

Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd.
QUARTERLY REPORT FOR THIRD QUARTER, 2026

The directors and the Board of Directors of Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd. hereby confirm that there are no any important omissions, fictitious statements or serious misleading carried in this report.

Important Notes

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| <ol style="list-style-type: none">1. The Directors and the Board of Directors, and Senior staff members of Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any important omissions, fictitious statements or serious misleading carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completeness of the whole contents.2. Chairman of the Board of Directors of the Company Mr. Ji Zhijian, Financial Majordomo Mrs. Wang Jinxiu and the head of Accounting Department Mrs. Wubin hereby confirm that the financial report of the quarterly report is true and complete.3. The Company's quarterly financial report has not been audited. |
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§1 Major accounting data and changes of shareholders

1.1 Major accounting data and financial indexes

Is there any traceable adjustment to the financial statements for the previous report period?

√ Yes □ No

	2026.7-9	2025.7-9		Increase/decrease over 2025.7-9	2026.1-9	2025.1-9		Increase/decrease over 2025.1-9
		Before adjustment	After adjustment	After adjustment		After adjustment	After adjustment	After adjustment
Total operating income	1, 116, 337, 439. 29	1, 232, 737, 829. 79	1, 235, 957, 000. 48	-9. 68%	3, 296, 007, 784. 85	3, 613, 058, 611. 70	3, 621, 231, 786. 53	-8. 98%
Net profit attributable to parent company	14, 170, 751. 52	12, 002, 679. 43	12, 133, 955. 62	16. 79%	61, 313, 367. 59	90, 293, 117. 21	90, 677, 731. 91	-32. 38%
Net profit attributable to parent company after deducting non-recurring gains/losses	8, 074, 914. 37	6, 277, 524. 31	6, 277, 524. 31	28. 63%	38, 808, 466. 52	79, 189, 507. 09	79, 189, 507. 09	-50. 99%
Net cash generated from operating activities	—	—	—	—	70, 910, 195. 43	-15, 219, 276. 00	-14, 194, 712. 68	-
Basic earnings per share	0. 017	0. 014	0. 014	21. 43%	0. 07	0. 11	0. 11	-36. 36%
Diluted earnings per share	0. 017	0. 014	0. 014	21. 43%	0. 07	0. 11	0. 11	-36. 36%
Weighted average return on net asset yield	0. 45%	0. 38%	0. 38%	Increase 0.07 percentage points	1. 94%	2. 86%	2. 87%	Decrease 0.93 percentage points
	2026.9.30	2025.12.31					Increase/decrease over 2025.12.31	
		Before adjustment			After adjustment		After adjustment	
Total assets	7, 601, 412, 364. 04	7, 596, 536, 378. 75			7, 607, 143, 933. 63		-0. 08%	
Shareholder's equity attributable to parent company	3, 174, 170, 184. 40	3, 153, 969, 751. 79			3, 154, 703, 294. 56		0. 62%	

Item of non-recurring gains and losses	Amount of this report period	Amount from beginning of year to the end of report period
Profit and loss from disposal of non-current assets	-62,948.52	-196,147.78
Government subsidies which were included in the current profits and losses	3,417,249.42	15,135,400.54
Allowance for impairment reversal of receivables tested separately for impairment	500,000.00	3,012,140.03
The net profit and loss of the subsidiary period from the beginning to the consolidation date of the company under the same control.		34,179.37
Gains and losses on debt restructuring	-1,080,258.77	1,493,068.34
The one-time expenses incurred by the enterprise due to the discontinuation of related business activities	-401,976.34	-1,090,039.09
Other non-operating incomes and expenses except the above mentioned	4,157,204.10	6,311,980.86
Income tax effects	446,218.54	2,022,999.64
Minority equity interests effects (after tax)	-12,785.80	172,681.56
Total	6,095,837.15	22,504,901.07

1.3 Major changes in main financial items and indexes, and description of the cause

✓ Applicable ☐ Inapplicable

- (1). Other current assets decreased by 43.19% compared with the beginning of the year, mainly due to the reduction in the input tax amount of value-added tax to be deducted.
- (2). The construction in progress increased by 78.86% compared to the beginning of the year, mainly due to the investment for the digital upgrade and transformation of the production line of the subsidiary company Sonyo Compressor has increased.
- (3). Other non-current assets increased by 37.25% compared to the beginning of the year, mainly due to the addition of properties used for debt settlement in the current period.
- (4). Employee compensation payable has decreased by 48.68% compared to the beginning of the year, mainly due to the fact that the employee compensation (year-end bonuses, etc.) accrued at the end of the previous period has been paid in the current period.
- (5). Financial expenses increased by 80.35% year-on-year, mainly due to the impact of exchange rate losses.
- (6). The net cash flow from operating activities has increased significantly year-on-year, mainly due to the strengthened collection of receivables and the rational matching of cash payments.
- (7). The net cash flow generated from investment activities has increased significantly year-on-year, mainly due to the capital investment in fixed assets of the company's subsidiary Sonyo Compressor, as well as the impact of time deposits during the same period

2.1 Total number and particulars of the shareholders by the end of the report period

Total number of shareholders in the reporting period	58,398	Total number of shareholders as of the last month before disclosure of the annual report	0			
Shareholding of top ten shareholders						
Name	Nature	Proportion	Total number	Number of shares with sale restriction	Number of pledged shares or shares frozen	
Dalian Bingshan Group Co., Ltd.	Domestic non-state-owned legal person	20.27%	170,916,934			
Sanyo Electric Co., Ltd.	Overseas legal person	8.72%	73,503,150			
Lin Zhenming	Foreign natural person	0.80%	6,710,000			
Wu Xiaodong	Domestic natural person	0.55%	4,613,400			
Xue Hong	Domestic natural person	0.43%	3,660,000			
UBS AG	Overseas legal person	0.40%	3,363,908			

MORGAN STANLEY & CO.INTERNATIONAL PLC.	Overseas legal person	0.36%	3,021,649		
Che Shuliang	Domestic natural person	0.28%	2,390,200		
Chen Naisheng	Domestic natural person	0.27%	2,311,330		
J. P. Morgan Securities PLC	Overseas legal person	0.26%	2,188,673		
Shareholding of top ten shareholders without sale restriction					
Name	Number of shares without sale restriction		Type of shares		
Dalian Bingshan Group Co., Ltd.	170,916,934		RMB denominated ordinary shares		
Sanyo Electric Co., Ltd.	73,503,150		Domestically listed foreign shares		
Lin Zhenming	6,710,000		Domestically listed foreign shares		
Wu Xiaodong	4,613,400		Domestically listed foreign shares		
Xue Hong	3,660,000		Domestically listed foreign shares		
UBS AG	3,363,908		RMB denominated ordinary shares		
MORGAN STANLEY & CO.INTERNATIONAL PLC.	3,021,649		RMB denominated ordinary shares		
Che Shuliang	2,390,200		RMB denominated ordinary shares		
Chen Naisheng	2,311,330		RMB denominated ordinary shares		
J. P. Morgan Securities PLC	2,188,673		RMB denominated ordinary shares		
Notes to the associated relationship and uniform actions of the above shareholders	Dalian Bingshan Group Co., Ltd. had the association relationship with Sanyo Electric Co., Ltd. among the above shareholders. Sanyo Electric Co., Ltd. holds 26.6% of Dalian Bingshan Group Co., Ltd.'s equity.				

At the end of the report period, the total number of shareholders of the Company was 58,398 including 51,748 A-share shareholders and 6,650 B-share shareholders.

2.2 Information on the total number of preferred shareholders and the shares held by top ten preferred shareholders as of the end of the reporting period

☐ Yes ☒ No

§3 Other important Matters

☐ Yes ☒ No

§4 Financial Statements

CONSOLIDATION BALANCE SHEET

Prepared by Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd.

September 30, 2026

Unit: RMB Yuan

Items	30-Sep-2026	1-Jan-2026
Current assets:		
Monetary funds	745,896,300.23	881,961,122.28
Financial assets which are measured by fair value and which changes are recorded in current profit and loss		
Derivative financial assets		
Transaction financial assets		
Notes receivable	287,133,162.20	327,073,361.42
Accounts receivable	1,826,149,691.72	1,635,556,614.58
Receivables financing	322,504,636.56	335,509,461.15
Accounts paid in advance	191,530,312.30	155,949,650.91
Other receivables	42,403,978.89	43,092,575.59
Interest receivables		
Dividend receivable		
Inventories	1,459,756,587.05	1,439,914,414.18
Contract assets	155,138,816.72	161,816,928.39
Assets held for sale		
Non-current asset due within one year	403,438.22	359,632.86
Other current assets	19,827,385.84	34,899,376.92
Total current assets	5,050,744,309.73	5,016,133,138.28
Non-current assets:		
Finance asset held available for sales		
Held-to-maturity investment		
Long-term account receivable	1,215,310.60	1,215,818.17
Long-term equity investment	496,801,708.60	483,028,918.31
Other Non-current financial assets	1,683,852.59	1,683,852.59
Investment property	135,314,187.07	121,350,188.47
Fixed assets	1,183,797,695.78	1,261,222,376.24
Construction in progress	28,025,970.54	15,669,392.61
Right of use assets	16,120,339.11	18,009,137.49
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	240,920,477.27	252,007,735.29
Expense on Research and Development		
Goodwill	286,402,171.93	286,402,171.93
Long-term expenses to be apportioned	6,777,261.05	6,036,271.48
Deferred income tax asset	127,475,391.42	125,344,507.42
Other non-current asset	26,133,688.35	19,040,425.35
Total non-current asset	2,550,668,054.31	2,591,010,795.35
Total assets	7,601,412,364.04	7,607,143,933.63
Current liabilities:		

Short-term loans	206,876,071.77	201,836,464.89
Financial liabilities which are measured by fair value and which changes are recorded in current profit and loss		
Derivative financial liabilities		
Transaction financial liabilities		
Notes payable	765,375,813.45	665,364,289.18
Accounts payable	1,785,521,607.72	1,664,582,164.08
Accounts received in advance		
Contract liabilities	532,078,974.10	525,086,822.72
Wage payable	64,243,867.20	125,177,034.62
Taxes payable	20,398,618.94	19,752,816.57
Other accounts payable	196,023,454.77	242,101,014.95
Interest payable		
Dividend payable	533,156.00	533,156.00
Liabilities held for sale		
Non-current liabilities due within one year	191,028,706.54	237,446,970.64
Other current liabilities	164,685,701.43	184,739,239.53
Total current liabilities	3,926,232,815.92	3,866,086,817.18
Non-current liabilities:		
Long-term loans	304,100,000.00	368,328,245.18
Bonds payable		
Preferred stock		
Perpetual bond		
Lease liability	13,019,492.77	16,563,173.78
Long-term account payable	15,734,198.72	18,845,786.63
Long-term wage payable		
Special Payable		
Anticipation liabilities	3,036,070.48	2,300,208.22
Deferred income	79,023,548.98	92,793,132.73
Deferred income tax liabilities	26,096,060.27	28,734,303.46
Other non-current liabilities		
Total non-current liabilities	441,009,371.22	527,564,850.00
Total liabilities	4,367,242,187.14	4,393,651,667.18
Shareholders' equity		
Share capital	843,212,507.00	843,212,507.00
Other equity instruments		
Preferred stock		
Perpetual bond		
Capital public reserve	717,097,098.38	717,830,641.15
Less: Treasury stock		
Other comprehensive income	2,208,669.73	2,208,669.73
Special preparation	3,722,764.40	1,988,616.80
Surplus public reserve	947,945,927.76	923,202,335.01
Generic risk reserve		
Retained profit	659,983,217.13	666,260,524.87
Total owner's equity attributable to parent company	3,174,170,184.40	3,154,703,294.56

Minority interests	59,999,992.50	58,788,971.89
Total owner's equity	3,234,170,176.90	3,213,492,266.45
Total liabilities and shareholder's equity	7,601,412,364.04	7,607,143,933.63

Legal Representative: Ji Zhijian

Chief Financial Official: Wang Jinxiu

Person in Charge of Accounting Organization: Wubin

CONSOLIDATION INCOME STATEMENT

Prepared by Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd.

January - September, 2026

Unit: RMB Yuan

Items	January-September, 2026	January-September, 2025
I. Total sales	3,296,007,784.85	3,621,231,786.53
II. Total operating cost	3,247,198,908.47	3,539,351,270.91
Including: Operating cost	2,753,383,561.95	3,025,681,296.65
Taxes and associate charges	24,609,370.45	24,515,216.19
Selling and distribution expenses	149,832,423.57	173,608,819.73
Administrative expenses	191,968,092.25	192,220,929.46
R&D expenses	105,059,787.57	110,934,948.81
Financial expense	22,345,672.68	12,390,060.07
Including: interest expense	15,428,791.69	18,195,326.75
interest income	3,307,840.82	4,667,033.71
Add: Other income	13,243,780.87	14,731,762.26
Gain/(loss) from investment	20,518,973.86	28,221,773.48
Including: income from investment on affiliated enterprise and jointly enterprise	19,496,117.58	29,335,619.06
Gain/(loss) from change in fair value (loss as “-“)		
Credit impairment loss (loss as “-“)	-11,921,487.21	-16,524,460.56
Assets impairment loss (loss as “-“)	-888,651.05	-6,555,914.51
Gain/(loss) from asset disposal (loss as “-“)	-182,990.76	-69,094.32
III. Operating profit	69,578,502.09	101,684,581.97
Add: non-business income	7,752,815.44	8,143,535.01
Less: non-business expense	1,453,991.64	2,929,703.75
IV. Total profit	75,877,325.89	106,898,413.23
Less: Income tax	12,506,937.69	13,047,901.84
V. Net profit	63,370,388.20	93,850,511.39
(I) Net profit from continuous operation	63,370,388.20	93,850,511.39
(II) Net profit from discontinuing operation		
Net profit attributable to parent company	61,313,367.59	90,677,731.91
Minority shareholders' gains and losses	2,057,020.61	3,172,779.48
VI. After-tax net amount of other comprehensive incomes		
After-tax net amount of other comprehensive incomes attributable to owners of the Company		
(I) Other comprehensive incomes that will not be reclassified into gains and losses		
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
2. Enjoyable shares in other comprehensive incomes in invests that cannot be reclassified into gains and losses under the equity method		
(II) Other comprehensive incomes that will be reclassified into gains and losses		
1. Enjoyable shares in other comprehensive incomes in invests that will be reclassified into gains and losses under the equity method		
2. Gains and losses on fair value changes of available-for-sale financial assets		
3. Gains and losses on reclassifying held-to-maturity investments into available-for-sale financial assets		
4. Effective hedging gains and losses on cash flows		

5. Foreign-currency financial statement translation difference		
6、Others		
.....		
After-tax net amount of other comprehensive incomes attributable to minority shareholders		
VII Total comprehensive income	63,370,388.20	93,850,511.39
Total comprehensive income attributable to parent company	61,313,367.59	90,677,731.91
Total comprehensive income attributable to minority shareholders	2,057,020.61	3,172,779.48
VIII. Earnings per share		
(I) basic earnings per share	0.07	0.11
(II) diluted earnings per share	0.07	0.11

Legal Representative: Ji Zhijian

Chief Financial Official: Wang Jinxiu

Person in Charge of Accounting Organization: Wubin

CONSOLIDATION CASH FLOW STATEMENT

Prepared by Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd.

January - September, 2026

Unit: RMB Yuan

Items	January-September, 2026	January - September, 2025
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	3, 104, 263, 345. 11	3, 172, 528, 743. 46
Write-back of tax received	28, 184, 421. 93	39, 150, 019. 09
Other cash received concerning operating activities	66, 180, 310. 44	71, 057, 590. 32
Subtotal of cash inflow arising from operating activities	3, 198, 628, 077. 48	3, 282, 736, 352. 87
Cash paid for purchasing commodities and receiving labor service	2, 273, 118, 282. 30	2, 383, 345, 683. 36
Cash paid to/for staff and workers	584, 464, 988. 22	588, 280, 727. 68
Taxes paid	99, 052, 096. 37	136, 726, 662. 32
Other cash paid concerning operating activities	171, 082, 515. 16	188, 577, 992. 19
Subtotal of cash outflow arising from operating activities	3, 127, 717, 882. 05	3, 296, 931, 065. 55
Net cash flows arising from operating activities	70, 910, 195. 43	-14, 194, 712. 68
II. Cash flows arising from investing activities:		
Cash received from recovering investment	4, 830, 000. 00	
Cash received from investment income	4, 167, 028. 57	3, 778, 795. 29
Net cash received from disposal of fixed, intangible and other long-term assets	826, 579. 73	480, 628. 81
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	50, 000, 000. 00	50, 000, 000. 00
Subtotal of cash inflow from investing activities	59, 823, 608. 30	54, 259, 424. 10
Cash paid for purchasing fixed, intangible and other long-term assets	45, 202, 151. 99	112, 047, 768. 72
Cash paid for investment	1, 420, 000. 00	1, 800, 000. 00
Net cash paid for achievement of subsidiaries and other business units		
Other cash paid concerning investing activities	75, 000, 000. 00	100, 000, 000. 00
Subtotal of cash outflow from investing activities	121, 622, 151. 99	213, 847, 768. 72
Net cash flows arising from investing activities	-61, 798, 543. 69	-159, 588, 344. 62
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' equity investment by subsidiaries		
Cash received from loans	177, 094, 396. 67	152, 932, 821. 74
Cash received from issuing bonds		
Other cash received concerning financing activities	9, 316, 798. 58	10, 997, 196. 67
Subtotal of cash inflow from financing activities	186, 411, 195. 25	163, 930, 018. 41
Cash paid for settling debts	274, 681, 543. 95	238, 642, 506. 56
Cash paid for dividend and profit distributing or interest paying	59, 590, 760. 28	58, 092, 761. 31
Including: dividends or profit paid by subsidiaries to minority shareholders		
Other cash paid concerning financing activities	16, 012, 158. 61	24, 064, 630. 32
Subtotal of cash outflow from financing activities	350, 284, 462. 84	320, 799, 898. 19
Net cash flows arising from financing activities	-163, 873, 267. 59	-156, 869, 879. 78
IV. Influence on cash due to fluctuation in exchange rate	-4, 463, 373. 26	3, 571, 436. 47

V. Net increase of cash and cash equivalents	-159,224,989.11	-327,081,500.61
Add: Balance of cash and cash equivalents at the period-begin	722,021,877.01	951,579,683.60
VI. Balance of cash and cash equivalents at the period-end	562,796,887.90	624,498,182.99

Legal Representative: Ji Zhijian

Chief Financial Official: Wang Jinxiu

Person in Charge of Accounting Organization: Wubin

Board of Directors of Bingshan Refrigeration & Heat Transfer Technologies Co., Ltd.
October 22, 2026