid related to financing activities		2,455,566,049	3,385,153,914
Subtotal cash outflows from financing activities		18,602,207,679	22,239,509,593
Net cash flows from financing activities		-7,026,172,711	-4,303,151,262
IV. Impact of exchange rate movements on cash and cash equivalents		-30,997,458	40,032,787
V. Net increase of cash and cash equivalents		-1,280,974,197	791,006,043
Plus: Beginning balance of cash and cash equivalents		5,823,175,948	5,032,169,905
VI. Ending balance of cash and cash equivalents		4,542,201,751	5,823,175,948

Legal representative of the Company: You Ruikai Person in charge of accounting work: Li Zhen Person in charge of accounting agency: Wang Minfei

Statement of Cash Flows of the Parent Company

January-December 2025

Unit: RMB, Currency: CNY

Item	Note	2025	2024
I. Cash flow from operating activities:			
Cash from selling commodities or offering labor		33,406,974,912	32,363,081,440
Refund of tax and levies		670,995,867	635,668,940
Other cash received related to operating activities		343,874,045	344,116,999
Subtotal cash inflows from operating activities		34,421,844,824	33,342,867,379
Cash paid for goods purchased and services received		26,293,121,817	26,790,765,500
Cash paid to and for employees		1,375,079,362	1,385,075,473
Taxes and fees paid		324,760,192	174,514,929
Other cash paid related to operating activities		466,855,854	463,694,875
Subtotal cash outflows from operating activities		28,459,817,225	28,814,050,777
Net cash flows from operating activities		5,962,027,599	4,528,816,602
II. Cash flows from investment activities:			
Cash from investment withdrawal		86,978,898	531,587,245
Cash from investment income		268,863,449	135,346,793
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		24,503,331	8,240,262
Net cash from disposal of subsidiaries and other business units			
Other cash received related to investment activities			
Subtotal cash inflows from investment activities		380,345,678	675,174,300
Cash paid for purchase of fixed assets, intangible assets and other long-term assets		476,129,347	341,835,549
Cash paid for investments		550,750,450	1,459,478,925
Net cash paid for obtaining subsidiaries and other business units			
Other cash paid related to investment activities			
Subtotal cash outflows from investment activities		1,026,879,797	1,801,314,474
Net cash flows from investment activities		-646,534,119	-1,126,140,174
III. Cash flows from financing activities:			
Cash from absorption of investments			
Cash received from borrowings		7,508,133,416	13,270,759,931
Cash received from issuance of other equity instruments		500,000,000	
Other cash received related to financing activities		1,593,157,375	1,897,394,119
Subtotal cash inflows from financing activities		9,601,290,791	15,168,154,050
Cash repayments of amounts borrowed		13,196,268,552	15,581,580,228
Cash paid for distribution of dividends, profits or interest expenses		749,492,736	851,526,505
Other cash paid related to financing activities		2,074,679,487	2,042,588,113
Subtotal cash outflows from financing activities		16,020,440,775	18,475,694,846
Net cash flows from financing activities		-6,419,149,984	-3,307,540,796
IV. Impact of exchange rate movements on cash and cash equivalents		6,584,894	6,174,253
V. Net increase of cash and cash equivalents		-1,097,071,610	101,309,885
Plus: Beginning balance of cash and cash equivalents		3,813,514,842	3,712,204,957
VI. Ending balance of cash and cash equivalents		2,716,443,232	3,813,514,842

Legal representative of the Company: You Ruikai Person in charge of accounting work: Li Zhen Person in charge of accounting agency: Wang Minfei

Consolidated Statement of Changes in Owners' Equity

January-December 2025

Unit: RMB, Currency: CNY

Item	2025														
	Equity attributable to the owners of the parent company													Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk preparation	Undistributed profits	Others	Sub-total		
		Preferred stock	Perpetual bond	Others											
I. Balance at the end of the last year	5,268,353,501		500,000,000		4,709,186,687		77,752,796	16,731,029	1,753,183,750		3,542,325,737		15,867,533,500	2,454,917,955	18,322,451,455
Plus: Changes in accounting policies															
Prior period error correction															
Others															
II. Beginning balance in current year	5,268,353,501		500,000,000		4,709,186,687		77,752,796	16,731,029	1,753,183,750		3,542,325,737		15,867,533,500	2,454,917,955	18,322,451,455
III. Increase/decrease in the current year ("-" for decrease)					24,309,335	29,008,907	-2,008,109	-7,478,463	21,810,623		301,349,049		308,973,528	123,635,277	432,608,805
(I) Total comprehensive income							-2,008,109				731,841,793		729,833,684	251,480,494	981,314,178
(II) Owner's invested and decreased capital					24,309,335	29,008,907							-4,699,572	-69,201,274	-73,900,846
1. Common stock invested by the owners														28,132,880	28,132,880
2. Capital invested by other equity instrument holders			500,000,000										500,000,000		500,000,000
3. Amount of share-based payment included in the owner's equity					23,639,017								23,639,017		23,639,017
4. Others					670,318	29,008,907							-28,338,589	-97,334,154	-125,672,743
5. Capital reduced by other equity instrument holders			-500,000,000										-500,000,000		-500,000,000
(III) Profit distribution									21,810,623		-430,492,744		-408,682,121	-55,988,784	-464,670,905
1. Withdrawal of surplus reserves									21,810,623		-21,810,623				
2. Withdrawal of general risk preparation															
3. Distribution of owners (or shareholders)											-394,997,121		-394,997,121	-55,988,784	-450,985,905
4. Others											-13,685,000		-13,685,000		-13,685,000
(IV) Internal transfer of owner's equity															
1. Capital surplus transfer to paid-in capital (or capital stock)															
2. Earned surplus transfer to paid-in capital (or capital stock)															
3. Earned surplus covering the deficit															
4. Carryforward retained earnings in variation of defined benefit plan															
5. Carryforward retained earnings of other comprehensive income															
6. Others															
(V) Special reserves								-7,478,463					-7,478,463	-2,655,159	-10,133,622
1. Amount withdrawn in the current year								77,940,404					77,940,404	6,002,090	83,942,494
2. Amount used in the current year								-85,418,867					-85,418,867	-8,657,249	-94,076,116
(VI) Others															
IV. Closing balance	5,268,353,501		500,000,000		4,733,496,022	29,008,907	75,744,687	9,252,566	1,774,994,373		3,843,674,786		16,176,507,028	2,578,553,232	18,755,060,260

Item	2024														
	Equity attributable to the owners of the parent company													Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk preparation	Undistributed profits	Others	Sub-total		
		Preferred stock	Perpetual bond	Others											
I. Balance at the end of the last year	5,268,353,501		500,000,000		4,882,590,778		59,000,302	10,525,094	1,711,305,045		3,324,778,074		15,756,552,794	3,110,383,001	18,866,935,795
Plus: Changes in accounting policies															
Prior period error correction															
Others															
II. Beginning balance in current year	5,268,353,501		500,000,000		4,882,590,778		59,000,302	10,525,094	1,711,305,045		3,324,778,074		15,756,552,794	3,110,383,001	18,866,935,795
III. Increase/decrease in the current year ("-" for decrease)					-173,404,091		18,752,494	6,205,935	41,878,705		217,547,663		110,980,706	-655,465,046	-544,484,340
(I) Total comprehensive income							21,757,460				533,524,077		555,281,537	255,136,203	810,417,740
(II) Owner's invested and decreased capital					-173,404,091								-173,404,091	-814,646,878	-988,050,969
1. Common stock invested by the owners														49,240,000	49,240,000
2. Capital invested by other equity instrument holders															
3. Amount of share-based payment included in the owner's equity					12,144,098								12,144,098		12,144,098
4. Others					-185,548,189								-185,548,189	-863,886,878	-1,049,435,067
(III) Profit distribution									41,878,705		-318,981,380		-277,102,675	-98,052,888	-375,155,563
1. Withdrawal of surplus reserves									41,878,705		-41,878,705				
2. Withdrawal of general risk preparation															
3. Distribution of owners (or shareholders)											-263,417,675		-263,417,675	-98,052,888	-361,470,563
4. Others											-13,685,000		-13,685,000		-13,685,000
(IV) Internal transfer of owner's equity							-3,004,966				3,004,966				
1. Capital surplus transfer to paid-in capital (or capital stock)															
2. Earned surplus transfer to paid-in capital (or capital stock)															
3. Earned surplus covering the deficit															
4. Carryforward retained earnings in variation of defined benefit plan															
5. Carryforward retained earnings of other comprehensive income							-3,004,966				3,004,966				
6. Others															
(V) Special reserves								6,205,935					6,205,935	2,098,517	8,304,452
1. Amount withdrawn in the current year								94,703,880					94,703,880	6,724,447	101,428,327
2. Amount used in the current year								-88,497,945					-88,497,945	-4,625,930	-93,123,875
(VI) Others															
IV. Closing balance	5,268,353,501		500,000,000		4,709,186,687		77,752,796	16,731,029	1,753,183,750		3,542,325,737		15,867,533,500	2,454,917,955	18,322,451,455

Legal representative of the Company: You Ruikai

Person in charge of accounting work: Li Zhen

Person in charge of accounting agency: Wang Minfei

Statement of Changes in Owners' Equity of the Parent Company

January-December 2025

Unit: RMB, Currency: CNY

Item	2025										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Total owners' equity
		Preferred stock	Perpetual bond	Others							
I. Balance at the end of the last year	5,268,353,501		500,000,000		4,907,051,446		48,144,596	2,165,658	1,752,675,477	2,901,171,744	15,379,562,422
Plus: Changes in accounting policies											
Prior period error correction											
Others											
II. Beginning balance in current year	5,268,353,501		500,000,000		4,907,051,446		48,144,596	2,165,658	1,752,675,477	2,901,171,744	15,379,562,422
III. Increase/decrease in the current year ("-" for decrease)					24,309,335	29,008,907	15,844,469	1,242,674	21,810,623	-212,386,514	-178,188,320
(I) Total comprehensive income							15,844,469			218,106,230	233,950,699
(II) Owner's invested and decreased capital					24,309,335	29,008,907					-4,699,572
1. Common stock invested by the owners											
2. Capital invested by other equity instrument holders			500,000,000								500,000,000
3. Amount of share-based payment included in the owner's equity					23,639,017						23,639,017
4. Others					670,318	29,008,907					-28,338,589
5. Capital reduced by other equity instrument holders			-500,000,000								-500,000,000
(III) Profit distribution									21,810,623	-430,492,744	-408,682,121
1. Withdrawal of surplus reserves									21,810,623	-21,810,623	
2. Distribution of owners (or shareholders)										-394,997,121	-394,997,121
3. Others										-13,685,000	-13,685,000
(IV) Internal transfer of owner's equity											
1. Capital surplus transfer to paid-in capital (or capital stock)											
2. Earned surplus transfer to paid-in capital (or capital stock)											
3. Earned surplus covering the deficit											
4. Carryforward retained earnings in variation of defined benefit plan											
5. Carryforward retained earnings of other comprehensive income											
6. Others											
(V) Special reserves								1,242,674			1,242,674
1. Amount withdrawn in the current year								32,655,203			32,655,203
2. Amount used in the current year								-31,412,529			-31,412,529
(VI) Others											
IV. Closing balance	5,268,353,501		500,000,000		4,931,360,781	29,008,907	63,989,065	3,408,332	1,774,486,100	2,688,785,230	15,201,374,102

Item	2024										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Total owners' equity
		Preferred stock	Perpetual bond	Others							
I. Balance at the end of the last year	5,268,353,501		500,000,000		4,894,907,348		31,409,336	1,422,294	1,710,796,772	2,798,361,107	15,205,250,358
Plus: Changes in accounting policies											
Prior period error correction											
Others											
II. Beginning balance in current year	5,268,353,501		500,000,000		4,894,907,348		31,409,336	1,422,294	1,710,796,772	2,798,361,107	15,205,250,358
III. Increase/decrease in the current year ("-" for decrease)					12,144,098		16,735,260	743,364	41,878,705	102,810,637	174,312,064
(I) Total comprehensive income							19,740,226			418,787,051	438,527,277
(II) Owner's invested and decreased capital					12,144,098						12,144,098
1. Common stock invested by the owners											
2. Capital invested by other equity instrument holders											
3. Amount of share-based payment included in the owner's equity					12,144,098						12,144,098
4. Others											
(III) Profit distribution									41,878,705	-318,981,380	-277,102,675
1. Withdrawal of surplus reserves									41,878,705	-41,878,705	
2. Distribution of owners (or shareholders)										-263,417,675	-263,417,675
3. Others										-13,685,000	-13,685,000
(IV) Internal transfer of owner's equity							-3,004,966			3,004,966	
1. Capital surplus transfer to paid-in capital (or capital stock)											
2. Earned surplus transfer to paid-in capital (or capital stock)											
3. Earned surplus covering the deficit											
4. Carryforward retained earnings in variation of defined benefit plan											
5. Carryforward retained earnings of other comprehensive income							-3,004,966			3,004,966	
6. Others											
(V) Special reserves								743,364			743,364
1. Amount withdrawn in the current year								49,774,318			49,774,318
2. Amount used in the current year								-49,030,954			-49,030,954
(VI) Others											
IV. Closing balance	5,268,353,501		500,000,000		4,907,051,446		48,144,596	2,165,658	1,752,675,477	2,901,171,744	15,379,562,422

Legal representative of the Company: You Ruikai

Person in charge of accounting work: Li Zhen

Person in charge of accounting agency: Wang Minfei

III. Company profile

1. Company profile

√ Applicable ☐ Not applicable

Shanghai Zhenhua Heavy Industries Co., Ltd. (hereinafter referred to as "the Company") is a joint-stock company limited established on September 8, 1997 through restructuring Shanghai Zhenhua Port Machinery Company Limited (hereinafter referred to as "Zhenhua Company"). Both the registration place and the address of the headquarters are in Shanghai City, P. R. China.

As approved by ZWFZ (1997) No.42 Document issued by the Securities Commission under the State Council, the Company issued 100 million domestically-listed shares held by the foreign investors (B-share) from July 15, 1997 till July 17, 1997. The B-shares were listed for trading at Shanghai Stock Exchange on August 5, 1997.

As approved by ZJFXZ (2000) No. 200 Document of China Securities Regulatory Commission, the Company additionally issued 88,000,000 common shares (RMB denominated) (A-share) held by the domestic investors in December 2000. The A-shares were listed for trading at Shanghai Stock Exchange on Dec. 21, 2000.

As approved by ZJFXZ (2004) No. 165 Document of China Securities Regulatory Commission, the Company additionally issued 114,280,000 A-shares held by the domestic investors in December 23, 2004. The additionally issued A-shares were listed at Shanghai Stock Exchange respectively for trading on December 31, 2004 and January 31, 2005.

As approved by ZJFXZ (2007) No. 346 Document of China Securities Regulatory Commission, the Company additionally issued 125,515,000 A-shares held by the domestic investors in October 15, 2007. The additionally issued A-shares were listed at Shanghai Stock Exchange respectively for trading on October 23, 2007 and January 23, 2008.

As approved by ZJXKZ (2009) No.71 Document of China Securities Regulatory Commission, the Company privately placed 169,794,680 A-shares on Sept. 22, 2008 to its controller China Communications Construction Co., Ltd. (hereinafter referred to as "China Communications Corporation"). A-shares privately placed were the tradable shares with limited trading conditions. From March 20, 2012 on, the term of trading limitation expired for above-mentioned A-shares which were listed at Shanghai Stock Exchange for trading.

By December 31, 2025, after all issuances of the shares and bonus shares distributed in the past year, the total shares of the Company amounted to 5,268,353,501 shares, par value per share was RMB 1. The share capital totaled up to RMB 5,268,353,501.

On December 18, 2005, China Road and Bridge Construction Group General Company and the Company's former controlling shareholder China Harbor Construction (Group) General Company were merged into China Communications Construction (Group) Co. Ltd after restructuring (hereafter referred to as "CCCG"). In accordance with the Official Reply to Overall Reorganization and Overseas-listed and Domestically-listed Share of China Communications Construction Co., Ltd. (GZGG [2006] No.1063 Document) by State-owned Assets Supervision and Administration Commission of the State Council on Aug. 16, 2006, the reorganization proposal of China Communications Construction (Group) Co., Ltd approved in the Official Reply to the Issues Concerning Management of State-owned Stock Equity of China Communications Construction Co., Ltd. (GZCQ [2006] No.1072 Document) on Sept. 30, 2006 and the Official Reply to Approval of China Communications Construction Co., Ltd.'s Announcement of Purchase Report of Road and Bridge Construction Co., Ltd. and Shanghai Zhenhua Port Machinery (Group) Co., Ltd. and Exemption of Their Obligations for Purchase by Offer (ZJGSZ [2006] No. 227 Document), CCCG solely initiated the incorporation of China Communications Construction Co., Ltd. on Oct. 8, 2006 and invested the stock equity of the Company held into the newly incorporated China Communications Co., Ltd. With the completion of reorganization, China Communications Co., Ltd thus became the controlling shareholder of the Company.

In 2016, the Company was granted the Uniform Social Credit Code of 91310000607206953D.

On July 18, 2017, the Board of Directors of China Communications Construction Co., Ltd. discussed and approved the Proposal for Transfer of Some Shares of Shanghai Zhenhua Heavy Industries (Group) Co., Ltd by Agreement and Associated Transaction and agreed to transfer totally 1,316,649,346 shares of the Company held by it to CCCG and CCCG (Hong Kong) Holdings Co., Ltd. (hereinafter referred to as "CCCG Hong Kong"), accounting for 29.990% of the total shares of the Company, after that, China Communications Construction Co., Ltd. held 16.239% of the stock equity of the Company. The transfer and registration of shares was accomplished on December 27, 2017. On the date of the transfer of shares, CCCG directly held 552,686,146 A-shares of the Company (accounting for 12.589% of the total shares of the Company), indirectly held 763,963,200 B-shares of the Company through CCCG (Hong Kong) (accounting for 17.401% of the total shares of the Company) and held 712,951,703 A-shares of the Company through China Communications Construction Co., Ltd. (accounting for 16.239% of the total shares of the Company), as a result, it became the controlling shareholder of the Company.

The Company and its subsidiaries (hereinafter collectively referred to as "the Group") were mainly engaged in the design, manufacture, installation and contracting of large-scale port handling systems and equipment, offshore heavy-duty equipment, engineering machinery, engineering vessels and large-scale metal structures and their components; the sale of self-manufactured products; and international shipping utilizing specialized transport vessels and specialized contracting for steel structure engineering.

The financial statements were approved by the resolution of the Board of Directors of the Company on March 30, 2026.

IV. Basis of preparation for financial statements

1. Basis of preparation

The Company's financial statements are prepared on a going concern basis.

2. Going concern

√ Applicable ☐ Not applicable

These financial statements are presented on a going concern basis.

As of December 31, 2025, the Group's current liabilities exceeded its current assets by approximately RMB 3.859 billion. In preparing these financial statements, in view of the Group's available bank credit facilities, established track record in obtaining financing, sound cooperative relationships with major banks and financial institutions, and operating performance, the Board of Directors believes that the Group will continue to obtain sufficient financing sources and operating cash flows to meet its funding requirements for operations, repayment of maturing debts, and capital expenditures during the 12-month period commencing January 1, 2025. Accordingly, the Board of Directors is satisfied that the Group will continue as a going concern and has prepared these financial statements on a going concern basis.

These financial statements are prepared on the historical cost principle, except for some financial instruments. If the assets are impaired, corresponding impairment provision should be accrued according to relevant provisions.

V. Significant accounting policies and accounting estimates

Specific accounting policies and accounting estimates tips

√ Applicable ☐ Not applicable

The Group determines the specific accounting policies and accounting estimates based on actual production and operation characteristics, which are mainly reflected in the inventory valuation methods, income recognition and measurement and so on.

1. Statement on compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises, and truly and completely reflect the financial position, operating results, changes in shareholders' equity and cash flows of the Company.

2. Accounting period

The Company adopts calendar year as the accounting year, which commences on January from the 1, and ends on December 31 of each year.

3. Operating cycle

☐ Applicable √ Not applicable

4. Functional currency

The Company adopts RMB as the base currency for bookkeeping.

5. Determination method and selection basis of significance standards

√ Applicable ☐ Not applicable

Item	Significance standards
Significant accounts receivable with provision for bad debts accrued on an individual basis	The amount of provision accrued on an individual basis accounts for more than 10% of the total bad debt provision of accounts receivable and the amount is greater than RMB 40 million
Other significant receivables with provision for bad debts accrued on an individual basis	The amount of provision accrued on an individual basis accounts for more than 10% of the total bad debt provision of various other receivables and the amount is greater than RMB 40 million
Recovery or reversal of provision for bad debts on significant receivables	The amount of individual recovery or reversal accounts for more than 10% of the total amount of various receivables and the amount is greater than RMB 40 million
Actual write-off of significant receivables	The amount of individual write-off accounts for more than 10% of the total bad debt provision of various receivables and the amount is greater than RMB 40 million
Significant changes in the book value of contract assets	The amount of change in the book value of contract assets accounts for more than 30% of the balance of contract assets at the beginning of the period
Significant contractual liability with the aging over more than 1 year	An individual contractual liability with the aging over 1 year accounts for more than 10% of the total contract liabilities and the amount is greater than RMB 100 million
Significant changes in the book value of contractual liability	The amount of change in the book value of contractual liability accounts for more than 30% of the balance of contractual liability at the beginning of the period
Significant accounts payable	An individual account payable with the aging over 1 year accounts for more than 10% of the total accounts payable and the amount is greater than RMB 100 million
Other significant payables	An individual other account payable with the aging over than 1 year accounts for more than 10% of the total accounts payable and the amount is greater than RMB 100 million
Significant construction in progress	The budget of a single project is greater than RMB 300 million
Significant estimated liabilities	Estimated liabilities of a single type account for more than 10% of the total estimated liabilities and the amount is greater than RMB 100 million
Significant non-wholly-owned subsidiaries	The net assets of a subsidiary account for more than 5% of the net assets of the group, or the minority interests of a single subsidiary account for more than 1% of the net assets of the group and the amount is greater than RMB 100 million
Significant capitalized R&D projects	The ending balance of a single project accounts for more than 10% of the ending balance of development expenditure and the amount is greater than RMB 100 million
Significant outsourced research projects	A single project accounts for more than 10% of the total R&D investment
Significant contract changes	The amount of changes/adjustments accounts for more than 30% of the original contract amount, and the amount of impact on the current period's revenue accounts for more than 1% of the total revenue of the current period
Significant investment activities	An individual investment activity accounts for more than 10% of the total cash inflows or outflows received or paid for investment activities and exceeds RMB 300 million in value.
Significant joint ventures or associates	The book value of long-term equity investment in a single investee accounts for more than 5% of the group's net assets and the amount is greater than RMB 100 million, or the investment profit and loss of long-term equity investment under the equity method accounts for more than 10% of the group's consolidated net profit
Significant subsidiaries	The net assets of a subsidiary account for more than 5% of the group's net assets, or the net profit of a subsidiary accounts for more than 10% of the group's consolidated net profit
Major activities not involving current cash receipts and payments	Activities that do not involve current cash receipts and payments, and have an impact on current statements greater than 10% of net assets, or are expected to have an impact on future cash flows greater than 10% of the corresponding total cash inflows or outflows

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

√ Applicable ☐ Not applicable

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

Business combination under common control

The business combination under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or the same parties both before and after the business combination and on which the control is not temporary. The assets and liabilities that the combining party obtains in a business combination under common control(including the goodwill formed by the acquisition of the combined party by the ultimate controlling party), are subject to the corresponding accounting treatment in accordance with the carrying amount in the financial statements of the ultimate controlling party on the combination date. The difference between the carrying amount of the net assets obtained from the combination and the carrying amount of the consideration paid (or total par value of the shares issued) for the combination is treated as an adjustment to capital premium in the capital reserves and the capital reserves carried out under the former system. If the capital premium is not sufficient to absorb the difference, the remaining balance is adjusted against retained earnings.

Business combination not under common control

The business combination not under common control is a business combination in which all of the combining enterprises are not controlled by the same party or the same parties before and after the combination. Regarding consolidation not under the same control, the recognizable assets, liabilities and contingent liabilities of the seller are measured upon fair value on the purchase day. The balance of the consolidation costs greater than the fair value of the recognizable net assets of the seller is confirmed as goodwill, and subsequently measured at cost less accumulated impairment losses. In case the consolidation costs are less than the fair value of the recognizable net assets of the seller, the fair value of all recognizable assets, liabilities and contingent liabilities of the seller, and the measurement of the consolidation costs is re-examined; the balance between the consolidation costs less than the fair value of recognizable net assets of the seller after the re-examination is recognized in current profits and losses.

7. Judgment criteria of control and preparation method of consolidated financial statements

√ Applicable ☐ Not applicable

The consolidation scope of the consolidated financial statements is determined based on control and includes the financial statements of the Company and all of its subsidiaries. Subsidiary refers to the entity controlled by the Company (including separable parts of enterprises and the invested entity as well as structured entities controlled by the Company). If and only if the three elements below are met, it can be deemed that an investor controls an invested party: the investor possesses the power over the invested party; the investor is entitled to changeable returns due to participation in related activities of the invested party; the investor has the ability to influence the amount of return by exercising its power over the invested party.

If the accounting policies or accounting periods adopted by a subsidiary and the Company are inconsistent, when preparing the consolidated financial statements, the necessary adjustments shall be made to the subsidiary's financial statements based on the accounting policies and accounting periods of the Company. The assets, liabilities, equity, incomes, expenses and cash flow arising from transactions among companies within the Group are eliminated in full upon consolidation.

If the current losses attributable to minority shareholders of a subsidiary exceed the minority interest in the subsidiary's opening equity, such excess continues to be charged against the minority interest.

For the subsidiaries acquired in business combination not under common control, the operating results and the cash flows of the acquiree shall be included in the consolidated financial statements on the date of acquisition of control till the termination of control. When preparing the consolidated financial statements, the financial statements of subsidiaries shall be adjusted based on the fair value of various identifiable assets, liabilities and contingent liability confirmed on the acquisition date.

For subsidiaries acquired through business combinations involving entities under common control, the operating results and cash flows of the acquiree are included in the consolidated financial statements as of the beginning of the reporting period in which the combination occurs. When preparing comparative consolidated financial statements, the relevant items in the prior-period financial statements are adjusted as if the reporting entity resulting from the combination had existed continuously since the date on which the ultimate controlling party first obtained control.

If changes in relevant facts and circumstances result in changes to one or more elements of control, the Group reassesses whether it controls the investee.

Without lose of the control right, change of the minority equity is deemed as capital transaction.

8. Classification of joint venture arrangement and methods of joint operation accounting treatment

☐ Applicable √ Not applicable

9. Recognition criteria of cash and cash equivalents

Cash equivalents are short-term (with a maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

10. Foreign currency transactions and transaction of financial statements denominated in foreign currency

√ Applicable ☐ Not applicable

In the case of a foreign currency transaction, the Group translates the amount of foreign currency into the amount of the recording currency.

At the time of initial recognition, the amount of foreign currency transaction shall be translated into the amount of the recording currency at the spot rate of the transaction date (unless exchange rate fluctuations make the use of such exchange rate inappropriate, in which case the spot exchange rate on the transaction date will be used for conversion), but the capital invested by the investor in a foreign currency shall be converted using the spot exchange rate on the transaction date. On the date of balance sheet, the currency exchange rate of the currency denominated items shall be translated at the spot rate on the date of balance sheet. The transaction difference of settlement and monetary items arising therefrom, in addition to the difference arising from foreign currency special borrowing relating to the assets of which the purchase and construction are eligible for capitalization, which shall be handled in accordance with the principle of capitalization of borrowing costs, shall be included in the current profit or loss. The foreign currency non-currency items calculated on historical cost basis are still translated at exchange rate at the initial recognition not changing the amount of its recording currency. The foreign currency non-monetary items measured at fair value shall be translated at the spot rate on fair value determination date, and the difference arising therefrom shall be included in the current profit or loss or other comprehensive income according to the nature of the non-monetary items.

In the case of overseas business, the Group translates its recording currency into RMB in preparing the financial statements: for assets/liabilities in the balance sheet, spot exchange rate on the date of balance sheet is used for translation. As for the items under the shareholders' equity, except for those under "undistributed profits", other items are translated using the spot exchange rate at the time of occurrence; the income and expense items in the income statement shall be translated at the spot exchange rate of the transaction. The conversion difference of foreign currency statements arising from above translation shall be recognized as other comprehensive income. When disposing overseas operations, other comprehensive income related to the overseas operation shall be transferred into the current profits and losses, partial disposal shall be calculated according to the proportion of disposal.

Foreign currency cash flows are translated at the spot exchange rates prevailing on the dates of the cash flows. The cash flows of overseas subsidiaries are translated at the average exchange rates for the period in which the cash flows occur (unless exchange rate fluctuations render the use of such rates inappropriate, in which case the spot exchange rates on the dates of the cash flows are used). The effect of exchange rate changes on cash amount is presented separately in the statement of cash flows as a reconciliation item.

11. Financial instruments

√ Applicable ☐ Not applicable

Financial instrument is the contract that forms the financial assets of an enterprise and the financial liabilities or equity instruments of the other entities.

(1) Recognition and de-recognition of financial instruments

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

A financial asset (or part of a financial asset, or part of a portfolio of similar financial assets) is derecognized, and removed from the balance sheet, when any of the following conditions is met:

(1)The right to receive cash flows from financial assets expires;

(2)The right to receive the cash flow from financial asset has been transferred, or have assumed the obligation in the "pass-through agreement" to pay the collected cash flow timely to the third party in full; and has transferred substantially almost all the risks and rewards of ownership of the financial asset, or although does not transfer or retain substantially nearly all of the risks and rewards of ownership of the financial asset, but has given up the control over the financial asset.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires. Where an existing financial liability is replaced by another financial liability from the same creditor on substantially different terms, or the terms of an existing liability are substantially modified, such replacement or modification is accounted for as the derecognition of the original liability and the recognition of a new liability, and the difference is recognized in profit or loss for the current period.

Regular-way purchases and sales of financial assets are recognized and derecognized using trade date accounting. Regular-way purchases and sales of financial assets refer to purchases or sales of financial assets under contracts whose terms require delivery of the financial assets within the time frame established generally by regulations or market convention. Trade date refers to the date on which the Group commits to purchase or sell a financial asset.

(2) Classification and measurement of financial assets

At the initial recognition, the Group's financial assets, based on the Group's management model of financial assets and the contract cash flow characteristics of financial assets, are classified as financial assets measured at amortized cost, financial assets measured at fair value through the other comprehensive income and financial assets measured at fair value through the current profit or loss.

Financial assets are measured at fair value at initial recognition, while the accounts receivable or notes receivable arising from sales of goods or rendering of services, excluding the significant financing composition or the financial composition for over one year, are initially measured at the transaction price.

For financial assets measured at fair value through the current profit or loss, relevant transaction costs are directly included in the current profit or loss, while the transaction costs relevant to other financial assets are included in the initial recognition amount.

The subsequent measurement of financial assets depends on the classification thereof:

Investment in debt instruments measured at amortized cost

Financial assets meeting both of the following conditions are classified as the financial assets measured at amortized cost: the management model of such financial assets aims at the collection of contract cash flows; according to the terms in the contract for such financial assets, the cash flows generating on the special date are paid at the interest for the principal and the unpaid principal. Such financial assets are recognized as interest income by the effective rate method, and the gains or losses from the derecognition, modification or impairment thereof are included in the current profit or loss.

Investment in debt instruments measured at fair value through other comprehensive income

Financial assets meeting both of the following conditions are classified as financial assets at fair value through other comprehensive income: the Group's management model of such financial assets aims at the collection of contract cash flows and sales of financial assets; according to the terms in the contract for such financial assets, the cash flows generating on the special date are paid at the interest for the principal and the unpaid principal. The interest income of such financial assets is recognized by the effective interest method. Except for interest income, impairment losses, and exchange differences recognized in profit or loss for the current period, all other changes in fair value are recognized in other comprehensive income. At derecognition of financial assets, the accumulated gains or losses previously included in other comprehensive income are transferred from the other comprehensive income to the current profit or loss.

Investment in equity instruments measured at fair value through the other comprehensive income

The Group irrevocably chooses to designate some non-trading equity instruments as the financial assets measured at fair value through the other comprehensive income, and only include the relevant dividends revenue (except for that partially recovered as the investment cost) in the current profit or loss, and the subsequent changes in fair values in the other comprehensive income, without the provision for impairment. At derecognition of financial assets, the accumulated gains or losses previously included in other comprehensive income are transferred from the other comprehensive income to the retained earnings.

Financial assets measured at fair value through the current profit or loss

The financial assets other than the financial assets measured at amortized cost and the financial assets measured at fair value through the other comprehensive income are classified as the financial assets measured at fair value through the other comprehensive income. For such financial assets, the subsequent measurement is made at fair value, and changes in fair value are included in the current profit or loss.

(3) Classification and measurement of financial liabilities

At the initial recognition, the Group's financial liabilities are classified as: financial liabilities measured at fair value through the current profit or loss and financial liabilities measured at amortized cost. For financial liabilities measured at fair value through the current profit or loss, relevant transaction costs are directly included in the current profit or loss, while the transaction costs relevant to financial liabilities measured at amortized cost are included in the initial recognition amount.

The subsequent measurement of financial liabilities depends on the classification thereof:

Financial liabilities measured at fair value through the current profit or loss

Financial liabilities measured at fair value through the current profit or loss include the trading financial liabilities (including the derivative instruments belonging to financial liabilities), and the financial liabilities measured at fair value through the current profit or loss. The subsequent measurement of the trading financial liabilities (including the derivative instruments belonging to financial liabilities) is made at fair value, and changes in fair value are included in the current profit or loss. For the financial liabilities measured at fair value through the current profit or loss, the subsequent measurement is made at fair value, and the changes in fair value are included in the current profit or loss except that the changes in fair value caused by the changes in the Group's credit risks are included in the other comprehensive income; if including the changes in fair value caused by the changes in the Group's credit risks in the other comprehensive income may cause or exacerbate the accounting mismatch in profit or loss, the Group will include all changes in fair value (including the amounts affected by the changes in the Group's credit risks) in the current profit or loss.

Financial liabilities measured at amortized cost

The subsequent measurement of such financial liabilities is made at amortized cost by the effective rate method.

(4) Impairment of financial instruments

Determination and accounting treatment of the expected credit loss

Based on the expected credit losses, the Group makes the provision for impairment and recognizes the loss provisions for the financial assets measured amortized cost and the investment in debt instruments measured at fair value through the other comprehensive income.

For the receivables excluding significant financing component, the Group measures the loss provision based on the amount equivalent to the expected credit loss over the whole duration by the simplified measurement method.

Except for the above financial assets subject to the simplified measurement method, on each balance sheet date, the Group makes assessment on whether the credit risk in financial assets has had significant increase after the initial recognition. If the credit risk does not significantly increase after the initial recognition, standing at the first level, the Group will measure the loss provision based on the amount of expected credit loss over the next 12 months , and calculate the interest income based on the book balance at the effective interest rate; if the credit risk has significantly increased after the initial recognition without any credit impairment, standing at the second level, the Group will measure the loss provision based on the amount equivalent to the expected credit loss over the whole duration; in case of any credit impairment after the initial recognition, standing at the third level, the Group will measure the loss provision based on the amount of expected credit loss over the whole duration, and calculate the interest income based on the amortized cost at the effective interest rate. For financial instruments only with relatively low credit risk on the balance sheet date, the Group assumes that such credit risk does not significantly increase after the initial recognition.

For the Group's disclosure of the judgment standards for significant increase of credit risk and definition of assets with credit impairment, see Note XII for details.

The factors reflected in the Group's approach to measuring expected credit losses on financial instruments include the unbiased probability weighted average amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and substantiated information about past events, current conditions and projections of future economic conditions that is available at the balance sheet date without undue additional cost or effort.

Portfolio categories and determination basis for provision for impairment based on credit risk characteristics

The Group considers the credit risk characteristics of different customers and assesses the expected credit losses of receivables and contract assets based on aging portfolios with shared risk characteristics. The Group has established the following portfolios: Related-party customer portfolio, private enterprise customer portfolio, government entity customer portfolio, and other customer portfolio.

Aging calculation method based on aging recognition of credit risk characteristics portfolio

The Group determines the aging of trade receivables based on the date of initial recognition of the receivables.

Judgment criteria for determination of provision accrued on an individual basis based on the provision for impairment accrued on an individual basis

Where the credit risk characteristics of a counterparty differ significantly from those of other counterparties within the portfolio, loss provisions are recognized on an individual basis for amounts due from that counterparty. The Group identifies account receivables and contract assets involving customers in financial difficulty or contracts under dispute as assets accrued on an individual basis.

Write-off of provision for impairment

When the Group no longer reasonably expects to recover all or part of the contract cash flows of a financial asset, it directly writes down the gross carrying amount of the financial asset.

(5) Financial instrument offset

Financial assets and financial liabilities are presented in the balance sheet at the net amount after mutual offset when the following conditions are met simultaneously: possess the legal right to offset the recognized amount and such right is currently executable; intend to settle at net amount, or cash such financial assets or liquidate such financial liabilities.

(6) Transfer of financial instruments

If the Group has transferred nearly all the risks and rewards associated with the ownership of financial assets to the transferee, such financial assets will be de-recognized; if the Group retains nearly all the risks and rewards associated with the ownership of financial assets, such financial assets will be continuously recognized.

If the Group neither transfers nor retains nearly all the risks and rewards associated with the ownership of the financial assets, the following treatments will be adopted based on different circumstances: if the Group has given up its control over the financial assets, the financial assets will be derecognized, and the assets and liabilities arising therefrom will be recognized; if the Group does not give up its control over the financial assets, the financial assets will be recognized to the extent of its continuing involvement in the transferred financial assets, while relevant liabilities are recognized accordingly.

12. Notes receivable

☐ Applicable √ Not applicable

13. Accounts receivable

☐ Applicable √ Not applicable

14. Receivables financing

☐ Applicable √ Not applicable

15. Other receivables

☐ Applicable √ Not applicable

16. Inventories

√ Applicable ☐ Not applicable

Inventory categories, delivery pricing methods, inventory management systems, and amortization methods for low-value consumables and packaging materials

√ Applicable ☐ Not applicable

Inventories include the raw materials, outsourcing components and parts, goods in process and stock commodities.

Inventories are initially measured at the cost. The inventory cost includes the procurement cost, processing cost and other cost. The actual cost of raw materials in transit is determined by the weighted average method. The actual cost of finished products in transit is determined by the weighted average method and individual valuation method.

Perpetual inventory system is adopted for inventories.

On the balance sheet date, the inventory is measured at its cost or its net realizable value, whichever is lower; if the cost is higher than the net realizable value, the provision for inventory depreciation will be made and included in the current profit or loss. The net realizable value, in the routine activities, refers to amount of the estimated selling price of inventory minus the estimated cost to completion, estimated selling expense and relevant taxes and surcharges. At the time of making the provision for inventory depreciation, the provision for depreciation of raw materials is made by category, and that of goods in process and stock commodities is made by each single inventory item.

Contract performance costs classified as current assets are presented under inventories.

Method of recognizing and accruing provision for inventory depreciation

☐ Applicable √ Not applicable

The portfolio categories and determination basis for making accruing provision inventory depreciation according to the portfolio, and the determination basis for the net realizable value of different categories of inventory

☐ Applicable √ Not applicable

The calculation method and determination basis of the net realizable value of inventory based on inventory aging

☐ Applicable √ Not applicable

17. Contract assets

√ Applicable ☐ Not applicable

Recognition method and criteria of contract assets

√ Applicable ☐ Not applicable

The Group presents contract assets or liabilities in the balance sheet according to the relationship between the performance of contract obligations and customer payments. After offsetting the contract assets and contract liabilities under the same contract, the Group presents them in net amount.

Contract assets

A contract asset is recognized when an entity transfers goods or services to a customer prior to the customer's payment of consideration or before the payment is due, provided that the entity's right to consideration is conditional upon factors other than the passage of time. Upon obtaining an unconditional right to payment, the contract asset is reclassified as a trade receivable.

Portfolio categories and determination basis for provisions for bad debts based on credit risk characteristics

□ Applicable √ Not applicable

Aging calculation method based on aging recognition of credit risk characteristics portfolio

□ Applicable √ Not applicable

Judgment criteria for determination of provision accrued on an individual basis based on the provision for bad debts accrued on an individual basis

□ Applicable √ Not applicable

18. Held-for-sale non-current assets or disposal groups

√ Applicable □ Not applicable

Recognition criteria and accounting treatment methods for held-for-sale non-current assets or disposal groups

√ Applicable □ Not applicable

A non-current asset or disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. A non-current asset or disposal group is classified as held for sale when both of the following conditions are met: it is available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups; and its sale is highly probable, meaning that the entity has made a decision on a sale plan and obtained a firm purchase commitment, with the sale expected to be completed within one year (where approval by the relevant authority or regulatory body is required, such approval has been obtained).

For non-current assets or disposal groups classified as held for sale (other than financial assets and deferred tax assets), where the book value exceeds the fair value less costs to sell, the book value is written down to fair value less costs to sell, with the write-down recognized as an impairment loss in profit or loss for the current period, and a corresponding provision for impairment for assets held for sale is recognized. Non-current assets included in held-for-sale non-current assets or disposal groups are not depreciated or amortized, nor are they accounted for using the equity method.

Recognition criteria and presentation methods for discontinuing operation

√ Applicable □ Not applicable

A discontinued operation is a separately identifiable component that has either been disposed of or classified as held for sale and meets one of the following conditions: it represents a separate major line of business or a separate major geographical area of operations; it is part of a single coordinated plan to dispose of a separate major line of business or a separate major geographical area of operations; or it is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately from those of continuing operations in the income statement. Impairment losses and reversals, together with gains or losses on disposal relating to discontinued operations, are presented as discontinued operations. For discontinued operations presented in the current period, the Group restates the information previously presented as continuing operations in the current financial statements as comparative information for discontinued operations.

19. Long-term equity investments

√ Applicable □ Not applicable

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

Long-term equity investments are initially measured at the initial investment cost. The initial investment cost of a long-term equity investment acquired through the business combination under common control is recognized at book value of owners' equity acquired from the combined party on the combination date in the consolidated financial statements of the ultimate controller; the difference between the initial investment cost and the book value of the combination consideration is used to adjust the capital reserves (if the capital reserves are insufficient to offset, the retained earnings will be offset).

The initial investment cost of a long-term equity investment acquired through business combination not under common control is recognized at the combination cost (if the business combination not under common control is realized through several transactions by step, the sum of the book value of the equity investment of the acquiree held before the acquisition date and the cost of investment newly added on the acquisition date is recognized as the initial investment cost). For long-term equity investments acquired not through business combination, their initial investment costs are determined by the following ways: if the long-term equity investment is acquired through cash payment, the initial investment cost will be the sum of the acquisition price actually paid and the costs, taxes and other necessary costs, which are directly relevant to the long-term equity investment; if the long-term equity investment is acquired by issuing equity securities, the initial investment cost will be the fair value of the equity securities issued.

The long-term equity investments where the Company could control the investee shall be accounted in individual financial statements of the Company under the cost method. Control means the power owned over the investee and enjoys the variable return through participating in activities related to the investee, and has the ability to affect its return by using the power over the investee.

Under the cost method, long-term equity investments are valuated at initial investment cost. The Company shall increase or recover the investment to adjust the cost of long-term equity investments. Cash dividends or profits declared and distributed by the investee should be recognized as investment income in the current period.

If the Group has joint control over or significant influence on the investees, long-term equity investments are accounted for with the equity method. Joint control refers to the control shared over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement should not be made before the party sharing the control right agrees the same. Significant influence refers to the power to participate in making decisions on the financial and operating policies of the investee, but not the power to control, or jointly control, the formulation of such policies with other parties.

For long-term equity investments measured under the equity method, if the initial investment costs are higher than the investor's attributable share of the fair value of the investee's identifiable net assets, the initial costs of the long-term equity investments shall be recognized; if the initial investment costs are lower than the investor's attributable share of the fair value of the investee's identifiable net assets, the difference shall be recognized in current profit and loss and at the same time the adjustment will be made to the initial costs of the long-term equity investments.

Where the equity method is adopted, after the long-equity investments are acquired, the Company shall, according to the shares of net profit and loss and other comprehensive income realized by the investee which the Company shall enjoy or bear, recognize the profit and loss on the investments and other comprehensive income and adjust the book value of the long-term equity investments. When recognizing the share of net profit or loss of the investee that the Group shall enjoy, based on fair value of various identifiable assets and others of the investee on acquisition and according to accounting policies and accounting periods of the Group, the Group shall write off the part of incomes from internal transactions with associates and joint ventures which are attributable to the investor according to the shareholding ratio (but the loss from internal transactions is the asset impairment loss, its total amount shall be recognized) and then recognize the profit and loss on investments on such basis, except those assets investments or sale constitute business. The Group shall, in the light of the profits or cash dividends that the investee declares to distribute, calculate the part it should share and reduce the book value of the long-term equity investment correspondingly. Recognition of the net loss in the investee shall be within the limit that the book value of long-term equity investments and other long-term interests which substantially form the net investment in the investee are reduced to zero, unless the Group is obliged to bear extraneous losses; For other changes in shareholder's equity of the investee excluding net losses or profits, other comprehensive income or profit distribution, the book value of long-term equity investments will be adjusted and included in shareholder's equity.

20. Investment properties

(1) If the cost measurement model is used:

Depreciation or amortization method

Investment property refers to the real estate held for generating rent and/or capital appreciation.

The investment property shall be initially measured at cost. Subsequent expenses related to investment properties, if the economic benefits associated are likely to flow in and its cost can be measured reliably, should be recorded in the cost of investment property. Otherwise, such subsequent expenses should be included in current profits or losses upon occurrence.

The subsequent measurement of an investment property shall be conducted by the Group under the cost method, and the land use right and buildings shall be amortized and depreciated according to the expected useful life and net residual rate of the investment property. The expected useful lives, net residual value rate and annual depreciation (amortization) rate of the investment properties are as follows:

	Estimated useful lives	Estimated net residual value rate	Annual depreciation (amortization) rate
Buildings and constructions	30 years	0%	3.3%
Land use right	Land useful lives	0%	Determined according to the estimated net residual value and useful life for the land useful lives

The Group shall review estimated useful lives, estimated net residual value and depreciation (amortization) methods of the investment properties at the end of each year and shall make adjustment when necessary.

When an investment property is changed for self-use, upon change, the investment property shall be converted into fixed assets or intangible assets. When the self-use property is changed to earn rentals or for capital appreciation, upon change, fixed assets or intangible assets shall be converted into investment properties. When there is a conversion, the book value before the conversion shall be regarded as the book value after the conversion.

21. Fixed assets

(1) Recognition criteria

√ Applicable ☐ Not applicable

Fixed assets will only be recognized when the economic benefits relating to the fixed assets may flow into the Group and the costs of the fixed assets can be measured reliably. If the subsequent disbursements relevant to a fixed asset meet the recognition conditions, they shall be recorded in the cost of fixed asset, and the book value of the replaced part shall be derecognized; otherwise, they shall be recorded in the current profits and losses.

Fixed assets are initially measured at cost. The costs of externally acquired fixed assets comprise their purchase prices, related taxes and surcharges and any attributable expenditure incurred to prepare the asset for its intended use.

(2) Depreciation method

√ Applicable ☐ Not applicable

Category	Depreciation method	Useful lives (year)	Residual value rate	Annual depreciation rate
Buildings and constructions	Straight-line method	20-40 years	0%	2.5%-5%
Mechanical equipment	Straight-line method	3-20 years	0%	5%-33.3%
Office and electronic equipment	Straight-line method	3-5 years	0%	20%-33.3%
Transportation facilities (excluding ship)	Straight-line method	5 years	0%	20%
Vessel	Straight-line method	10-30 years	5%/10%	3%-9.5%

The Group shall review useful lives, estimated net residual value and depreciation methods of the fixed assets at the end of each year and shall make adjustment when necessary.

22. Construction in progress

√ Applicable ☐ Not applicable

The Group recognizes the cost of the construction in progress at the actually incurred expenditures, including all types of necessary expenditures incurred during the construction period, the capitalized borrowing costs incurred prior to the time when the construction is brought to the expected conditions for use and other relevant costs.

The construction in progress is converted into fixed assets after it reaches the expected conditions for use.

Category	Standard for carrying forward fixed assets
Buildings and constructions	Houses and buildings have passed the preliminary acceptance and reached the expected usable state, or they are actually put into use, whichever is earlier
Mechanical equipment	They meet the design requirements or are actually put into use after installation and commissioning, whichever is earlier
Office and electronic equipment	They meet the design requirements or are actually put into use after installation and commissioning, whichever is earlier
Transportation facilities (excluding ship)	They meet the design requirements or are actually put into use after installation and commissioning, whichever is earlier
Vessel	They meet the design requirements or are actually put into use after installation and commissioning, whichever is earlier

23. Borrowing costs

√ Applicable □ Not applicable

The borrowing costs that can directly attributable to the acquisition and construction or production of assets eligible for capitalization, shall be capitalized and other borrowing costs shall be included into current profit and loss.

When capital expenditure and borrowing costs have incurred and acquisition and construction or production activities necessary for the assets to reach the intended use or sale has begun, the Company will capitalize borrowing costs.

Capitalization of borrowing costs should cease when the acquired and constructed or produced assets eligible for capitalization have reached the working condition for their intended use or sale. The borrowing costs incurred thereafter shall be included in the current profit or loss.

During the period of capitalization, the capitalized amount on interest of each accounting period shall be determined in accordance with the following provisions: The interest of special borrowings to be capitalized should be determined according to the actually incurred interest expenses in the current period less the interest income on deposits or the investment income; the interest of general borrowings to be capitalized should be calculated by multiplying the weighted average of asset disbursements of the part of accumulated asset disbursements exceeding special borrowings by the weighted average rate of used general borrowings.

If the acquisition and construction or production activities of assets eligible for capitalization are abnormally interrupted due to the matters other than necessary procedures for such assets to reach the working conditions for its intended use or sale and such circumstance lasts for more than three months, the capitalization of borrowing costs should be suspended. Borrowing costs incurred during the interruption are recognized as the current profit or loss and continue to be capitalized until the acquisition, construction or production of the asset restarts.

24. Biological assets

□ Applicable √ Not applicable

25. Oil and gas assets

□ Applicable √ Not applicable

26. Intangible assets

(1) The useful life and its judgment basis, estimation conditions, amortization method, or review procedures

√ Applicable □ Not applicable

The useful life of intangible assets is as follows at the straight-line method over its useful life.

Category	Useful life	Judgment basis
Land use right	Land useful lives	The period of land use rights
Software use fees	5 years	Service life of software
Proprietary technology	10 years	The expected service life in combination with the product lifecycle
Concession rights	27 years	Concession period granted

(2) Allocation scope and related accounting method for R&D expenditure

√ Applicable ☐ Not applicable

The Group's expenditures for its internal research and development projects are classified into research expenditures and development expenditures. The expenditures in research phase will be included in the current profit or loss on occurrence. The development expenditures will be capitalized only when all of the following conditions are satisfied simultaneously: It is feasible technically to finish intangible assets for use or sale; It is intended to finish and use or sell the intangible assets; The usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets itself or the intangible assets will be used internally; It is able to finish the development of the intangible assets, and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources; and the expenditures attributable to the intangible asset during its development phase can be measured reliably. Development expenditures that do not meet the above conditions are included in the current profit or loss on occurrence.

27. Long-term asset impairment

√ Applicable ☐ Not applicable

The Group recognizes the asset impairment under the following methods except for inventories, contract assets and assets related to contract cost, deferred income tax, financial assets and assets held for sale. The Group shall, on the balance sheet date, make a judgment on whether there is any indication that the assets may impair. If such indication does exist, the Group shall estimate the recoverable amount and carry out an impairment test. Impairment tests for goodwill caused by business combination, intangible assets with indefinite useful lives, and intangible assets not reaching usable condition shall be conducted at the end of every year whether they have signs of impairment or not.

The recoverable amounts of assets are the higher of their fair values less costs to sell and the present values of the future cash flows expected to be derived from the assets. The Group shall, on the basis of single item assets, estimate the recoverable amount. Where it is difficult to do so, it shall determine the recoverable amount of the group assets on the basis of the asset group to which the asset belongs. The recognition of an asset group shall be based on whether the main cash inflow generated from the asset group is independent of those generated from other assets or other group assets.

Where the recoverable amount of an asset or an asset group is lower than its book value, the book value of the asset or asset group shall be written down to their recoverable amounts. The write-downs are recorded into the current profit or loss and the provision for asset impairment are made accordingly at the same time.

When the Company makes an impairment test of goodwill, it shall, as of the purchasing day, apportion the book value of the goodwill to the relevant asset groups or combination of asset groups by a reasonable method. The related asset group or combination of asset groups shall be the asset group or combination of asset groups that can benefit from the synergy effect of business combination, and shall be smaller than the operating segments as determined by the Group.

The asset group or combination of asset groups containing the goodwill shall be compared by their book value and recoverable amount, and if the recoverable amount is less than book value, the amount of impairment loss is first allocated to offset the book value of the goodwill in the asset group or the combination of asset groups, and then will be used to offset the book value of other assets pro rata in accordance with the proportion of the book value of other assets other than goodwill in the asset groups and that of the combination of asset groups.

Once recognized, the above impairment losses are not reversed in subsequent accounting periods.

28. Long-term deferred expenses

√ Applicable ☐ Not applicable

Long-term deferred expenses shall be amortized at the straight-line method, and the amortization period is set out as follows:

	Amortization period
Improvement of fixed assets acquired under the operating lease	Expected beneficial period

29. Contract liabilities

√ Applicable ☐ Not applicable

The Group presents contract assets or liabilities in the balance sheet according to the relationship between the performance of contract obligations and customer payments. After offsetting the contract assets and contract liabilities under the same contract, the Group presents them in net amount.

Contract liabilities

A contract liability is recognized when an entity receives consideration or has an unconditional right to receive it with an obligation to transfer goods or services to the customer, in advance of transferring goods or services to the customer.

30. Employee compensation

(1) Accounting treatment of short-term compensation

√ Applicable ☐ Not applicable

During the accounting period of an employee' providing services, the short-term compensation actually incurred is recognized as liabilities and includes them in the current profit or loss or the related asset costs.

(2) Accounting treatment of post-employment benefits

√ Applicable ☐ Not applicable

The employees of the Group participated in the endowment insurance and unemployment insurance managed by the local government, and also participated in the enterprise annuity, and the corresponding expenses were included in the relevant asset costs or the current profit or loss when incurred.

(3) Accounting treatment of termination benefits

☐ Applicable √ Not applicable

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

☐ Applicable √ Not applicable

31. Estimated liabilities

√ Applicable ☐ Not applicable

Except for contingent consideration and contingent liabilities assumed in business combination not under the same control, when the obligations related to contingencies meet the following conditions, the Group recognizes them as estimated liabilities: this obligation is a present obligation of the Group; the performance of such obligation is likely to result in outflow of economic benefits from the Group; the amount of the obligation can be measured reliably.

The estimated liabilities are initially measured as the best estimate of expenses required for the performance of relevant present obligations by considering comprehensively the risks with respect to contingencies, uncertainties and the time value of money. The book value of estimated liabilities will be checked and properly adjusted on balance sheet date so as to reflect the current best estimate.

32. Share-based payment

√ Applicable ☐ Not applicable

A share-based payment transaction must be classified as either an equity-settled transaction or a cash-settled transaction. An equity-settled share-based payment transaction means a share-based payment transaction in which the Group receives services as consideration for its own shares or other equity instruments.

An equity-settled share-based payment in exchange for services provided by the employee is measured at the fair value of the equity instrument granted to such employee. If it is immediately exercisable upon grant, it shall be included in the relevant costs or expenses at fair value on the grant date and the capital reserves shall be increased accordingly. If it is exercisable only after completing the services within the vesting period or achieving the specified performance conditions, services received during the current period shall be included in the relevant costs or expenses at the fair value on the grant date and the capital reserves shall be increased accordingly, based on the optimum estimates of the number of exercisable equity instruments on each balance sheet date during the vesting period.

If the terms and conditions of equity-settled share-based payment transactions are modified, the services received shall be recognized as if those terms and conditions had not been modified at the least. In addition, all modifications that increase the fair value of equity instruments granted or are beneficial to the employee on the modification date are recognized as an increase in the services received.

When an equity-settled share-based payment transaction is cancelled, it is treated as an acceleration of vesting on the cancellation date and the remaining expense is recognized immediately. If employees or other parties have the choice to fulfill a non-vesting condition, the failure to meet such condition during the vesting period is regarded as a cancellation of equity-settled share-based payment transaction. However, if new equity instruments are granted and on the date when those new equity instruments are granted, they are identified as a replacement for the cancelled, the entity shall account for the granting of replacement equity instruments in the same way as a modification of terms and conditions of the original equity instruments.

A cash-settled share-based payment is measured at the fair value of the liability the Group assumes based on shares or other equity instruments. If it is immediately exercisable upon grant, it shall be included in the relevant costs or expenses at the fair value of the assumed liability on the grant date and the liabilities shall be increased accordingly. If it is exercisable only after completing the services within the vesting period or achieving the specified performance conditions, services received during the current period shall be included in the relevant costs or expenses and corresponding liability at the fair value of the assumed liability on the grant date, based on the optimum estimates of the exercisable conditions on each balance sheet date during the vesting period. Fair value of the liability is re-measured on each balance sheet date before settlement of the relevant liability and the settlement date, and the changes are included in the current profits and losses.

33. Preferred shares, perpetual bonds and other financial instruments

√ Applicable ☐ Not applicable

After the maturity of the perpetual bonds issued by the Group, the Group has the right to extend them for an unlimited number of times. For the coupon interest of the perpetual bonds, the Group has the right to postpone the payment, and the group has no contractual obligation to pay cash or other financial assets. They are classified as equity instrument.

34. Revenue

(1) Accounting policies for revenue recognition and measurement disclosed by business type

√ Applicable ☐ Not applicable

The Group recognizes revenue when it fulfills the performance obligation in the contract, that is, when the customer obtains control over the relevant goods or services. The acquisition of control of relevant goods or services means to be able to dominate the use of the goods or the rendering of the services and obtain almost all the economic benefits from them.

Manufacturing contracts on large-sized port equipment, heavy equipment and steel structure products

The manufacturing contracts on large-sized port equipment, heavy equipment and steel structure products between the Group and customers usually only include the performance obligations of transferring large-sized port machinery and equipment, heavy equipment and steel structure products customized for customers.

The large-sized port equipment, heavy equipment and steel structure products provided by the Group during the performance of the contract are irreplaceable, however, most of the large-sized port equipment, heavy equipment sales contracts and the manufacturing contracts of some steel structure products do not stipulate that the Group has the right to collect money for the performance part that has been completed so far in the whole contract period. This part of the contract does not meet the performance obligation conditions within a certain period of time, and the Group takes it as the performance obligation at a certain point of time. The Group generally recognizes the revenue at the time point of control transfer of relevant port machinery and equipment, heavy equipment and steel structure products on the basis of comprehensive consideration of the following factors: the current right to receive payment of goods, the transfer of main risks and rewards in the ownership of goods, the transfer of legal ownership of goods, the transfer of physical assets of goods, and the acceptance of the goods by customers.

In addition, based on the terms of sales contracts on individual large-sized port equipment and heavy equipment and the manufacturing contracts on some steel structure products, the Group has the right to collect money for the performance part that has been completed so far during the whole contract period. The Group takes it as the performance obligation to perform in a certain period of time, and recognizes the revenue according to the performance progress, except the cases where the performance progress cannot be reasonably determined. Based on input method, the Group determines the corresponding performance progress of large-sized port equipment and heavy equipment contracts according to the proportion of the cost incurred in the total estimated cost. Based on output method, the Group determines the performance progress of the steel structure manufacturing contract according to the proportion of the accumulated processing tons to the estimated total processing tons. Where the performance progress cannot be reasonably determined, and the cost incurred by the Group is expected to be reimbursed, the revenue shall be recognized according to the amount of the cost that has incurred until the performance progress can be reasonably determined.

Contracts on rendering of shipping and lifting services

The service contracts between the Group and its customers mainly involve special shipping services and hoisting services. The revenue of special shipping services rendered by the Group is recognized by time period method, and the progress of performance obligations is determined according to the proportion of the number of days transported in the total estimated days of transportation. The revenue of shipping service shall be recognized when the service is completed.

Material sales contract

The material sales contract between the Group and customers usually only includes the performance obligation of transferring spare parts and other materials. The Group generally recognizes the revenue at the time of control transfer of relevant spare parts and other materials on the basis of comprehensive consideration of the following factors: the current right to receive payment of goods, the transfer of main risks and rewards in the ownership of goods, the transfer of legal ownership of goods, the transfer of physical assets of goods, and the acceptance of the goods by customers.

Rendering of building services

The building service contract between the Group and customers usually includes the performance obligation of infrastructure construction. As the customer can control the assets under construction during the performance by the Group, the Group takes them as the performance obligations within a certain period of time, and recognizes the revenue according to the performance progress, except that the performance progress cannot be reasonably determined. Based on input method, the Group determines the performance progress of the services based on the cost incurred. Where the performance progress cannot be reasonably determined, and the cost incurred by the Group is expected to be reimbursed, the revenue shall be recognized according to the amount of the cost that has incurred until the performance progress can be reasonably determined.

Build and transfer contract (BT contract)

Activities under the BT contracts usually include build and transfer. With respect to the building services provided by the Group, during the building period, the revenue of construction service contracts is recognized in accordance with the above accounting policies. The construction contract revenue is measured at the fair value of the consideration receivable, and the "long-term receivables" are recognized and measured at the same time by effective interest rate method and the amortized cost, and offset upon receipt of payment of the project owner.

PPP project contract

PPP project contract refers to the contract concluded between the Group and the government party on PPP project cooperation in accordance with laws and regulations, which also meets the following characteristics (hereinafter referred to as "dual characteristics"):

(1) The Group uses PPP project assets to provide public goods and services on behalf of the government party during the contracted operation period;

(2) The Group is compensated for the public goods and services it provides within the contracted period.

Activities under the PPP contracts usually include construction, operation and transfer. During the building period, the Group determines whether the Group is the principal responsible person or the agent in accordance with the accounting policy of the principal responsible person/agent below. If the Group is the principal responsible person, contract revenue from construction services and contract assets are recognized accordingly, and the revenue of construction contract is measured at the fair value of the consideration received or receivable. During the operating phase, the Group carries out accounting treatment as follows accordingly:

(1) Pursuant to the contractual provisions of the PPP project, during the project operation, if the conditions for collection of the cash (or other financial assets) of a definite amount can be met, the amount of consideration of relevant PPP project assets or the recognized amount of construction revenue is recognized as contract assets until the Group has the right to receive the consideration (which depends only on the passage of time). When the Company has the right to collect such consideration (which depends only on the passage of time), the amount of consideration of relevant PPP project assets or the recognized amount of construction revenue is recognized as accounts receivable, and subject to the accounting treatment specified in the accounting policy for financial instruments. When the PPP project assets reach their expected usable conditions, the difference of the amount of consideration of relevant PPP project assets or the recognized amount of construction revenue in excess of the cash (or other financial assets) of a definite amount is recognized as intangible assets.

(2) Pursuant to the contractual provisions of the PPP project, the Group has the right to collect payments from the recipient of public goods and services, but such right shall not be an unconditional collection right if the payment amount is uncertain. When the PPP project assets reach their expected usable conditions, the amount of consideration of relevant PPP project assets or recognized amount of construction revenue is recognized as an intangible asset and subject to the accounting treatment specified in the accounting policy for intangible assets above.

In the operation stage, when services are provided, recognize the corresponding revenue; Daily maintenance or repair expenses incurred shall be recognized as current expenses. Daily maintenance or repair expenses incurred shall be recognized as current expenses.

The Group presents the construction expenditures incurred during the construction period of PPP projects accounted as intangible assets as cash flows from investing activities. The Group presents the construction expenditures incurred during the construction period of PPP projects other than those mentioned above as cash flows from operating activities.

Variable consideration

If there is variable consideration in the contract, the Group shall determine the best estimate of variable consideration according to the expected value or the most likely amount, but the transaction price including variable consideration shall not exceed the amount that the accumulated recognized revenue is highly unlikely to have a significant reversal when the relevant uncertainty is eliminated. On each balance sheet date, the Group re-estimates the amount of variable consideration to be included in the transaction price.

Consideration payable to customers

In the case of consideration payable to customers, the Group shall use such consideration payable to offset the transaction price and then offset the current income at the later of the recognition of the relevant income and the payment (or commitment to pay) of the customer consideration, unless the consideration payable to customers is for the purpose of obtaining other clearly distinguishable goods or services from the customer.

Warranty obligations

According to the contract and legal provisions, the Group provides quality assurance for the goods sold or the assets built. For the guarantee type quality assurance that the goods sold to customers meet the established standards, the Group shall perform accounting treatment in accordance with Note V (31). For the service quality assurance for a separate service provided in addition to guaranteeing that the goods sold meet the established standards, the Group shall take it as a single performance obligation, allocate part of the transaction price to the service quality assurance according to relative proportion of the single selling price of the goods and service quality assurance, and recognize the revenue when the customer acquires service control right. In assessing whether quality assurance provides a separate service in addition to ensuring that the goods sold meet established standards, the Group shall consider whether the quality assurance is legal requirement, quality assurance period and the nature of the Group's commitment to perform the tasks.

Principal responsible person/agent

The Group determines whether it is the principal responsible person or the agent in the transaction according to whether it has the right to control the goods or services before transferring them to customers. In case the Group can control the goods and other products before transferring them to customers, the Group shall be the principal responsible person and recognize the revenue according to the total consideration received or receivable. Otherwise, the Group shall be the agent and recognize the revenue according to the amount of commission fees or handling charges that it is expected to be entitled to receive, and the amount shall be recognized according to the net amount of the total consideration received or receivable after deducting the price payable to other relevant parties, or according to the fixed commission amount or proportion.

(2) Different operating models for similar businesses involve different revenue recognition methods and measurement methods

☐ Applicable √ Not applicable

35. Contract cost

√ Applicable ☐ Not applicable

The Group's assets related to contract cost include contract performance cost and contract acquisition cost. According to the liquidity, they are presented in inventories, other current assets and other non-current assets respectively.

If the incremental cost incurred by the Group to get the contract is expected to be recovered, it shall be recognized as an asset as the contract acquisition cost, unless the amortization period of the asset does not exceed one year.

The cost incurred by the Group in performing the contract, which is not applicable to the specification scope of inventories, fixed assets or intangible assets and meets the following conditions simultaneously, shall be recognized as an asset as the contract performance cost:

(1)The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs clearly borne by the customer and other costs incurred solely as a result of the contract;

(2)The cost increases the enterprise's resources for fulfilling its performance obligations in the future;

(3)The cost is expected to be recovered.

The Group's assets related to contract cost are amortized on the same basis as the recognition of income related to the assets, and are included in the current profit or loss.

If the book value of the assets related to contract cost is higher than the difference between the following two items, the Group will make provision for impairment of the excess part and recognize it as the loss of asset impairment:

(1)The remaining consideration expected to be obtained by the enterprise due to the transfer of goods or services related to the assets;

(2)The cost expected to be incurred for the transfer of relevant goods or services.

36. Government subsidies

√ Applicable ☐ Not applicable

Government subsidies shall be recognized only if the Company is able to comply with the conditions for the government subsidies, and is likely to receive the government subsidies. If a government subsidy is a monetary asset, it shall be measured at the amount received or receivable. If a government subsidy is a non-monetary asset, it shall be measured at its fair value; and if its fair value cannot be obtained in a reliable way, it shall be measured at a nominal amount.

If the government subsidies shall be used for the acquisition, construction, or other formation of the long-term assets as required by the government documents, they are the assets-related government subsidies; if government documents have no relevant provisions, and such government subsidies are based on the condition of the acquisition, construction, or other formation of the long-term assets judged on the basis of basic conditions required for obtaining such government subsidies, they shall be deemed as the assets-related government subsidies, other government subsidies in addition to the said ones shall be deemed as the income-related government subsidies.

Income-related government subsidies which are used to compensate for relevant costs, expenses, or losses to be incurred in subsequent periods will be recognized as deferred income and included in profit or loss over the periods in which the relevant costs, expenses, or losses are recognized; those used to compensate for relevant costs, expenses, or losses already incurred are included directly in profit or loss for the current period.

If assets-related government subsidies are recognized as deferred income, they shall be included in profit or loss by stages by a reasonable and systematic method within the useful lives of relevant assets. (However, the government subsidies measured at nominal amounts are directly included in the current profit or loss); if the relevant assets are sold, transferred, scrapped or damaged before the end of their useful lives, the undistributed balance of relevant deferred income is transferred to the profit or loss from the current period of asset disposal.

37. Deferred income tax assets/deferred income tax liabilities

√ Applicable ☐ Not applicable

Deferred income tax is accrued under the balance sheet liability method by the Group based on the temporary difference between book value of assets and liabilities on the balance sheet date and tax base, as well as the balance between the book value of items which have not been recognized as assets or liabilities but the tax base can be determined according to the tax law and the tax base.

Taxable temporary differences are recognized as deferred income tax liabilities, except that

(1) The taxable temporary differences generate in the following transactions: the initial recognition of goodwill, or the initial recognition of assets or liabilities arising from transactions with the following characteristics: the transaction is not a business combination and will not affect accounting profits, nor affect the taxable income or deductible losses when the transaction occurs, and initial recognition of assets and liabilities does not lead to the generation of equal taxable temporary differences and deductible temporary differences.

(2) For taxable temporary differences related to the investments in subsidiaries, joint ventures and associates, the time for the reversal of the taxable temporary differences can be controlled and the taxable temporary differences are likely not to be reversed in the foreseeable future.

For deductible temporary differences, deductible losses and tax credits that can be carried forward to subsequent periods, deferred tax assets arising therefrom are recognized to the extent that future taxable income will be probable to be available against the deductible temporary differences, deductible losses and tax credits, unless the deductible temporary differences arise from the following transactions:

(1) The deductible temporary difference is generated in the following transaction: the transaction is not a business combination and will not affect accounting profits, nor affect the taxable income or deductible losses when the transaction occurs, and initial recognition of assets and liabilities does not lead to the generation of equal taxable temporary differences and deductible temporary differences.

(2) For the deductible temporary differences arising from investments in subsidiaries, associates and joint ventures, the temporary differences may be reversed in the foreseeable future and they can be used to offset the taxable income of deductible temporary differences in the future.

On the balance sheet date, the Company shall measure deferred income tax assets and deferred income tax liabilities at the applicable tax rate during the period for expected recovery of assets or settlement of liabilities and reflect the impacts of the income tax by means of expected recovery of assets or settlement of liabilities on the balance sheet date.

On the balance sheet date, the Group reviews the book value of deferred income-tax assets. If it is unlikely to obtain sufficient taxable income to offset the benefit of the deferred income-tax assets, the book value of the deferred income-tax assets will be written down. On the balance sheet date, the Group re-evaluates unrecognized deferred income tax assets, and deferred income tax assets are recognized to the extent that it is likely to obtain sufficient taxable income for all or part of the deferred income tax assets to be reversed.

Deferred income tax assets and deferred income tax liabilities meeting both of the following conditions will be presented by net amount after offset: the Group has a legally enforceable right to offset current tax assets against current tax liabilities; and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity, or on different taxable entities that intend either to settle current tax assets and current tax liabilities on a net basis or to realize the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax assets or deferred tax liabilities are expected to be reversed.

38. Lease

√ Applicable □ Not applicable

Judgment basis and accounting treatment method for simplified treatment of short-term leases and low-value asset leases as a lessee

√ Applicable □ Not applicable

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

At the commencement date of the lease term, the Group recognizes its right to use the leased asset over the lease term as a right-of-use asset, which is initially measured at cost. The right-of-use assets include: the initial measurement amount of the lease liability, the lease payments made on or before the commencement date of the lease term, leasing the amount related to the lease incentive already taken; initial direct costs incurred by the lessee; the costs expected to be incurred by the lessee to disassemble and remove the leased asset, restore the site where the leased asset is located, or restore the leased asset to the condition agreed in the lease terms. If the Group remeasures the lease liability due to changes in lease payments, the book value of the right-of-use asset is adjusted accordingly. The Group subsequently depreciates right-of-use assets under straight-line method. If it can be reasonably certain that the ownership of the leased asset will be obtained at the expiration of the lease term, the leased asset will be depreciated over the remaining useful life. If it is impossible to reasonably certain that the ownership of the leased asset will be obtained at the expiration of the lease term, the leased asset will be depreciated over the shorter of the lease term and the remaining useful life.

At the commencement date of the lease term, the Group recognizes the present value of the outstanding lease payments as a lease liability, except for short-term leases and low-value asset lease. Lease payments include fixed payments and substantially fixed payments net of lease incentives, variable lease payments that depend on an index or rate, amounts expected to be payable based on the residual value of guarantee, and also include the exercise price of the purchase option or amounts to be paid upon exercise of a lease termination option if the Group is reasonably certain that the option will be exercised or the lease term reflects that the Group will exercise the lease termination option. Variable lease payments not included in the measurement of lease liabilities are recognized in profit or loss for the current period when incurred, unless otherwise provided for in the cost of the relevant assets. When there is a change in the substantial fixed payment, a change in the estimated payable amount of the guaranteed residual value, a change in the index or ratio used to determine the lease payment, or a change in the evaluation result or actual exercise of the purchase option, renewal option or termination option, the Group remeasures the lease liability at the present value of the changed lease payment.

The Group recognizes the lease with a lease term of no more than 12 months from the commencement date and excluding the purchase option as a short-term lease; a lease with a low value when a single leased asset is a new asset is recognized as a low-value asset lease. The Group chooses not to recognize right-of-use assets and lease liabilities for short-term leases and low-value asset leases. During the lease term, the relevant asset costs or current profits or losses are recognized on a straight-line basis for each period.

Lease classification standards and accounting treatment method as a lessor

√ Applicable □ Not applicable

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of asset ownership to the lessee on the commencement date. All leases other than financial leases are classified as operating leases.

Rental income from the operating lease in each stage during the lease term should be recognized as the current profit or loss by the straight-line method, and the variable lease payments not included in the lease receipts are recognized in profit or loss when they are actually incurred. Initial direct costs are capitalized and amortized over the lease term on the same basis as the recognition of rental income, and are included in current profit or loss.

39. Other significant accounting policies and accounting estimates

√ Applicable □ Not applicable

Work safety expenses

The Company withdraws the work safety expenses according to provisions, includes them in the cost of related products or the current profit or loss, and includes them in special reserves at the same time. The costs are handled separately depending on whether they form fixed assets: when withdrawn work safety expenses are used within the prescribed range and belong to expenses, such costs shall be directly deducted from special reserves; where a fixed asset is formed, the expenses incurred through collection are recognized as the fixed asset when it is ready for its intended use, and the equivalent special reserve is written off and the equivalent accumulated depreciation is confirmed.

Fair value measurement

For assets and liabilities measured at or disclosed by their fair value in the financial statements, the level of the measurement result of fair value shall subject to the lowest level which the input having great significance to the entire measurement of fair value belongs to: Level 1 inputs refer to quoted prices (unadjusted) in active markets for identical assets or liabilities available on the measurement date; Level 2 inputs refer to inputs that are directly or indirectly observable for the assets or liabilities other than Level 1 inputs; Level 3 inputs refer to unobservable inputs of the relevant assets or liabilities.

On each balance sheet date, the Group reevaluates the assets and liabilities continuously measured at fair value and recognized in the financial statements in order to determine whether there is a conversion among the levels of fair value measurement.

Asset securitization

The Group securitizes part of its accounts receivable and contract assets ("trust property") and entrusts the assets to a structured entity, which issues senior asset-backed securities to investors. After paying the trust tax burden and relevant expenses, trust property is given priority to pay to principal and interest of senior asset-backed securities. After paying all principal and interest, remaining trust property will be regarded as earnings of subordinated asset-backed securities, which belongs to the holders of subordinated asset-backed securities.

For the financial asset securitization business, the Group first analyzes whether the structured entity should be consolidated based on the subordinated shares held, the performance remuneration enjoyed, and the rights held. If the Group retains the contractual right to receive cash flows from financial assets but assumes the contractual obligation to pay the cash flows received to one or more final recipients, the Group shall determine the relevant accounting treatment in accordance with Note V considering the risk and reward of the assets transferred to other entities if and only if the following three conditions are met at the same time, otherwise the Group continues to recognize the transferred financial assets: the Group is obliged to pay the cash flows to the final recipient only when it receives equivalent cash flows from the financial assets; the transfer contract prohibits the Group from selling or pledging such financial assets, but the Group can use it as a guarantee for the obligation to pay cash flows to the final recipient; and the Group is obliged to transfer all cash flows collected on behalf of the final recipient to the final recipient in a timely manner without significant delay.

Significant accounting judgment and estimate

Preparation of the financial statements requires the management to make judgment, estimation and hypothesis that will have an impact on the presentation amounts and disclosure of the incomes, expenses, assets and liabilities, and the disclosure of contingent liabilities on the balance sheet date. The result incurred due to uncertainty of these hypotheses and estimates may cause significant adjustment of book values of those assets or liabilities influenced in the future.

Judgment

In the application of the Group's accounting policies, the management has made the following judgments that have a material impact on the amounts recognized in the financial statements:

Determination of the performance progress of construction contracts (only applicable to transfer of control over a period of time)

For construction projects, port machinery and heavy equipment construction contracts, the Group determines the performance progress according to the proportion of the cumulative actual construction cost to the estimated total cost, while the cumulative actual cost includes the direct cost and indirect cost in the process of transferring goods to customers; for steel structure and related construction contracts, the Group determines the performance progress based on the proportion of the cumulative actual output tonnage to the estimated total tonnage. The Group believes that the construction contract price with customers is determined on the basis of construction cost or output tonnage, and the proportion of the actual construction cost or comprehensive tonnage to the estimated total cost can or estimated total tonnage can truly reflect the performance progress of construction services. In view of the long duration of construction contracts, which may span several accounting periods, the Group will recheck and revise the budget with the progress of the construction contracts, and adjust the amount of revenue recognized accordingly.

Uncertainty of estimation

The following are other key sources of the uncertainty of the key assumptions and estimates in the future on the balance sheet date, which may lead to major adjustments in the book value of the assets and liabilities of future accounting periods.

Impairment of financial instruments and contract assets

The Group adopts the expected credit loss model to assess the impairment of financial instruments and contract assets. The application of the expected credit loss model requires significant judgments and estimates. It must consider all reasonable and evidence-based information, including forward-looking information. In making such judgments and estimates, the Group infers expected changes in debtors' credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. Different estimates may affect the provision for impairment, and the amount of impairment that has been provided may be not equal to the actual amount of future impairment losses.

Inventory depreciation reserves

The management shall estimate the net realizable value of inventories in time so as to estimate the provision for depreciation of inventories. If any event or circumstance changes, it is necessary to use the estimate to make the provision for depreciation of inventories if the inventory is not likely to realize the relevant value. If the expected amount is different from the original estimate, the relevant difference will affect the book value of the inventories and the impairment loss during the estimated change.

Impairment of goodwill

The Group tests whether the goodwill is impaired at least annually. This requires an estimate of the present value of the future cash flows of the asset group or combination of asset groups to which goodwill is allocated. When estimating the present value of future cash flows, the Group needs to estimate the cash flow generated by future asset groups or combination of asset groups, and select the appropriate discount rate to determine the present value of future cash flows. See Note VII (27) for details.

Fair value of unlisted equity investments

The Group uses the market approach to determine the fair value of unlisted equity investments. This requires the Group to identify comparable listed companies, select market multipliers, estimate liquidity discounts, etc. and is therefore subject to uncertainty.

Impairment of non-current assets other than financial assets (other than goodwill)

On the balance sheet date, the Group judges whether there are any signs of possible impairment of non-current assets other than financial assets. Non-current assets other than financial assets are tested for impairment when there is an indication showing that their book amounts are irrecoverable. When the book value of an asset or asset group is higher than the recoverable amount, that is, the higher of the net amount from fair value less the disposal expense and the present value of the estimated future cash flow, it indicates that the impairment occurred. The net amount after the fair value minus the disposal expenses is determined by reference to the sales agreement price of similar assets in the fair trade or the observable market price, minus the incremental cost directly attributable to the disposal of the asset. When estimating the present value of future cash flows, management must estimate the expected future cash flows of the asset or asset group and select an appropriate discount rate to determine the present value of future cash flows.

40. Changes in significant accounting policies and accounting estimates

For details, see “Analysis and explanation of the Company of the causes and the impacts of the major changes in accounting policies and accounting estimates or correction of significant accounting errors” under “Important Events.”

41. First-time implementation of new accounting standards or interpretations of standards from 2025 onwards involves adjustments to the financial statements at the beginning of the year of first-time implementation

☐ Applicable √ Not applicable

42. Others

☐ Applicable √ Not applicable

VI. Taxes

1. Main tax categories and tax rates

Main tax categories and tax rates

√ Applicable ☐ Not applicable

Category of tax	Basis of tax computation	Tax rate
VAT	The difference between the output tax calculated by applicable tax rate, after deducting the deductible input tax	VAT is applicable to the sales of the Group’s products. The taxable income from the sales of the products in domestic market is subject to the output tax as per 13%; the products for export adopt the method of “tax exemption, tax deduction and tax reimbursement” and the applicable tax rate is 13%. The Group’s income from the marine transport is applicable to VAT, and the output tax is calculated as per 9%; the income from leasing of the equipment is applicable to VAT and the output tax is calculated as per 13% of the taxable income; the income from the sales of the equipment is applicable to the simple collection measures of VAT and the tax rate is subject to the reduced tax rate of 2%; the Group’s income from the leasing of the housing is applicable to the simple collection measures of VAT and the tax rate is 5%; the item “B-T” is applicable to VAT and the output tax on the taxable income is collected at 9%. The above output tax shall calculate and pay VAT after deducting the amount of input tax deductible, except for the applicable VAT’s simple collection method.
Urban maintenance and construction tax and education surcharge	The amount of value-added tax actually paid and exempted upon the official approval by the State Administration of Taxation	Calculated and paid according to 7% and 3% of the turnover tax actually paid and exempted upon the official approval by the State Administration of Taxation.
Enterprise income tax	Taxable income	The enterprise income tax is calculated and paid in accordance with the Enterprise Income Tax Law of People’s Republic of China (hereinafter referred to as the “Income Tax Law”). In accordance with the relevant provisions of the Measures for the Administration of the Certification of High-tech Enterprises (GKFH [2016] No. 32) and the Guidelines for the Administration of the Certification of High-Tech Enterprises (GKFH [2016] No. 195), the Company was awarded a new High-tech Enterprise Certificate (Certificate Number: GR202331007094) in December 2023 after reexamination, with the valid term of 3 years. The Company actually applied the enterprise income tax rate of 15% this year (2024: 15%).

Disclosure regarding taxpayers subject to different enterprise income tax rates

√ Applicable ☐ Not applicable

Name of taxpayer	Income tax rate (%)
The Company	15%
Shanghai Zhenhua Port Machinery Heavy Industries Co., Ltd.	15%
Shanghai Zhenhua Port Machinery (Hong Kong) Co., Ltd.	16.5%
Shanghai Zhenhua Shipping Co., Ltd.	25%
Nantong Zhenhua Heavy Equipment Manufacturing Co., Ltd.	15%
Shanghai Zhenhua Heavy Industries Group (Nantong) Transmission Machinery Co., Ltd.	15%
Shanghai Zhenhua Heavy Industries Technology Co., Ltd. (formerly known as: ZPMC Electric Co., Ltd.)	15%
Shanghai Zhenhua Ocean Engineering Service Co., Ltd.	25%
ZPMC Machinery Equipment Services Co., Ltd.	25%
Shanghai Zhenhua Heavy Industries Port Machinery General Equipment Co., Ltd.	25%
Shanghai Port Machinery Heavy Industry Co., Ltd.	25%
ZPMC Zhangjiagang Port Machinery Co., Ltd.	25%
ZPMC Qidong Marine Engineering Co., Ltd.	25%
Jiahua Shipping Co., Ltd.	16.5%
Zhenhua Pufeng Wind Energy (HongKong) Co., Ltd.	16.5%
Nanjing Ninggao New Channel Construction Co., Ltd.	25%
CCCC Investment & Development Qidong Co., Ltd.	25%
CCCC Liyang Urban Investment and Construction Co., Ltd.	25%
CCCC (Huaian) Construction Development Co., Ltd.	25%
CCCC Zhenjiang Investment Construction Management Development Co., Ltd.	25%
CCCC Rudong Construction Development Co., Ltd.	25%
ZPMC Netherlands Coöperatie U.A.	25.8%
ZPMC Netherlands B.V.	25.8%
Verspannen B.V.	25.8%
ZPMC Espana S.L.	25%
ZPMC Italia S.r.l.	24%
ZPMC GmbH Hamburg	32.25%
ZPMC Lanka Company (Private) Limited	30%
ZPMC North America Inc.	29%
ZPMC Korea Co., Ltd.	20%
ZPMC Engineering Africa (Pty) Ltd.	28%
ZPMC Engineering (India) Private Limited	25.17%
ZPMC Southeast Asia Holding Pte. Ltd.	17%
ZPMC Engineering (Malaysia) Sdn. Bhd.	24%
ZPMC Australia Company (Pty) Ltd.	30%
ZPMC Brazil Serviço Portuários LTD.	25%
ZPMC Limited Liability Company	25%
ZPMC NA East Coast Inc.	33%
ZPMC Middle East FZE	0%
ZPMC UK LD	19%
Greenland Heavylift (Hong Kong) Limited	16.5%
GPO Grace Limited	0%
GPO Amethyst Limited	0%
GPO Sapphire Limited	0%
GPO Emerald Limited	0%
GPO Heavylift Limited	0%
GPO Heavylift AS	22%
GPO Heavylift Pte Ltd	17%
ZPMC Latin America Holding Corporation	5%
Terminexus Co., Ltd.	16.5%

Name of taxpayer	Income tax rate (%)
ZPMC Southeast Asia Pte. Ltd	17%
CCCC Yongjia Construction Development Co., Ltd.	25%
CCCC Zhenhua Lvjian Technology (Ningbo) Co., Ltd.	25%
Shanghai Zhenhua Smart Commercial Management Co., Ltd. (formerly known as: ZPMC Hotel Co., Ltd.)	25%
Xiong'an Zhenhua Co., Ltd.	25%
ZPMC Fuzhou Offshore Construction Co., Ltd.	25%
CCCC (Dongming) Investment and Construction Co., Ltd.	25%
CCCC Zhenhua Intelligent Parking (Hengyang) Co., Ltd.	25%
ZPMC Group (Hainan) Co., Ltd.	25%
CCCC Zhenhua Offshore Hoisting and Pipe-Laying Core Equipment Engineering Technology (Shanghai) Co., Ltd.	25%

2. Tax preferences

√ Applicable □ Not applicable

Shanghai Zhenhua Port Machinery Heavy Industries Co., Ltd. obtained the "Hi-tech Enterprise Certificate" (No.: GR202231000204) in October 2022 and the renewed "Hi-tech Enterprise Certificate" (No.: GR202531004770) in December 2025, with the valid term of 3 years. Nantong Zhenhua Heavy Equipment Manufacturing Co., Ltd. obtained the "Hi-tech Enterprise Certificate" (No.: GR202132001798) in November 2021 and the renewed "Hi-tech Enterprise Certificate" (No.: GR202432005214) in November 2024, with the valid term of 3 years. Shanghai Zhenhua Heavy Industries Group (Nantong) Transmission Machinery Co., Ltd. obtained the "Hi-tech Enterprise Certificate" (No.: GR202232002981) in 2022 and the renewed "Hi-tech Enterprise Certificate" (No.: GR202532004317) in November 2025, with the valid term of 3 years. Shanghai Zhenhua Heavy Industries Technology Co., Ltd. (formerly known as: ZPMC Electric Co., Ltd.) obtained the "Hi-tech Enterprise Certificate" (No.: GR202331003809) in December 2023, with the valid term of 3 years. In accordance with relevant provisions in Article 28 of the Enterprise Income Tax Law, these companies actually applied the enterprise income tax rate of 15% this year (2024: 15%).

3. Others

□ Applicable √ Not applicable

VII. Notes to the main items of the consolidated financial statements

1. Monetary funds

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Cash on hand	244,362	266,397
Bank deposits	3,412,074,224	4,102,990,169
Other monetary funds	28,075,380	43,651,264
Deposits with finance companies	1,129,883,165	1,719,919,382
Total	4,570,277,131	5,866,827,212
Including: Total amount of overseas deposits	928,960,722	701,158,127

Other description:

None

2. Held-for-trading financial assets

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Closing balance	Opening balance	Reasons and basis for designation
Financial assets measured at fair value through the current profit or loss	403,446,171	534,200,582	/
Including:			
Investment in listed company stocks	403,446,171	534,200,582	/
Financial assets designated to be measured at fair value through the current profit or loss			
Total	403,446,171	534,200,582	/

Other description:

√ Applicable ☐ Not applicable

As at December 31, 2025, the listed company share investments held by the Group include 2.03% equity of Jiangxi Huawu Brake Co., Ltd. and 0.94% equity of CRSC.

3. Derivative financial assets

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Derivative financial instruments	8,438,278	8,438,278
Total	8,438,278	8,438,278

Other description:

As at December 31, 2025, the derivative financial assets – equity options held by the Group refers to the fair value of the right obtained at the time of acquiring Greenland Heavylift (Hong Kong) Limited to purchase 1% of its equity of at the price of USD 1.

4. Notes receivable

(1) Presentation of notes receivable by category

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Banker's acceptance bills	149,325,265	-
Commercial acceptance bills	-	50,000,000
Total	149,325,265	50,000,000

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

☐ Applicable √ Not applicable

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

☐ Applicable √ Not applicable

(4) Disclosure by bad debt calculation method

☐ Applicable √ Not applicable

Individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

☐ Applicable √ Not applicable

Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Explanation of significant changes in the book balance of notes receivable with changes in provisions for losses in the current period:

☐ Applicable √ Not applicable

(5) Movements in provision for bad debts

☐ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(6) Notes receivable actually written off in the current period

☐ Applicable √ Not applicable

Write-off of significant notes receivable:

☐ Applicable √ Not applicable

Explanation of write-off of notes receivable:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

5. Accounts receivable

(1) Disclosure by aging

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	5,353,736,518	5,329,641,004
Sub-total of items within 1 year	5,353,736,518	5,329,641,004
1-2 years	2,247,149,762	1,303,771,299
2-3 years	967,413,970	755,148,515
Over 3 years		
3-4 years	689,020,179	364,667,805
4-5 years	210,386,723	748,692,080
Over 5 years	2,502,568,257	1,881,684,558
Total	11,970,275,409	10,383,605,261

(2) Disclosure by bad debt calculation method

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Category	December 31, 2025					December 31, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis	1,049,616,927	9	1,049,616,927	100	-	900,605,325	9	829,355,994	92	71,249,331
Including:										
Provision for bad debts accrued on an individual basis	1,049,616,927	9	1,049,616,927	100	-	900,605,325	9	829,355,994	92	71,249,331
Provision for bad debts by portfolio	10,920,658,482	91	2,434,834,673	22	8,485,823,809	9,482,999,936	91	2,188,455,806	23	7,294,544,130
Including:										
Aging portfolio	10,920,658,482	91	2,434,834,673	22	8,485,823,809	9,482,999,936	91	2,188,455,806	23	7,294,544,130
Total	11,970,275,409	/	3,484,451,600	/	8,485,823,809	10,383,605,261	/	3,017,811,800	/	7,365,793,461

Individual provision for bad debts:

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name	December 31, 2025			
	Book balance	Provision for bad debts	Proportion of provision (%)	Reason for provision
Provision for bad debts accrued on an individual basis	1,049,616,927	1,049,616,927	100	Counterparty financial shortage
Total	1,049,616,927	1,049,616,927	100	/

Description of individual provision for bad debts:

√ Applicable ☐ Not applicable

Name	December 31, 2024			
	Book balance	Provision for bad debts	Proportion of provision (%)	Reason for provision
Provision for bad debts accrued on an individual basis	900,605,325	829,355,994	92	Counterparty financial shortage
Total	900,605,325	829,355,994	92	/

Provision for bad debts by portfolio:

√ Applicable ☐ Not applicable

Items accrued by portfolio: Aging portfolio

Unit: RMB, Currency: CNY

Name	December 31, 2025		
	Book balance	Provision for bad debts	Proportion of provision (%)
Within 1 year	5,353,736,517	283,155,658	5
1-2 years	2,247,149,762	354,974,615	16
2-3 years	962,856,071	239,366,401	25
3-4 years	688,979,679	268,777,079	39
4-5 years	197,941,272	120,069,438	61
Over 5 years	1,469,995,181	1,168,491,482	79
Total	10,920,658,482	2,434,834,673	

Explanation of provision for bad debts accrued by portfolio:

☐ Applicable √ Not applicable

Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Explanation of significant changes in the book balance of accounts receivable with changes in provisions for losses in the current period:

□ Applicable √ Not applicable

(3) Movements in provision for bad debts

□ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

□ Applicable √ Not applicable

Other description:

There were no recoveries or reversals of provision for bad debts with significant amount in the year.

(4) Accounts receivable actually written off in the current period

□ Applicable √ Not applicable

Write-off of significant accounts receivable

□ Applicable √ Not applicable

Explanation of write-off of accounts receivable:

□ Applicable √ Not applicable

(5) Top 5 accounts receivable and contract assets in terms of ending balance presented by debtor

□ Applicable √ Not applicable

Other description:

√ Applicable □ Not applicable

Accounts receivable with provision for bad debts accrued by credit risk features portfolio are as follows:

	December 31, 2025			December 31, 2024		
	Carrying amount of estimated credit losses arising from default	Proportion of provision (%)	Expected credit loss for the entire duration	Carrying amount of estimated credit losses arising from default	Proportion of provision (%)	Expected credit loss for the entire duration
Within 1 year	5,353,736,517	5	283,155,658	5,329,749,390	5	286,132,100
1-2 years	2,247,149,762	16	354,974,615	1,299,177,300	17	226,038,205
2-3 years	962,856,071	25	239,366,401	755,108,015	24	179,470,493
3-4 years	688,979,679	39	268,777,079	354,323,959	56	199,934,817
4-5 years	197,941,272	61	120,069,438	649,274,788	66	427,222,231
Over 5 years	1,469,995,181	79	1,168,491,482	1,095,366,484	79	869,657,960
Total	10,920,658,482		2,434,834,673	9,482,999,936		2,188,455,806

There were no recoveries or reversals of provision for bad debts with significant amount in the year.

As at December 31, 2025, the top five accounts receivable and contract assets are as follows:

	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion in total closing balance of accounts receivable and contract assets (%)	Closing balance of provision for bad debts of accounts receivable and provision for impairment of contract assets
Customer 1	432,582,000	309,938,522	742,520,522	5	-
Customer 2	128,713,924	582,720,851	711,434,775	5	589,114,972
Customer 3	562,466,589	110,038,073	672,504,662	4	107,191,201
Customer 4	484,585,738	10,732,978	495,318,716	3	100,185,865
Customer 5	-	481,487,143	481,487,143	3	-
Total	1,608,348,251	1,494,917,567	3,103,265,818	20	796,492,038

6. Contract assets

(1) Particulars about contract assets

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025			December 31, 2024		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Warranty balance recognized at the time of control transfer (Note 1)	847,001,790	121,690,787	725,311,003	1,433,787,685	144,525,603	1,289,262,082
Outstanding payments for construction completed (Note 2)	2,873,226,853	528,619,379	2,344,607,474	2,750,387,249	142,002,115	2,608,385,134
Total	3,720,228,643	650,310,166	3,069,918,477	4,184,174,934	286,527,718	3,897,647,216

Note 1: The Group sells equipment to customers and provides related installation services, which constitute a single performance obligation. When the Group recognizes revenue at the time of fulfilling its performance obligations, the Company's unconditional (i.e., only depending on the passage of time) right to collect consideration from customers shall be presented as receivables. The non-invoiced contract warranty balance is the right to conditionally collect the consideration from the customer. Therefore, the Company recognizes the non-invoiced contract receivables as contract assets, and the contract assets will form unconditional collection right after the expiration of the warranty and will be transferred to the receivables.

Note 2: The Group provides customers with manufacturing of large port machinery and equipment, infrastructure construction services, and steel structure and heavy equipment product manufacturing, and recognizes revenue within a period of time to form contract assets. The contract assets will form unconditional collection right at the time of project settlement and are transferred in receivables. The customers shall settle accounts with the Group on the performance progress of the delivery of large port machinery and equipment, engineering construction services and steel structure and heavy equipment products under contract provisions, and pay the contract price according to the credit period specified in the contract after settlement. The part of the income amount recognized by the Group according to the performance progress exceeding the settled price is recognized as contract assets, and the part of the settled price exceeding the income amount recognized by the Group according to the performance progress is recognized as contract liabilities.

(2) Amount of and reason for significant changes in book value during the reporting period

☐ Applicable √ Not applicable

(3) Disclosure by bad debt calculation method

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Category	December 31, 2025					December 31, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis	582,720,851	16	460,401,048	79	122,319,803					
Including:										
Provision for bad debts by portfolio	3,137,507,792	84	189,909,118	6	2,947,598,674	4,184,174,934	100	286,527,718	7	3,897,647,216
Including:										
Total	3,720,228,643	/	650,310,166	/	3,069,918,477	4,184,174,934	/	286,527,718	/	3,897,647,216

Individual provision for bad debts:

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name	December 31, 2025			
	Book balance	Provision for bad debts	Proportion of provision (%)	Reason for provision
Contract asset 1	582,720,851	460,401,048	79	Counterparty financial shortage
Total	582,720,851	460,401,048	79	/

Description of individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

√ Applicable ☐ Not applicable

Items accrued by portfolio: Contract assets

Unit: RMB, Currency: CNY

Name	December 31, 2025		
	Book balance	Provision for bad debts	Proportion of provision (%)
Within 1 year	2,585,786,780	106,808,357	4
1-2 years	365,608,771	76,347,172	21
2- 3 years	186,112,241	6,753,589	4
Over 3 years	-	-	-
Total	3,137,507,792	189,909,118	

Explanation of provision for bad debts accrued by portfolio

☐ Applicable √ Not applicable

Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Explanation of significant changes in the book balance of contract assets with changes in provisions for losses in the current period:

☐ Applicable √ Not applicable

(4) Provision for bad debts of contract assets of the current period

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase/decrease in the current period				December 31, 2025	Reason
		Provision in the current period	Recovery or reversal in the current period	Write-off/ charge-off in the current period	Other changes		
Warranty balance recognized at the time of control transfer	144,525,603	227,598,050	-250,432,866	-	-	121,690,787	
Outstanding payments for construction completed	142,002,115	389,571,028	-	-2,953,764	-	528,619,379	
Total	286,527,718	617,169,078	-250,432,866	-2,953,764	-	650,310,166	/

The recovered or reversed provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(5) Contract assets actually written off in the current period

☐ Applicable √ Not applicable

Write-off of significant contract assets

☐ Applicable √ Not applicable

Note to contract asset write-off:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

7. Receivables financing

(1) Receivables financing presented by category

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Banker's acceptance bills	178,884,505	106,533,734
Digital debt voucher of accounts receivable	306,484,775	543,727,150
Total	485,369,280	650,260,884

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

☐ Applicable √ Not applicable

(3) Receivables financing that has been endorsed or discounted by the Company and is not due at the balance sheet date at the end of the period

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Derecognition amount at the end of period	Amount not derecognized at the end of period
Banker's acceptance bills	507,329,316	
Digital debt voucher of accounts receivable	31,172,179	
Total	538,501,495	

(4) Disclosure by bad debt calculation method

☐ Applicable √ Not applicable

Individual provision for bad debts:

☐ Applicable √ Not applicable

Description of individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

☐ Applicable √ Not applicable

Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Explanation of significant changes in the book balance of receivables financing with changes in provisions for losses in the current period:

☐ Applicable √ Not applicable

(5) Movements in provision for bad debts

☐ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(6) Receivables financing actually written off in the current period

☐ Applicable √ Not applicable

Write-off of significant receivables financing

☐ Applicable √ Not applicable

Note to write-off:

☐ Applicable √ Not applicable

(7) Increase or decrease and changes in fair value of receivables financing in the current period:

☐ Applicable √ Not applicable

(8) Other description

☐ Applicable √ Not applicable

8. Advances to suppliers

(1) Presentation of advances to suppliers by aging

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Aging	December 31, 2025		December 31, 2024	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	624,263,865	76	841,302,248	82
1-2 years	125,548,407	15	129,466,008	12
2-3 years	43,577,058	5	10,069,526	1
Over 3 years	28,846,041	4	50,780,077	5
Total	822,235,371	100	1,031,617,859	100

Explanation of the reasons why the advances to suppliers with the aging over one year and a significant amount is not settled in time:

As at December 31, 2025, the advances to suppliers of the Company with the aging over one year was RMB 197,971,506 (as at December 31, 2024: RMB 190,315,611), mainly the advances to suppliers for the procurement of imported parts, which has not been yet settled because the purchased imported parts have not yet been received.

(2) Top 5 advances to suppliers in terms of ending balance presented by prepaid object

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name	December 31, 2025	Proportion in total ending balance of prepayment(%)
Total advances to suppliers of top 5 balances	349,322,747	42
Total	349,322,747	42

Other description: None

Other description:

☐ Applicable √ Not applicable

9. Other receivables

Item presentation

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Interest receivable		
Dividends receivable		
Other receivables	704,236,518	780,170,637
Total	704,236,518	780,170,637

Other description:

☐ Applicable √ Not applicable

Interest receivable

(1) Classification of interest receivable

☐ Applicable √ Not applicable

(2) Significant overdue interest

☐ Applicable √ Not applicable

(3) Disclosure by bad debt calculation method

☐ Applicable √ Not applicable

Individual provision for bad debts:

☐ Applicable √ Not applicable

Description of individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

☐ Applicable √ Not applicable

(4) Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Explanation of significant changes in the book balance of interests receivable with changes in provisions for losses in the current period:

☐ Applicable √ Not applicable

(5) Movements in provision for bad debts

☐ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(6) Interests receivable actually written off in the current period

☐ Applicable √ Not applicable

Write-off of significant interest receivable

☐ Applicable √ Not applicable

Note to write-off:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Dividends receivable

(7) Dividends receivable

☐ Applicable √ Not applicable

(8) Significant dividends receivable aging over 1 year

☐ Applicable √ Not applicable

(9) Disclosure by bad debt calculation method

☐ Applicable √ Not applicable

Individual provision for bad debts:

☐ Applicable √ Not applicable

Description of individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

☐ Applicable √ Not applicable

(10) Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Explanation of significant changes in the book balance of dividends receivable with loss provision changes in the current period:

☐ Applicable √ Not applicable

(11) Movements in provision for bad debts

☐ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(12) Dividends receivable actually written off in the current period

☐ Applicable √ Not applicable

Write-off of significant dividends receivable

☐ Applicable √ Not applicable

Note to write-off:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Other receivables

(13) Disclosure by aging

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	594,424,667	508,829,137
Sub-total of items within 1 year	594,424,667	508,829,137
1-2 years	149,672,829	241,190,490
2-3 years	36,691,808	50,907,248
Over 3 years		
3-4 years	25,156,181	6,025,630
4-5 years	5,909,666	2,506,517
Over 5 years	229,351,947	228,793,347
Total	1,041,207,098	1,038,252,369

(14) Classification by nature of funds

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Nature of funds	Ending book balance	Beginning book balance
Unpaid taxes receivable	454,366,095	466,217,590
Receivables from third parties	175,513,997	93,031,724
Secured repayment	164,124,678	164,124,678
Customs deposits	42,995,456	38,282,346
Bid and performance bonds	40,525,698	64,665,781
Export rebates	9,403,237	14,877,279
Money on call of on-site product service	9,284,072	14,527,162
Lease payment receivable	8,984,183	11,849,430
Staff loan receivable	6,160,325	9,565,349
Others	129,849,357	161,111,030
Total	1,041,207,098	1,038,252,369

(15) Provision for bad debts

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Provision for bad debts	Stage I	Stage II	Stage III	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment occurred)	
Balance as of January 1, 2025		65,136,458	192,945,274	258,081,732
Balance as of January 1, 2025 during the reporting period				
--Transferred to Stage II				
--Transferred to Stage III		-65,227,268	65,227,268	
--Reversal to Stage II				
--Reversal to Stage I				
Provision in the current period		11,103,628	68,814,568	79,918,196
Reversal in the current period		-1,029,348		-1,029,348
Write-off in the current period				
Charge-off in the current period				
Other changes				
Balance as of December 31, 2025		9,983,470	326,987,110	336,970,580

Basis for division of each stage and proportion of provision for bad debt

None

Description of significant changes in book balance of other receivables with changes in loss provision in the current period:

☐ Applicable √ Not applicable

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly:

☐ Applicable √ Not applicable

(16) Movements in provision for bad debts

☐ Applicable √ Not applicable

The reversed or recovered provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(17) Other receivables actually written off in the current period

☐ Applicable √ Not applicable

Write-off of other significant accounts receivable:

☐ Applicable √ Not applicable

Explanation of write-off of other receivables:

☐ Applicable √ Not applicable

(18) Top 5 other receivables in terms of ending balance presented by debtor

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name	December 31, 2025	Proportion in the total balance of other receivables (%)	Nature	Aging	Balance of provision for bad debts as at December 31, 2025
ZPMC-Red Box Energy Services Limited	164,124,678	16	Guarantee payment receivable under letter of guarantee	Over 5 years	164,124,678
Anhui Shenghua Construction Engineering Co., Ltd.	119,826,653	12	Advances paid on behalf of third parties receivable	1-2 years	68,814,568
Shandong Lanqiao Petrochemical Co., Ltd.	65,227,269	6	Unpaid taxes receivable	Over 5 years	65,227,269
Cinda Financial Leasing Co., Ltd.	54,820,885	5	Unpaid taxes receivable	Within 1 year	-
Shanghai Customs of the People's Republic of China	42,995,456	4	Customs deposits	Within 1 year	-
Total	446,994,941	43	/	/	298,166,515

(19) Presented in other receivables due to centralized fund management

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

10. Inventories

(1) Classification

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025			December 31, 2024		
	Book balance	Provision for inventory depreciation/ provision for impairment of contract performance cost	Book value	Book balance	Provision for inventory depreciation/ provision for impairment of contract performance cost	Book value
Raw materials	3,561,532,717	51,081,418	3,510,451,299	3,551,885,045	48,398,643	3,503,486,402
Goods in process	20,241,057,348	239,485,922	20,001,571,426	20,903,827,913	348,283,907	20,555,544,006
Stock commodities	44,303,325		44,303,325	43,070,855		43,070,855
Revolving materials						
Consumptive biological assets						
Contract performance cost	308,652,468		308,652,468	452,483,403		452,483,403
Total	24,155,545,858	290,567,340	23,864,978,518	24,951,267,216	396,682,550	24,554,584,666

(2) Data resources recognized as inventory

☐ Applicable √ Not applicable

(3) Provision for inventory depreciation and provision for impairment of contract performance cost

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in the current period		Decrease in the current period		December 31, 2025
		Provision	Others	Reversal or write- off	Others	
Raw materials	48,398,643	10,691,409		-8,008,634		51,081,418
Goods in process	348,283,907	141,621,159		-250,419,144		239,485,922
Stock commodities						
Revolving materials						
Consumptive biological assets						
Contract performance cost						
Total	396,682,550	152,312,568		-258,427,778		290,567,340

Reasons for reversing or writing off the provision for inventory depreciation in the current period

☐ Applicable √ Not applicable

Accrual of provision for inventory depreciation by portfolio

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name of portfolio	Ending			Beginning		
	Book balance	Depreciation provision	Ratio of provision for inventory depreciation (%)	Book balance	Depreciation provision	Ratio of provision for inventory depreciation (%)
Within 1 year	3,180,870,602			3,047,281,403		
1-2 years	92,969,043			249,237,321		
2-3 years	83,822,161	4,191,108	5	57,420,060	2,871,003	5
Over 3 years	203,870,911	46,890,310	23	197,946,261	45,527,640	23
Total	3,561,532,717	51,081,418		3,551,885,045	48,398,643	

Standards of accrual of provision for inventory depreciation by portfolio

☐ Applicable √ Not applicable

(4) Amount of capitalized borrowing costs included in ending balance of inventories and its calculation standards and basis

☐ Applicable √ Not applicable

(5) Description of the current amortization amount of contract performance cost

☐ Applicable √ Not applicable

Other description:

√ Applicable ☐ Not applicable

Information about inventory depreciation reserves:

	Specific basis for determination of net realizable values	Reasons for reversing or writing off the provision for inventory depreciation in the year
Raw materials and outsourced parts and components	Difference between the net realizable value of raw materials and outsourced parts and components and their book value resulting from product price fall	Value recovery, consuming or external sales
Goods in process	Difference between the net realizable value and the book value of goods in process	Value recovery, transferred for self-use or external sales

Total amount of possible penalties for failure to fulfill the obligations as contracted:

	2025	2024
Valid letter of guarantee signed by the bank	18,063,416,868	17,995,858,329
Letter of guarantee not signed by the bank	6,833,913,584	8,171,573,376
Total	24,897,330,452	26,167,431,705

11. Assets held for sale

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	Provision for impairment	Book value at the end of the period	Fair value	Estimated disposal costs	Expected disposal date
Buildings, constructions, land use rights, and mechanical equipment	12,327,736		12,327,736	52,569,961		April 2026
Total	12,327,736		12,327,736	52,569,961		/

Other description:

None

12. Non-current assets due within one year

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Debt investment due within one year		
Other debt investments due within one year		
Long-term receivables due within one year	888,580,054	1,346,060,900
Total	888,580,054	1,346,060,900

Debt investment due within one year

☐ Applicable √ Not applicable

Other debt investments due within one year

☐ Applicable √ Not applicable

Other description on non-current assets due within one year: None

13. Other current assets

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Contract acquisition cost		
Return cost receivable		
Input tax to be deducted	1,335,138,235	853,758,031
Prepaid income tax	3,486,755	4,396,501
Total	1,338,624,990	858,154,532

Other description: None

14. Debt investment

(1) Particulars about debt investment

□ Applicable √ Not applicable

Changes in provision for impairment of debt investments in the current period

□ Applicable √ Not applicable

(2) Significant debt investment at the end of the period

□ Applicable √ Not applicable

(3) Provision for impairment

□ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for impairment:

None

Explanation of significant changes in the book balance of debt investments with changes in provisions for losses in the current period:

□ Applicable √ Not applicable

The amount of provision for impairment in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly

□ Applicable √ Not applicable

(4) Actual write-off of debt investments in the current period

□ Applicable √ Not applicable

Write-off of significant debt investments

□ Applicable √ Not applicable

Explanation of write-off of debt investments:

□ Applicable √ Not applicable

Other description:

□ Applicable √ Not applicable

15. Other debt investments

(1) Particulars about other debt investments

□ Applicable √ Not applicable

Changes in provision for impairment of other debt investments in the current period

□ Applicable √ Not applicable

(2) Other significant debt investment at the end of the period

☐ Applicable √ Not applicable

(3) Provision for impairment

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for impairment:

None

Explanation of significant changes in the book balance of other debt investments with changes in provisions for losses in the current period:

☐ Applicable √ Not applicable

The amount of provision for impairment in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly

☐ Applicable √ Not applicable

(4) Other debt investments actually written off in the current period

☐ Applicable √ Not applicable

Write-off of other significant debt investments

☐ Applicable √ Not applicable

Explanation of write-off of other debt investments:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

16. Long-term receivables

(1) Particulars about long-term receivables

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025			December 31, 2024			Discount rate range
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value	
Financing lease							
Including: Unrealized financing income							
Goods sold on installment	189,446,337		189,446,337	272,270,359		272,270,359	
Including: Unrealized financing income	-6,425,303		-6,425,303	-16,883,031		-16,883,031	
Services provided on installment							
Receivables from “Build-Transfer” project							
- Principal	1,414,230,352		1,414,230,352	1,780,292,870		1,780,292,870	
- Interest receivable	547,692,878		547,692,878	374,755,734		374,755,734	
Less: Long-term receivables due within one year	888,580,054		888,580,054	1,346,060,900		1,346,060,900	
Total	1,262,789,513		1,262,789,513	1,081,258,063		1,081,258,063	/

As at December 31, 2025 and December 31, 2024, the principal of receivables under the “Build-Transfer (BT)” projects represented the funds invested by the Group in the BT projects, and the interest receivable represented the financing return recognized in accordance with the contracts.

As at December 31, 2025, long-term receivables of RMB 1,015,896,808 (December 31, 2024: RMB 1,140,307,484) had been pledged to banks as security for long-term borrowings of RMB 3,053,934,248 (December 31, 2024: long-term borrowings of RMB 3,031,253,334).

(2) Disclosure by bad debt calculation method

☐ Applicable √ Not applicable

Individual provision for bad debts:

☐ Applicable √ Not applicable

Description of individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

☐ Applicable √ Not applicable

(3) Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Description of significant changes in the book balance of long-term receivables with changes in provisions for losses in the current period:

☐ Applicable √ Not applicable

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly

☐ Applicable √ Not applicable

(4) Movements in provision for bad debts

☐ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(5) Long-term receivable actually written off in the current period

☐ Applicable √ Not applicable

Write-off of significant long-term accounts receivable

☐ Applicable √ Not applicable

Explanation of write-off of long-term receivables:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

17. Long-term equity investments

(1) Long-term equity investments

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Investee	Beginning Balance (book value)	Opening balance of provision for impairment	Increase/decrease in the current period								Ending Balance (book value)	Ending balance of provision for impairment
			Further investment	Reduced investment	Profit or loss on investments under the equity method	Adjustment of other comprehensive income	Changes in other equity	Cash dividends or profit declared to be distributed	Provision for impairment	Others		
I. Joint ventures												
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	367,895,744				1,494,259						369,390,003	
ZPMC Mediterranean Liman Makinalari Ticaret Anonim Sirketi	385,318				-385,318							
ZOSG-OTL Marine Contractor Limited												
ZPMC-Red Box Energy Services Limited (i)												
Sub-total	368,281,062				1,108,941						369,390,003	
II. Associates												
CCCC Financial Leasing Co., Ltd. (ii)	661,178,256				53,729,432	535,694	670,318	-12,247,158			703,866,542	
CCCC Yancheng Construction Development Co., Ltd.	402,530,473				19,681,108						422,211,581	
CCCC Estate Yixing Co., Ltd.	203,058,465				-10,388,856						192,669,609	
China communications Construction USA Inc.	62,247,180				2,374	-1,364,199					60,885,355	
CCCC Photovoltaic Technology Co., Ltd.	37,851,683			-40,050,855	2,199,172							
ZPMC Changzhou Coatings Co., Ltd.	24,395,594				8,701,592			-3,849,580			29,247,606	
CCCC Xiongan Urban Construction Development Co., Ltd. (iii)	7,609,896				491,363						8,101,259	
Shanghai Xingyi Construction Technology Co., Ltd.												
Sub-total	1,398,871,547			-40,050,855	74,416,185	-828,505	670,318	-16,096,738			1,416,981,952	
Total	1,767,152,609			-40,050,855	75,525,126	-828,505	670,318	-16,096,738			1,786,371,955	

(2) Impairment test of long-term equity investments

□ Applicable √ Not applicable

Other description:

Joint ventures

(i) On May 5, 2014, a subsidiary of the Company and its partner invested to establish ZPMC-Red Box Energy Services Limited (hereinafter referred to as "ZPMC-RB"). The registered capital of the company is USD 5,969,998, of which the Company's subsidiary contributed USD 3,044,699, representing a 51% stock equity. The company is principally engaged in vessel transportation services. Based on the relevant provisions of the shareholders' agreement of the company, major corporate matters require the approval of shareholders holding no less than 75% of the voting shares. Hence, the Group has no control over the company but jointly controls it with the partner.

Associates

(ii) In 2025, the Company held a 5.82% stock equity in CCCC Financial Leasing Co., Ltd. According to the relevant provisions of the company's articles of association, the Company is entitled to appoint one director to the company and is able to exercise significant influence over it.

(iii) On June 23, 2020, the Company participated in the establishment of CCCC Xiongan Urban Construction Development Co., Ltd. through an equity investment. The registered capital of the company is RMB 100,000,000, of which the Company subscribed RMB 15,000,000, representing a 15% stock equity. The company is principally engaged in engineering construction. According to the relevant provisions of the company's articles of association, the Company is entitled to appoint one director to the company and is able to exercise significant influence over it.

18. Other equity instrument investment

(1) Particulars about other equity instrument investment

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Beginning Balance	Increase/decrease in the current period					Ending Balance	Dividend income recognized in the current period	Accumulated gains included in other comprehensive income	Accumulated losses included in other comprehensive income	Reasons for financial assets designated to be measured at fair value through other comprehensive income
		Further investment	Reduced investment	Gains included in other comprehensive income in the current period	Losses included in other comprehensive income in the current period	Others					
Hunan Fengri Power & Electric Co., Ltd.	33,199,200			12,794,405			45,993,605	171,626	25,995,445		Strategic investment, long-term holding
CCCC Highway Bridges National Engineering Research Centre Co., Ltd.	13,179,019			2,056,259			15,235,278		6,135,278		Strategic investment, long-term holding
Ningbo Weilong Port Machinery Co., Ltd.	24,208,224			9,088,405			33,296,629		30,000,629		Strategic investment, long-term holding
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	7,937,621			1,617,638			9,555,259		3,155,260		Strategic investment, long-term holding
Shenyang Weichen Crane Equipment Co., Ltd.	9,058,100				-650,558		8,407,542		6,907,541		Strategic investment, long-term holding
Shanghai Longchang Lifting Equipment Co., Ltd.	739,815				-739,815					-800,000	Strategic investment, long-term holding
Nezha Port and Shipping Smart Technology (Shanghai) Co., Ltd.	26,798,909				-3,501,381		23,297,528			-6,441,396	Strategic investment, long-term holding
21st Century Science and Technology Investment Co., Ltd.										-30,000,000	Strategic investment, long-term holding
Jiangsu Zhangjinggao Bridge Co., Ltd.	75,410,000						75,410,000				Strategic investment, long-term holding
Total	190,530,888			25,556,707	-4,891,754		211,195,841	171,626	72,194,153	-37,241,396	/

(2) Derecognition in the current period

□ Applicable √ Not applicable

Other description:

□ Applicable √ Not applicable

19. Other non-current financial assets

□ Applicable √ Not applicable

Other description:

□ Applicable √ Not applicable

20. Investment properties

Measurement model of investment properties

(1) Investment properties using cost measurement mode

Unit: RMB, Currency: CNY

Item	Buildings and constructions	Land use right	Construction in progress	Total
I. Original book value				
1. Balance as at December 31, 2024	580,667,465	209,845,794		790,513,259
2. Increase in current period				
(1) Outsourcing				
(2) Transfer-in of inventories, fixed assets and construction in progress				
(3) Increase in business combination				
3. Decrease in current period	-77,014,533	-9,490,610		-86,505,143
(1) Disposal				
(2) Transferred to assets held for sale	-77,014,533	-9,490,610		-86,505,143
(3) Other transfer-out				
4. Balance as at December 31, 2025	503,652,932	200,355,184		704,008,116
II. Accumulative depreciation and amortization				
1. Balance as at December 31, 2024	290,738,491	93,037,013		383,775,504
2. Increase in current period	17,468,975	5,344,478		22,813,453
(1) Provision or amortization	17,468,975	5,344,478		22,813,453
3. Decrease in current period	-65,362,589	-8,814,818		-74,177,407
(1) Disposal				
(2) Transferred to assets held for sale	-65,362,589	-8,814,818		-74,177,407
(3) Other transfer-out				
4. Balance as at December 31, 2025	242,844,877	89,566,673		332,411,550
III. Provision for impairment				
1. Balance as at December 31, 2024				
2. Increase in current period				
(1) Provision				
3. Decrease in current period				
(1) Disposal				
(2) Other transfer-out				
4. Balance as at December 31, 2025				
IV. Book value				
1. Book value at the end of the period	260,808,055	110,788,511		371,596,566
2. Book value at the beginning of the period	289,928,974	116,808,781		406,737,755

(2) Investment property without certificate of title

☐ Applicable √ Not applicable

(3) Impairment test of investment properties using cost measurement model

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

21. Fixed assets

Item presentation

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Fixed assets

(1) Particulars about fixed assets

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Buildings and constructions	Mechanical equipment	Office and electronic equipment	Transportation facilities (excluding ship)	Vessel	Total
I. Original book value:						
1. Balance as at December 31, 2024	11,671,940,827	7,077,278,826	411,081,894	250,233,897	21,406,653,850	40,817,189,294
2. Increase in current period	69,661,774	318,998,531	36,362,390	5,053,807	349,615,756	779,692,258
(1) Purchase	25,378,696	106,704,402	36,223,296	4,996,285	32,274,206	205,576,885
(2) Transfer-in of construction in progress	44,283,078	212,174,767		57,522	317,341,550	573,856,917
(3) Increase in business combination						
(4) Exchange rate changes		119,362	139,094			258,456
3. Decrease in current period	-4,271,358	-194,541,064	-19,909,295	-12,814,370	-213,739,991	-445,276,078
(1) Disposal or scrap	-4,271,358	-194,541,064	-19,909,295	-12,814,370	-121,982,759	-353,518,846
(2) Exchange rate changes					-91,757,232	-91,757,232
4. Balance as at December 31, 2025	11,737,331,243	7,201,736,293	427,534,989	242,473,334	21,542,529,615	41,151,605,474
II. Accumulated depreciation						
1. Balance as at December 31, 2024	5,682,039,292	5,483,353,346	318,290,224	162,978,655	5,479,830,574	17,126,492,091
2. Increase in current period	379,822,541	251,432,680	28,966,962	13,002,453	772,023,968	1,445,248,604
(1) Provision	379,822,541	251,432,680	28,966,962	13,002,453	772,023,968	1,445,248,604
(2) Exchange rate changes						
3. Decrease in current period	-2,872,264	-192,182,575	-19,037,982	-12,211,692	-102,126,766	-328,431,279
(1) Disposal or scrap	-2,872,264	-192,081,301	-18,569,921	-12,211,692	-80,549,227	-306,284,405
(2) Exchange rate changes		-101,274	-468,061	-	-21,577,539	-22,146,874
4. Balance as at December 31, 2025	6,058,989,569	5,542,603,451	328,219,204	163,769,416	6,149,727,776	18,243,309,416
III. Provision for impairment						
1. Balance as at December 31, 2024						
2. Increase in current period						
(1) Provision						
3. Decrease in current period						
(1) Disposal or scrap						
4. Balance as at December 31, 2025						
IV. Book value						
1. Book value at the end of the period	5,678,341,674	1,659,132,842	99,315,785	78,703,918	15,392,801,839	22,908,296,058
2. Book value at the beginning of the period	5,989,901,535	1,593,925,480	92,791,670	87,255,242	15,926,823,276	23,690,697,203

(2) Temporary idle fixed assets

☐ Applicable √ Not applicable

(3) Fixed assets leased out through operating lease

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Book value at the end of the period
Vessel	3,059,506,943

(4) Fixed assets without certificate of title

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Book value	Reasons for pending certificate of title
Buildings and constructions	177,169,792	Related procedures are still in process

(5) Impairment test of fixed assets

☐ Applicable √ Not applicable

Other description:

√ Applicable ☐ Not applicable

As at December 31, 2025, the following fixed assets were taken as loan mortgage:

	Original price	Book value	Borrowings	
			Nature	Amount
Vessel	2,911,782,265	2,294,086,970	Long-term payables	1,149,794,159

Liquidation of fixed assets

☐ Applicable √ Not applicable

22. Construction in progress

Item presentation

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Construction in progress

(1) Particulars about construction in progress

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025			December 31, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Large machinery and engineering equipment of the base under construction	971,408,359		971,408,359	960,273,753		960,273,753
Infrastructure construction of Changxing Base	182,442,580		182,442,580	180,920,080		180,920,080
Infrastructure construction of Nantong Base	269,132,436		269,132,436	136,668,794		136,668,794
Large mechanical reconstruction and upgrading project	18,162,541		18,162,541	23,821,184		23,821,184
Infrastructure construction of Nanhui Base	1,987,544		1,987,544	44,990		44,990
Total	1,443,133,460		1,443,133,460	1,301,728,801		1,301,728,801

(2) Changes of significant construction in progress

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Budget	Beginning Balance	Increase in the current period	Amount transferred into fixed assets in the current period	Other decreases in the current period	Ending Balance	Proportion of cumulative project investment in budget (%)	Construction progress	Cumulative amount of interest capitalized	Including: Capitalization of the interest in the current period	Capitalization rate for the interest in the current period (%)	Fund source
Infrastructure construction of Nantong Base	8,555,716,771	136,668,794	218,466,292	-86,002,650		269,132,436	84	84				Self-owned funds
Infrastructure construction of Changxing Base	9,109,560,500	180,920,080	52,695,707	-51,173,207		182,442,580	80	80	31,366,066	4,634,772	2.14	Self-owned funds and bank loans
Large machinery and engineering equipment of the base under construction	13,027,963,390	960,273,753	413,594,611	-402,460,005		971,408,359	80	80	359,989,831	16,589,566	1.54	Self-owned funds and bank loans
Infrastructure construction of Nanhui Base	562,287,425	44,990	1,942,554			1,987,544	88	88				Self-owned funds
Large mechanical reconstruction and upgrading project	3,179,166,710	23,821,184	28,562,412	-34,221,055		18,162,541	63	63				Self-owned funds
Total	34,434,694,796	1,301,728,801	715,261,576	-573,856,917		1,443,133,460	/	/	391,355,897	21,224,338	/	/

(3) Provision for impairment of construction in progress in the current period

☐ Applicable √ Not applicable

(4) Impairment test of constructions in progress

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Engineering materials

(5) Particulars about engineering materials

☐ Applicable √ Not applicable

23. Productive biological assets

(1) Productive biological assets using cost measurement model

☐ Applicable √ Not applicable

(2) Impairment test of productive biological assets using cost measurement model

☐ Applicable √ Not applicable

(3) Productive biological assets measured at fair value

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

24. Oil and gas assets

(1) Particulars about oil and gas assets

☐ Applicable √ Not applicable

(2) Impairment test of oil and gas assets

☐ Applicable √ Not applicable

Other description: None

25. Right-of-use assets

(1) Particulars about right-of-use assets

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Buildings and constructions	Other equipment	Total
I. Original book value			
1. Balance as at December 31, 2024	83,818,121	4,036,336	87,854,457
2. Increase in current period	5,943,773		5,943,773
(1) Additions	5,943,773		5,943,773
3. Decrease in current period	-4,456,910		-4,456,910
(1) Disposal	-4,456,910		-4,456,910
4. Balance as at December 31, 2025	85,304,984	4,036,336	89,341,320
II. Accumulated depreciation			
1. Balance as at December 31, 2024	46,327,861	3,547,292	49,875,153
2. Increase in current period	26,282,175	72,720	26,354,895
(1) Provision	26,282,175	72,720	26,354,895
3. Decrease in current period	-4,456,910		-4,456,910
(1) Disposal	-4,456,910		-4,456,910
4. Balance as at December 31, 2025	68,153,126	3,620,012	71,773,138
III. Provision for impairment			
1. Balance as at December 31, 2024			
2. Increase in current period			
(1) Provision			
3. Decrease in current period			
(1) Disposal			
4. Balance as at December 31, 2025			
IV. Book value			
1. Book value at the end of the period	17,151,858	416,324	17,568,182
2. Book value at the beginning of the period	37,490,260	489,044	37,979,304

(2) Impairment test of right-of-use assets

□ Applicable √ Not applicable

Other description: None

26. Intangible assets

(1) Particulars about intangible assets

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Land use right	Software use fees	Patent right	Concession rights	Contract assets related to PPP projects (Note 1)	Total
I. Original book value						
1. Balance as at December 31, 2024	4,147,926,622	150,972,213	65,296,171		1,407,723,184	5,771,918,190
2. Increase in current period		11,989,694		1,511,539,882	124,981,379	1,648,510,955
(1) Purchase		11,989,694			124,981,379	136,971,073
(2) Internal R&D						
(3) Increase in business combination						
(4) Conversion of contract assets of PPP projects				1,511,539,882		1,511,539,882

Item	Land use right	Software use fees	Patent right	Concession rights	Contract assets related to PPP projects (Note 1)	Total
3. Decrease in current period		-118,731			-1,511,539,882	-1,511,658,613
(1) Disposal		-118,731				-118,731
(2) Conversion of contract assets of PPP projects					-1,511,539,882	-1,511,539,882
4. Balance as at December 31, 2025	4,147,926,622	162,843,176	65,296,171	1,511,539,882	21,164,681	5,908,770,532
II. Accumulated amortization						
1. Balance as at December 31, 2024	1,221,064,184	97,480,916	65,201,807			1,383,746,907
2. Increase in current period	84,904,841	16,400,731		27,991,479		129,297,051
(1) Provision	84,904,841	16,400,731		27,991,479		129,297,051
3. Decrease in current period		-118,539				-118,539
(1) Disposal		-118,539				-118,539
4. Balance as at December 31, 2025	1,305,969,025	113,763,108	65,201,807	27,991,479		1,512,925,419
III. Provision for impairment						
1. Balance as at December 31, 2024						
2. Increase in current period						
(1) Provision						
3. Decrease in current period						
(1) Disposal						
4. Balance as at December 31, 2025						
IV. Book value						
1. Book value at the end of the period	2,841,957,597	49,080,068	94,364	1,483,548,403	21,164,681	4,395,845,113
2. Book value at the beginning of the period	2,926,862,438	53,491,297	94,364		1,407,723,184	4,388,171,283

As of the end of the reporting period, intangible assets generated through the Company's internal R&D accounted for 0% of the balance of intangible assets.

Note 1: This item represents the portion that recognizes the consideration amount or the recognized construction revenue amount of relevant PPP project assets as intangible assets in accordance with the requirements of "Interpretation of Accounting Standards for Business Enterprises No. 14", and the contract assets recognized during the relevant construction period should be presented in the "Intangible assets" item in the balance sheet. As of December 31, 2025, the Group still had one PPP project under the intangible asset model that was under construction. The total planned investment of the project is RMB 1.02 billion, with cumulative investment amounting to RMB 20 million.

As at December 31, 2025, intangible assets of RMB 1,483,548,403 (December 31, 2024: RMB 1,387,620,730) had been pledged to banks as security for long-term borrowings of RMB 3,053,934,248 (December 31, 2024: long-term borrowings of RMB 3,031,253,334).

In 2025, total technology research and development expenses of the Group amounted to RMB 1,515,374,795 (2024: RMB 1,502,397,344). None of such technology research and development expenses was capitalized.

(2) Data resources recognized as intangible assets

☐ Applicable √ Not applicable

(3) Land use right without certificate of title

☐ Applicable √ Not applicable

(4) Impairment test of intangible assets

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

27. Goodwill

(1) Original book value of goodwill

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Name of the invested entity or the matters forming goodwill	Balance as at December 31, 2024	Increase in current period		Decrease in current period		Balance as at December 31, 2025
		Formed by business combination	Others	Disposal	Others (Note 1)	
ZPMC Qidong Marine Engineering Co., Ltd.	149,212,956					149,212,956
Verspannen B.V.	5,412,807					5,412,807
Greenland Heavy lift (Hong Kong) Limited	117,270,985				2,603,702	114,667,283
Total	271,896,748				2,603,702	269,293,046

Note 1: The decrease during the current year was attributable to exchange differences arising on translation of foreign currency financial statements.

(2) Provision for impairment of goodwill

□ Applicable √ Not applicable

(3) Information about the asset group or portfolio of the goodwill

□ Applicable √ Not applicable

Changes in asset group or combination of asset groups

□ Applicable √ Not applicable

Other description:

□ Applicable √ Not applicable

(4) Specific method for determining the recoverable amount

The recoverable amount is determined based on the net amount after deducting disposal costs from the fair value

□ Applicable √ Not applicable

The recoverable amount is determined based on the present value of expected future cash flows

□ Applicable √ Not applicable

Reasons for discrepancies between the foregoing information and the information used in impairment test in previous years or external information

□ Applicable √ Not applicable

Reasons for discrepancies between the information used in impairment test in previous years by the Company and the actual conditions of the current year

□ Applicable √ Not applicable

(5) Performance commitment and corresponding goodwill impairment

There is a performance commitment when goodwill is formed and the reporting period or the period before the reporting period is within the performance commitment period

□ Applicable √ Not applicable

Other description:

√ Applicable □ Not applicable

As at December 31, 2025, the Group had no provision for the impairment of goodwill. When the impairment test is conducted,

the book value of goodwill is amortized to the asset group portfolio expected to benefit from the synergistic effect of business combination.

The goodwill acquired through business combination has been distributed to the following asset groups for impairment test:

Heavy equipment asset group

• Semi-submerged ship transport assets group of Greenland Heavylift (Hongkong) Limited (GHHL)

Heavy equipment asset group

The heavy equipment asset portfolio is mainly composed of various types of heavy equipment produced in collaboration by various production bases, which is consistent with the combination of asset groups determined by the impairment test of previous years. The beneficiary of the synergy effect from the acquisition of ZPMC Qidong Marine Engineering Co., Ltd. and Verspannen B.V. is the entire combination of asset groups of heavy equipment, and it is difficult to allocate to each asset group, so the goodwill is allocated to the combination of asset groups of heavy equipment. The recoverable amount of heavy equipment asset group is measured based on the five-year budget approved by the management and shall be measured using a cash flow forecast method. Cash flows beyond the five-year period are extrapolated using a perpetual growth rate.

Key assumptions adopted under the discounted future cash flow method:

Growth rate during forecast period	5.82%-11.16%
Perpetual growth rate	2.00%
Gross profit rate	13.21%-14.29%
Pre-tax discount rate	12.72%

GHHL semi-submerged ship transport assets group

The combination of asset group of GHHL semi-submersible vessel transport is primarily composed of four semi-submersible vessels., which is consistent with the combination of asset groups determined by the impairment test of previous years. The recoverable amount is determined based on the expected future cash flow of the combination of asset group, and the expected future cash flow is determined according to the cash flow forecast based on the transport service contract revenue expected to be obtained within the service life of vessel.

Key assumptions adopted under the discounted future cash flow method:

Number of customized short-distance and long-distance transport service contracts expected to be obtained	4/year/vessel
Vessel utilization rate of general charter party	70.00%-79.68%
Charter rate of general charter party	USD 99,000/day
Pre-tax discount rate	11.00%

The distributions of the book value of goodwill to asset groups are as follows:

	Heavy equipment asset group		GHHL semi-submerged ship transport assets group		Total	
	2025	2024	2025	2024	2025	2024
Book amount of goodwill	154,625,763	154,625,763	114,667,283	117,270,985	269,293,046	271,896,748

The perpetual growth rate adopted by management does not exceed the industry's long-term average growth rate. Based on the historical experience and the forecasts of market development, the management determines the budget gross profit rate and adopts the pretax interest rate which can reflect the specific risk of relevant asset group portfolio as the discount rate. The above assumptions are used to analyze the recoverable amount of the asset group portfolio.

28. Long-term deferred expenses

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in the current period	Amortization in the current period	Other decreases	December 31, 2025
Improvement expenditure of fixed assets under operating lease	1,593,447	1,421,364	-1,054,432		1,960,379
Total	1,593,447	1,421,364	-1,054,432		1,960,379

Other description:

None

29. Deferred income tax assets/deferred income tax liabilities

(1) Deferred income tax assets before offsetting

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025		December 31, 2024	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	4,252,584,275	640,608,988	3,461,041,250	520,335,376
Deductible loss	1,697,313,944	254,597,092	2,291,484,194	343,722,629
Estimated liabilities	293,237,822	43,985,673	181,513,116	27,226,967
Unrealized profits of internal transactions	234,105,767	35,115,865	134,528,300	20,179,245
Wages and salaries unpaid	66,156,819	9,923,523	29,257,710	4,388,657
Lease liabilities	17,568,182	2,635,227	37,979,304	5,696,896
Unrealized contract gross profit	14,840,612	2,226,092	37,559,913	5,633,987
Interest unpaid	8,805,887	1,320,883	14,976,485	2,246,474
Total	6,584,613,308	990,413,343	6,188,340,272	929,430,231

(2) Deferred income tax liabilities before offsetting

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025		December 31, 2024	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Depreciation of fixed assets	1,129,901,920	179,715,003	934,599,097	147,493,299
Changes in fair value of held-for-trading financial assets	99,151,290	14,872,694	128,576,476	19,365,924
Right-of-use assets	17,568,182	2,635,227	37,979,304	5,696,896
Valuation of enterprise combination assets not under the same control	62,024,143	9,303,621	71,002,874	10,650,431
Changes in fair value of other equity instruments	64,952,756	9,742,913	44,287,803	6,643,170
Total	1,373,598,291	216,269,458	1,216,445,554	189,849,720

(3) Deferred income tax assets or liabilities presented by net amount after offset

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025		December 31, 2024	
	Offset amount of deferred income tax assets and liabilities	Balance of deferred income tax assets and liabilities after offset	Offset amount of deferred income tax assets and liabilities	Balance of deferred income tax assets and liabilities after offset
Deferred income tax assets	37,629,756	952,783,587	52,161,198	877,269,033
Deferred income tax liabilities	37,629,756	178,639,702	52,161,198	137,688,522

(4) Details of unrecognized deferred income tax assets

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Deductible temporary differences	1,093,836,905	837,136,068
Deductible loss	718,759,053	1,071,390,149
Total	1,812,595,958	1,908,526,217

(5) The deductible losses on the unrecognized deferred income tax assets will become due in the following years

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Year	December 31, 2025	December 31, 2024	Remark
2025		228,570,806	
2026	184,898,613	269,170,078	
2027	203,723,820	225,569,918	
2028	208,328,358	210,141,543	
2029	68,123,988	137,937,804	
2030	53,684,274		
Total	718,759,053	1,071,390,149	/

Other description:

☐ Applicable √ Not applicable

30. Other non-current assets

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025			December 31, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Contract acquisition cost						
Contract performance cost						
Return cost receivable						
Contract assets						
PPP projects completed but not settled	3,549,858,559		3,549,858,559	3,876,980,634		3,876,980,634
Contract warranty balance receivable	1,151,301,454	90,871,806	1,060,429,648	1,022,960,486	91,249,280	931,711,206
Total	4,701,160,013	90,871,806	4,610,288,207	4,899,941,120	91,249,280	4,808,691,840

Other description:

As at December 31, 2025, other non-current assets of RMB 3,492,464,663 (December 31, 2024: RMB 3,819,083,104) had been pledged to banks as security for long-term borrowings of RMB 3,053,934,248 (December 31, 2024: long-term borrowings of RMB 3,031,253,334).

The changes in the provision for impairment of the contract warranty balance receivable are as follows:

	Opening balance	Provision in the current year	Reversal in the current year	Closing balance
2025	91,249,280	60,937,978	-61,315,452	90,871,806
2024	59,009,205	82,407,827	-50,167,752	91,249,280

31. Assets with ownership or use rights restricted

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025				December 31, 2024			
	Book balance	Book value	Restriction type	Restriction	Book balance	Book value	Restriction type	Restriction
Monetary funds	28,075,380	28,075,380	Others	Special fund, L/C deposits, L/G deposits, etc. in the overseas supervision account	43,651,264	43,651,264	Others	Special fund, L/C deposits, L/G deposits, etc. in the overseas supervision account
Notes receivable								
Inventories								

Item	December 31, 2025				December 31, 2024			
	Book balance	Book value	Restriction type	Restriction	Book balance	Book value	Restriction type	Restriction
Including: Data resources								
Fixed assets	2,911,782,265	2,294,086,970	Mortgage	Mortgage borrowings	2,944,891,835	2,416,269,819	Mortgage	Mortgage borrowings
Intangible assets	1,511,539,882	1,483,548,403	Pledge	Pledged borrowings	1,387,620,730	1,387,620,730	Pledge	Pledged borrowings
Including: Data resources								
Other non-current assets	3,492,464,663	3,492,464,663	Pledge	Pledged borrowings	3,819,083,104	3,819,083,104	Pledge	Pledged borrowings
Long-term receivables	1,015,896,808	1,015,896,808	Pledge	Pledged borrowings	1,140,307,484	1,140,307,484	Pledge	Pledged borrowings
Accounts receivable	357,764,154	357,764,154	Pledge	Pledged borrowings	352,782,386	352,782,386	Pledge	Pledged borrowings
Contract assets	193,452,361	193,452,361	Pledge	Pledged borrowings	203,952,618	203,952,618	Pledge	Pledged borrowings
Total	9,510,975,513	8,865,288,739	/	/	9,892,289,421	9,363,667,405	/	/

Other description: None

32. Short-term borrowings

(1) Classification of short-term borrowings

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Pledged borrowings		
Mortgage borrowings		
Guaranteed borrowings		
Fiduciary borrowings	3,686,556,417	2,297,334,457
Total	3,686,556,417	2,297,334,457

Description of the classification of short-term borrowings:

None

(2) Overdue outstanding short-term borrowings

☐ Applicable √ Not applicable

The significant overdue outstanding short-term borrowings are as follows:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

33. Held-for-trading financial liabilities

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

34. Derivative financial liabilities

☐ Applicable √ Not applicable

35. Notes payable

(1) Presentation of notes payable

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Type	December 31, 2025	December 31, 2024
Commercial acceptance bills		
Banker's acceptance bills	4,688,600,816	4,584,675,393
Total	4,688,600,816	4,584,675,393

The total amount of notes payable due but unpaid at the end of the period is RMB 0.

36. Accounts payable

(1) Presentation of accounts payable

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Payables for material purchase and product manufacturing	11,726,396,457	9,280,899,772
Infrastructure payables	544,498,518	810,462,550
Quality guarantee deposit payable	371,468,112	350,540,185
Equipment and vessel purchase payables	86,896,191	158,211,216
Port charge payable	3,437,431	3,368,393
Total	12,732,696,709	10,603,482,116

(2) Significant accounts payable with the aging over 1 year or overdue

☐ Applicable √ Not applicable

Other description:

√ Applicable ☐ Not applicable

As of 2025, there were no significant accounts payable with the aging over 1 year or overdue (2024: nil).

37. Advances from customers

(1) Presentation of advances from customers

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Advances received for asset disposals	57,376,888	
Total	57,376,888	

(2) Significant advances from customers with the aging over 1 year

☐ Applicable √ Not applicable

(3) Amount of and reason for significant changes in book value during the reporting period

☐ Applicable √ Not applicable

Other description:

√ Applicable ☐ Not applicable

In 2025, there were no significant advances from customers with the aging over 1 year (2024: nil). The increase in the closing balance of advances from customers was mainly due to advances received for asset disposals.

38. Contract liabilities

(1) Particulars about contract liabilities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Advances from customers for goods	20,504,493,417	20,468,881,119
Amount settled for uncompleted work	1,074,695,404	1,016,952,048
Total	21,579,188,821	21,485,833,167

(2) Significant contract liability with the aging over more than 1 year

☐ Applicable √ Not applicable

(3) Amount of and reason for significant changes in book value during the reporting period

☐ Applicable √ Not applicable

Other description:

√ Applicable ☐ Not applicable

In 2025, there were no significant contract liabilities with the aging over 1 year (2024: nil). The increase in the closing balance of advances from customers was due to the increase in advance payments for products received but not yet delivered.

39. Payroll payable

(1) Presentation of payroll payable

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period	Decrease in current period	December 31, 2025
I. Short-term compensation	40,189,914	2,368,260,883	-2,368,361,619	40,089,178
II. Post-employment benefits - defined contribution plans		377,443,515	-377,443,515	
III. Dismissal benefits				
IV. Other benefits due within one year				
Total	40,189,914	2,745,704,398	-2,745,805,134	40,089,178

(2) Presentation of short-term compensation

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period	Decrease in current period	December 31, 2025
I. Salaries, bonuses, allowances and subsidies		1,891,400,526	-1,891,400,526	
II. Employee welfare		84,222,267	-84,222,267	
III. Social insurance premium		151,232,740	-151,232,740	
Including: Medical insurance premium		128,954,356	-128,954,356	
Work-related injury insurance premium		12,134,049	-12,134,049	
Maternity insurance premium		10,144,335	-10,144,335	
IV. Housing provident funds	473	171,755,268	-171,755,741	
V. Union expenditures and employee education expenses	40,189,441	34,456,474	-34,556,737	40,089,178
VI. Short-term paid absence				
VII. Short-term profit sharing plan				
VIII. Other short-term compensation		35,193,608	-35,193,608	
Total	40,189,914	2,368,260,883	-2,368,361,619	40,089,178

(3) Presentation of defined contribution plans

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period	Decrease in current period	December 31, 2025
1. Basic endowment insurance premium		247,409,841	-247,409,841	
2. Unemployment insurance premium		7,741,754	-7,741,754	
3. Enterprise annuity payment				
4. Supplementary endowment insurance premium		122,291,920	-122,291,920	
Total		377,443,515	-377,443,515	

Other description:

□ Applicable √ Not applicable

40. Tax payable

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
VAT	151,510,805	70,408,947
Urban maintenance and construction tax	108,398,668	111,162,731
Education surtax	78,701,963	79,862,503
Enterprise income tax	42,584,210	29,004,265
Individual income tax	30,232,364	30,646,014
Others	24,398,645	23,145,714
Total	435,826,655	344,230,174

Other description: None

41. Other payables

(1) Item presentation

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Interest payable		
Dividends payable	105,244,272	6,593
Other payables	1,027,648,048	890,043,935
Total	1,132,892,320	890,050,528

Other description:

□ Applicable √ Not applicable

(2) Interest payable

Presentation by category

□ Applicable √ Not applicable

Overdue significant interests payable:

□ Applicable √ Not applicable

Other description:

□ Applicable √ Not applicable

(3) Dividends payable

Presentation by category

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
CCCG (HK) Holding Limited	18,335,116	
China Communications Construction Company Ltd.	17,110,841	
China Communications Construction Group Co., Ltd.	13,264,468	
Macau Zhenhua Harbour Construction Co., Ltd.	6,593	6,593
Other entities	56,527,254	
Total	105,244,272	6,593

Other explanations, including significant dividends payable that have not been paid for more than one year, the reasons for non-payment shall be disclosed:

As at December 31, 2025, the reason for the dividend payable with the aging over 1 year amounting to RMB 6,593 (as at December 31, 2024: RMB 6,593) was that the shareholders of the Company had not requested for actual payment by the Group.

(4) Other payables

Other payables presented by nature

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Engineering deposit and quality guarantee deposit	478,262,406	415,415,658
Customer collection under asset-backed special program	174,681,826	121,352,624
Amounts due to related parties	43,587,637	61,706,639
Special payables	14,963,440	14,963,440
Others	316,152,739	276,605,574
Total	1,027,648,048	890,043,935

Other important payables with the aging over 1 year or overdue

□ Applicable √ Not applicable

Other description:

√ Applicable □ Not applicable

As at December 31, 2025, there were no other significant payables with the aging over 1 year or overdue.

42. Liabilities held for sale

□ Applicable √ Not applicable

43. Non-current liabilities due within one year

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Long-term borrowings due within one year	4,136,304,041	6,568,218,962
Bonds payable due within one year		
Long-term payables due within one year	155,230,522	151,299,725
Lease liabilities due within one year	17,551,704	26,201,960
Total	4,309,086,267	6,745,720,647

Other description: None

44. Other current liabilities

Other current liabilities

☐ Applicable √ Not applicable

Increase or decrease of short-term bonds payable:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

45. Long-term borrowings

(1) Classification of long-term borrowings

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Pledged borrowings	3,053,934,248	3,031,253,334
Mortgage borrowings		
Guaranteed borrowings		
Fiduciary borrowings	14,132,550,933	21,322,670,123
Less: Long-term borrowings due within one year		
Fiduciary borrowings	3,803,795,992	6,411,176,087
Pledged borrowings	332,508,049	157,042,875
Total	13,050,181,140	17,785,704,495

Description of the classification of long-term borrowings:

None

Other description:

√ Applicable ☐ Not applicable

As at December 31, 2025, the annual interest rates of the above borrowings ranged from 1.0% to 5.05% (December 31, 2024: 1.0% to 4.9%).

As at December 31, 2025, multiple bank borrowings secured by pledges totaling RMB 3,053,934,248 (December 31, 2024: RMB 3,031,253,334) were pledged by the Group's long-term receivables from PPP projects, other non-current assets, intangible assets, contract assets and accounts receivable. Interest is payable quarterly, and the principal is repayable between January 1, 2026 and March 25, 2050 (December 31, 2024: between January 10, 2025 and March 25, 2050).

46. Bonds payable

(1) Bonds payable

☐ Applicable √ Not applicable

(2) Details of bonds payable: (Excluding other financial instruments such as preferred stocks and perpetual capital securities classified as financial liabilities)

☐ Applicable √ Not applicable

(3) Description of convertible corporate bonds

☐ Applicable √ Not applicable

Accounting treatment and judgment basis for equity transfer

☐ Applicable √ Not applicable

(4) Description of other financial instruments classified as financial liabilities

Basic information of outstanding preferred shares, perpetual bonds and other financial instruments at the end of the period

□ Applicable √ Not applicable

Changes in outstanding preferred shares, perpetual bonds and other financial instruments at the end of the period

□ Applicable √ Not applicable

Description of the basis for classifying other financial instruments as financial liabilities:

□ Applicable √ Not applicable

Other description:

□ Applicable √ Not applicable

47. Lease liabilities

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Buildings and constructions	27,544,864	36,417,411
Other equipment	450,161	230,336
Less: Lease liabilities due within one year		
Buildings and constructions	-17,402,247	-26,118,764
Other equipment	-149,457	-83,196
Total	10,443,321	10,445,787

Other description:

None

48. Long-term payables

Item presentation

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Leaseback financing fund (i)	1,149,794,159	1,328,207,385
"Build-Transfer" and PPP project fund (ii)	207,669,506	262,957,217
Project quality guarantee deposit	259,019,804	277,346,033
Less: Leaseback financing fund due within one year	-155,230,522	-151,299,725
Total	1,461,252,947	1,717,210,910

Other description:

√ Applicable □ Not applicable

(i) As at December 31, 2025, long-term payables of RMB 1,149,794,159 (December 31, 2024: RMB 1,328,207,385) arose from sale-and-leaseback transactions of vessels with a book value of RMB 2,294,086,970 (December 31, 2024: RMB 2,416,269,819) entered into with finance leasing companies, with maturities ranging from January 24, 2026 to July 24, 2033 (December 31, 2024: from January 24, 2025 to July 24, 2033). The Group makes scheduled payments of the leaseback financing to the finance leasing companies in accordance with the contractual terms each year. The Group accounts for the above series of transactions as mortgage borrowings.

(ii) The Group has agreed with the construction contractors of the Build-Transfer (BT) and PPP projects that part of the construction payments will be made within a specified period after the completion and final acceptance of the BT projects.

Long-term payables

(1) Presentation of long-term payables by nature

☐ Applicable √ Not applicable

Special payables

(2) Presentation of special payables by nature

☐ Applicable √ Not applicable

49. Long-term payroll payable

☐ Applicable √ Not applicable

50. Estimated liabilities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024	Causes
External guarantee			
Pending litigation			
Product quality guarantee deposit			
Restructuring obligations			
Loss contracts to be executed (i)	49,408,004		
Refund payable			
Estimated after-sale service cost (ii)	253,341,805	208,887,331	
Others			
Total	302,749,809	208,887,331	/

Other description, including relevant important assumptions and estimates of important estimated liabilities:

(i) The Group estimates the expected contract losses based on the estimated sales amount and estimated total cost of the products, recognizes provisions when losses are identified through the estimation process, and reduces such provisions as the related product revenue is actually recognized.

(ii) The Group determines the budgeted after-sales service costs based on the actual historical after-sales service costs incurred for similar products in comparable sales areas, recognizes provisions based on the budgeted amount upon product sales, and reduces the provisions as the actual after-sales service costs are incurred.

51. Deferred income

Deferred income

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period	Decrease in current period	December 31, 2025	Causes
Government subsidies	309,644,884	68,319,339	-65,637,343	312,326,880	
Land compensation	31,917,201		-1,000,000	30,917,201	
Total	341,562,085	68,319,339	-66,637,343	343,244,081	/

Other description:

√ Applicable ☐ Not applicable

Among the above government subsidies, some projects are government subsidies related to assets, and the rest are related to income.

Land compensation refers to the land compensation acquired by a subsidiary of the Company, which shall be amortized over the 50 years' land use term.

52. Other non-current liabilities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Output tax to be carried forward	270,818,174	251,996,220
Total	270,818,174	251,996,220

Other description:

On balance sheet date, the revenue of some construction contracts and interest income of "Build-Transfer" projects of the Company had not reached the time point of the VAT liability.

53. Share capital

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

	December 31, 2024	Increase/decrease (+/-)					December 31, 2025
		Issue New shares issued	Share donation	Capitalized shares	Others	Sub-total	
Total shares	5,268,353,501						5,268,353,501

Other description:

None

54. Other equity instruments

(1) Basic information of outstanding preferred shares, perpetual bonds and other financial instruments at the end of the period

☐ Applicable √ Not applicable

(2) Changes in outstanding preferred shares, perpetual bonds and other financial instruments at the end of the period

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Outstanding financial instruments	Beginning		Increase in current period		Decrease in current period		Ending	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Shanghai Zhenhua Heavy Industries Co., Ltd. 2025 Public Offering of Perpetual Corporate Bonds to Professional Investors (First Tranche)			5,000,000	500,000,000			5,000,000	500,000,000
Shanghai Zhenhua Heavy Industries Co., Ltd. 2022 medium-term notes series I	5,000,000	500,000,000			-5,000,000	-500,000,000		
Total	5,000,000	500,000,000	5,000,000	500,000,000	-5,000,000	-500,000,000	5,000,000	500,000,000

Description of the increase and decrease of other equity instruments in the current period, reasons for changes, and basis for relevant accounting treatment:

☐ Applicable √ Not applicable

Other description:

√ Applicable ☐ Not applicable

The Group issued the perpetual notes on August 24, 2022, with a term of 3+N (3) years, which will survive for a long time before the Group redeems in accordance with the terms of issue, and will mature when the issuer redeems in accordance with the terms of issue. The initial coupon of perpetual notes is 3.22%. In accordance with the terms of issue of medium-term notes, the Company has the right to distribute cash interest annually at annual interest rate and has no contractual obligation to repay the principal or pay any interest free of charge. Except for compulsory interest payment, on each interest payment date of medium-term notes, the Group may, at its own option, postpone the payment of current interest and all deferred interest and its fruits in accordance with this clause to the next interest payment date, and is not limited by the number of deferred interest payments. On the reset date of the coupon rate of medium-term notes, the Company has the right to redeem the medium-term notes at face value plus interest payable (including all deferred interest payments). The Group deems that the notes do not meet the definition of financial liabilities and therefore classifies it as other equity instruments.

The Group issued the perpetual notes on September 11, 2025, with a term of 3+N (3) years, which will survive for a long time before the Group redeems in accordance with the terms of issue, and will mature when the issuer redeems in accordance with the terms of issue. The initial coupon of perpetual notes is 2.15%. In accordance with the terms of issue, the Company has the right to distribute cash interest annually at annual interest rate and has no contractual obligation to repay the principal or pay any interest free of charge. Except for compulsory interest payment, on each interest payment date of notes, the Group may, at its own option, postpone the payment of current interest and all deferred interest and its fruits in accordance with this clause to the next interest payment date, and is not limited by the number of deferred interest payments. On the reset date of the coupon rate of notes, the Company has the right to redeem the notes at face value plus interest payable (including all deferred interest payments). The Group deems that the notes do not meet the definition of financial liabilities and therefore classifies it as other equity instruments.

55. Capital reserves

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period	Decrease in current period	December 31, 2025
Share premium	4,537,774,553			4,537,774,553
Other equity changes in investees accounted for by the equity method	-19,561,335	670,318		-18,891,017
Business combination under common control	-16,203,111			-16,203,111
Purchase of minority interest	-178,598,151			-178,598,151
Absorption of minority shareholders' investments by subsidiaries	245,571,072			245,571,072
Share payment expenses	12,144,098	23,639,017		35,783,115
Transfer-in of capital reserves under the original system	128,059,561			128,059,561
Total	4,709,186,687	24,309,335		4,733,496,022

Other description, including the increase and decrease in the current period and the reasons for changes:

None

56. Treasury stock

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period	Decrease in current period	December 31, 2025
Ordinary shares		29,008,907		29,008,907
Total		29,008,907		29,008,907

Other description, including the increase and decrease in the current period and the reasons for changes:

None

57. Other comprehensive income

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Beginning Balance	Amount incurred in the current period						Ending Balance
		Pre-tax amount	Less: Amount previously included in the other comprehensive income and currently transferred to the profit or loss	Less: Amount previously included in the other comprehensive income and currently transferred to retained earnings	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to the minority equity after tax	
I. Other comprehensive income that cannot be reclassified into profit and loss	8,174,922	20,664,953			3,099,743	17,565,210		25,740,132
Including: Remeasurement of defined benefit plan								
Other comprehensive income that cannot be reclassified into profit and loss in the invested enterprise under equity method								
Fair value change of other equity instrument investments	8,174,922	20,664,953			3,099,743	17,565,210		25,740,132
Fair value change of enterprise credit risks								
II. Other comprehensive income that will be reclassified into profit and loss	69,577,874	-39,178,378				-19,573,319	-19,605,059	50,004,555
Including: Other comprehensive income that will be reclassified into profit and loss in the invested enterprise under equity method	7,415,091	-828,505				-828,505		6,586,586
Fair value change of other debt investments								
Amount of financial assets reclassified into other comprehensive income								
Provision for credit impairment of other debt investments								
Cash flow hedging reserve								
Translation reserve	62,162,783	-38,349,873				-18,744,814	-19,605,059	43,417,969
Total other comprehensive income	77,752,796	-18,513,425			3,099,743	-2,008,109	-19,605,059	75,744,687

Other description, including the adjustment of the initial recognition amount of the effective part of profit or loss of cash flow hedging converted into the hedged item:

None

58. Special reserves

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period	Decrease in current period	December 31, 2025
Work safety expenses	16,731,029	77,940,404	-85,418,867	9,252,566
Total	16,731,029	77,940,404	-85,418,867	9,252,566

Other description, including the increase and decrease in the current period and the reasons for changes:

According to the relevant requirements of the “Administrative Measures for the Withdrawal and Use of Work Safety Expenses”, the enterprises engaged in large-scale machinery manufacture and engineering construction shall withdraw the work safety expenses according to the standards. The increase or decrease in current year was the work safety expenses withdrawn and used by the Group for the reporting year in accordance with relevant requirements.

59. Surplus reserves

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period	Decrease in current period	December 31, 2025
Statutory surplus reserves	1,460,805,082	21,810,623		1,482,615,705
Discretionary surplus reserves	292,378,668			292,378,668
Reserve fund				
Enterprise development fund				
Others				
Total	1,753,183,750	21,810,623		1,774,994,373

Description of surplus reserves, including the increase and decrease in current period and the reasons for changes:

The increase in the surplus reserve for the year was appropriated in accordance with the Company Law of the People's Republic of China, the Company's Articles of Association and a resolution of the Board of Directors, whereby 10% of the annual net profit was transferred to the statutory surplus reserve.

The statutory surplus reserves can be used to compensate loss upon approval, or to increase share capital. The statutory surplus reserves withdrawn by the Company amounted to RMB 21,810,623 in 2025 (2024: RMB 41,878,705).

60. Undistributed profits

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Current period	Previous period
Undistributed profits at the end of previous period before adjustment	3,542,325,737	3,324,778,074
Total undistributed profits at the beginning of the adjustment period		
(increase +, decrease -)	3,542,325,737	3,324,778,074
Plus: Net profit attributable to the owners of the parent company in current period	731,841,793	533,524,077
Carryforward retained earnings of other comprehensive income		3,004,966
Less: Withdrawal of statutory surplus reserves	21,810,623	41,878,705
Withdrawal of discretionary surplus reserves		
Withdrawal of general risk preparation		
Common stock dividends converted to share capital	394,997,121	263,417,675
Distribution of cash dividends on common stock	13,685,000	13,685,000
Distribution of interest on the perpetual medium-term notes	3,843,674,786	3,542,325,737

Details of undistributed profit at the beginning of adjustment period:

1. Due to the retroactive adjustment of "Accounting Standards for Business Enterprises" and related new regulations, the impact on undistributed profits at the beginning of the period was RMB 0.

2. The impact of changes in accounting policies on undistributed profits at the beginning of the period was RMB 0.

3. The impact of correction of major accounting errors on undistributed profits at the beginning of the period was RMB 0.

4. The impact of change of consolidation scope caused by the common control on undistributed profits at the beginning of the period was RMB 0.

5. The total impacts of other adjustment on undistributed profits at the beginning of the period were RMB 0.

61. Operating revenue and operating costs

(1) Operating revenue and operating costs

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Main business	36,103,346,597	31,149,539,706	34,277,325,984	29,925,258,993
Other business	157,111,729	128,620,374	179,094,197	134,912,308
Total	36,260,458,326	31,278,160,080	34,456,420,181	30,060,171,301

(2) Breakdown of operating income and operating cost

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Classification of Contract	XXX-Division		Total	
	Operating revenue	Operating costs	Operating revenue	Operating costs
Type of goods				
Port machinery			22,776,108,389	19,303,237,872
Heavy equipment			7,382,674,206	6,822,593,786
Steel structure and related income			3,396,764,185	3,178,636,007
Shipping and lifting services			1,877,356,761	1,143,708,154
Lease income			368,120,414	242,798,624
Engineering construction projects			285,913,696	374,896,137
Sales of materials and others			173,520,675	212,289,500
By region of operation				
Chinese Mainland			19,830,304,826	17,580,671,459
Asia (excluding Chinese Mainland)			7,035,536,493	5,553,303,262
North America			3,150,614,443	2,863,379,602
Europe			2,846,772,292	2,459,593,417
Africa			2,393,015,993	1,994,999,174
Chinese Mainland (export sales)			551,014,260	471,458,410
South America			432,392,071	337,554,197
Oceania			20,807,948	17,200,559
Market or customer type				
Contract type				
By time of goods transfer				
Transfer at a certain point			27,974,515,516	24,110,732,177
Transfer within a certain period			8,285,942,810	7,167,427,903
By contract term				
By sales channel				
Total			36,260,458,326	31,278,160,080

Other description:

☐ Applicable √ Not applicable

(3) Performance obligations

☐ Applicable √ Not applicable

(4) Apportionment to remaining performance obligations

☐ Applicable √ Not applicable

(5) Major contract changes or major transaction price adjustments

☐ Applicable √ Not applicable

Other description:

The revenue recognized in the current year and included in the book value of contract liabilities at the beginning of the year is as follows:

	2025	2024
Advances from customers for goods	11,904,232,282	8,896,160,050
Settled amount with unfinished construction	665,832,772	737,930,271
Total	12,570,065,054	9,634,090,321

The revenue recognized in the current year for performance obligations that have been fulfilled (or partially fulfilled) in the previous period is as follows:

	2025	2024
Steel structure and related income	1,001,149,409	1,391,656,219
Engineering construction projects	285,913,696	413,546,349
Total	1,287,063,105	1,805,202,568

The information related to performance obligations of the Group is as follows:

Sales of port machinery, heavy equipment and steel structure products

For the port machinery production contract that meets the performance obligations within a certain period of time, the Group performs its performance obligations within the time of manufacturing and transferring the port machinery; for the port machinery production contract that does not meet the performance obligations within a certain period of time, the Group performs its obligations when delivering port machinery to customers and obtaining pre-delivery certificate or other relevant delivery certificates. For the heavy equipment production contract that meets the performance obligations within a certain period of time, the Group performs its performance obligations within the time of manufacturing and transferring the heavy equipment; for the heavy equipment production contract that does not meet the performance obligations within a certain period of time, the Group performs its obligations when delivering heavy equipment to customers and obtaining the handover protocol or other relevant delivery certificate. For the steel structure product manufacturing contract that meets the performance obligations within a certain period of time, the Group performs its performance obligations within the time of manufacturing and transferring the steel structure product; for the steel structure product manufacturing contract that does not meet the performance obligation within a certain period of time, the Group performs its performance obligations when the steel structure product is delivered and signed by the owner. The contract price is usually paid according to the payment schedule agreed in the contract. After the delivery of the goods, the customer usually retains a certain proportion of the quality guarantee deposit, which is usually paid after the expiration of the quality guarantee period. The Group provides guaranteed warranty for the above products.

Construction services

The Group performs its performance obligations within the time of providing services, and the contract price is usually paid within 30 days after the settlement of the project. The customer usually retains a certain proportion of the quality guarantee deposit, which is usually paid after the expiration of the quality guarantee period.

Shipping services

The Group performs its performance obligations within the time of providing transportation services. The contract price is usually paid within the period from 3 days before unloading to 30 days after unloading.

As at December 31, 2025, the aggregate amount of revenue expected to be recognized in relation to performance obligations under contracts that had been entered into but not yet performed, or partially performed, amounted to RMB 50.669 billion. The Group expects to recognize this amount as revenue over the next 24 months in line with the progress of project completion.

62. Taxes and surcharges

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Consumption tax		
Sales tax		
Urban maintenance and construction tax	145,305,488	135,840,528
Education surtax	107,978,375	97,372,565
Resource tax		
Housing property tax	55,697,087	55,296,637
Land use tax	18,427,255	18,047,122
Vehicle and vessel use tax		
Stamp duty	25,641,826	26,312,149
Others	4,164,326	1,563,806
Total	357,214,357	334,432,807

Other description: None

63. Selling and distribution expenses

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	156,947,638	145,189,192
Travel expenses	17,445,521	17,381,404
Warehousing service fees	16,810,098	23,300,999
Entertainment expenses	15,289,511	13,281,060
Advertising and publicity costs	14,125,952	9,680,974
Regional operating expenses	4,744,723	8,382,699
Office expenses	3,583,828	2,567,767
Bidding and tendering expenses	2,792,424	1,419,902
Sales and service fees		379,586
Others	5,170,147	11,070,899
Total	236,909,842	232,654,482

Other description: None

64. General and administrative expenses

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	497,050,367	446,623,111
Office expenses	58,834,672	60,199,065
Amortization of intangible assets	51,068,168	57,695,436
Depreciation of fixed assets	44,551,061	40,905,205
Travel expenses	36,607,087	30,612,547
Management and security fees	23,812,872	18,707,219
Informatization expenses	22,876,408	18,915,043
Expenses from employment of intermediaries	22,189,121	43,063,570
Management and cleaning fees	16,121,595	15,453,423

Item	Amount incurred in the current period	Amount incurred in the previous period
Consulting fees	15,126,644	24,779,731
Entertainment expenses	8,926,934	10,504,423
Maintenance cost	8,509,894	16,786,128
Insurance expenses	7,082,302	6,798,582
Others	25,224,837	27,414,189
Total	837,981,962	818,457,672

Other description: None

65. Research and development expenditures

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	684,102,793	679,993,523
Materials and processing expenses	667,863,928	656,385,286
Depreciation expenses	80,230,701	87,025,975
Product design expenses	3,291,356	1,673,459
Others	79,886,017	77,319,101
Total	1,515,374,795	1,502,397,344

Other description: None

66. Financial expenses

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest expenses	662,407,965	849,205,155
Less: Interest income	353,481,891	389,180,961
Less: Capitalized amount of interest	21,224,338	36,303,855
Exchange gains	16,931,773	-124,588,833
Others	25,742,930	25,814,293
Total	330,376,439	324,945,799

Other description:

The capitalized amounts of borrowing costs have been included in the construction in progress and intangible assets.

67. Other incomes

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Classification by nature	Amount incurred in the current period	Amount incurred in the previous period
Fiscal appropriation	105,686,303	103,404,892
Technological subsidy	40,181,540	33,434,470
Fiscal appropriation	10,431,897	7,737,582
Land compensation	1,000,000	1,000,000
Total	157,299,740	145,576,944

Other description: None

68. Investment income

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Income from long-term equity investment calculated under the equity method	75,525,126	38,722,269
Investment income from disposal of long-term equity investment		
Investment income from held-for-trading financial assets during the holding period	22,571,835	22,966,818
Dividend income from other equity instrument investment during holding	171,626	1,602,665
Interest income from debt investment during holding		
Interest income from other debt investment during holding		
Investment income from disposal of held-for-trading financial assets	66,536,385	84,624,225
Investment income from disposal of other equity instrument investment		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investment		
Income from debt restructuring		
Investment loss resulting from disposal of long-term equity investment	-5,668,458	-11,152,053
Losses on derecognition of financial assets measured at amortized cost	-11,574,005	-54,613,813
Others	-3,005,783	-4,028,680
Total	144,556,726	78,121,431

Other description:

The Group derecognized some financial assets measured at amortized cost this year, recognized a loss of RMB 11,574,005 (2024: loss of RMB 54,613,813) and included it in investment income.

69. Net exposure hedging gain

□ Applicable √ Not applicable

70. Income from fair value change

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Sources of income from fair value change	Amount incurred in the current period	Amount incurred in the previous period
Held-for-trading financial assets		
Including: Income from fair value change of derivative financial instruments		
Held-for-trading financial liabilities		
Investment property measured at fair value		
Investment in listed company stocks	-7,820,546	13,425,987
Total	-7,820,546	13,425,987

Other description: None

71. Credit impairment loss

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Loss on bad debts of notes receivable		
Loss on bad debts of accounts receivable	466,639,800	445,560,896
Loss on bad debts of other receivables	78,888,848	-27,146,080

Item	Amount incurred in the current period	Amount incurred in the previous period
Loss on impairment of debt investment		
Loss on impairment of other debt investment		
Loss on bad debts of long-term receivables		
Impairment loss related to financial guarantees		
Total	545,528,648	418,414,816

Other description: None

72. Assets impairment losses

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Impairment loss of contract assets	366,358,738	111,128,139
II. Loss on price falling of inventory and impairment loss of contract performance costs	20,326,323	89,687,400
III. Impairment loss of long-term equity investment		
IV. Impairment loss of investment property		
V. Impairment loss of fixed assets		
VI. Impairment loss of engineering materials		
VII. Impairment loss of construction in progress		
VIII. Impairment loss of productive biological assets		
IX. Impairment loss of oil and gas assets		
X. Impairment loss of intangible assets		
XI. Goodwill impairment loss		
XII. Others		
Total	386,685,061	200,815,539

Other description: None

73. Income from disposal of assets

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Income from disposal of fixed assets	42,148,850	106,961,574
Total	42,148,850	106,961,574

Other description: None

74. Non-operating income

Non-operating income

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in non-recurring profit or loss in current period
Total gains from disposal of non-current assets			
Including: Gains from disposal of fixed assets			
Gains from disposal of intangible assets			
Gains from exchange of non-monetary assets			

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in non-recurring profit or loss in current period
Accepting donations			
Government subsidies			
Amercement gains	15,071,058	26,216,701	15,071,058
Revenue from insurance indemnity	4,691,483	4,010,243	4,691,483
Government subsidies irrelevant to daily activities	189,199	8,714,965	189,199
Others	5,890,424	15,057,036	5,890,424
Total	25,842,164	53,998,945	25,842,164

Other description:

☐ Applicable √ Not applicable

75. Non-operating expenditure

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in non-recurring profit or loss in current period
Total loss on disposal of non-current assets			
Including: Loss on disposal of fixed assets			
Loss on disposal of intangible assets			
Loss on exchange of non-monetary assets			
External donations	1,370,000	946,500	1,370,000
Overdue fine payment	698,581	911,324	698,581
Others	16,161,481	22,928,226	16,161,481
Total	18,230,062	24,786,050	18,230,062

Other description: None

76. Income tax expenses

(1) Table of income tax expenses

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Current income tax expenses	148,344,785	134,405,256
Deferred income tax expenses	-35,248,117	23,079,227
Total	113,096,668	157,484,483

(2) Accounting profit and income tax expenses adjustment process

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period
Total profits	1,116,024,014
The income tax expenses calculated based on statutory/applicable tax rates	167,403,602
Influences caused by different tax rates adopted by subsidiaries	44,401,608
Influences caused by adjustment on income tax of previous periods	14,069,500
Influences on non-taxable income	
Influences caused by non-deductible cost, expenses and losses	1,297,913
Influences caused by non-confirmation of deductible losses of deferred income tax assets	-59,301,992

Item	Amount incurred in the current period
Influences caused by non-confirmation of deductible temporary differences or deductible losses in current period	37,329,702
Profit or loss attributable to joint ventures and associates	-11,328,769
Tax-free income	-25,542,321
Additional deduction of technological development expenses	-55,232,575
Income tax expenses	113,096,668

Other description:

☐ Applicable √ Not applicable

77. Other comprehensive income

√ Applicable ☐ Not applicable

See Note VII (57) for details.

78. Cash flow statement items

(1) Cash related to operating activities

Other cash received related to operating activities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Other cash received related to operating activities		
Customs deposit recovered	205,359,329	218,320,851
Cash received from government subsidies and rewards	161,911,335	129,539,412
Cash received from the revenue from fines	15,071,058	26,216,701
Employee loan recovered	3,405,024	2,735,462
Others	36,229,310	142,559,730
Total	421,976,056	519,372,156

Description of other cash received related to operating activities:

None

Other cash paid related to operating activities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Other cash paid related to operating activities		
Customs deposit paid	298,690,027	377,102,560
Expenditures on selling and distribution expenses, general and administrative expenses, and research and development expenses	210,072,439	209,046,699
Financial expenses and handling charges	25,732,272	26,126,007
Subsidy for research and development paid to cooperative units	2,740,400	2,740,400
Others	29,824,112	64,419,308
Total	567,059,250	679,434,974

Description of other cash paid related to operating activities:

None

(2) Cash related to investment activities

Cash received related to significant investment activities

☐ Applicable √ Not applicable

Cash paid related to significant investment activities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash paid for purchase of fixed assets, constructions in progress and intangible assets	1,049,783,500	1,061,984,214
Total	1,049,783,500	1,061,984,214

Explanation of cash paid related to significant investment activities

None

Other cash received related to investing activities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest income	125,703,163	232,413,226
Total	125,703,163	232,413,226

Description of other cash received related to investing activities:

None

Other cash paid related to investing activities

☐ Applicable √ Not applicable

(3) Cash relating to financing activities

Other cash received relating to financing activities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Other cash received relating to financing activities		
Payments received from asset-backed securities business	1,593,157,375	1,897,394,119
Loans received from related parties	84,345,600	40,000,000
Leaseback payments received	5,005,650	5,024,616
Total	1,682,508,625	1,942,418,735

Description of other cash received related to financing activities:

None

Other cash paid related to financing activities

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Other cash paid related to financing activities		
Repayment of collections from asset-backed securities business	1,539,828,173	2,035,828,278
Repayment of principal of perpetual bonds	500,000,000	
Third-party loan repaid	150,452,721	149,318,445
Related-party loan repaid	124,345,600	114,035,638
Minority shareholder disinvestment	97,334,154	46,710,558

Item	Amount incurred in the current period	Amount incurred in the previous period
Repurchase of treasury stock	29,008,907	
Purchase of minority shareholders' equity		1,005,641,953
Others	14,596,494	33,619,042
Total	2,455,566,049	3,385,153,914

Description of other cash paid related to financing activities:

None

Changes in various liabilities arising from financing activities

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2024	Increase in current period		Decrease in current period		December 31, 2025
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Long-term loans (including long-term loans due within one year)	24,353,923,457	2,157,249,019		9,323,885,462	801,833	17,186,485,181
Long-term payables - leaseback financing (including long-term payables due within one year - leaseback financing)	1,328,207,385	5,005,650		150,452,721	32,966,155	1,149,794,159
Lease liabilities (including lease liabilities due within one year)	36,647,747		5,943,772	14,596,494		27,995,025
Other payables (asset-backed securities business funds)	121,352,624	1,593,157,375		1,539,828,173		174,681,826
Other payables (minority shareholders' loans)	40,000,000	84,345,600		124,345,600		
Short-term borrowings	2,297,334,457	7,208,144,444		5,818,922,484		3,686,556,417
Total	28,177,465,670	11,047,902,088	5,943,772	16,972,030,934	33,767,988	22,225,512,608

(4) Description of cash flows presented on a net basis

□ Applicable √ Not applicable

(5) Significant activities and financial impacts that do not involve current cash receipts and payments but affect the Company's financial position or may affect the Company's cash flows in the future

√ Applicable □ Not applicable

In 2025, the Group endorsed bank acceptance bills received from the sale of goods and rendering of services for payment of purchases of goods and receipts of services in the amount of RMB 7,414,669,766 (2024: RMB 5,784,477,500).

79. Further information on cash flow statement

(1) Further information on cash flow statement

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Further information	2025	2024
1. Reconciliation from net profits to cash flows from operating activities:		
Net profit	1,002,927,346	779,944,769
Plus: Provision for impairment of assets	386,685,061	200,815,539
Credit impairment loss	545,528,648	418,414,816
Depreciation of investment properties and fixed assets	1,468,062,057	1,379,488,320
Amortization of right-of-use assets	26,354,895	30,046,209
Amortization of intangible assets and long-term deferred expenses	130,351,483	99,542,830
Loss on disposal of fixed assets, intangible assets and other long-term assets (gains expressed with "-")	-42,148,850	-106,961,574
Share payment expenses	23,639,017	12,144,098

Further information	2025	2024
Loss on retirement of fixed assets (gains expressed with "-")		
Loss on changes in fair value (gains expressed with "-")	7,820,546	-13,425,987
Non-operating income		-1,914,106
Financial expenses (gains expressed with "-")	318,699,194	471,666,124
Investment losses (gains expressed with "-")	-158,253,890	-136,763,924
Decrease of deferred income tax assets (increase expressed with "-")	-73,099,554	18,844,863
Increase of deferred tax liabilities (decrease expressed with "-")	37,851,437	4,234,364
Decrease of inventory (increase expressed with "-")	669,292,462	-361,372,013
Decrease/(increase) in construction contract amount	720,470,753	-1,593,129,626
Operating receivables (increase expressed with "-")	-1,287,294,286	681,297,942
Increase of operating payables (decrease expressed with "-")	2,482,551,684	3,384,701,782
(Decrease)/increase in special reserves	-10,133,622	8,304,452
Others		
Net cash flows from operating activities	6,249,304,381	5,275,878,878
2. Significant investment and financing activities not involving cash deposit and withdrawal:		
Conversion of debt into capital		
Convertible bonds due within one year		
Fixed assets under financing lease		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	4,542,201,751	5,823,175,948
Less: Beginning balance of cash	5,823,175,948	5,032,169,905
Plus: Ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net (decrease)/increase in cash and cash equivalents	-1,280,974,197	791,006,043

(2) Net cash paid to acquire subsidiaries in current period

☐ Applicable √ Not applicable

(3) Net cash received from disposal of subsidiaries in current period

☐ Applicable √ Not applicable

(4) Composition of cash and cash equivalents

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
I. Cash	4,542,201,751	5,823,175,948
Including: Cash on hand	244,362	266,397
Bank deposit readily available for payment	4,541,957,389	5,822,909,551
Other monetary capital readily available for payment		
Deposits with central bank available for payment		
Deposits in other banks		
Borrowings from other banks		
II. Cash equivalents		
Including: Bond investment due within three months		
III. Balance of cash and cash equivalents at the end of period	4,542,201,751	5,823,175,948
Including: Restricted cash and cash equivalents of parent company or subsidiaries within the Group		

(5) Cash and cash equivalents presented as such despite restrictions on their use

☐ Applicable √ Not applicable

(6) Monetary fund not classified into cash and cash equivalents

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024	Reason
Judicial frozen funds	17,442,421	10,041,923	Capital frozen
Guarantee and L/C deposit	9,799,801	33,571,450	Margin
Funds in overseas regulatory accounts	833,158	37,891	Restricted use
Total	28,075,380	43,651,264	/

Other description:

√ Applicable ☐ Not applicable

Supplier finance arrangements

The Group conducts the reverse factoring businesses through three supply chain financial service platforms, i.e. CCB Supply Chain Finance, CCCC E-Credit, and CloudChain. The original creditor (the Group's supplier) may launch an application through the platform and provides information on receivables and trade background. After review by the platform, an electronic debt voucher is generated and submitted to the Group for confirmation. The Group's obligation to make payment under such electronic debt voucher is unconditional and irrevocable, and is not affected by any commercial dispute among the parties involved in the transfer of such voucher. The Group does not assert offset or defense against such payment obligation. The Group will transfer the amount equivalent to the electronic debt voucher on the payment date in accordance with the business rules of the platform.

Information on financial liabilities related to supplier financing is as follows:

	2025				2024
	Carrying amount	Including: Amount received by the supplier	Maturity range	Comparable maturity range of accounts payable	Carrying amount
Accounts payable	301,846,835		107-181	107-181	325,658,140

80. Notes to items in statement of changes in owner's equity

State the name of "other" items and the amount of adjustment to the ending balance of previous year:

☐ Applicable √ Not applicable

81. Foreign currency monetary items

(1) Foreign currency monetary items

√ Applicable ☐ Not applicable

Unit: RMB

Item	Ending foreign currency balance	Conversion exchange rate	Ending balance converted into RMB
Monetary funds	-	-	
Including: USD	274,433,325	7.0288	1,928,936,955
EUR	67,611,531	8.2355	556,814,764
SGD	14,426,235	5.4586	78,747,046
MAD	30,986,767	0.7709	23,887,699
ZAR	37,839,605	0.4224	15,983,449
KRW	3,131,372,408	0.0049	15,343,725
AUD	2,858,328	4.6892	13,403,272
RUB	149,058,943	0.0881	13,132,093
INR	136,988,148	0.0783	10,726,172
GBP	643,470	9.4346	6,070,882
BRL	4,265,199	1.2776	5,449,218
MYR	2,855,239	1.7319	4,944,988

Item	Ending foreign currency balance	Conversion exchange rate	Ending balance converted into RMB
SAR	2,117,745	1.8680	3,955,948
AED	2,026,534	1.9071	3,864,803
HKD	566,361	0.9032	511,537
MOP	491,818	0.8763	430,980
COP	94,799,049	0.0018	170,638
KES	732,992	0.0572	41,927
SEK	18,702	0.7617	14,245
GHS	11,780	0.8754	10,312
CAD	52	5.1142	266
NZD	5	4.0520	20
LKR	-	0.0227	-
JPY	-	0.0448	-
Accounts receivable	-	-	
Including: USD	1,388,250,345	7.0288	9,757,734,025
EUR	138,305,536	8.2355	1,139,015,242
SGD	40,346,743	5.4586	220,236,731
MOP	179,659,248	0.8763	157,435,399
GBP	11,313,687	9.4346	106,740,111
INR	876,881,903	0.0783	68,659,853
RUB	717,746,599	0.0881	63,233,475
LKR	2,641,485,734	0.0227	59,961,726
KRW	11,729,293,028	0.0049	57,473,536
AED	23,902,269	1.9071	45,584,017
ZAR	81,860,527	0.4224	34,577,887
CAD	4,842,537	5.1142	24,765,703
QAR	11,629,784	1.9282	22,424,550
HKD	21,584,436	0.9032	19,495,063
SAR	6,132,462	1.8680	11,455,439
MYR	3,324,265	1.7319	5,757,295
AUD	959,954	4.6892	4,501,416
BRL	-	1.2776	-
Other receivables	-	-	
Including: USD	8,922,276	7.0288	62,712,893
EUR	31,446,791	8.2355	258,980,046
HKD	85,417,924	0.9032	77,149,469
SGD	887,476	5.4586	4,844,376
ZAR	11,210,543	0.4224	4,735,333
LKR	140,792,363	0.0227	3,195,987
INR	23,214,738	0.0783	1,817,714
KRW	365,977,693	0.0049	1,793,291
AUD	367,288	4.6892	1,722,288
BRL	596,492	1.2776	762,078
OMR	4,832	18.2559	88,213
RUB	-	0.0881	-
Accounts payable	-	-	
Including: USD	258,675,144	7.0288	1,818,175,852
EUR	128,237,992	8.2355	1,056,103,983
SGD	16,492,460	5.4586	90,025,742
KRW	9,303,306,651	0.0049	45,586,203
INR	467,339,985	0.0783	36,592,721

Item	Ending foreign currency balance	Conversion exchange rate	Ending balance converted into RMB
GBP	3,689,905	9.4346	34,812,778
RUB	300,874,096	0.0881	26,507,008
ZAR	44,749,669	0.4224	18,902,260
AUD	4,022,753	4.6892	18,863,493
LKR	750,650,170	0.0227	17,039,759
JPY	275,423,791	0.0448	12,338,986
BRL	1,366,312	1.2832	1,753,252
HKD	1,096,315	0.9032	990,192
NZD	31,309	4.0520	126,864
CAD	22,295	5.1142	114,021
Other payables	-	-	
Including: USD	19,291,806	7.0288	135,598,246
SGD	7,503,879	5.4586	40,960,674
KRW	3,264,182,305	0.0049	15,994,493
LKR	306,190,949	0.0227	6,950,535
EUR	756,789	8.2355	6,232,536
RUB	16,354,696	0.0881	1,440,849
GBP	84,147	9.4346	793,893
BRL	315,416	1.2776	402,975
ZAR	801,965	0.4224	338,750
INR	3,560,180	0.0783	278,762
HKD	15,260	0.9032	13,783
Long-term payables due within one year			
USD	22,084,925	7.0288	155,230,522
Long-term payables			
USD	141,135,973	7.0288	992,016,527

Other description:

None

(2) Description of overseas business entities, including the disclosure of main overseas business locations, recording currency and selection basis for important overseas business entities, as well as the reasons for changes in recording currency

□ Applicable √ Not applicable

82. Lease

(1) As a lessee

√ Applicable □ Not applicable

	2025	2024
Interest expense of lease liabilities	1,047,394	1,924,958
Short-term lease expenses with simplified treatment included in the current profit or loss	213,536,195	223,116,372
Total cash outflows related to leases	228,132,689	286,559,845
Cash outflow from leaseback	150,452,721	157,310,318

The leased assets leased by the Group include buildings and constructions, machinery and equipment, transportation equipment and other equipment used in the course of operations, and the lease term is usually 1-3 years. The lease contract usually stipulates that the Group cannot sublet the leased assets. A few lease contracts include the option of renewal.

Variable lease payments not included in the measurement of lease liabilities

□ Applicable √ Not applicable

Simplified short-term leases or lease expenses of low-value assets

√ Applicable ☐ Not applicable

The simplified treatment of short-term lease and low-value assets lease is detailed in Note V (38).

Leaseback transactions and judgment basis

√ Applicable ☐ Not applicable

The Group usually enters into leaseback transactions for the purchase price of large ships or equipment, where the transfer of the assets is not a sale. The Group continues to recognize the transferred assets together with a financial liability equal to the transfer income. The Group takes such leaseback transactions as mortgage loans for accounting treatment. The Group makes scheduled payments of the leaseback financing to the finance leasing companies in accordance with the contractual terms each year.

Total cash outflows related to leases amounted to 228,132,689 (Unit: RMB, Currency: CNY)

(2) As a lessor

Operating lease as the lessor

☐ Applicable √ Not applicable

Financing lease as the lessor

☐ Applicable √ Not applicable

Reconciliation of undiscounted lease receipts and net lease investment

☐ Applicable √ Not applicable

Undiscounted lease receipts for the next five years

☐ Applicable √ Not applicable

(3) Profit or loss of financing lease sales as a manufacturer or distributor

☐ Applicable √ Not applicable

Other description:

Operating lease

The profit or loss related to operating leases is presented as follows:

	2025	2024
Lease income	368,120,414	384,134,037

According to the lease agreement signed with the lessee, the undiscounted minimum lease receipts are as follows:

	2025	2024
Within 1 year (including 1 year)	519,660,875	417,480,850
1 to 2 years (including 2 years)	461,027,590	291,092,371
2-3 years (including 3 years)	362,703,366	233,509,892
3-4 years (including 4 years)	236,474,132	137,080,479
4-5 years (including 5 years)	104,978,363	110,913,100
Over 5 years	43,384,725	127,300,221
Total	1,728,229,051	1,317,376,913

83. Data resources

☐ Applicable √ Not applicable

84. Others

☐ Applicable √ Not applicable

VIII. R&D expenditure

1. Presented by nature of expense

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	684,102,793	679,993,523
Materials expenses	667,863,928	656,385,286
Depreciation and amortization	80,230,701	87,025,975
Product design expenses	3,291,356	1,673,459
Others	79,886,017	77,319,101
Total	1,515,374,795	1,502,397,344
Including: Expensed R&D expenditure	1,515,374,795	1,502,397,344
Capitalized R&D expenditure		

Other description:

For the year 2025, none of the above R&D expenditures were capitalized.

2. Development expenditures of R&D projects eligible for capitalization

□ Applicable √ Not applicable

Significant capitalized R&D projects

□ Applicable √ Not applicable

Provision for development expenditure impairment

□ Applicable √ Not applicable

Other description:

None

3. Significant outsourced research projects

□ Applicable √ Not applicable

IX. Changes in consolidation scope

1. Business combination not under common control

□ Applicable √ Not applicable

2. Business combination under common control

□ Applicable √ Not applicable

3. Counter purchase

□ Applicable √ Not applicable

4. Disposal of subsidiaries

Whether there are transactions or events leading to loss of control over subsidiaries in the current period

□ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Whether the control of subsidiary's investment is lost in the current period in step-to-step disposal through multiple transactions

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

5. Changes in consolidation scope due to other reasons

Description of the changes (such as new subsidiary, liquidation of subsidiary) in consolidation scope due to other reasons and relevant information:

√ Applicable ☐ Not applicable

During the year, ZPMC Morocco Co., Ltd., CCCC Zhenhua Offshore Hoisting and Pipe-Laying Core Equipment Engineering Technology (Shanghai) Co., Ltd., and ZPMC Group (Hainan) Co., Ltd. were newly established, while Zhenhua Haitong Intelligent Equipment Co., Ltd. and Shanghai Zhenhua Smart Enterprise Management Co., Ltd. were deregistered.

6. Others

☐ Applicable √ Not applicable

X. Interests in other entities

1. Interests in subsidiaries

(1) Subsidiaries of the Group

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Subsidiary Name	Principal place of business	Registered capital	Registration place	Business nature	Shareholding ratio (%)		Acquisition mode
					Direct	Indirect	
Nantong Zhenhua Heavy Equipment Manufacturing Co., Ltd.	Nantong City, Jiangsu Province		Nantong City, Jiangsu Province	Machine manufacturing	100.00%	0.00%	Establishment by investing
Shanghai Zhenhua Heavy Industries Group (Nantong) Transmission Machinery Co., Ltd.	Jiangsu Province		Jiangsu Province	Machine manufacturing	100.00%	0.00%	Establishment by investing
Shanghai Zhenhua Heavy Industries Port Machinery General Equipment Co., Ltd.	Chongming, Shanghai		Chongming, Shanghai	Machine manufacturing	100.00%	0.00%	Business combination under common control
CCCC Liyang Urban Investment and Construction Co., Ltd. (Note 1)	Liyang City, Jiangsu Province		Liyang City, Jiangsu Province	Engineering construction	48.00%	0.00%	Establishment by investing
Greenland Heavylift (Hongkong) Limited	Singapore		Hong Kong	Marine transport	50.00%	0.00%	Business combination not under common control

Description of the difference between the shareholding ratio and the proportion of voting right ratio in subsidiaries:

None

The basis for holding half or less of the voting rights but still controlling the invested entity, and the basis for holding more than half of the voting rights but not controlling the invested entity:

None

The basis for control of the significant structured entities included in the consolidation scope:

None

Basis for determining whether the Company is an agent or a principal:

None

Other description:

Note 1: Pursuant to the acting-in-concert agreement entered into with CCCC Shanghai Dredging Co., Ltd. and CCCC East China Investment Co., Ltd., the Group obtained an aggregate of 76% of the voting rights at the general meeting of shareholders and 71% of the voting rights at the board of directors of the company. In accordance with the provisions of the articles of association of the company, the Group obtained control over the company and therefore included it within the scope of consolidation. Pursuant to the articles of association, one of the shareholders of the company, Jiangsu Sukong Urban Investment and Construction Co., Ltd., does not participate in profit distribution and holds a 20% stock equity.

(2) Significant non-wholly-owned subsidiaries

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name of subsidiary	Shareholding ratio of minority shareholder Proportion	Capital invested/ (withdrawn) by minority shareholders	Profit or loss attributable to the minority shareholder in current period	Dividends declared to minority shareholders in current period	Balance of minority shareholders' equity at the end of the period
Greenland Heavylift (Hongkong) Limited	50.00%		174,131,441	-10,912,384	712,256,166
CCCC Investment & Development Qidong Co., Ltd.	50.42%		26,491,551		447,435,989
CCCC Liyang Urban Investment and Construction Co., Ltd.	52.00%		22,868,161	-39,950,000	358,529,120
CCCC Rudong Construction Development Co., Ltd.	33.50%	-28,132,880	2,209,494		234,312,462

Description of the difference between the shareholding ratio of minority shareholders and the proportion of voting right ratio in subsidiaries:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

(3) Main financial information of significant non-wholly-owned subsidiaries

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Name of subsidiary	December 31, 2025						December 31, 2024					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Greenland Heavylift (Hong Kong) Limited	400,376,841	2,294,113,151	2,694,489,992	-272,436,280	-992,016,527	-1,264,452,807	206,779,915	2,418,262,487	2,625,042,402	-339,210,936	-1,174,360,550	-1,513,571,486
CCCC Investment & Development Qidong Co., Ltd.	605,356,684	817,716,774	1,423,073,458	-327,322,257	-207,669,506	-534,991,763	447,631,306	829,935,643	1,277,566,949	-120,976,077	-321,011,959	-441,988,036
CCCC Liyang Urban Investment and Construction Co., Ltd.	757,437,355	325,970,175	1,083,407,530	-214,662,621	-2,547,110	-217,209,731	1,061,100,769	76,234,920	1,137,335,689	-225,761,183	-2,547,110	-228,308,293
CCCC Rudong Construction Development Co., Ltd.	247,467,384	978,489,942	1,225,957,326	-224,749,930	-297,569,030	-522,318,960	196,702,360	1,122,414,225	1,319,116,585	-263,463,831	-390,987,314	-654,451,145

Name of subsidiary	Amount incurred in the current period				Amount incurred in the previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Greenland Heavylift (Hong Kong) Limited	821,565,161	359,777,140	329,478,656	460,290,999	742,478,465	212,288,745	222,425,649	489,796,961
CCCC Investment & Development Qidong Co., Ltd.	101,268,795	52,502,782	52,502,782	228,752,921	4,107,471	48,932,050	48,932,050	474,079,714
CCCC Liyang Urban Investment and Construction Co., Ltd.	4,671,881	57,170,402	57,170,402	-50,422,504	636,641	42,723,235	42,723,235	149,962,165
CCCC Rudong Construction Development Co., Ltd.	970,000	10,840,046	10,840,046	74,677,703	17,215,638	20,624,770	20,624,770	233,544,119

Other description: None

(4) Significant restrictions on the use of the assets of the Group or the settlement of the liabilities of the Group

□ Applicable √ Not applicable

(5) Financial support or other supports provided to structured entities included in the scope of consolidated financial statements

□ Applicable √ Not applicable

Other description:

□ Applicable √ Not applicable

2. Transactions in which the owner's equity share of a subsidiary changes and the subsidiary is still under control

☐ Applicable √ Not applicable

3. Equity in joint ventures and associates

√ Applicable ☐ Not applicable

(1) Significant joint ventures or associates

√ Applicable ☐ Not applicable

Name of joint venture or associate	Principal place of business	Registration place	Business nature	Shareholding ratio (%)		Accounting treatment
				Direct	Indirect	
Joint ventures						
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	Jiangsu	Nantong, Jiangsu	Marine engineering construction	50.00%	-	Equity method
ZPMC Mediterranean Liman Makinalari Ticaret Anonim Sirketi	Istanbul, Turkey	Istanbul, Turkey	Technical service for port equipment	50.00%	-	Equity method
ZPMC-Red Box Energy Services Limited	Hong Kong	Hong Kong	Marine transport	-	51.00%	Equity method
ZOSG-OTL Marine Contractor Limited (formerly known as: ZPMC-OTL Marine Contractor Limited)	Hong Kong	Hong Kong	Marine transport	-	50.00%	Equity method
Associates						
CCCC Estate Yixing Co., Ltd.	Jiangsu	Wuxi, Jiangsu	Real estate development	20.00%	-	Equity method
ZPMC Changzhou Coatings Co., Ltd.	Jiangsu	Changzhou, Jiangsu	Paint manufacture	20.00%	-	Equity method
CCCC Financial Leasing Co., Ltd.	Shanghai	Pudong New Area, Shanghai	Finance lease	5.82%	-	Equity method
CCCC Yancheng Construction Development Co., Ltd.	Jiangsu	Yancheng, Jiangsu	Engineering project construction	25.00%	-	Equity method
China Communications Construction USA Inc.	USA	USA	Port, channel, highway and bridge construction	24.00%	-	Equity method
Shanghai Xingyi Construction Technology Co., Ltd.	Shanghai	Shanghai	Building engineering	-	30.00%	Equity method
CCCC Xiongan Urban Construction Development Co., Ltd.	Hebei	Xiongan, Hebei	Engineering project construction	15.00%	-	Equity method

Description of the difference between shareholding ratio and proportion of voting rights in a joint venture or associate:

None

Basis for holding less than 20% of voting rights but having significant influence, or holding 20% or more of voting rights but not having significant influence:

None

(2) Main financial information of significant joint ventures:

☐ Applicable √ Not applicable

(3) Main financial information of significant associates:

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

	December 31, 2025/Amount incurred in the current period		December 31, 2024/Amount incurred in the previous period	
	CCCC Financial Leasing Co., Ltd.	CCCC Financial Leasing Co., Ltd.	CCCC Financial Leasing Co., Ltd.	CCCC Financial Leasing Co., Ltd.
Current assets	37,068,077,369		35,222,090,045	
Non-current assets	30,509,707,592		32,482,617,238	
Total assets	67,577,784,961		67,704,707,283	
Current liabilities	-26,631,383,550		-27,518,659,535	
Non-current liabilities	-23,648,188,424		-24,049,807,860	
Total liabilities	-50,279,571,974		-51,568,467,395	
Minority equity	4,211,179,385		3,740,413,338	
Other equity instrument - Perpetual bond	1,000,000,000		1,000,000,000	
Shareholders' equity attributable the parent company	12,087,033,602		11,395,826,550	
Share of net assets held based on shareholding ratio	703,866,542		661,178,256	
Adjustments				
- Goodwill				
- Unrealized profits of internal transactions				
- Others				
Book value of equity investment in associates	703,866,542		661,178,256	
Fair value of equity investment in associates with public offer				
Operating revenue	4,266,367,761		4,089,094,301	
Financial expenses-interest income	6,331,079		18,720,184	
Financial expenses - interest expenses	622,633		1,308,000	
Income tax expenses	456,583,408		454,780,922	
Net profit	1,393,952,161		1,346,380,151	
Net profit from discontinuing operation				
Net of tax of other comprehensive income	9,204,360		-4,081,897	
Other comprehensive income				
Total comprehensive income	1,403,156,521		1,342,298,254	
Total comprehensive income attributable to the parent company	932,390,474		928,198,186	
Dividends distributed	239,662,813		191,591,692	
Dividends received from associates this year				

Other description: None

(4) Summary of financial information of insignificant joint ventures and associates

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

	December 31, 2025/Amount incurred in the current period	December 31, 2024/Amount incurred in the previous period
Joint ventures:		
Total book value of investment	369,390,003	368,281,062
Total number of following items by shareholding ratio		
-- Net profit	1,108,941	1,406,295
-- Other comprehensive income		
-- Total comprehensive income	1,108,941	1,406,295
Associates:		
Total book value of investment	713,115,410	737,693,291
Total number of following items by shareholding ratio		
-- Net profit	20,686,753	-16,942,727
-- Other comprehensive income	-1,364,199	42,741
-- Total comprehensive income	19,322,554	-16,899,986

Other description: None

(5) Description of the significant restrictions on the ability of joint ventures or associates to transfer funds to the Company

☐ Applicable √ Not applicable

(6) Excess loss of joint ventures or associates

☐ Applicable √ Not applicable

(7) Unrecognized commitments related to joint venture investment

☐ Applicable √ Not applicable

(8) Contingent liabilities related to investment in joint ventures or associates

☐ Applicable √ Not applicable

4. Significant joint operation

☐ Applicable √ Not applicable

5. Equity in structured entities not included in the scope of consolidated financial statements

Description of structured entities not included in the scope of consolidated financial statements:

☐ Applicable √ Not applicable

6. Others

☐ Applicable √ Not applicable

XI. Government subsidies

1. Government subsidy not recognized by amount receivable by the end of reporting period

☐ Applicable √ Not applicable

Reasons for failure to receive the estimated amount of government subsidy at the estimated time

☐ Applicable √ Not applicable

2. Liabilities involving government subsidies

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Financial Statement Item	December 31, 2024	New subsidy amount in current period	Amount included in non-operating income in current period	Amount included in other income in current period	Other changes	December 31, 2025	Assets related / income related
Deferred income	309,644,884	68,319,339		-65,637,343		312,326,880	Partly assets related and the remainder income related
Total	309,644,884	68,319,339		-65,637,343		312,326,880	/

3. Government subsidy recognized in current profits or losses

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

type	Amount incurred in the current period	Amount incurred in the previous period
Assets related	11,431,897	8,737,582
Income related	146,057,042	145,554,327
Total	157,488,939	154,291,909

Other description:

The Group had no government subsidies returned during the current year.

XII. Risks related to financial instruments

1. Financial instrument risks

√ Applicable ☐ Not applicable

The book values of various financial instruments on the balance sheet date:

2025

Financial assets

	Financial assets measured at fair value through the current profit or loss		Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income		Total
	Standard	Designated		Standard	Designated	
Monetary funds	-	-	4,570,277,131	-	-	4,570,277,131
Held-for-trading financial assets	403,446,171	-	-	-	-	403,446,171
Derivative financial instruments	8,438,278	-	-	-	-	8,438,278
Notes receivable	-	-	149,325,265	-	-	149,325,265
Receivables financing	-	-	-	485,369,280	-	485,369,280
Accounts receivable	-	-	8,485,823,809	-	-	8,485,823,809
Other receivables	-	-	704,236,518	-	-	704,236,518
Non-current assets due within one year	-	-	888,580,054	-	-	888,580,054
Other equity instrument investment	-	-	-	-	211,195,841	211,195,841
Long-term receivables	-	-	1,262,789,513	-	-	1,262,789,513
Total	411,884,449	-	16,061,032,290	485,369,280	211,195,841	17,169,481,860

Financial liabilities

	Financial liabilities measured at fair value through the current profit or loss		Financial liabilities measured at amortized cost	Total
	Standard	Designated		
Short-term borrowings	-	-	3,686,556,417	3,686,556,417
Notes payable	-	-	4,688,600,816	4,688,600,816
Accounts payable	-	-	12,732,696,709	12,732,696,709
Other payables	-	-	1,132,892,320	1,132,892,320
Non-current liabilities due within one year	-	-	4,291,534,563	4,291,534,563
Long-term borrowings	-	-	13,050,181,140	13,050,181,140
Long-term payables	-	-	1,461,252,947	1,461,252,947
Total	-	-	41,043,714,912	41,043,714,912

2024

Financial assets

	Financial assets measured at fair value through the current profit or loss		Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income		Total
	Standard	Designated		Standard	Designated	
Monetary funds	-	-	5,866,827,212	-	-	5,866,827,212
Held-for-trading financial assets	534,200,582	-	-	-	-	534,200,582
Derivative financial instruments	8,438,278	-	-	-	-	8,438,278
Notes receivable	-	-	50,000,000	-	-	50,000,000

	Financial assets measured at fair value through the current profit or loss		Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income		Total
	Standard	Designated		Standard	Designated	
Receivables financing	-	-	-	650,260,884	-	650,260,884
Accounts receivable	-	-	7,365,793,461	-	-	7,365,793,461
Other receivables	-	-	780,170,637	-	-	780,170,637
Non-current assets due within one year	-	-	1,346,060,900	-	-	1,346,060,900
Other equity instrument investment	-	-	-	-	190,530,888	190,530,888
Long-term receivables	-	-	1,081,258,063	-	-	1,081,258,063
Total	542,638,860	-	16,490,110,273	650,260,884	190,530,888	17,873,540,905

Financial liabilities

	Financial liabilities measured at fair value through the current profit or loss		Financial liabilities measured at amortized cost	Total
	Standard	Designated		
Short-term borrowings	-	-	2,297,334,457	2,297,334,457
Notes payable	-	-	4,584,675,393	4,584,675,393
Accounts payable	-	-	10,603,482,116	10,603,482,116
Other payables	-	-	890,050,528	890,050,528
Non-current liabilities due within one year	-	-	6,717,754,646	6,717,754,646
Long-term borrowings	-	-	17,785,704,495	17,785,704,495
Long-term payables	-	-	1,717,210,910	1,717,210,910
Total	-	-	44,596,212,545	44,596,212,545

Financial instrument risks

Various financial instrument risks the Group faces during the routine activities mainly include the credit risk, liquidity risk and market risk.

The Group's overall risk management plan is targeted at the unpredictability of financial market, trying to minimize the potential adverse influence on the Group's financial results.

Credit risk

The Group only trades with authorized third parties and related parties in good standing. Credit risks are managed in a centralized manner by customer/counterparty, geographic region and industry. As the Group's customers of accounts receivable, contract assets and long-term receivables are widely dispersed across sectors and industries, there is no significant credit risk concentration within the Group. The Group holds collateral or other credit enhancements for the balances of some accounts receivable, other receivables and long-term receivables.

As the counterparties of monetary funds, receivables financing and derivative financial instruments are banks in good standing and having relatively higher credit ratings, these financial instruments have low credit risk.

Other financial assets of the Group include commercial acceptance bill, accounts receivable, other receivables and long-term receivables, the credit risks of these financial assets and contract assets are from the counterpart's default, and the maximum exposure is equal to the book amount of these instruments.

The Group has set relevant policies to control the credit risk exposure. The Group, based on the customers' financial positions, the possibility of obtaining guarantees from the third party, credit records and other factors such as the current market conditions, evaluates the credit qualifications of customers and set the credit period accordingly. The Group will monitor customers' credit records periodically; as for the customers with bad credit records, the Group will take measures, such as requesting a payment in writing, shortening the credit period or canceling the credit term, to ensure that the Group's overall credit risks are within the controllable scope.

Judgment criteria for significant increase in credit risk

On each balance sheet date, the Group will evaluate the credit risks of relevant financial instruments to confirm whether they have had significant increase or not after the initial recognition. The main criteria for the Group to judge a significant increase in credit risk are significant changes in one or more of the following indicators: Significant adverse changes in the debtor's operating environment, internal and external credit ratings, actual or expected operating results, etc.

Definition of assets with credit impairment

The main criteria for the Group to judge that credit impairment has occurred is that in certain circumstances, if internal or external information shows that the contract amount may not be fully recovered before considering any credit enhancement held, the Group will also regard it as credit impairment.

The credit impairment of financial assets may be caused by several events, not just one event which can be individually identified.

Parameters for the measurement of expected credit loss

Based on the information whether the credit risk has had significant increase or there is credit impairment, the Group makes the provision for impairment of expected credit losses of various assets for 12 months or the entire duration. Key parameters for the measurements of expected credit loss include the probability of default, loss given default and exposure at default. Considering the quantitative analysis on historical statistical data (including the rating of the counterpart, way of guarantee and category of collateral) and prospective information, the Group builds models for probability of default, loss given default and exposure at default.

Relevant definitions:

(1) The probability of default refers to the possibility that the debtor will not be able to fulfill its payment obligation in the next 12 months or the whole remaining duration. The Group's probability of default is adjusted based on the credit loss model, adding the prospective information to reflect the debtor's probability of default in the current macroeconomic environment;

(2) The loss given default refers to the expectation made by the Group regarding the degree of loss on default risk exposure. As the type of counterpart, way of recourse and priority as well as collateral may be different, the loss given default may also be different. The loss given default refers to the percentage of the risk exposure loss at default, calculated based on the term over the next 12 months or the entire duration;

(3) The exposure at default refers to the amount paid by the Group at default over the next 12 months or the entire remaining duration.

The prospective information is involved in the evaluation on significant change in credit risk and the calculation of expected credit loss. Through the historical data analysis, the Group identifies the key economic indicators affecting the credit risks in various types of business and the expected credit loss.

The impact of these economic indicators on the probability of default and the loss given default is different for different type of business. In such course, the Group makes the reference to the authoritative predictive values, expect these economic indicators based on results of those values, and determine the impact of these economic indicators on the probability of default and the loss given default.

The maximum risk exposure and the year-end classification of credit risk degrees regarding the Group's financial assets and contract assets are as follows:

2025

	Expected credit loss over the next 12 months Expected credit loss in the entire lifecycle	Expected credit loss for the entire duration			Total
	Stage I	Stage II	Stage III	Simple method	
Monetary funds	4,570,277,131	-	-	-	4,570,277,131
Held-for-trading financial assets	403,446,171	-		-	403,446,171
Derivative financial instruments	8,438,278	-	-	-	8,438,278
Notes receivable	-	-	-	149,325,265	149,325,265
Accounts receivable	-	-	-	8,485,823,809	8,485,823,809
Contract assets	-	-	-	3,069,918,477	3,069,918,477

	Expected credit loss over the next 12 months Expected credit loss in the entire lifecycle	Expected credit loss for the entire duration			Total
	Stage I	Stage II	Stage III	Simple method	
Receivables financing	485,369,280	-	-	-	485,369,280
Other receivables	651,560,067	1,663,948	-	-	653,224,015
Non-current assets due within one year	888,580,054	-	-	-	888,580,054
Other non-current assets	-	-	-	4,610,288,207	4,610,288,207
Long-term receivables	1,262,789,513	-	-	-	1,262,789,513
Total	8,270,460,494	1,663,948	-	16,315,355,758	24,587,480,200

2024

	Expected credit loss over the next 12 months Expected credit loss in the entire lifecycle	Expected credit loss for the entire duration			Total
	Stage I	Stage II	Stage III	Simple method	
Monetary funds	5,866,827,212	-	-	-	5,866,827,212
Held-for-trading financial assets	534,200,582	-	-	-	534,200,582
Derivative financial instruments	8,438,278	-	-	-	8,438,278
Notes receivable	-	-	-	50,000,000	50,000,000
Accounts receivable	-	-	-	7,365,793,461	7,365,793,461
Contract assets	-	-	-	3,897,647,216	3,897,647,216
Receivables financing	650,260,884	-	-	-	650,260,884
Other receivables	776,028,943	4,141,694	-	-	780,170,637
Non-current assets due within one year	1,346,060,900	-	-	-	1,346,060,900
Other non-current assets	-	-	-	4,808,691,840	4,808,691,840
Long-term receivables	1,081,258,063	-	-	-	1,081,258,063
Total	10,263,074,862	4,141,694	-	16,122,132,517	26,389,349,073

Liquidity risk

The Group's objective is to utilize a diversified mix of financing instruments to maintain an appropriate balance between the continuity and flexibility of funding. The Group's operational funding is primarily supported by cash flows generated from operating activities and borrowings. Subsidiaries within the Group are responsible for their own cash-flow prospects. The financial section of the head office continues to monitor the short-term and long-term capital demands at the group level after collecting the cash flows prospects of all subsidiaries, to guarantee the sufficient cash reserve and cashable securities. Meanwhile, the financial section of the head office continues to monitor the financial and non-financial indicators prescribed in credit-granting agreements and loan agreements, to ensure that the Group can get sufficient line of credit from major financial institutions, so as to satisfy the short-term and long-term capital demands of all subsidiaries of the Group.

As at December 31, 2025, the contractual undiscounted cash flows (including principal and interest) of the Group's financial liabilities are presented by contractual maturity as follows:

2025

	2025				
	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Short-term borrowings	3,693,302,986	-	-	-	3,693,302,986
Notes payable	4,688,600,816	-	-	-	4,688,600,816
Accounts payable	12,732,696,709	-	-	-	12,732,696,709
Other payables	1,132,892,320	-	-	-	1,132,892,320
Non-current liabilities due within one year	4,201,948,692	-	-	-	4,201,948,692
Long-term borrowings	299,169,078	8,956,217,875	2,140,753,222	2,704,962,122	14,101,102,297
Long-term payables	-	681,208,711	520,210,696	423,083,521	1,624,502,928
Total	26,748,610,601	9,637,426,586	2,660,963,918	3,128,045,643	42,175,046,748

2024

	2024				
	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Short-term borrowings	2,342,266,624	-	-	-	2,342,266,624
Notes payable	4,584,675,393	-	-	-	4,584,675,393
Accounts payable	10,603,482,116	-	-	-	10,603,482,116
Other payables	890,050,528	-	-	-	890,050,528
Non-current liabilities due within one year	6,693,097,224	-	-	-	6,693,097,224
Long-term borrowings	-	4,893,471,523	11,205,372,091	2,046,981,390	18,145,825,004
Long-term payables	-	756,277,609	658,042,851	534,000,816	1,948,321,276
Total	25,113,571,885	5,649,749,132	11,863,414,942	2,580,982,206	45,207,718,165

Market risk

Interest rate risk

The Group's interest rate risk is mainly from such long-term interest-bearing liabilities as long-term bank borrowings and long-term payables. Floating-rate financial liabilities expose the Group to cash flow interest rate risk while fixed-rate financial liabilities expose the Group to fair value interest rate risk. The Group determines the relative proportion of contracts with fixed interest rate and contracts with floating interest rate according to the current market environment. As at December 31, 2025, the Group's long-term interest-bearing liabilities mainly were the floating rate contracts denominated in USD, the floating rate contracts denominated in RMB, and the fixed rate contracts denominated in RMB.

The Group's exposure to changes in market interest rates primarily relates to its long-term liabilities bearing floating interest rates. The Group manages its interest rate risk by closely monitoring changes in interest rates and regularly reviewing borrowings.

The finance department at the Group headquarters continuously monitors the Group's interest rate levels. The increase in interest rate will increase the costs of the new interest-bearing debts and the interest expenses of interest-bearing debts failing to be paid up by the Group and subject to the interest calculation at floating interest rate, and will, significantly and adversely, affect the Group's financial results; the management will control partial interest rate risk based on the newest market situation through the swap contract and other interest rate swap arrangements. In 2024 and 2025, the Group had no interest rate swap arrangement.

The following table shows the sensitivity analysis of the interest rate risk, reflecting the effect of the reasonable and possible changes in the interest rate on net profit or loss (through the impact on loan with floating interest rate) and the net amount of other comprehensive income after tax, based on the assumption of no change in other variables.

2025

	Base point Increase/(Decrease)	Net profit or loss Increase/(Decrease)	Net of tax of other comprehensive income Increase/(Decrease)	Total shareholders' equity Increase/(Decrease)
RMB	100	(124,363,450)	-	(124,363,450)
RMB	(100)	124,363,450	-	124,363,450

2024

	Base point Increase / (Decrease)	Net profit or loss Increase / (Decrease)	Net of tax of other comprehensive income Increase / (Decrease)	Total shareholders' equity Increase / (Decrease)
RMB	100	(128,552,784)	-	(128,552,784)
RMB	(100)	128,552,784	-	128,552,784

Exchange rate risk

The Group is exposed to transactional exchange rate risk. Such risks are due to sales or purchases made by the operating entity in currencies other than its functional currency. The Group's main production is within the territory of China, but its sales and purchase is settled in USD. However, there still were foreign exchange risks in the foreign currency assets and liabilities and future foreign currency transactions that have been recognized by the Group (foreign currency assets and liabilities and foreign currency transactions are priced mainly in USD). The finance department of the Headquarters of the

Group is responsible for supervising the scale of the Group's foreign currency transactions and foreign currency assets and liabilities to minimize the foreign exchange risks.

The following table is a sensitivity analysis of exchange rate risk, reflecting the assumption that all other variables will remain the same, when the USD exchange rate changes reasonably and possibly, it will affect the net profit or loss (due to the change in fair value of monetary assets and liabilities) and other comprehensive income, net of tax (due to the change in fair value of forward foreign exchange contract).

2025

	USD exchange rate Increase/(Decrease)	Net profit or loss Increase/(Decrease)	Net of tax of other comprehensive income Increase/(Decrease)	Total shareholders' equity Increase/(Decrease)
Depreciation of Renminbi against US Dollar	1%	37,459,849	-	37,459,849
Appreciation of Renminbi against US Dollar	-1%	(37,459,849)	-	(37,459,849)

2024

	USD exchange rate Increase/(Decrease)	Net profit or loss Increase/(Decrease)	Net of tax of other comprehensive income Increase/(Decrease)	Total shareholders' equity Increase/(Decrease)
Depreciation of Renminbi against US Dollar	1%	36,071,737	-	36,071,737
Appreciation of Renminbi against US Dollar	-1%	(36,071,737)	-	(36,071,737)

Price risk of equity instrument investment

The price risk of equity instrument investment refers to the risk that the fair value of equity securities decreases due to the change of stock index level and individual securities value. As at December 31, 2025, the Group was exposed to the price risk of equity instrument investment arising from the individual equity instrument investment classified as equity instrument investment measured at fair value through the current profit or loss. The listed equity instrument investment held by the Group is listed on the stock exchanges of Shenzhen and Hong Kong, and measured at the market quotation on the balance sheet date.

The following table shows the sensitivity of the Group's net profit or loss to the change of 1% of the fair value of equity instrument investment (based on the book value on the balance sheet date) under the assumption that all other variables remain unchanged.

2025

	Equity instrument investment Book value	Net profit or loss Increase/(Decrease)	Net of tax of other comprehensive income Increase/(Decrease)	Total shareholders' equity Increase/(Decrease)
Equity instrument investment				
Equity instrument investment measured at fair value through the current profit or loss	403,446,171	3,384,286	-	3,384,286
Investment in equity instruments measured at fair value through the other comprehensive income	211,195,841	-	1,795,165	1,795,165

2024

	Equity instrument investment Book value	Net profit or loss Increase/(Decrease)	Net of tax of other comprehensive income Increase/(Decrease)	Total shareholders' equity Increase/(Decrease)
Equity instrument investment				
Equity instrument investment measured at fair value through the current profit or loss	534,200,582	4,481,388	-	4,481,388

	Equity instrument investment Book value	Net profit or loss Increase/(Decrease)	Net of tax of other comprehensive income Increase/(Decrease)	Total shareholders' equity Increase/(Decrease)
Investment in equity instruments measured at fair value through the other comprehensive income	190,530,888	-	1,619,513	1,619,513

Capital management

The main goal of the Group's capital management is to guarantee the Group's persistent operation and maintain a sound capital ratio to support business development and maximize shareholders' interests.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The total capital of the Group is the shareholders' equity as listed in the consolidated balance sheet. The Group is not subject to external mandatory capital requirements and makes use of the asset-liability ratio to monitor capital. This ratio is calculated by the net debt divided by total capital. The net debt is the total borrowing (including short-term borrowings listed in the consolidated balance sheet, other non-current liabilities due within one year (excluding lease liabilities), long-term borrowings, other payables and interest-bearing liabilities in long-term payables minus cash and cash equivalents). The total capital is the total shareholders' equity plus net debt.

As at December 31, 2025 and December 31, 2024, the debt ratio of the Group is listed as follows:

	2025	2024
Debt ratio	49%	55%

2. Hedging

(1) The Company conducts hedging business for risk management

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

(2) The Company conducts eligible hedging business and applies hedging accounting

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

(3) The Company conducts hedging business for risk management, expects to achieve risk management objectives but does not apply hedging accounting

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

3. Transfer of financial asset

(1) Classification of transfer method

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition	Basis for judgment of derecognition
Note endorsement	Receivables financing	507,329,316	Amount derecognized	Already transferred almost all of its risks and remuneration

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition	Basis for judgment of derecognition
Asset securitization (Note)	Accounts receivable	1,445,348,948	Amount derecognized	Already transferred almost all of its risks and remuneration
Endorsement of debt certificates of digital accounts receivable	Receivables financing	31,172,179	Amount derecognized	Already transferred almost all of its risks and remuneration
Total	/	1,983,850,443	/	/

(2) Financial assets derecognized due to transfer

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Method of financial asset transfer	Amount of financial assets derecognized	Profit or loss related to derecognition
Receivables financing	Note endorsement	507,329,316	-
Accounts receivable	Asset securitization	1,445,348,948	11,574,005
Receivables financing	Endorsement of debt certificates of digital accounts receivable	31,172,179	-
Total	/	1,983,850,443	11,574,005

(3) Transferred financial assets with continuing involvement

☐ Applicable √ Not applicable

Other description:

√ Applicable ☐ Not applicable

Note: In 2025, the book balance of the derecognized accounts receivable was RMB 79,638,774 and the book balance of contract assets was RMB 499,061,498 (2024: RMB 1,089,002,945 of book balance of accounts receivable, RMB 487,995,000 of book balance of contract assets), and a loss of RMB 11,574,005 (2024: RMB 54,456,916) upon derecognition was included in investment income.

Transferred financial assets that have been derecognized in their entirety but with continuing involvement

As at December 31, 2025, the book value of bank acceptance bills endorsed by the Group to suppliers for settlement of accounts payable but not yet due as at the balance sheet date was RMB 507,329,316 (December 31, 2024: RMB 681,439,477). As at December 31, 2025, these bank acceptance bills had maturities ranging from 1 to 12 months. Pursuant to the relevant provisions of the Negotiable Instruments Law, if the accepting bank refuses payment, the holder may exercise recourse against any one or more, or all, of the parties liable on the bill, including the Group, without following the order of liability of the parties to the bill (the "continuing involvement"). The Group considered that it had transferred substantially all the risks and rewards of ownership and had therefore derecognized the bills and the related settled accounts payable in their entirety. The maximum exposure to loss arising from continuing involvement and repurchase, together with the related undiscounted cash flows, was equal to their book value. The Group considered the fair value of its continuing involvement to be insignificant.

The Group did not recognize any income or expense arising from continuing involvement in derecognized financial assets during the current year or on a cumulative basis. The endorsement of bank acceptance bills receivable occurred on a broadly even basis throughout the year.

XIII. Fair value disclosure

1. Ending fair value of assets and liabilities measured at fair value

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Ending fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Recurring fair value measurements				
(I) Held-for-trading financial assets	403,446,171		8,438,278	411,884,449
1. Financial assets measured at fair value through the current profit or loss	403,446,171		8,438,278	411,884,449
(1) Debt instrument investment				
(2) Equity instrument investments				
(3) Derivative financial assets			8,438,278	8,438,278
(4) Investment in listed company stocks	403,446,171			403,446,171
2. Financial assets designated to be measured at fair value through the current profit or loss				
(1) Debt instrument investment				
(2) Equity instrument investments				
(II) Other debt investment				
(III) Investment in other equity instruments			211,195,841	211,195,841
(IV) Investment property				
1. Land use right for lease				
2. Buildings for lease				
3. Land use right held for transfer after appreciation				
(V) Biological assets				
1. Consumptive biological assets				
2. Productive biological assets				
(VI) Receivables financing		485,369,280		485,369,280
Total assets measured at fair value on a recurring basis	403,446,171	485,369,280	219,634,119	1,108,449,570
(VII) Held-for-trading financial liabilities				
1. Financial liabilities measured at fair value through current profit or loss				
Including: Trading bonds issued				
Derivative financial liabilities				
Others				
2. Financial liabilities designated to be measured at fair value through the current profit or loss				
Total liabilities measured at fair value on a recurring basis				
II. Non-recurring fair value measurements				
(I) Assets held for sale				
Total assets measured at fair value on a non-recurring basis				
Total liabilities measured at fair value on a non-recurring basis				

2. Basis for determining quoted market prices for recurring and non-recurring Level 1 fair value measurements

√ Applicable ☐ Not applicable

The fair value of listed equity instrument investments is determined by market quotations.

3. Qualitative and quantitative information about the valuation techniques and significant inputs used for recurring and non-recurring Level 2 fair value measurements

√ Applicable ☐ Not applicable

The fair value of receivables financing is determined by the discounted future cash flow method, with the market yield of other financial instruments with similar contract terms, credit risks and remaining maturities as the discount rate.

4. Qualitative and quantitative information about the valuation techniques and significant inputs used for recurring and non-recurring Level 3 fair value measurements

√ Applicable ☐ Not applicable

The Group's finance department, headed by the finance manager, is responsible for establishing policies and procedures for measuring the fair value of financial instruments. The finance manager reports directly to the CFO. At each balance sheet date, the finance department analyzes changes in the value of financial instruments and determines the principal inputs applicable to the valuation. Valuations are subject to review and approval by the CFO. For the purpose of the annual financial statements, the valuation process and results are discussed with the Audit Committee once each year.

For unlisted equity instrument investments, fair value is estimated using the market approach based on unobservable assumptions regarding market prices or interest rates. The Group needs to identify comparable listed companies based on industry, size, leverage and strategy, and calculate appropriate market multiples, such as price-to-earnings ratio multiples, for each comparable listed company identified. Adjustments will be made based on the specific facts and circumstances of the enterprise, taking into account factors such as liquidity and size differences between comparable listed companies. The Group believes that the fair value and its changes estimated by valuation techniques are reasonable and are also the most appropriate value at the balance sheet date. For the fair value of unlisted equity instrument investments, the Group estimates the potential impact of using other reasonable and possible assumptions as inputs to the valuation model.

The following is a summary of the significant unobservable inputs used in Level 3 fair value measurements:

	Fair value as at the end of the year	Valuation technique	Unobservable inputs	Weighted average/ scope
Level 3	2025:			2025:
Derivative financial instruments	8,438,278	Discount cash flow model	Weighted average cost of capital	11%
			Liquidity discount	26%
Other equity instrument investment	211,195,841	Comparable company mode on the market	P/B ratio of comparable company	1.7-4.0
	2024:			2024:
Derivative financial instruments	8,438,278	Discount cash flow model	Weighted average cost of capital	11%
			Liquidity discount	27%
Other equity instrument investment	190,530,888	Comparable company mode on the market	P/B ratio of comparable company	1.4-2.2

5. Reconciliation between the opening and ending book value of recurring Level 3 fair value measurements and sensitivity analysis of unobservable inputs

☐ Applicable √ Not applicable

6. For recurring fair value measurements, where transfers between levels occurred during the current period, the reasons for such transfers and the policy for determining the timing of transfers

☐ Applicable √ Not applicable

7. Changes in valuation techniques during the current period and the reasons for such changes

☐ Applicable √ Not applicable

8. Fair values of financial assets and financial liabilities not measured at fair value

☐ Applicable √ Not applicable

9. Others

√ Applicable ☐ Not applicable

Reconciliation of recurring Level 3 fair value measurements is as follows:

2025

	Opening balance	Transferred to Level 3	Transferred from Level 3	Total gains or losses for the current period		Purchase	Issue	Sale	Settlement	Closing balance	Changes in unrealized gains or losses recognized in profit or loss during the reporting period related to assets still held at the year-end
				Recognized in profit or loss	Recognized in other comprehensive income						
Derivative financial instruments	8,438,278	-	-	-	-	-	-	-	-	8,438,278	-
Other equity instruments	190,530,888	-	-	-	20,664,953	-	-	-	-	211,195,841	-
Total	198,969,166	-	-	-	20,664,953	-	-	-	-	219,634,119	-

2024

	Opening balance	Transferred to Level 3	Transferred from Level 3	Total gains or losses for the current period		Purchase	Issue	Sale	Settlement	Closing balance	Changes in unrealized gains or losses recognized in profit or loss during the reporting period related to assets still held at the year-end
				Recognized in profit or loss	Recognized in other comprehensive income						
Derivative financial instruments	8,438,278	-	-	-	-	-	-	-	-	8,438,278	-
Other equity instruments	104,859,374	-	-	-	4,747,843	88,358,925	-	-7,435,254	-	190,530,888	-
Total	113,297,652	-	-	-	4,747,843	88,358,925	-	-7,435,254	-	198,969,166	-

XIV. Related parties and related party transactions

1. Parent company

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Parent company	Registration place	Business nature	Registered capital	Shareholding ratio in the Company (%)	Voting ratio in the Company (%)
CCCG	Beijing City	Port project contracting and related business	7,274,023,830	46	46

Description of the parent company of the Company

None

The final controlling party of the Company is the China Communications Construction Group Co., Ltd.

Other description:

None

2. Subsidiaries

For details of the subsidiaries of the Company, please refer to Note X (1)

☐ Applicable √ Not applicable

3. Joint ventures and associates

For details of the significant joint ventures or associates of the Company, please refer to Note X (3)

☐ Applicable √ Not applicable

Other joint ventures or associates that have related party transactions with the Company in the current period or formed balance in the previous period are as follows.

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

4. Other related parties

√ Applicable ☐ Not applicable

Name of other related parties	Relationship with related party
Friede & Goldman, Llc.	Controlled by the same parent company
ZPMC Mediterranean Liman Makinalari Ticaret Anonim Sirketi	Controlled by the same parent company
Beijing Rate Electronic Technology Developing Co., Ltd.	Controlled by the same parent company
Guizhou CCCC Xinglu Expressway Development Co., Ltd.	Controlled by the same parent company
ZPMC Changzhou Coatings Co., Ltd.	Controlled by the same parent company
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	Controlled by the same parent company
Jiangsu CCCC Green Energy Photovoltaic Technology Co., Ltd.	Controlled by the same parent company
Jiujiang Education Consulting Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	Controlled by the same parent company
Lekki Free Trade Zone Lekki Port Project Company	Controlled by the same parent company
Road and Bridge Construction Chongqing Fengfu Expressway Development Co., Ltd.	Controlled by the same parent company
Road and Bridge Construction Chongqing Fengshi Expressway Development Co., Ltd.	Controlled by the same parent company
Xiamen Jiehang Engineering Testing Technology Co., Ltd.	Controlled by the same parent company
Shanghai Jiangtian Industrial Co., Ltd.	Controlled by the same parent company
Shanghai Communications Construction Contracting Co., Ltd.	Controlled by the same parent company
Shanghai Xingyi Construction Technology Co., Ltd.	Controlled by the same parent company
Shanghai Zhensha Longfu Machinery Co., Ltd.	Controlled by the same parent company
China Transportation HEAD New Technology Co., Ltd.	Controlled by the same parent company
Shanghai China Communications Water Transportation Design & Research Co., Ltd.	Controlled by the same parent company
Tianjin Harbour Engineering Quality Inspection Center Co., Ltd.	Controlled by the same parent company
Wuhan Siyuan Xingye Real Estate Brokerage Co., Ltd.	Controlled by the same parent company
Cele International Trading Company Limited	Controlled by the same parent company
Zhenhua Engineering Co., Ltd.	Controlled by the same parent company
Yueyang Chenglingji New Port Co., Ltd.	Controlled by the same parent company
Zhejiang Lvzhou Photovoltaic Technology Co., Ltd.	Controlled by the same parent company
ZPMC-Red Box Energy Services Limited	Controlled by the same parent company
ZPMC-OTL Marine Contractor Limited	Controlled by the same parent company
China Harbour (Nigeria) Limited	Controlled by the same parent company
Macau Zhenhua Harbour Construction Co., Ltd.	Controlled by the same parent company
CCCC Tunnel Engineering Company Limited	Controlled by the same parent company
CCCC First Highway Fifth Engineering Co., Ltd.	Controlled by the same parent company
China Harbour Engineering Co., Ltd.	Controlled by the same parent company
China Highway Vehicle & Machinery Co., Ltd.	Controlled by the same parent company
China Highway Engineering Consulting Corporation	Controlled by the same parent company
China Communications Construction Company Ltd.	Controlled by the same parent company
China Communications Materials Co., Ltd.	Controlled by the same parent company
China Communications Information Technology Group Co., Ltd.	Controlled by the same parent company

Name of other related parties	Relationship with related party
China Road & Bridge Corporation	Controlled by the same parent company
Chuwa Risheng (Beijing) International Trade Co., Ltd.	Controlled by the same parent company
Chuwa Bussan Co., Ltd.	Controlled by the same parent company
CCCC (Xiamen) Information Co., Ltd	Controlled by the same parent company
CCCC (Tianjin) Eco-environmental Protection Design & Research Institute Co., Ltd.	Controlled by the same parent company
CCCC Tianjin Dredging Co., Ltd.	Controlled by the same parent company
CCCC Finance Company Ltd.	Controlled by the same parent company
CCCC Industrial Investment Holding Company Ltd.	Controlled by the same parent company
CCCC Chenzhou Road Construction Machinery Co., Ltd.	Controlled by the same parent company
CCCC Urban Operation Management Co., Ltd.	Controlled by the same parent company
CCCC Second Highway Engineering Co., Ltd.	Controlled by the same parent company
CCCC Second Highway Consultants Co., Ltd.	Controlled by the same parent company
CCCC Second Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC Third Highway Engineering Co., Ltd.	Controlled by the same parent company
CCCC Third Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC Third Harbor Consultants Co., Ltd.	Controlled by the same parent company
CCCC Fourth Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC Fourth Harbor Consultants Co., Ltd.	Controlled by the same parent company
CCCC First Highway Engineering Co., Ltd.	Controlled by the same parent company
CCCC First Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC First Harbor Consultants Co., Ltd.	Controlled by the same parent company
CCCC Dingxin Equity Investment Management Co., Ltd.	Controlled by the same parent company
CCCC - SHEC Fourth Highway Engineering Co., Ltd.	Controlled by the same parent company
CCCC-SHEC Fifth Highway Engineering Co., Ltd.	Controlled by the same parent company
CCCC-SHEC First Highway Engineering Co., Ltd.	Controlled by the same parent company
CCCC-SHEC Railway Engineering Co., Ltd.	Controlled by the same parent company
CCCC-SHEC Railway Construction Co., Ltd.	Controlled by the same parent company
No.2 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	Controlled by the same parent company
No.3 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	Controlled by the same parent company
No.4 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC Photovoltaic Technology Co., Ltd.	Controlled by the same parent company
CCCC Guangzhou Dredging Co., Ltd.	Controlled by the same parent company
CCCC International (Hong Kong) Holdings Limited	Controlled by the same parent company
CCCC Haifeng Wind Power Development Co., Ltd.	Controlled by the same parent company
CCCC Ocean Investment Holding Co., Ltd.	Controlled by the same parent company
CCCC East China Materials Co., Ltd.	Controlled by the same parent company
CCCC Electrical and Mechanical Engineering Co., Ltd.	Controlled by the same parent company
CCCG	Controlled by the same parent company
CCCG (HK) Holding Limited	Controlled by the same parent company
China Communications Construction Company (M) Sdn. Bhd.	Controlled by the same parent company
CCCC Construction Group Co., Ltd.	Controlled by the same parent company
CCCC Jetport Construction Technology (Shanghai) Co., Ltd.	Controlled by the same parent company
Road & Bridge East China Engineering Co., Ltd.	Controlled by the same parent company
CCCC Road & Bridge South China Engineering Co., Ltd.	Controlled by the same parent company
Road & Bridge International Co., Ltd.	Controlled by the same parent company
CCCC Road & Bridge South China Engineering Co., Ltd.	Controlled by the same parent company
CCCC Financial Leasing Co., Ltd.	Controlled by the same parent company
No.2 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.	Controlled by the same parent company
No.6 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd. (Xiamen)	Controlled by the same parent company
No.3 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.	Controlled by the same parent company

Name of other related parties	Relationship with related party
Xing An Ji Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC Shanghai Dredging Co., Ltd.	Controlled by the same parent company
No.3 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Controlled by the same parent company
No.5 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Controlled by the same parent company
No.1 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC Capital Holdings Co., Ltd.	Controlled by the same parent company
CCCC Shanghai Channel Equipment Industry Co., Ltd.	Controlled by the same parent company
CCCC Shanghai Equipment Engineering Co., Ltd.	Controlled by the same parent company
CCCC Design Consulting Group Co., Ltd.	Controlled by the same parent company
CCCC Worldcom (Chongqing) Heavy Industries Co., Ltd.	Controlled by the same parent company
CCCC Dredging (Group) Co., Ltd.	Controlled by the same parent company
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Controlled by the same parent company
CCCC Water Transportation Planning and Design Institute Co., Ltd.	Controlled by the same parent company
No. 2 Engineering Co., Ltd. of CCCC Fourth Highway Engineering Co., Ltd.	Controlled by the same parent company
Jiangmen Hangtong Shipbuilding Co., Ltd. of CCCC Fourth Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC Tunnel Engineering (Beijing) Real Estate Co., Ltd.	Controlled by the same parent company
CCCC Tianhe Mechanical Equipment Manufacturing Co., Ltd.	Controlled by the same parent company
Tianjin Port Engineering Institute Co. Ltd. of CCCC First Harbor Engineering Co., Ltd.	Controlled by the same parent company
CCCC Tianjin Industry and Trade Co., Ltd.	Controlled by the same parent company
CCCC Tianjin Dredging Co., Ltd.	Controlled by the same parent company
CCCC Wuhan Zhixing International Engineering Consulting Co., Ltd.	Controlled by the same parent company
CCCC Property Service Co., Ltd.	Controlled by the same parent company
CCCC Xi'an Road Construction Machinery Co., Ltd.	Controlled by the same parent company
CCCC Xingyu Technology Co., Ltd	Controlled by the same parent company
CCCC Xiongan Urban Construction Development Co., Ltd.	Controlled by the same parent company
CCCC Xiongan Financial Leasing Co., Ltd.	Controlled by the same parent company
CCCC Yancheng Construction Development Co., Ltd.	Controlled by the same parent company
No. 6 Engineering Co., Ltd. of CCCC First Highway Engineering Co., Ltd.	Controlled by the same parent company
CCCC First Highway Electrification Engineering Co., Ltd.	Controlled by the same parent company
First Highway Engineering Group Co., Ltd.	Controlled by the same parent company
Chongqing Yongjiang Expressway Investment and Construction Co., Ltd. of FHEC of CCCC	Controlled by the same parent company
Installation Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Controlled by the same parent company
No.2 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Controlled by the same parent company
CNPC & CCCC Petroleum Sales Co., Ltd.	Controlled by the same parent company
Chongqing Zhongwan Expressway Co., Ltd.	Controlled by the same parent company

Other description: None

5. Related party transactions

(1) Purchase and sales of goods, and rendering and receipt of labor services

Purchase of goods/receipt of labor services

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Related parties	Content of related party transaction	Amount incurred in the current period	Approved transaction limit (if applicable)	Exceeding transaction limit (if applicable)	Amount incurred in the previous period
CCCC Shanghai Equipment Engineering Co., Ltd.	Procurement of Goods	422,729,175			346,647,152
ZPMC Changzhou Coatings Co., Ltd.	Procurement of Goods	77,118,847			186,232,564

Related parties	Content of related party transaction	Amount incurred in the current period	Approved transaction limit (if applicable)	Exceeding transaction limit (if applicable)	Amount incurred in the previous period
CNPC & CCCC Petroleum Sales Co., Ltd.	Procurement of Goods	63,334,894			56,320,793
CCCC (Xiamen) Information Co., Ltd	Procurement of Goods	40,037,649			24,551,227
Shanghai Zhensha Longfu Machinery Co., Ltd.	Procurement of Goods	35,343,179			6,194,242
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Procurement of Goods	25,544,239			-
CCCC Shanghai Channel Equipment Industry Co., Ltd.	Procurement of Goods	19,247,788			-
CCCC Dredging (Group) Co., Ltd.	Procurement of Goods	10,718,766			35,652,451
CCCC Third Harbor Engineering Co., Ltd.	Procurement of Goods	4,987,967			-
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	Procurement of Goods	3,266,549			-
China Communications Information Technology Group Co., Ltd.	Procurement of Goods	2,815,382			26,936,300
CCCC Wuhan Zhixing International Engineering Consulting Co., Ltd.	Procurement of Goods	2,482,982			9,324,480
CCCC (Tianjin) Eco-environmental Protection Design & Research Institute Co., Ltd.	Procurement of Goods	1,826,863			-
CCCC Xingyu Technology Co., Ltd	Procurement of Goods	1,244,799			-
China Communications Materials Co., Ltd.	Procurement of Goods	972,123			614,197
China Highway Vehicle & Machinery Co., Ltd.	Procurement of Goods	820,732			-
CCCC Tianjin Industry and Trade Co., Ltd.	Procurement of Goods	692,011			101,942,200
Chuwa Risheng (Beijing) International Trade Co., Ltd.	Procurement of Goods	-			48,904
CCCC Urban Operation Management Co., Ltd.	Procurement of Goods	-			1,133,933
CCCC Second Highway Engineering Co., Ltd.	Procurement of Goods	-			13,346,205
Jiangmen Hangtong Shipbuilding Co., Ltd. of CCCC Fourth Harbor Engineering Co., Ltd.	Procurement of Goods	-			6,221,659
Installation Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Procurement of Goods	-			4,607,547
Shanghai Communications Construction Contracting Co., Ltd.	Procurement of Goods	-			444,158
CCCC Jetport Construction Technology (Shanghai) Co., Ltd.	Procurement of Goods	-			395,000
CCCC Tianjin Dredging Co., Ltd.	Procurement of Goods	-			767,890
CCCC Shanghai Dredging Co., Ltd.	Procurement of Goods	-			4,036,870
CCCC Property Service Co., Ltd.	Procurement of Goods	-			198,383
CCCC First Highway Engineering Co., Ltd.	Procurement of Goods	-			8,443,812
CCCC Design Consulting Group Co., Ltd.	Procurement of Goods	-			518,091
CCCC Yancheng Construction Development Co., Ltd.	Procurement of Goods	-			611,451
CCCC Third Harbor Engineering Co., Ltd.	Receipt of labor services	187,545,289			5,271,531

Related parties	Content of related party transaction	Amount incurred in the current period	Approved transaction limit (if applicable)	Exceeding transaction limit (if applicable)	Amount incurred in the previous period
CCCC Tianjin Dredging Co., Ltd.	Receipt of labor services	99,522,209			20,914,058
CCCC Dredging (Group) Co., Ltd.	Receipt of labor services	88,619,832			93,888,244
China Communications Information Technology Group Co., Ltd.	Receipt of labor services	44,285,359			46,315,012
CCCC Third Highway Engineering Co., Ltd.	Receipt of labor services	33,067,274			633,389,429
CCCC Wuhan Zhixing International Engineering Consulting Co., Ltd.	Receipt of labor services	24,777,205			1,725,000
Road & Bridge East China Engineering Co., Ltd.	Receipt of labor services	22,707,987			9,651,703
CCCC First Highway Engineering Co., Ltd.	Receipt of labor services	20,294,905			164,687,077
Road & Bridge International Co., Ltd.	Receipt of labor services	16,054,006			44,462,018
CCCC Urban Operation Management Co., Ltd.	Receipt of labor services	14,512,701			11,246,696
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Receipt of labor services	8,854,717			-
CCCC Construction Group Co., Ltd.	Receipt of labor services	5,737,412			-
CCCC Fourth Harbor Consultants Co., Ltd.	Receipt of labor services	5,160,521			-
Shanghai Communications Construction Contracting Co., Ltd.	Receipt of labor services	3,974,214			-
CCCC Water Transportation Planning and Design Institute Co., Ltd.	Receipt of labor services	2,444,553			6,812,868
CCCC Xingyu Technology Co., Ltd	Receipt of labor services	2,369,417			96,600
Shanghai China Communications Water Transportation Design & Research Co., Ltd.	Receipt of labor services	1,942,264			99,000
CCCC (Xiamen) Information Co., Ltd	Receipt of labor services	1,815,100			858,209
CCCC Property Service Co., Ltd.	Receipt of labor services	1,474,214			1,107,521
ZPMC Mediterranean Liman Makinalari Ticaret Anonim Sirketi	Receipt of labor services	1,246,962			-
No.1 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Receipt of labor services	770,642			-
CCCC Third Harbor Consultants Co., Ltd.	Receipt of labor services	728,038			4,510,883
CCCC Shanghai Dredging Co., Ltd.	Receipt of labor services	697,669			4,111,035
CCCC Photovoltaic Technology Co., Ltd.	Receipt of labor services	480,991			146,526
Tianjin Port Engineering Institute Co. Ltd. of CCCC First Harbor Engineering Co., Ltd.	Receipt of labor services	438,113			-
CCCC (Tianjin) Eco-environmental Protection Design & Research Institute Co., Ltd.	Receipt of labor services	332,075			-
Guizhou CCCC Xinglu Expressway Development Co., Ltd.	Receipt of labor services	197,975			-
CCCC Second Harbor Engineering Co., Ltd.	Receipt of labor services	154,759			39,671,589
Wuhan Siyuan Xingye Real Estate Brokerage Co., Ltd.	Receipt of labor services	94,340			-
China Harbour Engineering Co., Ltd.	Receipt of labor services	66,038			-

Related parties	Content of related party transaction	Amount incurred in the current period	Approved transaction limit (if applicable)	Exceeding transaction limit (if applicable)	Amount incurred in the previous period
CCCC Design Consulting Group Co., Ltd.	Receipt of labor services	35,094			250,000
CCCC Shanghai Equipment Engineering Co., Ltd.	Receipt of labor services	-			654,818,621
No.3 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.	Receipt of labor services	-			72,975,728
Installation Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Receipt of labor services	-			18,026,376
CCCC Road & Bridge South China Engineering Co., Ltd.	Receipt of labor services	-			13,345,083
CCCC Yancheng Construction Development Co., Ltd.	Receipt of labor services	-			13,326,441
No.2 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.	Receipt of labor services	-			6,519,213
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	Receipt of labor services	-			4,818,682
ZPMC Changzhou Coatings Co., Ltd.	Receipt of labor services	-			4,358,819
CCCC Second Highway Engineering Co., Ltd.	Receipt of labor services	-			2,653,341
Jiangmen Hangtong Shipbuilding Co., Ltd. of CCCC Fourth Harbor Engineering Co., Ltd.	Receipt of labor services	-			1,071,000
CNPC & CCCC Petroleum Sales Co., Ltd.	Receipt of labor services	-			852,870
Tianjin Harbour Engineering Quality Inspection Center Co., Ltd.	Receipt of labor services	-			480,679
Xiamen Jiehang Engineering Testing Technology Co., Ltd.	Receipt of labor services	-			440,000
CCCC Worldcom (Chongqing) Heavy Industries Co., Ltd.	Receipt of labor services	-			410,949
Chuwa Risheng (Beijing) International Trade Co., Ltd.	Receipt of labor services	-			9,600

Sales of goods/rendering of labor services

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Related parties	Content of related party transaction	Amount incurred in the current period	Amount incurred in the previous period
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Sales of Goods	1,664,018,764	296,273,935
CCCC Financial Leasing Co., Ltd.	Sales of Goods	231,970,938	200,708,000
CCCC Haifeng Wind Power Development Co., Ltd.	Sales of Goods	228,672,566	-
CCCC Electrical and Mechanical Engineering Co., Ltd.	Sales of Goods	113,491,947	396,222,550
CCCC Third Harbor Engineering Co., Ltd.	Sales of Goods	109,702,142	87,262,341
CCCC First Harbor Engineering Co., Ltd.	Sales of Goods	85,609,701	17,308,083
CCCC Second Highway Engineering Co., Ltd.	Sales of Goods	63,630,673	87,417,725
Zhenhua Engineering Co., Ltd.	Sales of Goods	63,238,232	-
CCCC Fourth Harbor Engineering Co., Ltd.	Sales of Goods	55,964,602	-
Jiangmen Hangtong Shipbuilding Co., Ltd. of CCCC Fourth Harbor Engineering Co., Ltd.	Sales of Goods	33,828,357	-
Road & Bridge International Co., Ltd.	Sales of Goods	29,983,631	618,816,864
CCCC Tianhe Mechanical Equipment Manufacturing Co., Ltd.	Sales of Goods	29,575,231	61,597,879
CCCC Tianjin Dredging Co., Ltd.	Sales of Goods	24,278,245	-
China Harbour Engineering Co., Ltd.	Sales of Goods	21,720,388	893,169,261

Related parties	Content of related party transaction	Amount incurred in the current period	Amount incurred in the previous period
CCCC Third Highway Engineering Co., Ltd.	Sales of Goods	16,384,376	15,875,271
CCCC Road & Bridge South China Engineering Co., Ltd.	Sales of Goods	15,411,948	-
CCCC Photovoltaic Technology Co., Ltd.	Sales of Goods	7,800,702	305,825
CCCC Worldcom (Chongqing) Heavy Industries Co., Ltd.	Sales of Goods	3,936,655	1,868,009
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	Sales of Goods	3,130,639	282,027,258
CCCC Shanghai Equipment Engineering Co., Ltd.	Sales of Goods	3,072,567	15,362,832
Chuwa Bussan Co., Ltd.	Sales of Goods	1,719,102	-
CCCC Water Transportation Planning and Design Institute Co., Ltd.	Sales of Goods	1,599,057	-
No.5 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Sales of Goods	1,451,327	-
Road and Bridge Construction Chongqing Fengfu Expressway Development Co., Ltd.	Sales of Goods	1,447,417	1,949,610
CCCC International (Hong Kong) Holdings Limited	Sales of Goods	1,146,433	-
Road and Bridge Construction Chongqing Fengshi Expressway Development Co., Ltd.	Sales of Goods	1,022,015	1,214,260
Chongqing Zhongwan Expressway Co., Ltd.	Sales of Goods	813,205	1,669,662
Friede & Goldman, Llc.	Sales of Goods	456,478	11,542,840
CCCC Guangzhou Dredging Co., Ltd.	Sales of Goods	424,528	-
Yueyang Chenglingji New Port Co., Ltd.	Sales of Goods	355,965	868,903
CCCG	Sales of Goods	94,340	-
CCCC Chenzhou Road Construction Machinery Co., Ltd.	Sales of Goods	83,028	-
CCCC Shanghai Channel Equipment Industry Co., Ltd.	Sales of Goods	16,549	-
Chongqing Yongjiang Expressway Investment and Construction Co., Ltd. of FHEC of CCCC	Sales of Goods	8,891	8,095
No.2 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Sales of Goods	752	830,189
CCCC Second Harbor Engineering Co., Ltd.	Sales of Goods	-	417,029,958
China Road & Bridge Corporation	Sales of Goods	-	42,195,263
No.1 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	Sales of Goods	-	7,765,487
ZPMC Changzhou Coatings Co., Ltd.	Sales of Goods	-	6,566,672
CCCC First Highway Electrification Engineering Co., Ltd.	Sales of Goods	-	87,270
CCCC Financial Leasing Co., Ltd.	Rendering of service	14,164,609	796,519
China Communications Construction Company (M) Sdn. Bhd.	Rendering of service	8,531,551	-
ZPMC Changzhou Coatings Co., Ltd.	Rendering of service	7,907,098	2,147
CCCG	Rendering of service	4,339,622	1,603,774
CCCC Photovoltaic Technology Co., Ltd.	Rendering of service	3,625,346	2,550,323
China Communications Construction Company Ltd.	Rendering of service	2,204,009	1,396,226
China Communications Information Technology Group Co., Ltd.	Rendering of service	1,548,451	604,127
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	Rendering of service	1,409,991	4,511,437
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	Rendering of service	896,226	-
China Transportation HEAD New Technology Co., Ltd.	Rendering of service	663,625	-
CCCC Second Harbor Engineering Co., Ltd.	Rendering of service	264,151	-
CCCC Shanghai Equipment Engineering Co., Ltd.	Rendering of service	109,679	640,129
CCCC Tianjin Dredging Co., Ltd.	Rendering of service	94,340	-
CCCC Xi’an Road Construction Machinery Co., Ltd.	Rendering of service	26,604	-
CCCC Shanghai Dredging Co., Ltd.	Rendering of service	12,053	-
Jiangsu CCCC Green Energy Photovoltaic Technology Co., Ltd.	Rendering of service	-	12,005,642
CCCC Third Harbor Engineering Co., Ltd.	Rendering of service	-	11,929,732
Zhejiang Lvzhou Photovoltaic Technology Co., Ltd.	Rendering of service	-	9,128,920
Yueyang Chenglingji New Port Co., Ltd.	Rendering of service	-	73,451

Description of related party transactions of purchase and sales of goods, rendering and receipt of labor services

☐ Applicable √ Not applicable

(2) Trusteeship/contracting and entrustment/outsourcing

Trusteeship/contracting of the Company:

☐ Applicable √ Not applicable

Description of the trusteeship/contracting with related parties

☐ Applicable √ Not applicable

Entrustment/outsourcing of the Company

☐ Applicable √ Not applicable

Management/outsourcing with related parties

☐ Applicable √ Not applicable

(3) Leases with related parties

The Company as the lessor:

☐ Applicable √ Not applicable

The Company as the lessee:

☐ Applicable √ Not applicable

Description of leases with related parties

☐ Applicable √ Not applicable

(4) Guarantees with related parties

The Company as the guarantor

☐ Applicable √ Not applicable

The Company as the guaranteed party

☐ Applicable √ Not applicable

Description of the guarantees with related parties

☐ Applicable √ Not applicable

(5) Lendings with related parties

☐ Applicable √ Not applicable

(6) Assets transfer and debt restructuring of related parties

☐ Applicable √ Not applicable

(7) Remuneration of key management personnel

√ Applicable ☐ Not applicable

Unit: RMB 10,000, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Remuneration of key management personnel	1,474	1,468

The Group had 19 key management personnel in 2025 (2024: 24). The remuneration of newly appointed and departing personnel arising from changes in office during the year is presented based on their respective terms of office, while the remuneration of all other personnel is presented for the current period.

(8) Other related party transactions

√ Applicable ☐ Not applicable

Distribution of dividends to related parties

	2025	2024
CCCG	83,532,098	75,938,271
CCCC International (Hong Kong) Holdings Limited	50,421,571	45,837,792
CCCC Dingxin Equity Investment Management Co., Ltd.	1,470,600	-
Total	135,424,269	121,776,063

(Withdrawals of deposits from)/deposits with related parties

	2025	2024
CCCC Finance Company Ltd.	(590,036,217)	118,126,908

Borrowings from related parties

	2025	2024
CCCC Finance Company Ltd. (Note)	514,000,000	36,840,000
Total	514,000,000	36,840,000

Note: During the current year, borrowings amounted to RMB 514,000,000 (2024: RMB 36,840,000), representing loans granted by CCCC Finance Co., Ltd. to the Company under the entrustment of China Communications Construction Group Co., Ltd., pursuant to an Entrusted Loan Agreement entered into among the three parties.

Interest collected from related parties

	2025	2024
CCCC Finance Company Ltd.	5,279,882	1,721,539
Total	5,279,882	1,721,539

Interest paid to related parties

	2025	2024
CCCC Finance Company Ltd.	7,357,128	13,389,638
CCCC Xiongan Financial Leasing Co., Ltd.	-	1,656,944
Total	7,357,128	15,046,582

6. Outstanding balances with related parties, including receivables and payables

(1) Receivables

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Related parties	December 31, 2025		December 31, 2024	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	432,582,000		179,173,555	
Accounts receivable	CCCC Haifeng Wind Power Development Co., Ltd.	228,128,812		22,503,000	
Accounts receivable	CCCC Third Harbor Engineering Co., Ltd.	205,329,401		159,610,898	
Accounts receivable	CCCC Electrical and Mechanical Engineering Co., Ltd.	129,234,686		111,556,570	
Accounts receivable	Road & Bridge International Co., Ltd.	117,284,139		92,164,048	
Accounts receivable	China Harbour Engineering Co., Ltd.	108,518,522		218,780,152	
Accounts receivable	CCCC First Harbor Engineering Co., Ltd.	102,325,125		87,629,848	
Accounts receivable	Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	84,024,577		195,687,694	
Accounts receivable	CCCC Second Highway Engineering Co., Ltd.	68,490,994		54,516,895	
Accounts receivable	CCCC Road & Bridge South China Engineering Co., Ltd.	62,497,160		-	
Accounts receivable	China Harbour (Nigeria) Limited	54,915,805		-	

Item	Related parties	December 31, 2025		December 31, 2024	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	Jiangmen Hangtong Shipbuilding Co., Ltd. of CCCC Fourth Harbor Engineering Co., Ltd.	53,092,000		9,998,000	
Accounts receivable	CCCC Yancheng Construction Development Co., Ltd.	50,199,243		-	
Accounts receivable	CCCC Fourth Harbor Engineering Co., Ltd.	45,241,566		9,630,947	
Accounts receivable	China Road & Bridge Corporation	32,049,877		31,187,447	
Accounts receivable	China Communications Construction Company Ltd.	23,579,922		21,467,922	
Accounts receivable	CCCC Tianhe Mechanical Equipment Manufacturing Co., Ltd.	19,240,873		20,694,119	
Accounts receivable	CCCC First Highway Engineering Co., Ltd.	18,952,395		18,952,395	
Accounts receivable	Friede & Goldman, Llc.	16,378,756		16,727,069	
Accounts receivable	No.1 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	15,400,000		18,530,000	
Accounts receivable	CCCC Second Harbor Engineering Co., Ltd.	14,611,315		50,548,475	
Accounts receivable	CCCC - SHEC Fourth Highway Engineering Co., Ltd.	13,833,457		13,833,457	
Accounts receivable	Zhenhua Engineering Co., Ltd.	13,789,809		-	
Accounts receivable	ZPMC Mediterranean Liman Makinalari Ticaret Anonim Sirketi	12,803,717		13,091,953	
Accounts receivable	CCCC Tianjin Dredging Co., Ltd.	11,412,066		11,412,066	
Accounts receivable	ZPMC-OTL Marine Contractor Limited	9,252,446		18,068,949	
Accounts receivable	CCCC Third Highway Engineering Co., Ltd.	8,997,710		12,368,335	
Accounts receivable	CCCG	7,300,000		2,700,000	
Accounts receivable	CCCC Financial Leasing Co., Ltd.	7,287,178		75,945,067	
Accounts receivable	CCCC Photovoltaic Technology Co., Ltd.	7,251,604		16,017	
Accounts receivable	CCCC Dredging (Group) Co., Ltd.	4,568,720		-	
Accounts receivable	No.6 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd. (Xiamen)	3,900,000		-	
Accounts receivable	CCCC First Harbor Consultants Co., Ltd.	3,723,715		3,723,715	
Accounts receivable	CCCC Fourth Harbor Consultants Co., Ltd.	3,096,178		3,769,681	
Accounts receivable	CCCC Third Harbor Consultants Co., Ltd.	2,324,581		2,367,146	
Accounts receivable	Zhejiang Lvzhou Photovoltaic Technology Co., Ltd.	2,142,871		6,516,640	
Accounts receivable	No. 6 Engineering Co., Ltd. of CCCC First Highway Engineering Co., Ltd.	2,000,000		2,000,000	
Accounts receivable	China Communications Information Technology Group Co., Ltd.	1,874,099		640,375	
Accounts receivable	Chuwa Bussan Co., Ltd.	1,719,102		-	
Accounts receivable	No.5 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	1,640,000		-	
Accounts receivable	CCCC-SHEC First Highway Engineering Co., Ltd.	1,228,915		10,147,312	
Accounts receivable	Road and Bridge Construction Chongqing Fengfu Expressway Development Co., Ltd.	1,092,082		-	
Accounts receivable	Jiangsu CCCC Green Energy Photovoltaic Technology Co., Ltd.	837,519		5,931,084	
Accounts receivable	Chongqing Zhongwan Expressway Co., Ltd.	813,205		796,381	
Accounts receivable	Beijing Rate Electronic Technology Developing Co., Ltd.	741,517		741,517	
Accounts receivable	CCCC Tianjin Dredging Co., Ltd.	731,139		1,932,556	
Accounts receivable	Road and Bridge Construction Chongqing Fengshi Expressway Development Co., Ltd.	719,729		-	
Accounts receivable	China Transportation HEAD New Technology Co., Ltd.	528,741		-	
Accounts receivable	No.2 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	417,150		417,150	
Accounts receivable	ZPMC Changzhou Coatings Co., Ltd.	235,603		131,603	

Item	Related parties	December 31, 2025		December 31, 2024	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	No.4 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	223,053		3,572,680	
Accounts receivable	Installation Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	213,349		213,349	
Accounts receivable	CCCC First Highway Electrification Engineering Co., Ltd.	125,022		125,022	
Accounts receivable	CCCC Chenzhou Road Construction Machinery Co., Ltd.	93,822		-	
Accounts receivable	Yueyang Chenglingji New Port Co., Ltd.	84,575		-	
Accounts receivable	CCCC Construction Group Co., Ltd.	82,015		82,015	
Accounts receivable	CCCC-SHEC Railway Engineering Co., Ltd.	25,688		25,688	
Accounts receivable	CCCC-SHEC Railway Construction Co., Ltd.	23,980		23,980	
Accounts receivable	Chongqing Yongjiang Expressway Investment and Construction Co., Ltd. of FHEC of CCCC	8,094		8,094	
Accounts receivable	CCCC Shanghai Equipment Engineering Co., Ltd.	548		548	
Accounts receivable	CCCC International (Hong Kong) Holdings Limited	40		-	
Accounts receivable	CCCC Water Transportation Planning and Design Institute Co., Ltd.	-		1,000,000	
Accounts receivable	CCCC Worldcom (Chongqing) Heavy Industries Co., Ltd.	-		480,090	
Accounts receivable	First Highway Engineering Group Co., Ltd.	-		118,779	
Receivables financing	CCCC Third Harbor Engineering Co., Ltd.	167,790,534		21,663,423	
Receivables financing	Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	13,746,695		32,328,171	
Receivables financing	CCCC Tianhe Mechanical Equipment Manufacturing Co., Ltd.	11,734,901		19,156,840	
Receivables financing	CCCC Second Harbor Engineering Co., Ltd.	11,307,078		5,000,000	
Receivables financing	CCCC-SHEC First Highway Engineering Co., Ltd.	10,181,789		-	
Receivables financing	CCCC Second Highway Engineering Co., Ltd.	7,011,724		-	
Receivables financing	CCCC Third Highway Engineering Co., Ltd.	6,731,626		14,534,000	
Receivables financing	CCCC First Harbor Engineering Co., Ltd.	2,000,000		-	
Receivables financing	CCCC Road & Bridge South China Engineering Co., Ltd.	2,000,000		10,098,395	
Receivables financing	No.3 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	500,000		-	
Receivables financing	CCCC Electrical and Mechanical Engineering Co., Ltd.	-		99,140,896	
Receivables financing	Road & Bridge International Co., Ltd.	-		84,784,166	
Receivables financing	CCCC Haifeng Wind Power Development Co., Ltd.	-		80,000,000	
Receivables financing	CCCC East China Materials Co., Ltd.	-		1,500,000	
Receivables financing	CCCC Third Harbor Consultants Co., Ltd.	-		768,332	
Receivables financing	CCCC Worldcom (Chongqing) Heavy Industries Co., Ltd.	-		363,935	
Other receivables	ZPMC-Red Box Energy Services Limited	164,124,678	164,124,678	164,124,678	164,124,678
Other receivables	CCCC Third Harbor Engineering Co., Ltd.	64,418,118		53,625,531	
Other receivables	CCCC Second Harbor Engineering Co., Ltd.	34,051,971		35,649,319	
Other receivables	China Road & Bridge Corporation	29,228,920		29,228,919	
Other receivables	Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	20,616,526		6,673,978	
Other receivables	Road & Bridge International Co., Ltd.	14,861,556		13,030,041	
Other receivables	CCCC First Harbor Engineering Co., Ltd.	9,833,338		9,890,860	
Other receivables	CCCC-SHEC Fifth Highway Engineering Co., Ltd.	7,677,577		-	
Other receivables	CCCC Third Highway Engineering Co., Ltd.	5,234,699		6,412,639	

Item	Related parties	December 31, 2025		December 31, 2024	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Other receivables	China Communications Construction Company Ltd.	4,746,754		4,746,754	
Other receivables	CCCC Fourth Harbor Engineering Co., Ltd.	3,538,071		-	
Other receivables	CCCC Road & Bridge South China Engineering Co., Ltd.	2,660,154		-	
Other receivables	CCCC Second Highway Engineering Co., Ltd.	2,645,414		4,943,320	
Other receivables	No.4 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	2,116,091		2,116,091	
Other receivables	CCCG	1,356,800		1,356,800	
Other receivables	CCCC Yancheng Construction Development Co., Ltd.	988,549		-	
Other receivables	CCCC Financial Leasing Co., Ltd.	857,655		-	
Other receivables	CCCC First Harbor Consultants Co., Ltd.	543,764		543,764	
Other receivables	CCCC Xiongan Urban Construction Development Co., Ltd.	396,023		769,749	
Other receivables	CCCC Third Harbor Consultants Co., Ltd.	200,000		-	
Other receivables	No.3 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	200,000		-	
Other receivables	China Harbour Engineering Co., Ltd.	195,858		1,051,012	
Other receivables	CCCC Design Consulting Group Co., Ltd.	100,000		-	
Other receivables	CCCC Tianjin Dredging Co., Ltd.	91,893		-	
Other receivables	CCCC Shanghai Dredging Co., Ltd.	79,405		72,133	
Other receivables	Shanghai Jiangtian Industrial Co., Ltd.	77,552		77,552	
Other receivables	ZPMC-OTL Marine Contractor Limited	44,389		45,510	
Other receivables	CCCC Urban Operation Management Co., Ltd.	43,552		37,361	
Other receivables	China Highway Vehicle & Machinery Co., Ltd.	19,800		-	
Other receivables	CCCC Worldcom (Chongqing) Heavy Industries Co., Ltd.	15,828		20,000	
Other receivables	ZPMC Changzhou Coatings Co., Ltd.	5,000		-	
Other receivables	Jiujiang Education Consulting Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	1,800		1,800	
Other receivables	Shanghai Xingyi Construction Technology Co., Ltd.	189		-	
Other receivables	CCCC Xiongan Financial Leasing Co., Ltd.	-		6,000,000	
Other receivables	No.2 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	-		2,071,763	
Other receivables	Installation Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	-		1,600,000	
Other receivables	CCCC-SHEC First Highway Engineering Co., Ltd.	-		565,553	
Other receivables	CCCC Fourth Harbor Consultants Co., Ltd.	-		520,895	
Advances to suppliers	CCCC Third Harbor Engineering Co., Ltd.	92,642,746		112,306,815	
Advances to suppliers	CCCG	4,027,918		1,641,000	
Advances to suppliers	CCCC Third Highway Engineering Co., Ltd.	2,000,800		2,000,800	
Advances to suppliers	CCCC Second Highway Consultants Co., Ltd.	850,000		850,000	
Advances to suppliers	China Communications Information Technology Group Co., Ltd.	484,200		16,099,913	
Advances to suppliers	CCCC Ocean Investment Holding Co., Ltd.	15,200		15,200	
Advances to suppliers	CCCC Industrial Investment Holding Company Ltd.	4,000		4,000	
Advances to suppliers	CCCC Tunnel Engineering (Beijing) Real Estate Co., Ltd.	3,500		-	
Advances to suppliers	No.3 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	1,600		-	
Advances to suppliers	CCCC Shanghai Equipment Engineering Co., Ltd.	1,359		1,359	
Advances to suppliers	CCCC Second Highway Engineering Co., Ltd.	500		500	

Item	Related parties	December 31, 2025		December 31, 2024	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Advances to suppliers	Yueyang Chenglingji New Port Co., Ltd.	400		-	
Advances to suppliers	CCCC Guangzhou Dredging Co., Ltd.	100		-	
Advances to suppliers	Road & Bridge International Co., Ltd.	-		941,495	
Advances to suppliers	CCCC Worldcom (Chongqing) Heavy Industries Co., Ltd.	-		380,735	
Advances to suppliers	CCCC Road & Bridge South China Engineering Co., Ltd.	-		351,487	
Advances to suppliers	CCCC Xingyu Technology Co., Ltd	-		102,959	
Advances to suppliers	CCCC Dredging (Group) Co., Ltd.	-		9,100	
Contract assets	Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	367,237,518		24,058,066	
Contract assets	CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	309,938,522		96,609,056	
Contract assets	Road & Bridge International Co., Ltd.	72,999,447		79,180,837	
Contract assets	CCCC Second Harbor Engineering Co., Ltd.	66,087,828		161,080,684	
Contract assets	CCCC Third Harbor Engineering Co., Ltd.	58,236,097		45,280,803	
Contract assets	CCCC Tianjin Dredging Co., Ltd.	34,028,319		-	
Contract assets	CCCC Yancheng Construction Development Co., Ltd.	19,869,315		315,887	
Contract assets	CCCC First Harbor Engineering Co., Ltd.	13,206,716		56,573,210	
Contract assets	China Road & Bridge Corporation	11,541,856		3,852,069	
Contract assets	CCCC Road & Bridge South China Engineering Co., Ltd.	4,354,331		-	
Contract assets	CCCC Second Highway Engineering Co., Ltd.	3,073,682		2,924,165	
Contract assets	CCCC Electrical and Mechanical Engineering Co., Ltd.	2,920,354		9,398,230	
Contract assets	China Harbour Engineering Co., Ltd.	-		179,817,826	
Contract assets	CCCC Third Highway Engineering Co., Ltd.	-		9,920,642	
Contract assets	No.4 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	-		4,654,092	
Contract assets	CCCC-SHEC First Highway Engineering Co., Ltd.	-		2,428,909	
Other non-current assets	CCCC First Harbor Engineering Co., Ltd.	58,310,287		-	
Other non-current assets	Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	21,422,121		4,086,224	
Other non-current assets	CCCC Third Harbor Engineering Co., Ltd.	17,846,296		19,676,660	
Other non-current assets	CCCC Second Harbor Engineering Co., Ltd.	11,095,573		-	
Other non-current assets	Zhenhua Engineering Co., Ltd.	6,347,830		-	
Other non-current assets	China Road & Bridge Corporation	4,539,453		-	
Other non-current assets	Road & Bridge International Co., Ltd.	4,354,331		4,306,525	
Other non-current assets	CCCC-SHEC First Highway Engineering Co., Ltd.	2,428,909		-	

(2) Payables

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Related parties	Ending book balance	Beginning book balance
Accounts payable	CCCC Third Harbor Engineering Co., Ltd.	245,874,364	275,932,763
Accounts payable	CCCC Third Highway Engineering Co., Ltd.	210,810,639	366,104,528
Accounts payable	CCCC Construction Group Co., Ltd.	206,086,364	145,478,903
Accounts payable	CCCC Tianjin Dredging Co., Ltd.	199,684,485	51,600,984
Accounts payable	CCCC First Highway Engineering Co., Ltd.	139,230,408	65,449,332
Accounts payable	CCCC Shanghai Equipment Engineering Co., Ltd.	102,094,550	30,958,856
Accounts payable	CCCC Dredging (Group) Co., Ltd.	45,720,762	-
Accounts payable	CCCC Shanghai Channel Equipment Industry Co., Ltd.	39,799,104	1,111,000
Accounts payable	ZPMC Changzhou Coatings Co., Ltd.	37,966,419	50,382,026
Accounts payable	China Communications Information Technology Group Co., Ltd.	28,466,482	2,203,255
Accounts payable	Road & Bridge East China Engineering Co., Ltd.	28,040,480	14,249,963
Accounts payable	CCCC Second Harbor Engineering Co., Ltd.	23,563,375	153,026,470
Accounts payable	CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	17,563,160	-
Accounts payable	Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	13,396,129	33,083,852
Accounts payable	CNPC & CCCC Petroleum Sales Co., Ltd.	12,192,479	10,826,167
Accounts payable	Shanghai Zhensha Longfu Machinery Co., Ltd.	12,079,905	-
Accounts payable	Road & Bridge International Co., Ltd.	10,839,686	-
Accounts payable	CCCC East China Materials Co., Ltd.	10,411,231	-
Accounts payable	CCCC (Xiamen) Information Co., Ltd	8,585,002	1,131,267
Accounts payable	No. 2 Engineering Co., Ltd. of CCCC Fourth Highway Engineering Co., Ltd.	8,581,250	4,302,240
Accounts payable	CCCC Water Transportation Planning and Design Institute Co., Ltd.	7,453,702	8,581,250
Accounts payable	CCCC Wuhan Zhixing International Engineering Consulting Co., Ltd.	7,319,744	-
Accounts payable	Shanghai Communications Construction Contracting Co., Ltd.	4,690,248	8,113,473
Accounts payable	CCCC Shanghai Dredging Co., Ltd.	3,549,662	4,601,001
Accounts payable	No.1 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	3,291,462	15,714,811
Accounts payable	CCCC Second Highway Engineering Co., Ltd.	2,774,835	80,500
Accounts payable	CCCC First Harbor Engineering Co., Ltd.	2,298,606	1,210,111
Accounts payable	CCCC (Tianjin) Eco-environmental Protection Design & Research Institute Co., Ltd.	2,016,355	-
Accounts payable	ZPMC Mediterranean Liman Makinalari Ticaret Anonim Sirketi	1,821,488	131,763
Accounts payable	CCCC Third Harbor Consultants Co., Ltd.	1,658,344	1,731,981
Accounts payable	CCCC Tianjin Industry and Trade Co., Ltd.	1,453,945	-
Accounts payable	CCCC Electrical and Mechanical Engineering Co., Ltd.	1,061,720	-
Accounts payable	Shanghai China Communications Water Transportation Design & Research Co., Ltd.	978,800	-
Accounts payable	CCCC Second Highway Consultants Co., Ltd.	848,827	9,637,173
Accounts payable	Shanghai Jiangtian Industrial Co., Ltd.	846,373	809,544
Accounts payable	CCCC Urban Operation Management Co., Ltd.	748,432	552,439
Accounts payable	CCCC Property Service Co., Ltd.	398,990	-
Accounts payable	China Highway Vehicle & Machinery Co., Ltd.	345,511	-
Accounts payable	CCCC First Harbor Consultants Co., Ltd.	302,041	302,041
Accounts payable	Guizhou CCCC Xinglu Expressway Development Co., Ltd.	199,301	-
Accounts payable	CCCC Xingyu Technology Co., Ltd	142,340	78,491
Accounts payable	Chuwa Risheng (Beijing) International Trade Co., Ltd.	78,491	-
Accounts payable	Xiamen Jiehang Engineering Testing Technology Co., Ltd.	44,000	131,810
Accounts payable	Installation Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	33,849	13,011

Item	Related parties	Ending book balance	Beginning book balance
Accounts payable	CCCC Photovoltaic Technology Co., Ltd.	28,307	846,373
Accounts payable	CCCC Jetport Construction Technology (Shanghai) Co., Ltd.	11,850	-
Accounts payable	First Highway Engineering Group Co., Ltd.	-	19,252,150
Accounts payable	CCCC Capital Holdings Co., Ltd.	-	16,619,656
Accounts payable	ZPMC Southeast Asia Pte. Ltd	-	11,312,732
Accounts payable	No.3 Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.	-	3,150,347
Accounts payable	China Road & Bridge Corporation	-	2,851,994
Accounts payable	CCCC Fourth Harbor Consultants Co., Ltd.	-	2,298,606
Accounts payable	Chongqing Yongjiang Expressway Investment and Construction Co., Ltd. of FHEC of CCCC	-	385,568
Accounts payable	Chuwa Bussan Co., Ltd.	-	178,380
Accounts payable	Jiangmen Hangtong Shipbuilding Co., Ltd. of CCCC Fourth Harbor Engineering Co., Ltd.	-	33,849
Accounts payable	Friede & Goldman, Llc.	-	44,000
Notes payable	CCCC Shanghai Equipment Engineering Co., Ltd.	87,847,670	194,750,113
Notes payable	ZPMC Changzhou Coatings Co., Ltd.	24,810,043	12,456,633
Notes payable	Shanghai Zhensha Longfu Machinery Co., Ltd.	12,744,092	497,948
Notes payable	CNPC & CCCC Petroleum Sales Co., Ltd.	4,621,553	1,357,231
Notes payable	CCCC Wuhan Zhixing International Engineering Consulting Co., Ltd.	4,575,000	-
Notes payable	China Communications Materials Co., Ltd.	-	184,380
Notes payable	Chuwa Risheng (Beijing) International Trade Co., Ltd.	-	58,504
Contract liabilities	Cele International Trading Company Limited	448,132,433	-
Contract liabilities	CCCC Third Harbor Engineering Co., Ltd.	159,608,693	-
Contract liabilities	China Harbour Engineering Co., Ltd.	65,387,819	624,960
Contract liabilities	Jiangmen Hangtong Shipbuilding Co., Ltd. of CCCC Fourth Harbor Engineering Co., Ltd.	36,383,857	-
Contract liabilities	Road & Bridge International Co., Ltd.	32,878,607	-
Contract liabilities	CCCC Electrical and Mechanical Engineering Co., Ltd.	27,109,912	85,514,050
Contract liabilities	China Road & Bridge Corporation	17,249,272	3,305,675
Contract liabilities	No.2 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	12,928,237	-
Contract liabilities	CCCC Haifeng Wind Power Development Co., Ltd.	8,955,039	61,299,221
Contract liabilities	CCCC Second Harbor Engineering Co., Ltd.	8,662,492	25,132,743
Contract liabilities	CCCC Financial Leasing Co., Ltd.	2,187,009	-
Contract liabilities	China Communications Information Technology Group Co., Ltd.	1,479,671	-
Contract liabilities	China Communications Construction Company Ltd.	399,000	399,000
Contract liabilities	No.3 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	253,739	253,739
Contract liabilities	CCCC Shanghai Equipment Engineering Co., Ltd.	100,548	100,548
Contract liabilities	Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	42,581	244,452,727
Contract liabilities	Friede & Goldman, Llc.	858	-
Contract liabilities	CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	-	234,699,418
Contract liabilities	CCCC International (Hong Kong) Holdings Limited	-	63,453,174
Contract liabilities	Zhenhua Engineering Co., Ltd.	-	11,480,886
Contract liabilities	CCCC - SHEC Fourth Highway Engineering Co., Ltd.	-	9,381,153
Contract liabilities	Lekki Free Trade Zone Lekki Port Project Company	-	8,789,190
Contract liabilities	CCCC-SHEC Fifth Highway Engineering Co., Ltd.	-	2,326,834
Contract liabilities	Xing An Ji Engineering Co., Ltd. of CCCC Third Harbor Engineering Co., Ltd.	-	200,000
Contract liabilities	ZPMC Changzhou Coatings Co., Ltd.	-	20,303
Contract liabilities	China Highway Engineering Consulting Corporation	-	15,232
Other payables	Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	24,093,303	8,387,875

Item	Related parties	Ending book balance	Beginning book balance
Other payables	CCCC Second Harbor Engineering Co., Ltd.	3,900,134	-
Other payables	CCCC Photovoltaic Technology Co., Ltd.	3,471,759	-
Other payables	CCCC Financial Leasing Co., Ltd.	3,138,717	-
Other payables	CCCC Tianjin Dredging Co., Ltd.	2,000,000	2,000,000
Other payables	CCCG	1,600,544	1,600,544
Other payables	CCCC Construction Group Co., Ltd.	1,335,036	-
Other payables	CCCC Electrical and Mechanical Engineering Co., Ltd.	665,174	638,944
Other payables	No.3 Engineering Co., Ltd. of CCCC Second Harbor Engineering Co., Ltd.	657,337	657,337
Other payables	CCCC Urban Operation Management Co., Ltd.	601,313	101,313
Other payables	ZPMC Changzhou Coatings Co., Ltd.	570,938	571,791
Other payables	CCCC Xiongan Urban Construction Development Co., Ltd.	330,000	330,000
Other payables	Xiamen Jiehang Engineering Testing Technology Co., Ltd.	292,437	64,237
Other payables	CCCC Third Highway Engineering Co., Ltd.	257,975	359,068
Other payables	CCCC Shanghai Equipment Engineering Co., Ltd.	217,192	100,000
Other payables	CCCC Property Service Co., Ltd.	211,250	211,250
Other payables	Shanghai China Communications Water Transportation Design & Research Co., Ltd.	168,050	216,050
Other payables	China Communications Information Technology Group Co., Ltd.	157,500	-
Other payables	Shanghai Jiangtian Industrial Co., Ltd.	150,000	150,000
Other payables	CCCC Dredging (Group) Co., Ltd.	123,993	100,988
Other payables	CCCC Design Consulting Group Co., Ltd.	85,776	1,323,443
Other payables	China Highway Vehicle & Machinery Co., Ltd.	19,800	-
Other payables	CCCC (Xiamen) Information Co., Ltd	9,861	9,762
Other payables	CCCC Third Harbor Engineering Co., Ltd.	9,750	3,350
Other payables	CCCC Third Harbor Consultants Co., Ltd.	3,000	63,372
Other payables	CCCC Water Transportation Planning and Design Institute Co., Ltd.	3,000	59,750
Other payables	CCCC Shanghai Channel Equipment Industry Co., Ltd.	2,000	2,000
Other payables	CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	100	100
Other payables	China Communications Construction Company Ltd.	21	19
Other payables	CCCC Jetport Construction Technology (Shanghai) Co., Ltd.	-	17,500
Non-current liabilities due within one year	CCCC Finance Company Ltd.	-	544,332,444
Long-term payables	CCCC Tianjin Dredging Co., Ltd.	207,669,506	-
Long-term payables	CCCC Third Highway Engineering Co., Ltd.	121,330,525	-
Long-term payables	CCCC Second Harbor Engineering Co., Ltd.	84,569,030	84,569,030
Long-term payables	CCCC Construction Group Co., Ltd.	53,120,249	39,558,526
Long-term payables	CCCC Xiongan Financial Leasing Co., Ltd.	2,547,110	-
Long-term payables	CCCC Dredging (Group) Co., Ltd.	-	262,957,217
Long-term payables	CCCC Third Harbor Engineering Co., Ltd.	-	37,952,715
Long-term payables	No. 2 Engineering Co., Ltd. of CCCC Fourth Highway Engineering Co., Ltd.	-	9,520,885
Long-term payables	First Highway Engineering Group Co., Ltd.	-	2,547,110
Long-term borrowings	CCCC Finance Company Ltd.	550,840,000	36,851,257

(3) Other items

☐ Applicable √ Not applicable

7. Commitments with related parties

√ Applicable ☐ Not applicable

Rendering of services for the Group by related parties

	2025	2024
CCCC Third Highway Engineering Co., Ltd.	804,300,534	837,367,809
CCCC Third Harbor Engineering Co., Ltd.	611,351,331	611,351,330
CCCC First Highway Fifth Engineering Co., Ltd.	388,366,210	388,366,210
No. 2 Engineering Co., Ltd. of CCCC Fourth Highway Engineering Co., Ltd.	305,931,400	305,931,400
CCCC Tianjin Dredging Co., Ltd.	185,520,399	285,042,609
No.1 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.	56,568,996	56,568,996
CCCC Tunnel Engineering Company Limited	158,070	158,070
Shanghai Communications Construction Contracting Co., Ltd.	-	2,631,313
Total	2,352,196,940	2,487,417,737

Sale of products, provision of labor or leasing services to related parties

	2025	2024
Cele International Trading Company Limited	1,417,681,477	-
CCCC First Harbor Engineering Co., Ltd.	492,391,944	509,700,028
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	245,834,691	547,586,806
CCCC Third Harbor Engineering Co., Ltd.	231,216,425	87,064,870
CCCC Second Harbor Engineering Co., Ltd.	199,915,683	137,435,931
CCCC National Engineering Research Center of Dredging Technology and Equipment Co., Ltd.	161,603,631	1,464,887,921
Road & Bridge International Co., Ltd.	107,937,051	171,204,420
CCCC Haifeng Wind Power Development Co., Ltd.	86,063,256	338,071,801
CCCC Second Highway Engineering Co., Ltd.	71,719,696	92,555,656
Zhenhua Engineering Co., Ltd.	51,220,800	-
China Harbour Engineering Co., Ltd.	41,381,072	138,308,741
China Road & Bridge Corporation	32,810,252	75,005,515
CCCC Financial Leasing Co., Ltd.	-	200,708,000
CCCC Road & Bridge South China Engineering Co., Ltd.	-	175,004,771
CCCC Electrical and Mechanical Engineering Co., Ltd.	-	97,345,133
Total	3,139,775,978	4,034,879,593

8. Others

√ Applicable ☐ Not applicable

Monetary funds deposited in the related parties

	2025	2024
CCCC Finance Company Ltd.	1,129,883,165	1,719,919,382

XV. Share-based payment

1. Various equity instruments

(1) Details

☐ Applicable √ Not applicable

(2) Outstanding share options or other equity instruments at the end of the period

√ Applicable ☐ Not applicable

Grantee Category	Stock options outstanding at the end of the period		Other equity instruments outstanding at the end of the period	
	Range of exercise price	Remaining contract term	Range of exercise price	Remaining contract term
Managerial staff R&D staff Production staff Sales staff	Equity incentive plan in 2023 Exercise price: RMB 3.205 per share (2024: RMB 3.260 per share) Option incentive plan (reserved portion) in 2023 Exercise price: RMB 3.945 per share (2024: RMB 4.000 per share)	First unlocking period for the first and reserved grants: from the first trading day after 24 months from the completion of the grant registration to the last trading day within 36 months from the completion of the grant registration Second unlocking period for the first and reserved grants: from the first trading day after 36 months from the completion of the grant registration to the last trading day within 48 months from the completion of the grant registration Third unlocking period for the first and reserved grants: from the first trading day after 48 months from the completion of the grant registration to the last trading day within 60 months from the completion of the grant registration		

Other description

None

2. Equity-settled share-based payments

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Method for determining the fair value of equity instruments on the grant date	Option pricing model
Key inputs used in for measuring the fair value of equity instruments on the grant date	Dividend rate, expected volatility, risk-free rate, expected term of stock option
Basis of determination for the number of exercisable equity instruments	At each balance sheet date during the vesting period, the optimum estimate is made according to subsequent information such as assessment results to adjust the expected number of exercisable equity instruments
Reasons for significant differences between current and previous estimates	
Cumulative amount of equity-settled share-based payments recognized in share premium	35,783,115

Other description:

None

3. Cash-settled share-based payments

☐ Applicable √ Not applicable

4. Share-based payment expense for the current period

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Grantee Category	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Managerial staff	12,733,132	
R&D staff	7,306,159	
Production staff	2,441,321	
Sales staff	1,158,405	
Total	23,639,017	

Other description

None

5. Modifications to and termination of share-based payments

☐ Applicable √ Not applicable

6. Others

☐ Applicable √ Not applicable

XVI. Commitments and contingencies

1. Significant commitments

√ Applicable ☐ Not applicable

Significant external commitments as of the balance sheet date: nature and amounts

Commitments related to capital expenditure contracted for but not provided in the financial statements as at the balance sheet date:

	2025	2024
Buildings, constructions, and mechanical equipment	631,565,748	517,736,387

L/C commitments

The Group has entrusted banks to issue a number of letters of credit for the purchase of imported components. As at December 31, 2025, the outstanding amount under the L/Cs was about RMB 2,609,953,659 (as at December 31, 2024: RMB 3,534,296,423).

2. Contingencies

(1) Significant contingencies on the balance sheet date

☐ Applicable √ Not applicable

(2) Where the Company has no significant contingencies requiring disclosure, this fact shall also be stated:

☐ Applicable √ Not applicable

3. Others

☐ Applicable √ Not applicable

XVII. Post balance sheet events

1. Significant non-adjustment events

☐ Applicable √ Not applicable

2. Profit distribution

☐ Applicable √ Not applicable

3. Sales return

☐ Applicable √ Not applicable

4. Description of other post balance sheet events

☐ Applicable √ Not applicable

XVIII. Other significant events

1. Correction of previous accounting errors

For details, see "Analysis and explanation of the Company of the causes and the impacts of the major changes in accounting policies and accounting estimates or correction of significant accounting errors" under "Important Events."

2. Significant debt restructuring

☐ Applicable √ Not applicable

3. Assets exchange

(1) Non-monetary assets exchange

☐ Applicable √ Not applicable

(2) Other assets exchange

☐ Applicable √ Not applicable

4. Pension plan

☐ Applicable √ Not applicable

5. Discontinued operations

☐ Applicable √ Not applicable

6. Segments

(1) Basis for determining reportable segments and accounting policies

√ Applicable ☐ Not applicable

The Group determines operating segments based on internal organization structure, management requirements and internal reporting system, determines reportable segments based on operating segments, and disclose the information of the segments.

An operating segment is a component of the Group that satisfies all of the following conditions: (1) it is capable of earning revenues and incurring expenses in the course of its ordinary activities; (2) its operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and assess its performance; and (3) separate accounting information is available regarding its financial position, operating results and cash flows. Two or more operating segments may be aggregated into a single operating segment if they have similar economic characteristics and meet certain specified conditions.

Based on the Group's internal organizational structure, management requirements and internal reporting system, the Group identifies its business as a single operating segment for analysis and evaluation.

(2) Financial information of reportable segments

☐ Applicable √ Not applicable

(3) Where the Company has no reportable segments, or is unable to disclose the total assets and total liabilities of each reportable segment, the reasons shall be explained

☐ Applicable √ Not applicable

(4) Other description

√ Applicable ☐ Not applicable

Product and labor information

Income from external transactions

	2025	2024
Port machinery	22,776,108,389	20,593,596,470
Heavy equipment	7,382,674,206	8,292,575,548
Steel structure and related income	3,396,764,185	3,341,971,292
Shipping and lifting services	1,877,356,761	1,324,871,410
Lease income	368,120,414	384,134,037
Engineering construction projects	285,913,696	413,546,349
Sales of materials and others	173,520,675	105,725,075
Total	36,260,458,326	34,456,420,181

Geographic information

Income from external transactions

	2025	2024
Chinese Mainland	19,830,304,826	18,259,962,071
Asia (excluding Chinese Mainland)	7,035,536,493	9,789,555,392
North America	3,150,614,443	1,664,901,303
Europe	2,846,772,292	1,437,730,953
Africa	2,393,015,993	1,789,859,277
Chinese Mainland (export sales)	551,014,260	146,391,226
South America	432,392,071	1,194,357,090
Oceania	20,807,948	173,662,869
Total	36,260,458,326	34,456,420,181

The income from external transaction is attributable to where the customer is located.

Total non-current assets

	2025	2024
Chinese Mainland	17,416,764,503	15,285,643,528
Asia (excluding Chinese Mainland)	11,688,389,436	14,500,878,668
Others	33,245,819	38,792,150
Total	29,138,399,758	29,825,314,346

The non-current assets are attributable to where they are located, excluding financial assets, long-term equity investment, goodwill, deferred income tax assets and other non-current assets.

7. Other significant transactions and events affecting investors' decision-making

☐ Applicable √ Not applicable

8. Others

☐ Applicable √ Not applicable

XIX. Notes to main items of the financial statements of the parent company

1. Accounts receivable

(1) Disclosure by aging

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	14,519,895,536	18,424,966,163
Sub-total of items within 1 year	14,519,895,536	18,424,966,163
1-2 years	1,005,464,636	1,044,066,775
2-3 years	813,203,906	700,264,034
Over 3 years		
3-4 years	654,120,468	332,151,118
4-5 years	203,752,381	745,320,707
Over 5 years	2,398,859,383	1,764,635,994
Total	19,595,296,310	23,011,404,791

(2) Disclosure by bad debt calculation method

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Category	December 31, 2025					December 31, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis	1,049,447,444	5	1,049,447,444	100	-	900,605,325	4	829,355,994	92	71,249,331
Including:										
Provision for bad debts accrued on an individual basis	1,049,447,444	5	1,049,447,444	100	-	900,605,325	4	829,355,994	92	71,249,331
Provision for bad debts by portfolio	18,545,848,866	95	1,923,781,036	10	16,622,067,830	22,110,799,466	96	1,874,951,964	8	20,235,847,502
Including:										
Aging portfolio	18,545,848,866	95	1,923,781,036	10	16,622,067,830	22,110,799,466	96	1,874,951,964	8	20,235,847,502
Total	19,595,296,310	/	2,973,228,480	/	16,622,067,830	23,011,404,791	/	2,704,307,958	/	20,307,096,833

Individual provision for bad debts:

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name	December 31, 2025			
	Book balance	Provision for bad debts	Proportion of provision (%)	Reason for provision
Provision for bad debts accrued on an individual basis	1,049,447,444	1,049,447,444	100	Counterparty financial shortage
Total	1,049,447,444	1,049,447,444	100	/

Description of individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

√ Applicable ☐ Not applicable

Items accrued by portfolio: Aging portfolio

Unit: RMB, Currency: CNY

Name	December 31, 2025		
	Book balance	Provision for bad debts	Proportion of provision (%)
Within 1 year	14,519,931,635	171,785,489	1
1-2 years	1,005,464,636	110,372,374	11
2-3 years	808,609,907	201,868,390	25
3-4 years	654,079,968	247,986,597	38
4-5 years	191,306,930	107,651,064	56
Over 5 years	1,366,455,790	1,084,117,122	79
Total	18,545,848,866	1,923,781,036	

Explanation of provision for bad debts accrued by portfolio:

□ Applicable √ Not applicable

Provision for bad debts is calculated based on the general model of expected credit loss

□ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

Accounts receivable with provision for bad debts accrued by credit risk features portfolio are as follows:

	2025			2024		
	Carrying amount of estimated credit losses arising from default	Expected credit loss rate (%)	Expected credit loss for the entire duration	Carrying amount of estimated credit losses arising from default	Expected credit loss rate (%)	Expected credit loss for the entire duration
Within 1 year	14,519,931,635	1	171,785,489	18,425,074,548	1	134,263,979
1-2 years	1,005,464,636	11	110,372,374	1,039,472,776	18	190,653,182
2-3 years	808,609,907	25	201,868,390	700,223,534	23	162,280,222
3-4 years	654,079,968	38	247,986,597	321,807,272	57	183,234,561
4-5 years	191,306,930	56	107,651,064	645,903,415	66	426,779,591
Over 5 years	1,366,455,790	79	1,084,117,122	978,317,921	79	777,740,429
Total	18,545,848,866		1,923,781,036	22,110,799,466		1,874,951,964

Explanation of significant changes in the book balance of accounts receivable with changes in provisions for losses in the current period:

□ Applicable √ Not applicable

(3) Movements in provision for bad debts

□ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

□ Applicable √ Not applicable

Other description:

There were no recoveries or reversals of provision for bad debts with significant amount in the year.

(4) Accounts receivable actually written off in the current period

□ Applicable √ Not applicable

Write-off of significant accounts receivable

□ Applicable √ Not applicable

Explanation of write-off of accounts receivable:

□ Applicable √ Not applicable

(5) Top 5 accounts receivable and contract assets in terms of ending balance presented by debtor

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name	Balance of accounts receivable at the end of the period	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion in total ending balance of accounts receivable and contract assets (%)	Ending balance of provision for bad debts
Customer 1	8,393,533,256	-	8,393,533,256	38	-
Customer 2	1,432,215,747	-	1,432,215,747	6	-
Customer 3	1,254,933,802	-	1,254,933,802	6	-
Customer 4	1,055,516,817	-	1,055,516,817	5	-
Customer 5	734,729,903	-	734,729,903	3	-
Total	12,870,929,525	-	12,870,929,525	58	-

Other description:

None

Other description:

√ Applicable ☐ Not applicable

Changes in the provision for bad debts of accounts receivable are as follows:

	Opening balance	Provision in the current year	Recovery or reversal in the year	Write-off in the year	Closing balance
2025	2,704,307,958	784,654,133	(515,733,611)	-	2,973,228,480
2024	2,332,223,279	860,737,529	(488,652,850)	-	2,704,307,958

2. Other receivables

Item presentation

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025	December 31, 2024
Interest receivable		
Dividends receivable		
Other receivables	2,591,815,489	3,273,122,746
Total	2,591,815,489	3,273,122,746

Other description:

☐ Applicable √ Not applicable

Interest receivable

(1) Classification of interest receivable

☐ Applicable √ Not applicable

(2) Significant overdue interest

☐ Applicable √ Not applicable

(3) Disclosure by bad debt calculation method

☐ Applicable √ Not applicable

Individual provision for bad debts:

☐ Applicable √ Not applicable

Description of individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

☐ Applicable √ Not applicable

(4) Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Explanation of significant changes in the book balance of interests receivable with changes in provisions for losses in the current period:

☐ Applicable √ Not applicable

(5) Movements in provision for bad debts

☐ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(6) Interests receivable actually written off in the current period

☐ Applicable √ Not applicable

Write-off of significant interest receivable

☐ Applicable √ Not applicable

Note to write-off:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Dividends receivable

(7) Dividends receivable

☐ Applicable √ Not applicable

(8) Significant dividends receivable aging over 1 year

☐ Applicable √ Not applicable

(9) Disclosure by bad debt calculation method

☐ Applicable √ Not applicable

Individual provision for bad debts:

☐ Applicable √ Not applicable

Description of individual provision for bad debts:

☐ Applicable √ Not applicable

Provision for bad debts by portfolio:

☐ Applicable √ Not applicable

(10) Provision for bad debts is calculated based on the general model of expected credit loss

☐ Applicable √ Not applicable

Basis for division of each stage and proportion of provision for bad debt

None

Explanation of significant changes in the book balance of dividends receivable with loss provision changes in the current period:

☐ Applicable √ Not applicable

(11) Movements in provision for bad debts

☐ Applicable √ Not applicable

The recovered or reversed provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(12) Dividends receivable actually written off in the current period

☐ Applicable √ Not applicable

Write-off of significant dividends receivable

☐ Applicable √ Not applicable

Note to write-off:

☐ Applicable √ Not applicable

Other description:

☐ Applicable √ Not applicable

Other receivables

(13) Disclosure by aging

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Aging	Ending book balance	Beginning book balance
Within 1 year (including 1 year)	2,605,905,704	3,086,058,005
Sub-total of items within 1 year	2,605,905,704	3,086,058,005
1-2 years	22,997,585	209,809,641
2-3 years	31,859,656	34,422,810
Over 3 years		
3-4 years	3,083,366	288,375
4-5 years	275,817	303,399
Over 5 years	8,924,113	8,908,993
Total	2,673,046,241	3,339,791,223

(14) Classification by nature of funds

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Nature of funds	Ending book balance	Beginning book balance
Current accounts between subsidiaries	2,188,141,147	2,893,197,219
Taxes on outstanding payment receivable	401,924,026	343,815,031
Customs deposits	42,995,456	38,282,346
Bid and performance bonds	16,534,477	30,880,890
Lease payment receivable	8,984,183	11,849,430
Money on call of on-site product service	8,243,627	12,074,961
Staff loan receivable	6,160,325	9,565,349
Others	63,000	125,997
Total	2,673,046,241	3,339,791,223

(15) Provision for bad debts

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Provision for bad debts	Stage I	Stage II	Stage III	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment occurred)	
Balance as of January 1, 2025		60,768,389	5,900,088	66,668,477
Balance as of January 1, 2025 during the reporting period		60,768,389	5,900,088	66,668,477
--Transferred to Stage II				
--Transferred to Stage III		-65,227,268	65,227,268	-
--Reversal to Stage II				
--Reversal to Stage I				
Provision in the current period		12,423,527	3,458,649	15,882,176
Reversal in the current period		-1,319,901		-1,319,901
Write-off in the current period				
Charge-off in the current period				
Other changes				
Balance as of December 31, 2025		6,644,747	74,586,005	81,230,752

Basis for division of each stage and proportion of provision for bad debt

None

Description of significant changes in book balance of other receivables with changes in loss provision in the current period:

☐ Applicable √ Not applicable

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly:

☐ Applicable √ Not applicable

(16) Movements in provision for bad debts

☐ Applicable √ Not applicable

The reversed or recovered provision for bad debts with significant amount:

☐ Applicable √ Not applicable

Other description:

None

(17) Other receivables actually written off in the current period

☐ Applicable √ Not applicable

Write-off of other significant accounts receivable:

☐ Applicable √ Not applicable

Explanation of write-off of other receivables:

☐ Applicable √ Not applicable

(18) Top 5 other receivables in terms of ending balance presented by debtor

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Name	December 31, 2025	Proportion in the total balance of other receivables (%)	Nature	Aging	Balance of provision for bad debts as of December 31, 2025
ZPMC Group (Hainan) Co., Ltd.	906,191,110	34	Transactions with subsidiaries	Within 1 year	-
Shanghai Zhenhua Heavy Industries Port Machinery General Equipment Co., Ltd.	598,293,469	22	Transactions with subsidiaries	Within 1 year	-
Shanghai Zhenhua Heavy Industries Technology Co., Ltd. (formerly known as: ZPMC Electric Co., Ltd.)	438,056,444	16	Transactions with subsidiaries	Within 1 year	-
ZMPC Germany GmbH	109,236,707	4	Transactions with subsidiaries	Within 1 year	-
Shandong Lanqiao Petrochemical Co., Ltd.	65,227,269	2	Unpaid taxes receivable	Over 5 years	65,227,269
Total	2,117,004,999	79	/	/	65,227,269

(19) Presented in other receivables due to centralized fund management

☐ Applicable √ Not applicable

Other description:

√ Applicable ☐ Not applicable

2025

	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Accruing proportion (%)	
Provision for bad debts accrued on an individual basis	74,586,005	3	74,586,005	100	-
Provision for bad debts accrued by credit risk features portfolio	2,598,460,236	97	6,644,747	-	2,591,815,489
Total	2,673,046,241	100	81,230,752	3	2,591,815,489

2024

	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Accruing proportion (%)	
Provision for bad debts accrued on an individual basis	5,900,088	-	5,900,088	100	-
Provision for bad debts accrued by credit risk features portfolio	3,333,891,135	100	60,768,389	2	3,273,122,746
Total	3,339,791,223	100	66,668,477	2	3,273,122,746

As at December 31, 2025, other significant receivables with provision for bad debts accrued on an individual basis were as follows: (2024: nil).

	2025			
	Book balance	Provision for bad debts	Accruing proportion (%)	Reason for provision
Other receivables 1	65,227,269	(65,227,269)	100	Counterparty financial shortage
Total	65,227,269	(65,227,269)		

As at December 31, 2025, other receivables with provision for bad debts accrued by portfolio were as follows:

	Book balance	Provision for impairment	Proportion of provision (%)
Within 1 year	2,590,505,029	13,142	-
1-2 years	526,038	78,906	15
2-3 years	656,210	196,863	30
3-4 years	616,792	308,396	50
4-5 years	434,909	326,182	75
Over 5 years	5,721,258	5,721,258	100
Total	2,598,460,236	6,644,747	

3. Long-term equity investments

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	December 31, 2025			December 31, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	9,096,539,084		9,096,539,084	8,583,188,115		8,583,188,115
Investment in joint ventures and associates	1,787,052,641		1,787,052,641	1,767,833,295		1,767,833,295
Total	10,883,591,725		10,883,591,725	10,351,021,410		10,351,021,410

(1) Investment in subsidiaries

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase/decrease in the current period				Closing balance (book value)	Ending balance of provision for impairment
			Further investment	Reduced investment	Provision for impairment	Others		
Shanghai Zhenhua Heavy Industries Port Machinery General Equipment Co., Ltd.	2,201,094,108	-	-	-	-	243,720	2,201,337,828	-
Nanjing Ninggao New Channel Construction Co., Ltd.	100,000,000	-	-	-	-	-	100,000,000	-
Nantong Zhenhua Heavy Equipment Manufacturing Co., Ltd.	2,500,007,364	-	-	-	-	347,586	2,500,354,950	-
Shanghai Zhenhua Heavy Industries Group (Nantong) Transmission Machinery Co., Ltd.	1,506,125,799	-	-	-	-	215,599	1,506,341,398	-
CCCC Zhenjiang Investment Construction Management Development Co., Ltd.	70,000,000	-	-	-	-	-	70,000,000	-
ZPMC Qidong Marine Engineering Co., Ltd.	203,000,000	-	-	-	-	272,119	203,272,119	-
CCCC Liyang Urban Investment and Construction Co., Ltd.	363,000,000	-	-	-	-	-	363,000,000	-
Shanghai Zhenhua Shipping Co., Ltd.	140,273,619	-	-	-	-	24,323	140,297,942	-
Shanghai Zhenhua Ocean Engineering Service Co., Ltd.	100,000,000	-	-	-	-	307,084	100,307,084	-
Shanghai Zhenhua Heavy Industries Technology Co., Ltd. (formerly known as: ZPMC Electric Co., Ltd.)	50,074,440	-	-	-	-	1,168,014	51,242,454	-
CCCC Investment & Development Qidong Co., Ltd.	297,500,000	-	-	-	-	-	297,500,000	-
ZPMC North America Inc.	18,564,520	-	-	-	-	-	18,564,520	-
ZPMC Netherlands Coöperatie U.A.	29,434,964	-	-	-	-	-	29,434,964	-
Shanghai Zhenhua Port Machinery Heavy Industries Co., Ltd.	12,423,578	-	-	-	-	973,427	13,397,005	-
ZPMC Machinery Equipment Services Co., Ltd.	7,000,000	-	-	-	-	48,647	7,048,647	-
ZPMC Lanka Company (Private) Limited	6,183,978	-	-	-	-	-	6,183,978	-
ZPMC Middle East Fze	5,271,120	-	-	-	-	-	5,271,120	-
ZPMC Zhangjiagang Port Machinery Co., Ltd.	4,518,000	-	-	-	-	-	4,518,000	-
ZPMC Limited Liability Company	10,172,070	-	-	-	-	-	10,172,070	-
ZPMC Southeast Asia Holding Pte. Ltd.	12,513,114	-	-	-	-	-	12,513,114	-
ZPMC Engineering Africa (Pty) Ltd.	3,084,000	-	-	-	-	-	3,084,000	-

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase/decrease in the current period				Closing balance (book value)	Ending balance of provision for impairment
			Further investment	Reduced investment	Provision for impairment	Others		
ZPMC Engineering (India) Private Limited	2,953,200	-	-	-	-	-	2,953,200	-
ZPMC Brazil Serviço Portuários LTD.	2,936,771	-	-	-	-	-	2,936,771	-
ZPMC Korea Co., Ltd.	6,398,059	-	-	-	-	-	6,398,059	-
ZPMC UK LD	2,797,921	-	-	-	-	-	2,797,921	-
ZPMC Australia Company (Pty) Limited	2,708,500	-	-	-	-	-	2,708,500	-
CCCC Rudong Construction Development Co., Ltd.	82,510,000	-	-	-	-	-	82,510,000	-
CCCC Yongjia Construction Development Co., Ltd.	315,867,200	-	-	-	-	-	315,867,200	-
CCCC Zhenhua Lvjian Technology (Ningbo) Co., Ltd.	4,000,000	-	-	-	-	-	4,000,000	-
ZPMC Latin America Holding Corporation	3,307,850	-	-	-	-	-	3,307,850	-
ZPMC GmbH Hamburg	207,940	-	-	-	-	-	207,940	-
ZPMC Fuzhou Offshore Construction Co., Ltd.	212,000,000	-	-	-	-	-	212,000,000	-
CCCC (Dongming) Investment and Construction Co., Ltd.	218,260,000	-	-	-	-	-	218,260,000	-
Zhenhua Haitong Intelligent Equipment Co., Ltd.	40,000,000	-	-	-40,000,000	-	-	-	-
Shanghai Zhenhua Smart Enterprise Management Co., Ltd.	1,000,000	-	-	-1,000,000	-	-	-	-
Xiong'an Zhenhua Co., Ltd.	15,000,000	-	-	-	-	-	15,000,000	-
CCCC Zhenhua Intelligent Parking (Hengyang) Co., Ltd.	33,000,000	-	-	-	-	-	33,000,000	-
ZPMC Group (Hainan) Co., Ltd.	-	-	500,000,000	-	-	-	500,000,000	-
CCCC Zhenhua Offshore Hoisting and Pipe-Laying Core Equipment Engineering Technology (Shanghai) Co., Ltd.	-	-	50,000,000	-	-	-	50,000,000	-
ZPMC Morocco Co. Ltd.	-	-	750,450	-	-	-	750,450	-
Total	8,583,188,115	-	550,750,450	-41,000,000	-	3,600,519	9,096,539,084	-

(2) Investment in joint ventures and associates

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Investee	Beginning Balance (book value)	Opening balance of provision for impairment	Increase/decrease in the current period								Ending Balance (book value)	Ending balance of provision for impairment
			Further investment	Reduced investment	Profit or loss on investments under the equity method	Adjustment of other comprehensive income	Changes in other equity	Cash dividends or profit declared to be distributed	Provision for impairment	Others		
I. Joint ventures												
Jiangsu Longyuan Zhenhua Marine Engineering Co., Ltd	367,895,744				1,494,259						369,390,003	
ZPMC Mediterranean Liman Makinalari Ticaret Anonim Sirketi	385,318				-385,318						-	
Sub-total	368,281,062				1,108,941						369,390,003	
II. Associates												
CCCC Financial Leasing Co., Ltd.	661,178,256				53,729,432	535,694	670,318	-12,247,158			703,866,542	
CCCC Yancheng Construction Development Co., Ltd.	402,530,473				19,681,108						422,211,581	
CCCC Estate Yixing Co., Ltd.	203,058,465				-10,388,856						192,669,609	
China communications Construction USA Inc.	62,247,180				2,374	-1,364,199					60,885,355	
CCCC Photovoltaic Technology Co., Ltd.	37,851,683			-40,050,855	2,199,172							
ZPMC Changzhou Coatings Co., Ltd.	25,076,280				8,701,592			-3,849,580			29,928,292	
CCCC Xiongan Urban Construction Development Co., Ltd.	7,609,896				491,363						8,101,259	
Sub-total	1,399,552,233			-40,050,855	74,416,185	-828,505	670,318	-16,096,738			1,417,662,638	
Total	1,767,833,295			-40,050,855	75,525,126	-828,505	670,318	-16,096,738			1,787,052,641	

(3) Impairment test of long-term equity investments

☐ Applicable √ Not applicable

Other description:

None

4. Operating revenue and operating costs

(1) Operating revenue and operating costs

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Main business	29,646,461,796	26,987,625,132	32,033,858,447	29,036,791,540
Other business	3,003,516,865	2,874,866,239	2,533,062,181	2,410,014,017
Total	32,649,978,661	29,862,491,371	34,566,920,628	31,446,805,557

(2) Breakdown of operating income and operating cost

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Classification of Contract	XXX-Division		Total	
	Operating revenue	Operating costs	Operating revenue	Operating costs
Type of goods				
Port machinery			21,033,363,587	18,526,817,384
Heavy equipment			5,496,832,220	5,423,269,472
Steel structure and related income			3,111,468,435	2,970,703,053
Sales of materials and others			2,559,172,564	2,571,488,237
Lease income			444,344,301	303,378,002
Engineering construction projects			4,797,554	66,835,223
By region of operation				
Chinese Mainland			18,164,959,143	17,036,081,558
Asia (excluding Chinese Mainland)			6,366,839,847	5,721,427,974
North America			2,709,898,880	2,390,479,164
Europe			2,478,183,160	2,156,394,119
Africa			2,239,894,995	1,901,086,022
Chinese Mainland (export sales)			473,489,700	481,544,719
South America			215,566,503	171,624,628
Oceania			1,146,433	3,853,187
Market or customer type				
Contract type				
By time of goods transfer				
Transfer at a certain point			27,116,833,606	24,447,021,505
Transfer within a certain period			5,533,145,055	5,415,469,866
By contract term				
By sales channel				
Total			32,649,978,661	29,862,491,371

Other description:

√ Applicable ☐ Not applicable

None

(3) Performance obligations

☐ Applicable √ Not applicable

(4) Apportionment to remaining performance obligations

☐ Applicable √ Not applicable

(5) Major contract changes or major transaction price adjustments

☐ Applicable √ Not applicable

Other description:

None

5. Investment income

√ Applicable ☐ Not applicable

Unit: RMB, Currency: CNY

Item	Amount incurred in the current period	Amount incurred in the previous period
Income from long-term equity investments calculated under cost method	147,541,281	127,842,556
Income from long-term equity investment calculated under the equity method	75,525,126	38,775,117
Investment income from disposal of long-term equity investment		
Investment income from held-for-trading financial assets during the holding period	1,648,520	2,043,520
Dividend income from other equity instrument investment during holding	171,626	1,602,665
Interest income from debt investment during holding		
Interest income from other debt investment during holding		
Investment income from disposal of held-for-trading financial assets	109,073,742	11,751,531
Investment income from disposal of other equity instrument investment		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investment		
Income from debt restructuring		
Investment loss resulting from disposal of long-term equity investment	-5,668,458	-11,416,280
Losses on derecognition of financial assets measured at amortized cost	-11,574,005	-54,613,813
Others	-3,005,783	-2,880,805
Total	313,712,049	113,104,491

Other description:

None

6. Others

☐ Applicable √ Not applicable

XX. Supplementary information

1. Items of non-recurring profit or loss in current period

√ Applicable □ Not applicable

Unit: RMB, Currency: CNY

Item	Amount	Remarks
Profit or loss from disposal of non-current assets, including the write-off portion of the provision of asset impairment	36,480,392	
Government subsidies included in current profits and losses except for government subsidies closely related to the normal operations of the Company, in line with national policies, and obtained according to determined standards, with a lasting impact on the Company's profits and losses	157,488,939	
Profit or loss from changes in fair value of financial assets and financial liabilities held by non-financial enterprises and from disposal of financial assets and financial liabilities, except for effective hedging operations associated with the Company's normal operations	81,459,300	
Capital occupation fees charged to the non-financial enterprises and included in current profit or loss		
Profit or loss from the assets entrusted to others for investment or management		
Profit or loss from external entrusted loans		
Losses of various assets caused by force majeure such as natural disasters		
Reversal of provision for impairment of receivables subject to separate impairment test		
Profit generated when the Company's investment cost in acquiring the subsidiary, affiliated company and joint venture is less than the fair value of the recognizable net assets of the invested unit at the time of acquiring		
Current net profit or loss of the subsidiary generated from the business combination under common control from the beginning of the period to the combination date		
Profit or loss from non-monetary assets exchange		
Profit or loss from debt reorganization		
One-time expenses incurred by the enterprise due to the discontinuation of related business activities, such as the expenditure of employee resettlement, etc.		
One-time impact on the current profit and loss due to adjustments in laws and regulations of taxation and accounting		
Share payment expenses recognized once due to cancellation or modification of equity incentive plans		
Profits and losses resulting from changes in the fair value of employee compensation payable after the exercise date in terms of cash-settled share payments		
Profit or loss on changes in fair value of investment property by follow-up measurement in fair value mode		
Profits from transactions with obviously unfair transaction prices		
Profit or loss from the contingencies, unrelated to the normal business of the Company		
Custody fees of entrusted operation		
Other non-operating revenue and expenses except for the above- mentioned items	7,422,903	
Other profit or loss items that conform to the definition of non- recurring profit or loss		
Less: Affected amount of income tax	43,453,352	
Affected amount of minority equity (after tax)	6,495,631	
Total	232,902,551	

Explanations should be provided to the items not listed in the "Explanatory Announcement on Information Disclosure of Companies Offering Securities to the Public No. 1 - Non-recurring Profit or Loss", but identified as non-recurring profit or loss items with significant amount by the Company, and the non-recurring profit or loss items listed in the "Explanatory Announcement on Information Disclosure of Companies Offering Securities to the Public No. 1 - Non-recurring Profit or Loss", but defined as recurring profit or loss items by the Company.

□ Applicable √ Not applicable

Other description:

□ Applicable √ Not applicable

2. Return on net assets and earnings per share

√ Applicable ☐ Not applicable

Profit in the reporting period	Weighted average rate of return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	4.69	0.14	0.14
Net profits attributable to the company's common shareholders after deducting non-recurring profits and losses	3.19	0.09	0.09

3. Differences in accounting data under domestic and overseas accounting standards

☐ Applicable √ Not applicable

4. Others

☐ Applicable √ Not applicable

Chairman: You Ruikai

Date of reporting approved by the Board of Directors: March 30, 2026

Revision information

☐ Applicable √ Not applicable