



HARBIN BOSHI AUTOMATION CO.,LTD.

2024 SUMMARY OF
SEMI-ANNUAL REPORT

August 2024

HARBIN BOSHI AUTOMATION CO., LTD. Semi-Annual Report 2024

(Abstract)

I . Important Notes

This Abstract is extracted from Semi-Annual Report 2024. In order to have a full understanding of the operating results, financial condition and future development planning of the Company, investors are suggested to read the full report carefully on the media designated by the China Securities Regulatory Commission (the “CSRC”). The Company’s 2024 Semi-Annual Report is prepared and published in Chinese version, and the English version is for reference only. Should there be any inconsistency between the Chinese version and English version, the Chinese version shall prevail.

All directors attended the Board Meeting in person for reviewing of this Semi-Annual Report.

Indicate by check mark if independent auditor issues non-standard unqualified opinion.

Applicable Not applicable

Indicate by check mark if there is a pre-arranged plan of profit distribution or transferring capital reserve into common stock for the report period which has been reviewed by the Board of Directors.

Applicable Not applicable

The Company does not plan to issue cash or equity dividends, nor to convert equity reserve into share capital of the Company in the mid 2024.

Indicate by check mark if preplan for preferred stocks profit distribution to shareholders for the report period which has been reviewed and approved by the Board of Directors.

Applicable Not applicable

II. Basic Situation of the Company

1. Company Profile

Stock Abbreviation	Boshi	Stock Code	002698
Stock Exchange for Stock Listing	Shenzhen Stock Exchange		
Stock abbreviations before the change	Not applicable		
Contact Person and Contact Information	Secretary of the Board	Securities Affairs Representative	
Name	Chen Bo	Zhang Junhui	
Contact Address	9 Donghu Street, Concentration Zone of Yingbin Road, Harbin Development Zone	9 Donghu Street, Concentration Zone of Yingbin Road, Harbin Development Zone	
Tel	+86-451-84367021	+86-451-84367021	
Email	ir@boshi.cn	zhangjh@boshi.cn	

In order to speed up the planning and implementation of the construction function of the Company's regional headquarters and provide convenience for value investment, the Company has set up a "Securities and Investment Affairs Office", at No.18, Hongxin Road, Huaqiao Town, Kunshan, Suzhou, Jiangsu Province. Welcome securities investors to inquire about the further information.

2. Key Financial Data and Financial Indicators

Does the Company need to make retroactive adjustment or restatement of the accounting data of the previous year.

Yes No

	2024 H1	2023 H1	Increase/Decrease over the same period of previous year
Operating revenue (RMB)	1,451,943,421.69	1,389,350,667.84	4.51%
Net profit attributable to shareholders of the parent company (RMB)	272,716,784.52	335,465,804.27	-18.71%
Net profit after deducting non-recurring profit or loss attributable to shareholders of the parent company (RMB)	256,725,397.00	309,863,763.65	-17.15%
Net cash flow from operating activities (RMB)	125,053,687.61	-113,276,773.99	210.40%
Basic earnings per share (RMB /share)	0.2684	0.3281	-18.20%

Diluted earnings per share (RMB /share)	0.2664	0.3250	-18.03%
Weighted average return on equity	7.63%	10.17%	-2.54%
	End of the current reporting period	End of previous year	Increase/Decrease over previous year end
Total assets (RMB)	6,402,476,723.12	6,648,692,787.99	-3.70%
Total equity attributable to shareholders of the parent company (RMB)	3,497,540,839.31	3,450,338,131.69	1.37%

3. Number of Shareholders and Shareholding

Unit: Share

Total number of shareholders of common stocks at the end of the reporting period	32,116	Total number of shareholders of preferred stock with resumed voting right at the end of the reporting period	0			
Top 10 shareholders(Excluding shares lent in refinancing)						
Name	Nature	Ownership	Quantity of stocks	Quantity of restricted stocks held	Pledged, marked or frozen stocks	
					Status	Quantity
Unicom Kaixing Equity Investment Management (Zhuhai Hengqin) Limited - Lianchuang Weilai (Wuhan) Intelligent Manufacturing Industrial Investment Partnership (Limited Partnership)	Others	14.20%	145,176,676		Not applicable	
Deng Xijun	Domestic natural person	9.41%	96,181,562	72,136,172	Not applicable	
Zhang Yuchun	Domestic natural person	8.09%	82,696,357	62,022,268	Not applicable	
Wang Chungang	Domestic natural person	5.61%	57,394,047	43,045,535	Not applicable	
Cai Zhihong	Domestic natural person	4.96%	50,677,029		Not applicable	
Cai Hegao	Domestic natural person	4.89%	50,000,000		Not applicable	
Harbin Institute of Technology Asset Investment Management Co. Ltd	Domestic state-owned corporate	3.00%	30,678,500		Not applicable	
Cheng Fang	Domestic natural person	1.52%	15,557,596		Not applicable	
Tan Jianxun	Domestic natural person	1.31%	13,443,938		Not applicable	
Liu Meixia	Domestic natural person	1.04%	10,639,500		Not applicable	
Explanation on the shareholders that are engaged in margin trading business	Not applicable					

Shareholders holding more than 5%, the top 10 shareholders and the top 10 shareholders of unlimited tradable shares participate in the refinancing business to lend shares.

Applicable Not applicable

The top 10 shareholders and the top 10 shareholders of unlimited outstanding shares have changed from the previous period due to refinancing lending/restitution reasons.

Applicable Not applicable

4. Change of the controlling shareholder or the actual controller

Change of the controlling shareholder in the reporting period

Applicable Not applicable

The controlling shareholder did not change in the reporting period.

Change of the actual controller in the reporting period

Applicable Not applicable

The actual controller did not change in the reporting period.

5. Number of preference shareholders and shareholdings of top 10 of them

Applicable Not applicable

The Company had no preference shareholders in the reporting period.

6. Corporate bonds that existed on the date when this Report was authorized for issue

(1) Bond profile

Bond name	Abbreviation	Bond code	Date of issue	Maturity	Balance of face value at the end of reporting period (RMB*0,000)	Coupon rate
Convertible Corporate Bonds of	Boshi Convertible	127072	Sep. 22 nd , 2022	Sep. 21 st , 2028	44,986.47	1 st year 0.30%

Harbin Boshi Automation Co., Ltd.	Bonds					2 nd year 0.50%
						3 rd year 1.00%
						4 th year 1.50%
						5 th year 1.80%
						6 th year 2.00%

(2) Financial indicators at the end of reporting period.

Item	End of the current reporting period	End of previous year	Explanation
Liability /asset ratio	42.75%	45.89%	
Item	2024 H1	2023 H1	Explanation
EBITDA interest cover (times)	40.48	60.62	Due to the increase in interest expense on convertible corporate bonds and the decrease in profit before income tax.

(3) Top 10 convertible bond holders

NO.	Name	Nature	Number of convertible bonds held at the period-end	Face value of convertible bonds held at the period end (RMB)	As % of convertible bonds held at the period end
1	China Galaxy Securities Co. LTD	Domestic state-owned corporate	545,265	54,526,500.00	12.12%
2	Bank of China Limited -Southern Fund Ningkang convertible bond fixed income pension products	Others	203,679	20,367,900.00	4.53%
3	Cai Zhihong	Domestic natural person	192,409	19,240,900.00	4.28%
4	Industrial and Commercial Bank of China Limited -Ping An Select Value-added 1 Hybrid Pension product	Others	184,400	18,440,000.00	4.10%
5	Shenwan Hongyuan Securities Co. LTD	Domestic state-owned corporate	177,560	17,756,000.00	3.95%
6	China CITIC Bank Co., LTD.-Sino Credit Bond Securities Investment Fund	Others	133,000	13,300,000.00	2.96%
7	China Merchants Bank Co., LTD-Huabao convertible bond bond securities investment fund	Others	126,240	12,624,000.00	2.81%
8	Zhongtai Securities Asset Management - Gansu Bank "Huifu" series of financial products plan -	Others	121,003	12,100,300.00	2.69%

	Qilu Asset Management 0006 Directional asset management contract				
9	Bank of China Limited - South Changyuan Convertible bond bond securities investment fund	Others	109,751	10,975,100.00	2.44%
10	Agricultural Bank of China -Invesco Great Wall fund - Invesco Great Wall Fund No. 888 Collection asset management plan	Others	86,320	8,632,000.00	1.92%

III. Other Significant Events

The Company held the sixth meeting of the fifth Board of Directors on November 1st, 2023, reviewed and passed *the Proposal on the Plan to Buy back Part of the Company's Shares*. As of March 15th, 2024, the Company confirmed that this share buy-back plan has been completed, and the Company has done 7,203,019 shares buy-back of the Company in total, accounting for 0.70% of the total share capital, with the highest transaction price of RMB 17.88 per share and the lowest transaction price of RMB 10.58 per share. The total transaction amount is RMB 100,125,282.85 (excluding transaction fees).

IV. Operating Performance Discussion and Analysis

1. Company Main Businesses during the Reporting Period

(1) Industry overview during reporting period

① Industry overview

According to the proportion of revenue during the reporting period, the Company's main businesses in its industry are shown in the following figure:



The core growth businesses of the Company are intelligent manufacturing equipment and industrial services rooted in intelligent manufacturing equipment, which belong to high-end equipment manufacturing industry and modern service industry respectively. Moreover, they are all key industrial directions supported and encouraged by the State. From the perspective of revenue composition, the revenue of two core growing businesses, intelligent manufacturing equipment and industrial services, account for 87% of total, environmental protection process and equipment accounted for 13%, which was supplemented beneficially to the Company's overall performance.

Intelligent Manufacturing Equipment:

“Manufacturing is the main body of the national economy, the foundation of building the country, the instrument of rejuvenating the country and the foundation of strengthening the country.” *Made in China 2025* points out that “accelerating the integrated development of the new generation of information technology and manufacturing technology and taking intelligent manufacturing are the main direction of the in-depth integration of informatization and industrialization.” In recent years, the state issued *the 14th Five-Year Plan for Intelligent Manufacturing Development*, *the 14th Five-Year Plan for the Development of Robot Industry*, *the 14th Five-Year Plan for In-depth Integration of IT Application and Industrialization*, *the 14th Five-Year Plan for the Development of Digital Economy*, “*Robot Plus*” *Application and Implementation Plan*, *Implementation Opinions on Promoting Innovative Development of Future Industries*, which established the high-end equipment manufacturing industry in the “14th Five-Year Plan” and 2035 long term goals, promoted the layout of future industrial innovation and development, provided clear guidelines and directions for accelerating the construction of a manufacturing power, a digital industry and a digital China and promoted the development of China's intelligent manufacturing and digital economy.

From the manufactory industry practice, large-scale Chinese manufacturing enterprises generally use automated product equipment, however, a low percentage of them are digitized among them, not much data is shared among factories, and fewer intelligent technologies are used. The overall level of intelligent manufacturing in China is still far away from the world's advanced level. It is foreseeable that the demand for intelligent manufacturing equipment and intelligent factory overall solutions in internal driving force of leading manufacturing enterprise has long-term and continuous characteristics, with huge potential and without obvious periodicity.

The Company has been engaging in the field of intelligent equipment for a long time, with independent intellectual property rights of intelligent manufacturing equipment products, to help China's manufacturing promote quality and efficiency. Replacing imported equipment or industry-first applications to promote the technological progress of related industries with scientific and technological innovation. The Company's intelligent manufacturing equipment are widely applied in petrochemical, sub-merged arc furnace, new energy, grain, animal feeds, building materials, medicine, food, port, and many other industries, to provide customers with efficient intelligent manufacturing equipment, and promote the application and implementation of the overall smart factory solution. In recent years, the State actively advocates the implementation of industrial digitalization strategies. The Company has accelerated the accumulation application of digital and intelligent technologies mastered. Now it has the designing and implementation capability of digital workshops, intelligent factories and overall solutions in multiple product application fields. The Company's technology and intelligent equipment are in the leading position in the application field of domestic industry, no competitors in the same volume; In some fields, the Company products and technology applications are in the world leading level.

The Company implements differentiation competitive strategy (technology leadership). With the accumulation and industrial application practice in the direction of automation, digital, intelligent manufacturing, the Company responses and guilds the market demand actively with rich product line and intelligent manufacturing overall solution; In recent years, the Company's intelligent manufacturing equipment business has achieved sustained good and rapid development in terms of product innovation, application fields, revenue scale and profit level, and has brought desirable returns to shareholders.

Industrial Service:

On March 16th, 2021, the National Development and Reform Commission, the Ministry of Science and Technology, the Ministry of Industry and Information Technology and the like totaling thirteen departments jointly issued *the Opinions on Accelerating the High-quality Development of the Manufacturing Service Industry*, pointing out, "manufacturing service industry is an important support for improving the competitiveness and comprehensive strength of manufacturing products." Service-oriented manufacturing, as a new manufacturing mode and industrial form with the integrated development of manufacturing and service, is an important measure to promote the integrated development of China's industries and build a modern industrial system, as well as an important direction for the deep integration of advanced manufacturing and modern service industries, also an important path to realize the transformation and upgrading of manufacturing and promote the high-quality development of manufacturing. Through innovation to optimize the form of production organization, operation management mode and business development mode, manufacturing enterprises constantly increase the proportion of service factors in input

and output, transform from processing and assembly to “manufacturing + service”, from the mere sale of products to the sale of “product + service”, these are conducive to extending and upgrading the value chain, increase total factor productivity, product added value and market share.

The production and operation management service of the Company’s for customers in intelligent manufacturing equipment field includes integrated industrial services for process plant and equipment daily operation, repair, maintenance, finished products outbound & inbound, transfer, truck loading and so on. The Company’s professional services contribute customers to concentrate resources on core competitiveness, reduce costs and increase efficiency, and achieve high-quality development. The Company relays on the leading technology advantage, and continues to vigorously promote the strategy of product and service integration over the years. The professional, economic, high-quality and efficient industrial service has been recognized and praised by customers. Based on the awards and encouragement of Company’s achievements in “manufacturing + service”, the Company was identified as “Pilot Unit of Advanced Manufacturing and Modern Service Industry” in August 2021 by the National Development and Reform Commission. In January 2023, the Company was selected into the “The Fourth Batch of Service-oriented Manufacturing Demonstration List” of the General Office of the Ministry of Industry and Information Technology.

Over the years, based on the manufacturing industry, the Company’s industrial services achieved long-term sustained growth, the service network has covered all provinces, regions and municipalities in China except Hong Kong, Macao, Taiwan and Xizang; the service scale and profitability are in the leading position in the industry. The Company’s industrial services, on the one hand, will maintain a steady growth with the growth of product sales and equipment implement stock. On the other hand, this will actively develop the deep service needs of customers, after the Company undertakes and implements new production and operation industrial service projects, the service scale expansion is expected to accelerate.

During 2024 H1, The Company’s overall industrial services revenue reached 359 million, increase 9.97% year-on-year. The revenue of industrial services, an important source that constitutes the Company’s revenue and profit, has grown year after year, this will enhance the whole Company’s ability to resist risks.

Environmental Protection Process and Equipment:

“Clear water and green mountains are gold and silver mountains. A sound ecological environment is not only natural wealth, but also economic wealth, which is related to the potential and sustainability of economic and social development.” Harbin Boao Environmental Technology Co., Ltd, the holding subsidiary of the Company, can collect and treat industrial waste sulfuric acid and sulfur-containing acid gases in chemical production to produce high-purity sulfuric acid for recycling production, and to recycle and reuse the heat energy released in the process to achieve energy saving, emission reduction, recycling, economic and environmental results.

During the reporting period, due to the completion of the project in execution, delivery and acceptance, and the recognition of revenue, the proportion of environmental protection technology and equipment revenue has been greatly improved, reaching 13%, but the gross margin the current period is relatively low, environmental protection process and equipment played a beneficial complementary role in the overall performance of the Company.

②Industry policy impact

Intelligent manufacturing equipment, industrial services, and environmental protection process and equipment industries all are key industrial directions encouraged by the state and led by policies. In recent years, the state has issued intensive industrial policies and industry plans related to intelligent manufacturing, robot and digital economy, leading the development of the industry, promoting large-scale equipment renewal, and the related field is facing major development opportunities. At the same time, the technology accumulation and technological innovation of high-end equipment manufacturing enterprises are constantly improved, with the promoting of national digital infrastructure construction, the project application and implementation ability is becoming increasingly mature. From the Company's long-term industrial practice in the field of intelligent equipment industry, equipment automation, digitalization and intelligent manufacturing are in great demand for China's manufacturing enterprises, and the field of intelligent manufacturing equipment will continue to develop healthily. During the reporting period, the industry policies facing by the Company did not change significantly, please refer to Section III: Operating Performance Discussion and Analysis, industry policy impact of *2023 Annual Report* for details.

(2) Company Main Businesses during the Reporting Period

① Main products, services and application level

Overall Solution for Intelligent Manufacturing Equipment and Intelligent Factory

Post-processing Intelligent Manufacturing Equipment for Solid Material

It is applied in the post-processing fields for the powder, granular materials or irregular materials of petrochemical, new energy, grain, animal feeds, building materials, medicine, food, ports etc. (such as crushing, screening, bagging, boxing and transportation of new energy field polysilicon reduced silicon rods, etc.), providing efficient automatic weighing, packaging and palletizing intelligent manufacturing and production equipment and overall solutions of smart factories.

In the field of post-processing high-end equipment for powder and granular materials in China it has obvious advantages and a stable competitive position. In the field of post-processing high-end equipment for the new energy field irregular polysilicon materials, the original first set of applications has promoted the upgrade of intelligent manufacturing in the industry.

Post-processing Intelligent Manufacturing Equipment for Rubber

It is intelligent equipment and intelligent plant overall solution, applied in production process of synthetic rubber and natural rubber and in the fields of product refining process, dewatering and drying process (rubber washing, cleaning and impurity removal, dewatering, crushing and drying, etc.) and finished product packaging process (weighing, baling, detecting, conveying, packaging and palletizing, etc.)

Complete product line, covering natural rubber and synthetic rubber; It is the only supplier which can provide complete large-scale systems worldwide.

Robot Plus

(High temperature) Operation robot for submerged arc furnace and serialized intelligent products, complete system solutions are applied for high-risk working environment as well as other special operation robots and complete system solutions which can replace high-risk, harsh working conditions, and heavy manual labor.

(High temperature) Operation robot for sub-merged arc furnace and its surrounding systems are in leading position worldwide in the field of calcium carbide; It is carrying out innovative implementation of the intelligent workshop project for the calcium carbide arc furnace, committed to promoting the production of fewer people, unmanned, safe, efficient and environmental”, and bringing the traditional industrial technology revolution with industry subversive technology.

Intelligent Logistics, Warehousing Systems

Connecting solid material post-processing intelligent manufacturing equipment with rubber post-processing intelligent manufacturing equipment to realize intelligent identification, outbound and inbound warehousing management, logistics transshipment, fully automatic vehicle loading, etc., which widely used in many industries of national economy, to help customers to build smart factory overall solutions.

Fully automatic loading machine has formed the first mover advantage of the scale of application, the market responded positively, the future demand in many fields and industries has great potential

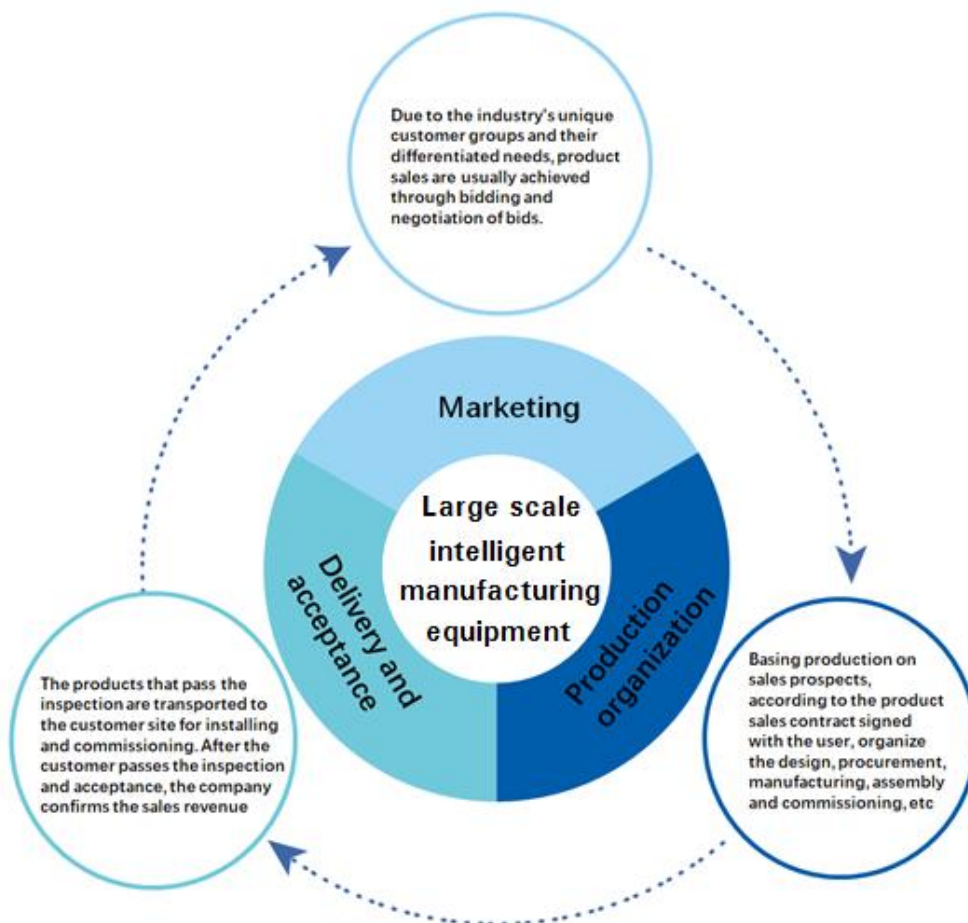
Industrial Services

Based on intelligent manufacturing equipment, industrial services are mainly divided into integrated managed operation and maintenance services, equipment maintenance, maintenance, spare parts sales and other operation and maintenance, after-sales industrial services and supplementary industrial services for the application field of intelligent manufacturing equipment.

Adhering to the Company's technological leadership in the field of intelligent equipment, leading service capabilities and scale in the field

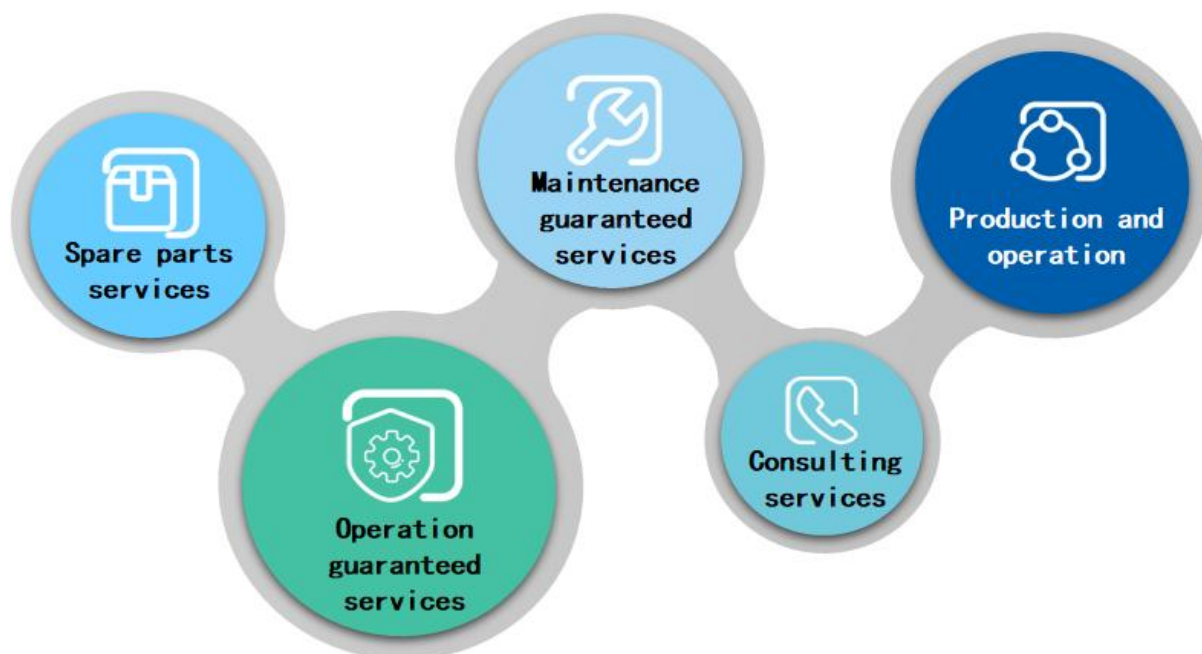
②Business mode

The business model of large-scale intelligent manufacturing equipment is summarized from sales, production organization, product delivery and acceptance, revenue recognition and other links, as shown in the following figure:



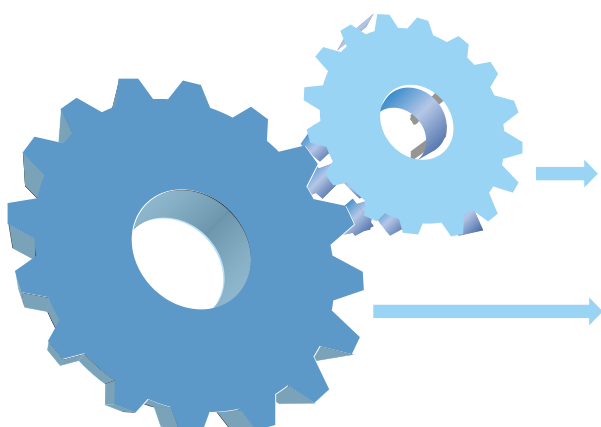
The content characteristics of the operation and maintenance aftermarket and complementary industrial services business models are summarized in the figure below:

Industrial Services——Operation, Maintenance and After-sales Type Industrial Services



By participating in bidding or negotiating bids, the Company signs integrated service, equipment maintenance service agreements with customers (which may include FFS film rolls sales matching with production services), equipment maintenance, operation maintenance and the like to determine the contents and modes of services; For the performance obligations of the service contract performed within a certain period of time, the Company shall recognize the revenue according to the performance progress within the period of time; The sales mode of spare parts is flexible (the Company initiates stocking or the customer initiates procurement), and the operating revenue is confirmed based on the actual delivery of the product and the time when the revenue confirmation conditions are met

Industrial Services——Supplementary Industrial Services and Miscellaneous



FFS Film roll production enterprise matching with industrial services (Nanjing Green New Material Co., Ltd., Company's holding subsidiary) separately sells FFS film rolls, plastic auxiliaries and the like apart from the Company's production and operation services; Other kinds with small revenue are not classified as material.
Revenue recognition: Usually as per the contract signed with customer, implement the contract and meet the revenue conditions, then confirm the operating revenue.

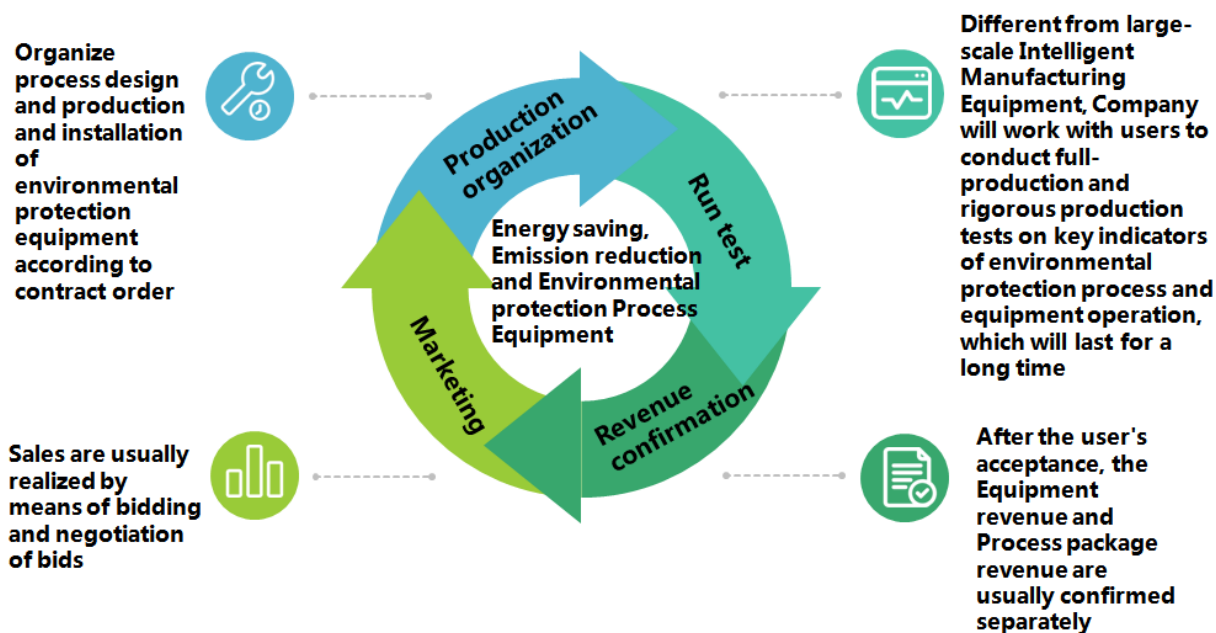
The following environmental protection process equipment business is a useful complement to the Company's intelligent manufacturing equipment and industrial services, two of the Company's core growth businesses.

Energy saving, emission reduction and environmental protection process equipment field



Harbin Boao Environmental Technology Co., Ltd is currently mainly engaged in the design, production, and sales of energy-saving, emission-reduction and environmental protection process equipment which is represented by industrial waste acid regeneration process and equipment. Industrial waste acid regeneration technology and equipment collect and process industrial waste sulfuric acid and sulfur-containing acid gas which are produced in the customer's chemical production to generate high-purity sulfuric acid for recycling production, and release heat energy for recycling and reusing, realizing the effects of energy saving and emission-reduction, recycling uses, economy and environment protection and help to achieve carbon peak and carbon neutral emission reduction targets.

Realizing the effects of energy saving and emission-reduction, recycling uses, economy and environment protection.



(3)Key performance driving factors

The Company has long been committed to the innovation and development of intelligent manufacturing equipment in the field of product application of intelligent manufacturing equipment, to achieve the substitution of domestic equipment for imports and the independent and controllable core technology of major equipment. Through the implementation of differentiated competition strategy of technology leading, the Company continues to open up new markets and lead new demands. The Company's long-term accumulation of core technical capabilities formed deep industrial application practical experience, the efficient technology development path, "point → line → whole", as well as the main R&D of high technical barriers positioning, constitute the Company's sustainable and healthy development of the main internal driving factors. The medium and long-term strategic plans, *China Intelligent Manufacturing 2025 and 2035* etc., the intensive introduction of industrial promotion policies such as intelligent manufacturing, robotics, and digital economy, as well as the internal demand for automation, digitalization, and intelligent manufacturing, constitute the external motivation for the high-quality development of the Company.

In recent years, the Company achieved outstanding results in technology leadership strategy, large system complete strategy, product service integration strategy. In the application field of the Company's products, the continuous improvement of the Company's overall solution capability of intelligent manufacturing, the implementation of smart factories, and the collaborative contribution of "intelligent equipment" + "industrial services" have consolidated the Company's core competitive strength and achieved good and rapid development of business performance. The main business that is highly compatible with the development direction of China's intelligent manufacturing will continue to contribute to the growth momentum of the Company.

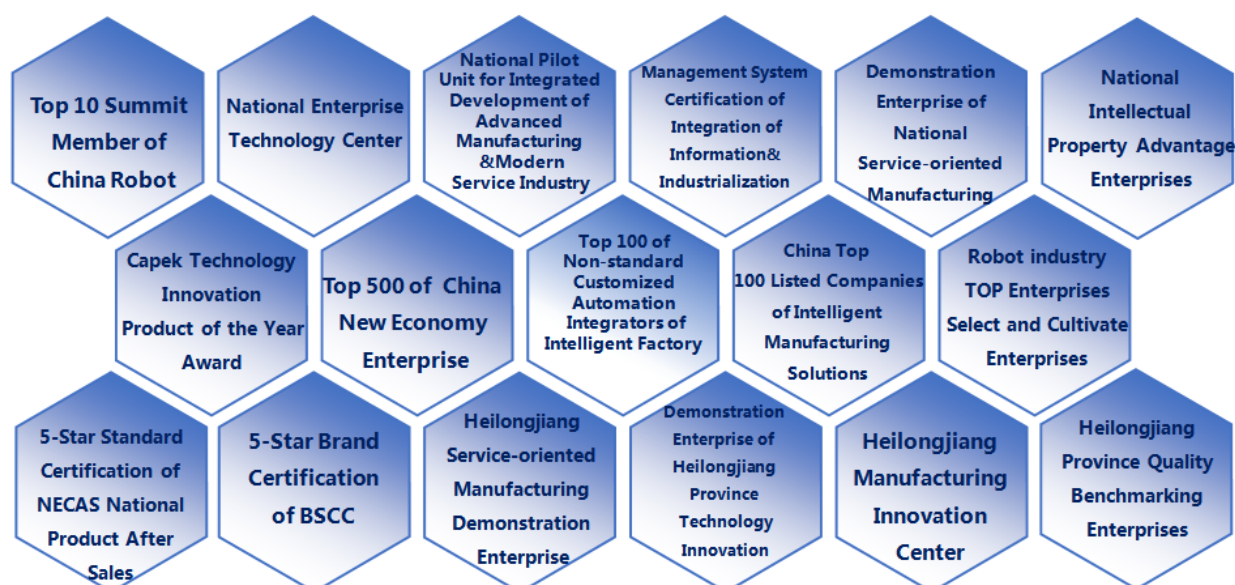
2.Core Competitiveness Analysis

As a technology innovation enterprise, the Company adheres to a differentiated competitive strategy of leading technology, and relies on a deep understanding of China's industrial automation field and long-term

practical experience in industrial applications to maintain a competitive position in the field in which it is engaged over time. The Company's intelligent manufacturing equipment and industrial service businesses are effectively synergized and optimally linked, and environmental protection process equipment to the Company's overall performance constitutes a beneficial supplement. In recent years, the business scale has grown rapidly, and profitability has been greatly improved. With the steady improvement of the Company's digitalization and intelligence in the direction of intelligent manufacturing equipment products, and the expansion of product application capabilities in intelligent manufacturing overall solutions and smart factories, the comprehensive competitiveness has been steadily enhanced.

(1) Industry status

The Company has a solid competitive advantage in the core growth business areas of intelligent manufacturing equipment and industrial services, and its main product, technology and application scale have been playing a leading role for a long time in the domestic product application field, and has won a number of industry awards.



(2) Leading competitiveness of products and technologies

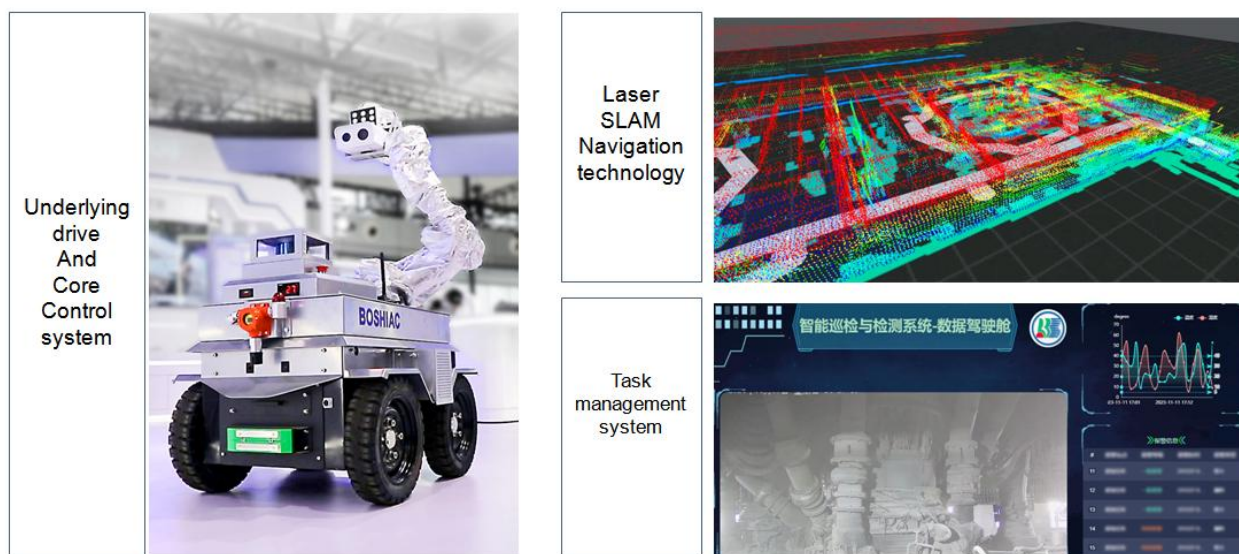
Innovation is the source power to lead the development of technology enterprise, and technology-leading is an important core competitiveness of the Company. Facing the needs of the industry, the Company has increased investment in R&D, grasped new opportunities, expanded new fields, and continuously improved the product technology innovation ability and application ability. The technological leadership advantage continues to enhance and be a competitive position in the industry.

From the perspective of intelligent manufacturing equipment product line, the Company's intelligent equipment has advantageous technical features of accuracy and high operational reliability suitable for the customer production environment with high efficiency, safety and precise production requirements. In the domestic product application field, products and technology are at domestic leading level and international advanced level, among them, partial of the product applications are in the worldwide leading position.

From the perspective of the overall solution of intelligent manufacturing, The Company applies artificial intelligence technologies such as machine vision recognition, deep learning, and robot control algorithms to innovative products in multiple categories, to create digital and intelligent production scenarios for customers, which realizes the overall solution of solid materials post-processing and sub-merged arc furnace smelting products intelligent workshop etc., help customers realize the digital and intelligent transformation and realize intelligent manufacturing.

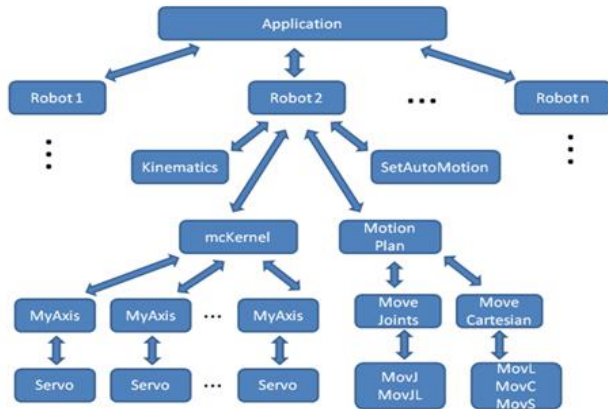
(3) Underlying technology accumulation and application platform technology to enhance the competitiveness.

Mastering the underlying technology, algorithm and application platform technology can truly realize the autonomy and control of the core technology, and continuous promotion is the key technological path for the Company to implement the differentiated competition strategy of the Company’s technology leadership and enhance the core competitiveness. Taking the accumulation and development and application of the Company’s technology in the field of robot plus as an example, mastering these capabilities can rapidly develop robot products of different models and different functions according to the needs of the industry, which is the core technology that the company must master to implement digital workshops and smart factories and realize industrial digitalization.



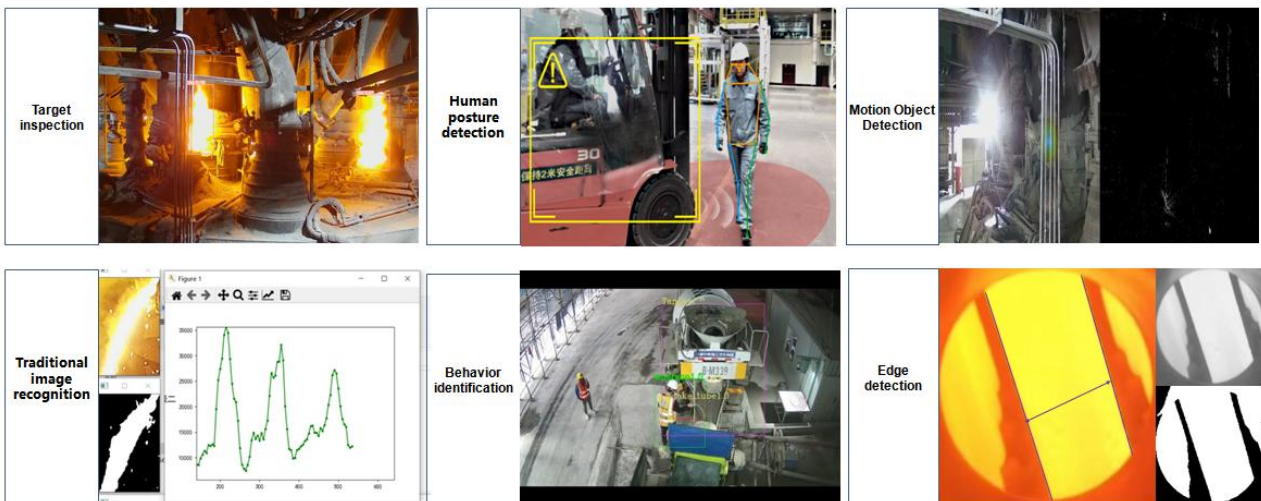
Legend: Development platform for mobile robot system based on autonomous navigation

Note: This section is schematic diagram, some photos and blurred images, under the premise of technical confidentiality, are used to enhance investors’ understanding of relevant applications, the following is omitted.



The underlying program code of the motion control system is completely autonomous and has the advantages of modularity and high flexibility. The system uses object-oriented programming technology, the code is highly reusable, through the interface binding module function. Combined with related robot kinematics and dynamics model, multi-axis motion control is realized to complete the control of robots with different functions and specifications. It has been applied to the direction of oven robot, palletizing robot, truss robot and so on.

Legend: Motion control system



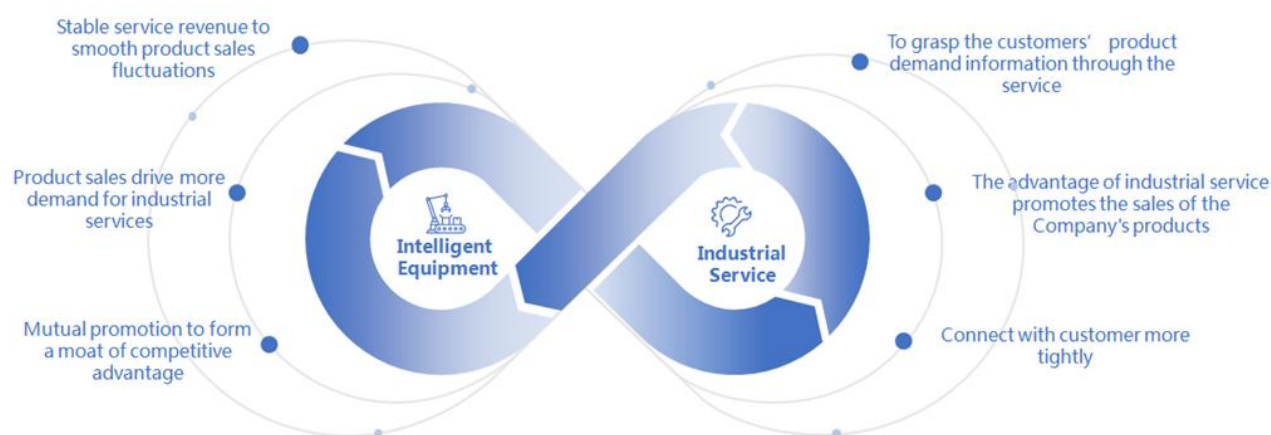
Legend: R&D platform based on artificial intelligence



Legend: Intelligent inspection and digital vision technology

(4) Performance-driven dual engines of two core growth businesses, “intelligent equipment” + “industrial service”.

The Company integrates technology leadership in intelligent equipment and advantages of scale in product applications with industrial service closely, actively promotes the strategy of products and service integration and service business has sustained long-term growth. The Company’s professional, high-quality, efficient and advanced industrial service model is a win-win choice for customers’ continuous, stable and efficient production intelligent equipment and industrial services promote each other, interact positively and develop together. During 2024 H1, the Company’s industrial services revenue increased 9.97% year-on-year, reaching RMB 359 million, and continued to maintain steady growth; “intelligent equipment” + “industrial services” are the Company’s two core growth business, constituting the double engine driving the Company’s performance.



Legend: The positive interaction between intelligent equipment and industrial service

(5) “Point → Line → Whole”, the efficient R&D pathway.

Throughout the Company’s technology, product development and industrialization process, the Company enters new industries and new fields usually with key single unit equipment (“points”); after breakthrough in solving the long-term constraints of industrial development pain points, quickly form an automated production line (“line”); With the accumulation of technology and the in-depth understanding of the industry, the Company forms the ability to develop a total solution (“whole”) for intelligent manufacturing in turn. This process of technological path from “point → line → whole” helps the Company to concentrate technical and financial resources, reduce product development risks, improve the efficiency of R&D investment outputs, open the ceiling of growth with new products, new fields, new applications, new markets, and comprehensively enhance the Company’s core competitiveness.

Single unit sales (“point”), it is inevitable to face large competition, small the project potential contract, limited market space; The complete equipment sales (“line”), the competitive environment improves, the competitive pressure decreases, the market space increases, and the potential contract amount is enlarged; The overall solution of intelligent manufacturing (“whole”), limited competitors, strong competitiveness, market space and potential contract amount is expected to expand for several times.

Take the (high temperature) operation robot for sub-merged arc furnace as an example, the urgent demand for safety production and replacing labors for traditional calcium carbide sub-merged arc furnace industry, based on the industrial robot technology, the Company successfully developed and applied (high temperature) sub-merged arc furnace operation robot which replaces manual work in dangerous and harsh environments for calcium carbide which has epoch-making significance to traditional production (“point”), and successively developed ramming robot for calcium carbide, patrolling robot, intelligent pot transfer technology and other key production system (“line”), until forming science and technology innovation ability of an intelligent workshop overall solution that subverts the traditional production operations of the industry (“whole”), realizing few men, unmanned factories and intelligent manufacturing.

(6) Based on the technological breakthroughs and accumulation of technology in a certain field, cross-industry “re-development” and “re-application” accelerate the Company’s core competitiveness.

Based on the technological breakthrough and technology accumulation in the direction of special operation robots in calcium carbide high-temperature operation environment, the Company has carried out horizontal redevelopment for high temperature furnace operation environments of multiple submerged arc furnace, such as ferrosilicon, silicon manganese, industrial silicon, etc., also has achieved stage-by-stage application results and has signed orders for the products one after another. In the future, the Company may redevelop and reapply the technology formed in the overall solution of the intelligent factory of other calcium carbide submerged arc furnace to the field of submerged arc furnace mentioned above, accelerate the enhancement of the Company’s core competitiveness.

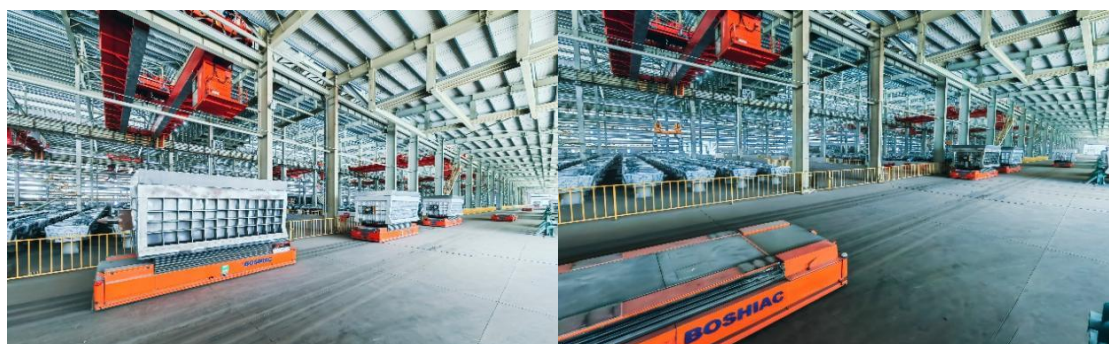


Legend: The product atlas of special operation robot in high temperature environment

(7) Smart workshops, smart factories, and overall solutions further enhance the Company's competitive advantages.

The Company applies intelligent technologies such as visual recognition, deep learning, robot control algorithm, and expert control strategy, combined with industrial Internet communication technology, to the overall solution of smart factories, in order to achieve the minimum number of people and unmanned workshops, and promote the upgrading of intelligent manufacturing industry in related industries. Customers relying on intelligent production decision-making management, achieve safe, efficient and precise production.

The after-treatment intelligent workshop project of calcium carbide finished products delivered from the Company to customers has realized the replacement of manual work under dangerous, harsh and heavy working conditions with high-tech products, and subverted the traditional process, promote the change of production methods, improve the safety of workers and well-being, is of great significance to the calcium carbide industry, it is an innovative application that overturns the traditional way of craftsmanship; Secondly, the overall market space of the smart factory theoretically expected to form several times, ten times the market potential of the original high-temperature furnace operation robot. "Whole" which is the ability of the overall solution of the smart factory determines that the Company is in an advantageous position in the future market competition.



Legend: Calcium carbide production intelligent workshop to achieve few people, unmanned production operations

(8) Brand competitiveness

The Company builds brand with quality, seeks progress with technology, and wins trust with service. Through high-quality products and efficient services, we strive to realize production automation, digitization and intelligent manufacturing for customers. The Company's brand enjoys a constant leading in popularity, high reputation and customer loyalty in the main domestic product application fields. The Company pursues excellence, leads the development of intelligent manufacturing equipment in the application industry and builds up a stable, cooperative and win-win customer base for a long time. High-quality customer resources and huge potential demand for intelligent manufacturing equipment is the foundation and fertile soil of the Company's sustainable and rapid development.

(9) Achievements in intellectual property, proprietary technology and software copyright.

During the reporting period, the Company obtained 33 patents approved by the State Intellectual Property Office, including 13 invention patents and 20 utility model patents; 6 software copyrights are approved by the National Copyright Administration. In addition to patent technology, the Company has a considerable amount of core technical know-how that exists in the form of proprietary technology by relying on confidentiality measures. The patents, proprietary technology and software copyright owned and mastered by the Company is the Company's significant core competitiveness. (Note: The amount of intellectual property acquired during the reporting period may have a slight deviation due to the limitation of statistical time points, and is only for investors' trend reference.)

(10) Social and economic benefits

The transformation of traditional industries with high technology is the responsibility and mission given to technological innovation enterprises by the era. The Company's overall solution of intelligent manufacturing in the field of calcium carbide submerged arc furnace can be widely used in intelligent manufacturing equipment such as automatic loading logistics system in many industries, have transformative impact on replacing manual operations in high-risk or heavy manual working conditions to achieve safe efficient and precise production. Meanwhile, standardized intelligent equipment operations improve the capacity utilization rate, reduce costs and enhance efficiency, and support the early realization of the national double carbons goal indirectly.

The Company actively develops new quality productivity, the ability of large-scale intelligent manufacturing equipment and intelligent factory technology can provide customers with one-stop solutions. Customers choose the Company's intelligent manufacturing equipment and industrial services, in an intensive way of production, solve the problem of structural labor gap and promote the improvement of social production efficiency. The continuous expansion of the application scale of the Company's products and services has not only achieved good social benefits, but also brought considerable economic operating performance benefits and improved shareholder returns steadily.

3. Analysis of Main Business**Overview**

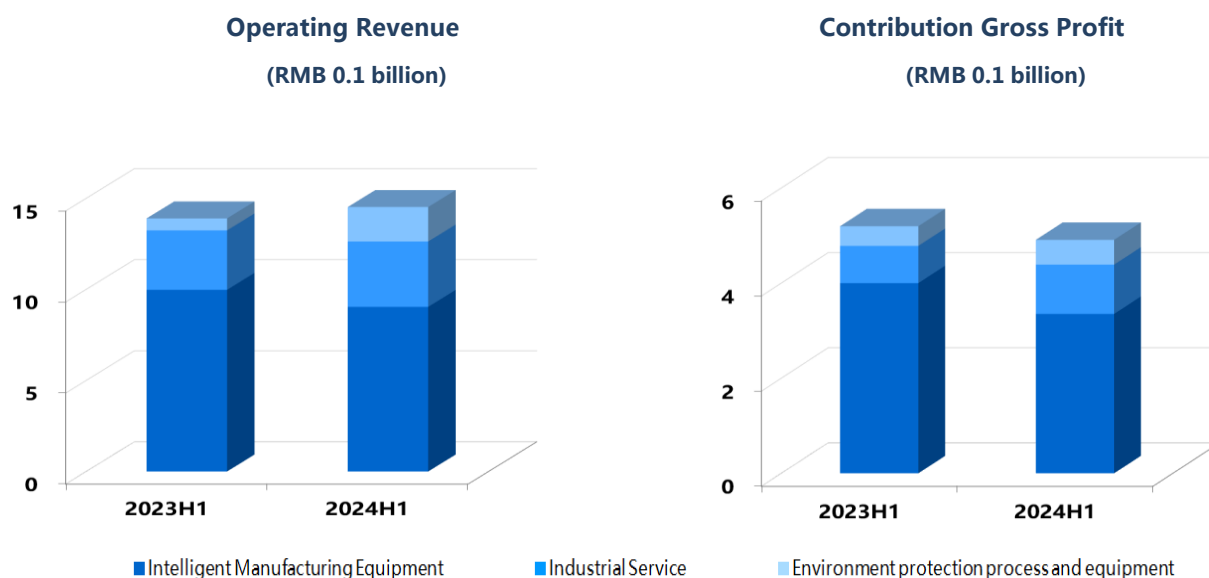
In the H1 of 2024, in the context of high global interest rates, the growth momentum of the world economy and trade is insufficient, and the external environment is complex and severe. The effects of domestic macro policies continued to release, new quality productivity accelerated, the economy showed a positive trend, and the manufacturing industry recovered moderately. On the market point of view, in the face of the urgent need to boost domestic macro demand, scientific and technological innovation can promote the transformation and upgrading of traditional industries, accelerate the integration of manufacturing and service industries, and the demand for the Company's products and services is stable and improving.

Benefiting from the Company's leading technology advantages in intelligent manufacturing equipment products and scale advantages of product application, the Company actively promoted the strategy of product

and service integration. During the reporting period, the Company achieved revenue of RMB 1.452 billion, with an increase of 4.51% over the same period last year, and the weighted average return on equity (ROE) was 7.63%.The revenue of “Intelligent equipment” and “Industrial service” was RMB 1.263 billion, accounting for 86.96% of the total revenue; Among them, the delivery of intelligent manufacturing equipment products was insufficient, and the revenue fell 9.38% year-on-year to RMB 904 million; The revenue of industrial services revenue increased by 9.97% year-on-year to RMB 359 million, continuing to maintain good growth. Environmental protection technology and equipment performed brilliantly, achieving revenue of RMB 189 million, an increase of 188.06%, which ornamented the overall performance. From the perspective of business composition, the intelligent manufacturing equipment and industrial services accounted for 62.25% and 24.71% of the overall revenue, respectively, and accounted for 68.27% and 21.12% of the overall gross profit. From the perspective of profit level, the Company’s net profit to the parent improved quarter by quarter, compared with the higher index of the base period, the Company’s net profit to the parent in the reporting period was RMB 273 million, fell by 18.71% year-on-year. In terms of quarterly indicators, the revenue in the Q2 of 2024 reached the best level in history, the net profit to the parent was the second-highest level in history, and performance continued to power.

The Company’s intelligent manufacturing equipment products are widely used in petrochemical, mineral furnace, new energy, food, feed, building materials, medicine, food, port and other pillar industries of the national economy. During the reporting period, the Company’s marketing work progressed steadily, and the head customers in the application field of the Company’s products were optimistic about the long-term demand for automation, digitalization and intelligent manufacturing transformation and upgrading, which provided a platform and opportunity for the Company’s sustained and steady development.

From the perspective of revenue composition, the Company’s revenue and contribution gross profit ratio structure of intelligent manufacturing equipment, industrial services, environmental protection process equipment are shown in the figure below.



Note: in the above figure, Contributing Gross profit= Operating revenue of corresponding business – Operating cost, the contribution gross profit does not consider the impact of profit and loss of minority shareholders.

During the reporting period, the key accounting data and financial indicators are listed as follows:

Unit: RMB

Items	2024 H1	2023 H1	Increase/Decrease over the same period of previous year
Operating revenue	1,451,943,421.69	1,389,350,667.84	4.51%
Operating profit	337,649,585.25	399,023,163.53	-15.38%
Total profit	337,709,578.78	405,451,186.94	-16.71%
Net profit	292,701,791.18	354,806,018.37	-17.50%
Thereof: Attributable to shareholders of the parent company	272,716,784.52	335,465,804.27	-18.71%

Year-on-year changes to major financial data

Unit: RMB

	2024 H1	2023 H1	Increase/Decrease over the same period of previous year	Rationale
Operating revenue	1,451,943,421.69	1,389,350,667.84	4.51%	
Cost of sales	961,149,762.67	869,840,136.63	10.50%	
Selling and distribution expenses	70,396,136.67	52,816,348.60	33.28%	The increase in the sales scope, which led the increase in sales service fees, staff expenses and after sale expenses.
General and administrative expenses	47,254,478.23	41,113,212.92	14.94%	
Finance expenses	1,647,186.17	-1,474,938.21	211.68%	Mainly affected by the decrease in exchange gain and the increase in interest expense.
Income tax expenses	45,007,787.60	50,645,168.57	-11.13%	
Research and development expenses	54,512,534.74	73,437,581.30	-25.77%	
Net cash flows from operating activities	125,053,687.61	-113,276,773.99	210.40%	Affected by the increase in customer payments, and the decrease in cash paid for goods and services compared with the same period last year.
Net cash flows from investing activities	56,462,233.83	-352,812,745.15	116.00%	Mainly due to the impact of cash management activities.
Net cash flows from	-358,426,518.17	-22,224,026.66	-1,512.79%	Mainly due the distribution of cash

financing activities				dividends and share buyback during the reporting period.
Net increase in cash and cash equivalents	-176,908,280.41	-487,134,044.90	63.68%	It is jointly affected by the net cash flow from operating activities, investing activities and financing activities.
Investment income (loss is stated with “-”)	-7,492,725.79	12,331,338.58	-160.76%	The investment income accrued in associates and income from cash management activities decreased this period.
Credit impairment losses (loss is stated with “-”)	-15,530,274.10	-11,275,967.78	37.73%	Provision for bad debts accrued increased.

Major changes to the profit structure or sources of the Company in the reporting period:

Applicable Not applicable

No such cases in the reporting period.

Breakdown of operating revenue:

Unit: RMB

	2024H1		2023H1		Increase/Decrease over the same period of previous year
	Amount	Proportion of revenue	Amount	Proportion of revenue	
Total	1,451,943,421.69	100%	1,389,350,667.84	100%	4.51%
Categorized by industry					
Intelligent manufacturing equipment	903,781,292.42	62.25%	997,330,173.30	71.78%	-9.38%
Industrial service	358,816,558.08	24.71%	326,289,948.04	23.49%	9.97%
Environmental protection process and equipment	189,345,571.19	13.04%	65,730,546.50	4.73%	188.06%
Categorized by product					
Post-processing intelligent manufacturing equipment for solid material	723,016,009.70	49.80%	744,818,504.47	53.62%	-2.93%
Robots plus	132,974,452.81	9.16%	77,717,235.31	5.59%	71.10%
Post-processing intelligent manufacturing equipment for	30,472,291.84	2.10%	52,968,135.85	3.81%	-42.47%

rubber					
Intelligent logistics, warehousing systems	17,318,538.07	1.19%	121,826,297.67	8.77%	-85.78%
Operation, maintenance and after-sales type industrial services	314,570,836.80	21.66%	276,103,483.92	19.87%	13.93%
Supplementary industrial services and others	44,245,721.28	3.05%	50,186,464.12	3.61%	-11.84%
Environmental process and complete equipment	189,345,571.19	13.04%	65,730,546.50	4.73%	188.06%
Categorized by region					
Region of east China	438,191,938.28	30.17%	555,913,249.41	40.00%	-21.18%
Region of south China	60,773,887.95	4.19%	195,576,976.55	14.08%	-68.93%
Region of central China	86,665,287.81	5.97%	25,515,176.93	1.84%	239.66%
Region of north China	381,367,261.55	26.27%	238,993,469.39	17.20%	59.57%
Region of northwest China	303,855,685.33	20.93%	232,926,037.93	16.77%	30.45%
Region of southwest China	48,213,414.19	3.32%	34,877,446.15	2.51%	38.24%
Region of northeast China	110,494,567.37	7.61%	99,558,261.29	7.17%	10.98%
Overseas	22,381,379.21	1.54%	5,990,050.19	0.43%	273.64%

Industries, products, or regions accounting for more than 10% of company revenue or operating profit

Unit: RMB

	Operating revenue	Cost of sales	Gross profit rate	Operating revenue increase/decrease over the same period of previous year	Cost of sales increased or decreased over the same period of previous year	Gross profit rate increased or decreased over the same period of previous year
Categorized by industry						
Intelligent manufacturing equipment	903,781,292.42	568,702,378.19	37.08%	-9.38%	-4.82%	-3.01%
Industrial service	358,816,558.08	255,181,066.61	28.88%	9.97%	2.90%	4.88%
Environmental protection process and equipment	189,345,571.19	137,266,317.87	27.50%	188.06%	463.23%	-35.42%
Categorized by product						
Post-processing intelligent	723,016,009.70	445,749,313.65	38.35%	-2.93%	5.09%	-4.70%

manufacturing equipment for solid material						
Robots plus	132,974,452.81	93,565,913.96	29.64%	71.10%	110.88%	-13.27%
Post-processing intelligent manufacturing equipment for rubber	30,472,291.84	16,089,861.06	47.20%	-42.47%	-48.57%	6.27%
Intelligent logistics, warehousing systems	17,318,538.07	13,297,289.52	23.22%	-85.78%	-86.38%	3.38%
Operation, maintenance and after-sales type industrial services	314,570,836.80	215,241,777.96	31.58%	13.93%	6.22%	4.97%
Supplementary industrial services and others	44,245,721.28	39,939,288.65	9.73%	-11.84%	-11.95%	0.11%
Environmental process and complete equipment	189,345,571.19	137,266,317.87	27.50%	188.06%	463.23%	-35.42%
Categorized by region						
Region of east China	438,191,938.28	289,792,004.09	33.87%	-21.18%	-22.79%	1.38%
Region of south China	60,773,887.95	42,785,823.93	29.60%	-68.93%	-58.41%	-17.80%
Region of central China	86,665,287.81	56,583,673.68	34.71%	239.66%	210.75%	6.07%
Region of north China	381,367,261.55	254,253,595.68	33.33%	59.57%	77.60%	-6.77%
Region of northwest China	303,855,685.33	202,788,058.08	33.26%	30.45%	32.71%	-1.14%
Region of southwest China	48,213,414.19	31,319,796.02	35.04%	38.24%	35.59%	1.27%
Region of northeast China	110,494,567.37	69,919,190.63	36.72%	10.98%	32.53%	-10.29%
Overseas	22,381,379.21	13,707,620.56	38.75%	273.64%	747.17%	-34.24%

Where the Company's statistical criteria for core business data are adjusted during the reporting period, the core business data for the most recent year have been adjusted based on the statistical criteria effective as of the end of the reporting period.

Applicable Not applicable

The changes in revenue and gross profit rate of the Company's various businesses are explained as follows:

During the reporting period, the revenue of intelligent manufacturing equipment was RMB 904 million, decreased by 9.38% year-on-year; The revenue of industrial services was RMB 359 million, increased by 9.97% year-on-year, and maintained steady growth; Environmental protection technology and equipment revenue jumped to RMB 189 million, ornamented the Company's overall performance.

Intelligent manufacturing equipment:

Post-processing intelligent manufacturing equipment for solid material achieved revenue of RMB 723 million, continued to remain high, with a slight 2.93% decline year-on-year, affected by a single project with revenue of about RMB150 million, which profit was relatively low, the gross profit of this kind fell to 38.35%, decreased by 4.70% year-on-year, the comprehensive gross rate of others reached 41.84% excluded the impact of this project, which was at an excellent level; Intelligent equipment products in the field of new energy were delivered centrally in this period, with a significant increase in revenue year-on-year, and a good profit level contribution and achieved returns of scale.

In the “robot plus” business, due to calcium carbide smart factory project delivered and recognized revenue this period, which offset the impact of declining revenue of (high temperature) operation robot for submerged arc furnace, the revenue of this kind achieved RMB133 million, an increase of 71.10% year-on-year. Due to the relatively high cost of the calcium carbide smart factory that recognized revenue this period as a demonstration application, the overall gross margin level of “robot plus” was reduced to 29.64%, decreased by 13.27% year-on-year.

The revenue of post-processing intelligent manufacturing equipment for rubber and intelligent logistics, warehousing systems revenue both decreased significantly year-on-year, however, both gross profit rate improved, due to the decrease in the number of projects delivered during the period and the increase in the level of project intrinsic profit respectively. The majority of projects of two businesses above are expected to be delivered centrally in 2025, and the revenue situation will be significantly improved.

Industrial services: The Company actively implements the strategy of integration of products and services. As one of the Company’s core growth businesses, industrial service enjoys long-term sustained and steady growth. “Intelligent equipment” + “industrial services” constitutes two performance-driven engines. During the reporting period, the operating revenue of industrial services was RMB 359 million, an increase of 9.97%. The overall gross profit rate of industrial services was 28.88%, with a significant increase, reaching a better level in recent years, among which, the gross profit rate of operation and maintenance, after-sales industrial services reached 31.58%, contributing to the Company’s better profit.

Environmental process and complete equipment: During the reporting period, the revenue of environmental protection technology and equipment increased significantly, reaching RMB189 million, but due to the low profit level of the project, the gross profit rate dropped to 27.50%, the half year contribution about RMB20 million to the net profit of the parent company, which was the same as the whole year of 2023 and a beneficial supplement to the Company’s overall performance.

From the region perspective, based on the Company’s business character, the operating revenue usually varies from period to period, which is mainly affected by demand fluctuations from region to region and structural changes of product demand, as well as Company response demands, completion of product delivery and acceptance progress, etc. It is not a typical fluctuation of gross profit rate divided by regions, please refer to explanation of operating revenue and gross profit rate changes for details.

4. Analysis of Non-Core Businesses

Applicable Not applicable

5. Analysis of Assets and Liabilities

(1) Significant Changes in Asset Composition

Unit: RMB

	End of current reporting period		End of previous year		Increase/ Decrease in proportion	Major changes
	Amount	Proportion of total asset	Amount	Proportion of total asset		
Cash at bank and on hand	158,008,269.97	2.47%	332,216,413.35	5.00%	-2.53%	Mainly due to impacts on cash management activities.
Accounts receivable	1,082,489,889.54	16.91%	1,004,337,478.08	15.11%	1.80%	Increases in sales scale.
Contract assets	143,032,029.78	2.23%	119,436,138.29	1.80%	0.43%	Mainly due to the increase in the quality guarantee of unexpired contracts
Inventories	2,217,509,223.14	34.64%	2,405,309,228.52	36.18%	-1.54%	Mainly jointly influenced by the decrease in work in process and raw materials and the increase in goods delivered.
Long-term equity investments	490,225,600.66	7.66%	404,005,942.77	6.08%	1.58%	Due to the listing of the associated company Bloom Technology on the Shanghai Stock Exchange, the balance increased.
Construction in progress	104,246,529.18	1.63%	74,985,542.78	1.13%	0.50%	Due to the investment in the construction of robot and intelligent factory industrialization production project increased.
Contract liabilities	1,661,359,469.30	25.95%	1,763,411,436.97	26.52%	-0.57%	Mainly due to the decrease in sales of products received in advance.

(2) Major Assets Overseas

Applicable Not applicable

(3) Assets and liabilities measured at fair value

Applicable Not applicable

Unit: RMB

Item	Opening balance	Profit or loss from change in fair value during the period	Cumulative fair value change charged to equity	Amount provided for impairment in the period	Purchased in the period	Sold in the period	Other changes	Closing balance
Financial assets								
Financial asset held for trading (excluding derivative financial))	802,248,744.33	3,862,021.58	21,270,765.91	0.00	2,495,160,000.00	2,021,730,000.00	0.00	1,279,540,765.91
Investments in other equity instruments	55,443,728.57	6,130,898.17	35,036,639.57	0.00	0.00	0.00	0.00	61,574,626.74
Financing receivables	72,533,260.37	0.00	0.00	0.00	0.00	0.00	30,008,806.18	102,542,066.55
Sub-total of the above	930,225,733.27	9,992,919.75	56,307,405.48	0.00	2,495,160,000.00	2,021,730,000.00	30,008,806.18	1,443,657,459.20
Financial liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note: the financial asset held for trading above-mentioned are currency fund and guaranteed bank structural deposits etc., for cash management of unused self-owned capital, based on the resolution of the Board of Directors and the Board of Shareholders.

Whether there were any material changes on the measurement attributes of major assets of the Company during the reporting period

Yes No

(4) Restricted asset rights as of the end of this Reporting Period

Item	Book value at the end of period (RMB)	Limitation reason
Cash at bank and on hand	2,273,045.30	Bank deposit on letter of guarantee.
Cash at bank and on hand	2,310,000.00	Litigation and judicial freeze due to sales contract disputes.

Cash at bank and on hand	7,800.00	Minimum deposit of ETC toll bank account.
Intangible assets	4,336,767.45	Mortgage of holding subsidiary land use right for bank loans.
Fixed assets	12,452,179.91	Mortgage of holding subsidiary real estate for bank loans.
Total	21,379,792.66	

6. Investment Made

(1) Total investment amount

Applicable Not applicable

Total investment amount of the Reporting Period (RMB)	Total investment amount of the same period of last year (RMB)	Change
490,225,600.66	406,733,204.89	20.53%

Due to the listing of the associated company Bloom Technology on the Shanghai Stock Exchange, the balance of long-term equity investments increased. The above investments are equity investments of the Company's ending balance in associated or joint venture companies.

(2) Significant equity investment made in the reporting period

Applicable Not applicable

(3) Significant non-equity investments ongoing in the reporting period

Applicable Not applicable

(4) Financial investments

① Securities investments

Applicable Not applicable

No such cases in the reporting period.

② Derivatives investments

Applicable Not applicable

No such cases in the reporting period.

(5) Use of Raised Funds**① Overall usage of funds raised**

Unit: RMB'0,000

Year	Way of raising	Total funds raised	Total funds used in the current period	Accumulative fund used	Total funds with usage changed this period	Accumulative funds with usage changed	Proportion of accumulative funds with usage changed	Total unused funds	The usage and destination of unused funds	Amount of funds raised idle for over two years
2022	Issuance of convertible corporate bonds	44,341.86 ^{Note}	3,718.24	34,177.44	0	0	0.00%	10,990.07	The Company shall conduct special account management and cash management for the funds not yet used.	0
Total	--	44,341.86	3,718.24	34,177.44	0	0	0.00%	10,990.07	--	0

Explanation of overall usage of funds raised

As of June 30th, 2024, the Company raised fund has used a total amount of RMB 341.7744 million, and the raised funds has not used of RMB 109.9007million (including income from the cash management of the raised funds). The cash management income included in the unused funds is RMB 8.2564 million.

Note: Total fund raised is the net amount after deducting issuance expenses.

② Commitment projects of fund raised

Unit: RMB'0,000

Committed investment project and super raise fund arrangement	Total of committed investment of raised capital	Total investment after modification (1)	Investment amount in the reporting period	Accumulative investment amount as of the period-end (2)	Investment schedule as the period-end (3)= (2)/(1)	Date of reaching intended use of the project
1. Robot and intelligent factory industrialization production project.	16,000.00	16,000.00	2,898.5	10,824.79	67.65%	September 30 th ,2024
2. Sub-merged arc furnace smelting robot and its intelligent factory R & D demonstration project.	9,000.00	9,000.00	339.53	6,490.00	72.11%	June 30 th ,2025
3.Project of technology innovation and service center (R&D center)	7,000.00	7,000.00	480.21	4,520.79	64.58%	November 30 th ,2023
4.Supplementary working capital	12,341.86	12,341.86	--	12,341.86	100.00%	Not applicable
Total	44,341.86	44,341.86	3,718.24	34,177.44	--	--

(6) Collaborative R&D and other related investments progress**① Cooperative R&D project: Humanoid robot key technology and principle prototype**

industrialization R&D project

On August 18th, 2023, the Company signed a “Strategic Cooperation Framework Agreement” with Harbin Institute of Technology (Hereinafter referred as HIT) to jointly establish a humanoid robot key technology and principle prototype industrialization R&D project, and jointly promote the industrialization of related technological achievements and products. The R&D plan of the project focuses on breaking through the design of bionic movement structure, realizing key technologies such as high explosive force and flexible drive, intelligent perception and navigation planning of complex scenes, whole body collaborative movement, humanoid dexterous operation, highly adaptive dynamic balance control and high power density battery.

The setting goal of the project is very challenging, and high level requirement of the robot in the movement ability, operation ability and intelligence. Up to now, in the debugging process of the prototype, the whole machine scheme has been optimized and improved, the structure of the key components has been optimized and improved, and the manufacturing and performance testing of the improved components have been carried out. The project also carries out R&D work such as simulation verification of motion control algorithm and physical verification of navigation planning algorithm.

②Investment in high-end medical diagnosis and treatment equipment

Celiac minimally invasive surgical robot: The celiac minimally invasive surgical robot project of Harbin Si Zhe Rui Smart Medical Equipment Co., Ltd., which is invested and participated by the Company, at the end of reporting period, holds 13.46% of its equity. Electric endoscopic needle forceps (name of registration certificate) has been approved in January, 2021 for medical device registration certificate issued by the State Drug Administration; The endoscopic abdominal surgery system (name of registration certificate) has obtained medical device registration certificate issued by the State Drug Administration in June, 2022.



Image-guided radiotherapy precise positioning: The image-guided radiotherapy precise positioning project of Jiangsu Rayer Medical Technology Co., Ltd., invested by the Company, at the end of reporting period, holds its 13.65% equity. The project obtained the registration certificate of IGPS-O, IGPS-V image-guided radiotherapy positioning system issued by the State Food and Drug Administration in March 2016. In February 2020, the Optical Guidance Tracking System (OGTS) has obtained medical device registration certificate issued by the State Drug Administration



Remote assisted minimally invasive pedicle implantation robot: the remote assisted minimally invasive pedicle implantation robot project of Suzhou Zoezen Robot Co., Ltd., invested and participated by the wholly-owned subsidiary of the Company, at the end of reporting period, the Company holds 5.72% of its equity. The main R&D product of the project, navigation and positioning equipment for spinal surgery has obtained medical device registration certificate issued by the State Drug Administration in February, 2022.



The field of high-end medical diagnosis and treatment equipment project is characterized by long research and development cycle, high barriers to enter, long product registration cycle, and big clinical risks. There are many risk factors that cannot be determined during type testing and clinical trials. For the registered projects, there is also a risk whether the promotion and industrialization can meet the expectation. Hereby, investors are advised to carefully evaluate the relevant risk factors.

③ Progress of the robot equity investment fund

In 2015, the Company participated in the establishment of Dongguan Boshi Ruidexin Robot Equity Investment Fund, and established Dongguan Boshi Ruidexin Robot Equity Investment Center (limited partnership). The total investment of Boshi was RMB 60 million, accounting for 30% of the subscribed investment of the fund. By the end of the reporting period, Boshi had received about RMB 68 million of project investment returns and profit distribution, the earnings are good.

④ The Progress of enterprises invested by the Company declare to IPO

Shanghai Bloom Technology Co., Ltd., which is invested by the Company, was listed on the main board of Shanghai Stock Exchange on January 10th, 2024, with the stock abbreviation: Bloom Technology, stock code: 603325. The total share capital of Bloom Technology after the initial public offering is 66,670,000 shares.

The Company, as a non-controlling shareholder, holds 9,599,760 shares Bloom Technology, occupies 14.40% of the total share capital of Bloom Technology after the initial public offering.

Harbin Sizherui Intelligent Medical Equipment Co., Ltd, which is invested by the Company, currently has a registered capital of RMB 150 million, the Company holds 13.46% of its equity and is a non-controlling shareholder. In June 2023, the application for initial public offering of shares and listing on the science and technology innovation board was approved by the Listing Review Committee of the Shanghai Stock Exchange, and it needs to be registered with the China Securities Regulatory Commission before it can start the follow-up work of the IPO.

7. Sale of Major Assets and Equity Interests

(1) Sale of major assets

Applicable Not applicable

No such cases in the reporting period.

(2) Sale of major equity interests

Applicable Not applicable

8. Analysis of Major Subsidiaries and Participating Company

Applicable Not applicable

During the reporting period, the Company has no important holding company information that should be disclosed.

9. Structured Bodies Controlled by the Company

Applicable Not applicable

10. Risks Facing by the Company and Countermeasures

(1) The risk that the R&D of intelligent manufacturing equipment and industrialization process are less than expected.

The Company has the capability to provide customers with overall solutions of intelligent manufacturing in the main equipment application field of complete large scale intelligent equipment. “Manufacturing is the main body of the national economy, the foundation of building the country, the instrument of rejuvenating the country and the foundation of strengthening the country.” China is undergoing a “transformation from big manufacturing country to powerful manufacturing country”, and the demand for digital and intelligent workshop is on the rise. “*Intelligent Manufacturing Development Plan of the 14th Five-year Plan*” clearly

expresses “In the 14th Five-year Plan and for a long period in the future, the promotion of intelligent manufacturing should be based on the essence of manufacturing, closely follow the characteristics of intelligence, take process equipment as the core, take data as the basis, rely on manufacturing units, workshops, factories and supply chains and other carriers to promote the digital transformation of manufacturing industry, network coordination and intelligent transformation. By 2025, most manufacturing enterprises above designated size will realize digital networking, and backbone enterprises in key industries will initially apply intelligence; By 2035, manufacturing enterprises above designated size will fully popularize digital networking, and backbone enterprises in key industries will basically realize intelligence.” In the face of huge industrial digitization market prospect, if the Company cannot expand the application field of new technology in time, lead, guide and respond to the market demand in product development, or the industrialization process is less than expected, the Company may miss demand bonus, which will bring an adverse impact on the medium- and long-term development of the Company and become one of the risk factors faced by the Company.

Solutions: First of all, the initiating of R&D project, the Company should choose projects with large market demand, can be copied, and has technical advantages in the field, meanwhile, the R&D risk is small, after the success of R&D, the market space of copy and promotion is large. Secondly, the choosing areas of R&D project, the Company should choose areas with industry pain points and high technical difficulty, after key technology breakthroughs, the technical advantage is expanded from “point” to “line” to establish first-mover advantage. Thirdly, in the process of forming the overall solution of intelligent manufacturing, for the non-key supporting technologies that are mature in the market, the Company makes optimal use of social resources, which is conducive to the Company to concentrate resources on the R&D of core technologies and accelerate the launch of product solutions. At the same time, the Company’s product solutions for intelligent manufacturing and factory digitization and the establishment of standardized modules are conducive to the replication and promotion of product technology in different customers and different industries, accelerate the industrialization process, and effectively deal with related risk factors.

(2) The risk that 5G-based industrial internet and artificial intelligence technology cannot be deeply applied in the Company’s overall solution of intelligent manufacturing.

Industrial Internet technology and the digital infrastructure built by 5G etc., in the field of intelligent manufacturing provide technical convenience for the digitization and intelligence of factories; The application level of artificial intelligence technology determines the ability of intelligent manufacturing in the future. At present, the Company has outstanding competitive advantages in the field of product application, but if the artificial intelligence technology based on 5G and industrial Internet cannot be deeply integrated and applied in intelligent manufacturing product technology solutions in the future, it will restrict the speed and quality of the Company’s medium and long-term development, constituting one of the risk factors.

Solutions: Enterprises above the designated size of China’s manufacturing industry generally have automated production lines, but low level in the proportion of digitalization, little factory data sharing, and few use of intelligent technology. The development of intelligent manufacturing in China still has a big gap compared with the United States, Japan and Germany, and the overall development space of the industry is broad. Based on years of technical accumulation and rich product line application advantages, in the main product application practices, the Company will integrate the application, accumulation and iteration of artificial

intelligence technology based on 5G and industrial Internet in the overall solution of intelligent manufacturing. At the level of product R&D, the Company focuses on accelerating the application depth of artificial intelligence technology in the digitalization and intelligence of manufacturing industry, accumulates project experience, establishes technical reserves, accumulates competitive advantages, and copes with risk factors.

(3) The risk that “robot plus” and China intelligent equipment demand is less than expected.

In recent years, the State has intensively issued *the 2025 and 2035 China intelligent manufacturing industry development planning goals and robot plus application action implementation plan*. As the dominant enterprise, the Company represents the domestic leading level in the field of product application, and some product application abilities are leading in the world. The relevant national intelligent manufacturing industry planning will take the lead in the implementation of advantageous enterprises in various industries. The Company's products cover the top customers in the application field. The Company will face many development opportunities in the future. However, in the face of the receding of globalization, the rise of trade protection, the lack of momentum for the growth of the world economy and trade, the geopolitical and geo-economic crisis occurs from time to time in the world, domestic demand needs to be boosted urgently. These factors or other unforeseen factors are not excluded, which will affect China's future demand for high-end intelligent manufacturing equipment and constitute one of the risk factors restricting the Company's medium and long-term performance.

Solutions: As a leading enterprise in the field of domestic product application, the Company has long been deeply engaged in the product direction of intelligent manufacturing equipment, has continued to lead the popularity, reputation and customer loyalty, and has built a stable, cooperative and win-win cooperate network with customers for a long time. With continuous digital and intelligent upgrade needs, The Company's main customers are leading enterprises in the industry, which can provide sufficient space for the future development of the Company. The Company is actively implementing intelligent workshop, intelligent factory overall solution application, which can open product application space, and provide a broad space for the Company. The Company increases investment in R&D, guides customer demand with continuous technological innovation, transforms traditional industries with vibrant products, opens up new opportunities, and deals with risk factors.

(4) The risk that “industrial services plus” expand less than expected.

Industrial service is the buffer and booster of the Company's revenue and profit sustainable growth. Over the years, the Company's industrial service business has continued to grow steadily, in 2024 H1, the revenue has exceeded RMB 359 million, with a year-on-year growth of 9.97%. In terms of the number of potential target customers and room for growth in the industrial services production operation and maintenance business, it is still at a low penetration level compared with the Company's target customer service base, and has good development expectations in the future. However, if the Company cannot continue to develop this business direction, “industrial service plus” expansion is less than expected, which will form one of the risk factors restricting the Company's medium and long-term development.

Solutions: The Company has implemented the service integration strategy for a long time, this coincides with the direction of the national service-oriented manufacturing industry. The Company has established industrial service team covering all provinces, regions and municipalities in the country except Hong Kong, Macao,

Taiwan and Xizang over the years, forms timely response and national industrial service capacity, and contribute to profit. Industrial services are rooted in intelligent manufacturing equipment, industrial service and intelligent manufacturing equipment benign interacted and common developed. With the expansion of the Company's intelligent manufacturing equipment application stock, the demand for the Company's industrial services continues to grow, effectively promoting the development of industrial service business. In the face of the industrial opportunities of the integration of national advanced manufacturing industry and modern service industry, the Company has enough market opportunities and motivation to accelerate development and actively cope with risk factors.

(5) In the face of the new opportunities of “robots plus”, there may be risks in developing new industrial directions.

As early as 2005, the Company's independent intellectual property rights of industrial robots on the customer site successfully applied, the Company continues to industrial robot perception technology, control technology, decision-making technology applied to the Company's large-scale intelligent equipment, in the field of engagement, is in long-term technology leading advantage. In recent years, the Company's has achieved good results in first high temperature special operation robot in the field of calcium carbide furnace R&D, application and industrialization, the Company is actively implementing the demonstration project of the overall solution of smart factory in this field. At the same time, the Company actively develops special operation robots for high temperature environment such as ferrosilicon, silicon manganese and industrial silicon sub-merged arc furnace, and has successively succeeded in pilot tests and obtained small batch orders. However, with the rapid development of artificial intelligence technology at present, represented by humanoid robots, which are intelligent, quick, skillful and multi-scenario applied, explain the more far-reaching connotation and development space of robots plus. “Robot is the pearl at the top of the crown of the manufacturing industry”, if the Company cannot continue to make progress in the field of robot plus and accelerate the promotion of technical achievements in new areas to expand the market, it is one of risk factors affecting the medium to long-term competitiveness of the Company.

Solutions: During the reporting period, the Company's calcium carbide production smart factory in the direction of “robot plus” was implemented smoothly, and a demonstration project was delivered and accepted and its operating income was confirmed, marking a major breakthrough in this field. With the successful application of demonstration projects, the Company focuses on expanding new market sales and accelerating industrialization promotion, and expects to form future increments. At the same time, the Company is optimistic about the strategic development opportunity of humanoid robots, and actively layout the future industry, taking humanoid robots as one of the Company's important strategic R&D directions. The Company and Harbin Institute of Technology jointly set up a humanoid robot key technology and principle prototype industrialization R&D project, and plan to jointly promote the industrialization of related technological achievements and products in the future. The Company actively grasps the above opportunities and deals with risk factors.

(6) The risk that the R&D of humanoid robots less than expected.

In the new round of scientific and technological revolution and industrial change to accelerate the evolution of major cutting-edge technologies, disruptive technologies continue to emerge, in order to accelerate the development of new quality productivity, combined with the Company's advantages in intelligent

manufacturing equipment, high temperature special operation robots and smart factories and other product applications, the Company is optimistic about the field of humanoid robots major development opportunities, humanoid robots as one of the Company's important strategic R&D directions. On August 18th, 2023, the Company signed a *Strategic Cooperation Framework Agreement* with HIT to jointly establish a humanoid robot key technology and principle prototype industrialization R&D project, and jointly promote the relevant technological achievements and future industrialization work.

The future industry of humanoid robots is driven by cutting-edge technologies, and the relevant R&D industrialization investment is inevitably accompanied by greater risks. The field of humanoid robots, different from the Company's intelligent manufacturing equipment, high-temperature furnace operation robots and other industrial fields, is a new, cutting-edge, highly challenging field of technological innovation, therefore, so there is uncertainty risk factor;

In cooperation with HIT, the Company has complementary advantages, multi-disciplinary crossover and multi-department participation, which is systematic, complex, phased and long-term. Whether and when the expected results can be achieved in R&D is highly uncertain, which constitutes one of the risk factors;

In the implementation process, whether the phased results can meet the expectations, whether it has the advanced level, and whether there is market demand, there is a great uncertainty, which constitutes one of the risk factors;

Even if there are expected R&D results, there is great uncertainty about whether industrialization can be smoothly carried out in the future, whether industrialization has comprehensive advantages, and whether it can quickly obtain market share, which constitutes one of the risk factors.

The implementation of the project has long-term characteristics and cannot have a positive impact on the Company's financial data in the short term. In the specific process of promotion, there are unforeseen factors that will affect the progress of R&D and the transformation of future results and constitute one of the risk factors;

Due to the pioneering nature of the project, it will be subject to the limitations of the industry and the scientific and technological level of the industry. If there are key technologies yet to be improved in the industry as a whole, it will affect the R&D progress or industrialization process and constitute one of the risk factors.

Considering the above risks, it is inevitable that in the implementation process of humanoid robot projects, there are still other unforeseen risk factors, which constitute one of the risk factors that the company needs to face.

Solutions: Over the years, the Company is one of the early industrial robot engineering applications in China, has formed a prominent competitiveness in the field of intelligent manufacturing equipment, high temperature special operation robots, and formed a good industrial foundation in "robot plus". For the cooperation with HIT in the direction of humanoid robots, the Company actively creates a good atmosphere of cooperation. Both parties have the same goal, and the personnel of both parties form a joint force to overcome difficulties; The Company fully evaluates the difficulties of R&D and future industrialization

according to the progress of the project and phased results, and controls the investment of funds in stage and reduce R&D risk. At the same time, the Company strengthens the development of the main business, strives to improve performance and returns, promotes related work in a positive and orderly manner, and deals with risk factors.

(7) The risk of technology confidentiality and unfair competition.

Technology leading is one of the important competitive strategies and competitive advantages of the Company. The technology leading advantage of the products directly affects whether the Company's products can maintain a high level of sustainable profitability and the effective implementation of the Company's differentiated competitive strategy. The Company attaches great importance to technology confidentiality by applying for intellectual property protection, strengthening legal rights protection, and protecting the technology security of enterprises and preventing related risks through technical means. Nevertheless, there are still intellectual property rights owned by the Company illegally stolen, and other risks of unfair competition, which may cause potential economic losses to the Company.

Solutions: The Company's technology is divided into patented technology and proprietary technology, from the characteristics of technical confidentiality, each has its own applicable environment. In addition to the traditional technology confidentiality and anti-improper competition means, the Company, by means of technology R&D and innovation, continues to enhance technology reserve to keep one generation of R&D, one generation of reserve and one generation of sales, to maintain the absolute competitive advantage in the domestic main product application field. Therefore, through continuous technological innovation, continuing to consolidate and establishing technical advantages are the primary strategy for the company to deal with technology confidentiality and face unfair competition.

The risk factors above are the Company concerned, the Company actively takes measures in order to avoid and control relevant risks effectively.

V. Financial statements**(1) Consolidated Balance Sheet**

Prepared by HARBIN BOSHI AUTOMATION CO., LTD.

Unit: RMB

Item	Jun 30, 2024	Jan 1, 2024
Current assets:		
Cash at bank and on hand	158,008,269.97	332,216,413.35
Financial assets held for trading	1,279,540,765.91	802,248,744.33
Derivative financial assets		
Bills receivable	242,058,484.34	273,519,045.87
Accounts receivable	1,082,489,889.54	1,004,337,478.08
Financing receivables	102,542,066.55	72,533,260.37
Prepayments	75,110,624.88	77,455,740.98
Other receivables	39,501,025.71	30,774,548.13
Thereof: Interest receivable		
Dividend receivable	12,479,688.00	2,601,281.28
Inventories	2,217,509,223.14	2,405,309,228.52
Contract assets	143,032,029.78	119,436,138.29
Assets held for sale		
Non-current assets due within one year	4,435,685.95	4,434,380.89
Other current assets	13,790,391.44	615,166,444.19
Total current assets	5,358,018,457.21	5,737,431,423.00
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	16,750,929.24	16,425,314.82
Long-term equity investments	490,225,600.66	404,005,942.77
Other equity instruments investments	61,574,626.74	55,443,728.57
Other non-current financial assets		
Investment properties	11,421,891.46	11,771,642.38
Fixed assets	223,776,292.23	229,647,272.08
Construction in progress	104,246,529.18	74,985,542.78
Productive biological assets		
Oil and gas assets		

Right-of-use assets	4,508,982.79	4,912,571.51
Intangible assets	51,655,306.09	53,974,953.86
Goodwill	401,878.10	401,878.10
Long-term deferred expenses	311,265.70	106,486.62
Deferred tax assets	38,058,444.06	36,471,682.14
Other non-current assets	41,526,519.66	23,114,349.36
Total non-current assets	1,044,458,265.91	911,261,364.99
Total assets	6,402,476,723.12	6,648,692,787.99
Current liabilities:		
Short-term loans	28,156,361.11	23,872,075.01
Financial liabilities held for trading		
Derivative financial liabilities		
Bills payable		
Accounts payable	270,407,506.18	337,812,103.72
Advances from customers	290,250.00	96,750.00
Contract liabilities	1,661,359,469.30	1,763,411,436.97
Employee benefits payable	20,958,586.15	76,649,155.81
Taxes payable	32,892,202.17	20,117,689.42
Other payables	9,872,823.59	30,001,942.32
Thereof: Interest payable		
Dividend payable	4,900,000.00	24,500,000.00
Liabilities held for sale		
Non-current liabilities due within one year	3,490,826.20	2,470,313.79
Other current liabilities	142,628,633.57	163,555,006.18
Total current liabilities	2,170,056,658.27	2,417,986,473.22
Non-current liabilities:		
Long-term loans		
Bonds payable	439,924,732.71	431,953,084.05
Thereof: Preference shares		
Perpetual debts		
Lease liabilities	1,118,155.12	1,374,283.98
Long-term payable		
Long-term employee benefits payable		
Provisions	8,710,774.23	7,137,432.08

Deferred income	2,304,503.80	4,023,518.90
Deferred tax liabilities	16,231,581.84	16,429,627.86
Other non-current liabilities	98,642,081.63	172,145,404.60
Total non-current liabilities	566,931,829.33	633,063,351.47
Total liabilities	2,736,988,487.60	3,051,049,824.69
Shareholders' equity:		
Share capital	1,022,558,592.00	1,022,556,602.00
Other equity instruments	32,093,855.51	32,096,067.08
Thereof: Preference shares		
Perpetual debts		
Capital reserve	349,137,959.28	236,467,353.62
Less: treasury shares	100,134,294.12	8,865,506.80
Other comprehensive income	29,399,136.95	22,252,223.39
Specific reserve	28,659,308.77	28,883,002.75
Surplus reserve	355,000,124.41	355,000,124.41
General risk reserve		
Retained earnings	1,780,826,156.51	1,761,948,265.24
Total equity attributable to shareholders of the Parent Company	3,497,540,839.31	3,450,338,131.69
Minority shareholder equity	167,947,396.21	147,304,831.61
Total shareholders' equity	3,665,488,235.52	3,597,642,963.30
Total liabilities and shareholders' equity	6,402,476,723.12	6,648,692,787.99

Legal representative: Deng Xijun; Director of Finance: Sun Zhiqiang

Person in Charge of the Accounting Department: Wang Peihua

(2) Balance Sheet of Parent Company

Unit: RMB

Item	Jun 30, 2024	Jan 1, 2024
Current assets:		
Cash at bank and on hand	105,799,798.07	169,835,957.63
Financial assets held for trading	1,128,238,626.26	705,945,509.61
Derivative financial assets		
Bills receivable	189,445,097.95	243,137,102.77
Accounts receivable	1,000,471,490.64	928,973,179.55
Financing receivables	62,745,748.68	27,958,555.18

Prepayments	59,647,987.24	69,555,358.51
Other receivables	39,112,333.90	75,073,941.10
Thereof: Interest receivable		
Dividend receivable	17,579,688.00	52,839,189.55
Inventories	1,978,603,372.29	2,111,364,564.22
Contract assets	122,155,858.48	114,524,287.72
Assets held for sale		
Non-current assets due within one year	4,435,685.95	4,434,380.89
Other current assets	3,780,569.97	607,681,665.24
Total current assets	4,694,436,569.43	5,058,484,502.42
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	16,750,929.24	16,425,314.82
Long-term equity investments	835,390,600.66	749,170,942.77
Other equity instruments investments	24,231,515.74	24,231,515.74
Other non-current financial assets		
Investment properties	5,638,014.84	5,791,346.16
Fixed assets	187,296,154.12	191,493,021.03
Construction in progress	122,206.56	0.00
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	36,354,951.75	37,370,956.92
Goodwill		
Long-term deferred expenses	90,915.60	106,486.62
Deferred tax assets	31,748,369.44	30,148,563.57
Other non-current assets	37,959,624.43	20,618,931.75
Total non-current assets	1,175,583,282.38	1,075,357,079.38
Total assets	5,870,019,851.81	6,133,841,581.80
Current liabilities:		
Short-term loans	4,206,361.11	3,872,075.01
Financial liabilities held for trading		
Derivative financial liabilities		

Bills payable		
Accounts payable	412,482,969.77	500,594,175.64
Advances from customers		
Contract liabilities	1,429,995,818.83	1,502,597,287.71
Employee benefits payable	16,428,072.12	53,301,214.79
Taxes payable	17,864,988.21	13,220,192.52
Other payables	10,423,973.24	12,339,507.40
Thereof: Interest payable		
Dividend payable		
Liabilities held for sale		
Non-current liabilities due within one year	1,739,231.03	620,757.74
Other current liabilities	123,750,991.79	149,242,100.10
Total current liabilities	2,016,892,406.10	2,235,787,310.91
Non-current liabilities:		
Long-term loans		
Bonds payable	439,924,732.71	431,953,084.05
Thereof: Preference shares		
Perpetual debts		
Lease liabilities		
Long-term payable		
Long-term employee benefits payable		
Provisions	6,303,146.36	6,115,243.65
Deferred income	2,304,503.80	4,023,518.90
Deferred tax liabilities	9,163,968.91	8,658,825.27
Other non-current liabilities	95,437,944.56	101,331,890.97
Total non-current liabilities	553,134,296.34	552,082,562.84
Total liabilities	2,570,026,702.44	2,787,869,873.75
Shareholders' equity:		
Share capital	1,022,558,592.00	1,022,556,602.00
Other equity instruments	32,093,855.51	32,096,067.08
Thereof: Preference shares		
Perpetual debts		
Capital reserve	348,008,083.71	235,710,594.29
Less: treasury shares	100,134,294.12	8,865,506.80

Other comprehensive income	5,764,781.70	5,996,554.15
Specific reserve	22,703,128.74	23,403,880.47
Surplus reserve	355,000,124.41	355,000,124.41
Retained earnings	1,613,998,877.42	1,680,073,392.45
Total shareholders' equity	3,299,993,149.37	3,345,971,708.05
Total liabilities and shareholders' equity	5,870,019,851.81	6,133,841,581.80

(3) Consolidated Income Statement

Unit: RMB

Item	Current period	Last period
1. Total revenue	1,451,943,421.69	1,389,350,667.84
Thereof : Operating revenue	1,451,943,421.69	1,389,350,667.84
2. Total cost	1,145,749,202.56	1,043,062,420.26
Thereof : cost of sales	961,149,762.67	869,840,136.63
Taxes and surcharges	10,789,104.08	7,330,079.02
Selling and distribution expenses	70,396,136.67	52,816,348.60
General and administrative expenses	47,254,478.23	41,113,212.92
Research and development expenses	54,512,534.74	73,437,581.30
Financial expenses	1,647,186.17	-1,474,938.21
Thereof : Interest expenses	6,661,373.59	5,531,999.41
Interest income	5,834,915.69	6,075,944.33
Add: Other income	54,159,699.69	50,787,697.07
Investment income (“-” for losses)	-7,492,725.79	12,331,338.58
Thereof: Income from investment in associates and joint ventures	-13,336,744.73	3,584,211.64
Gain from derecognition of financial assets measured at amortized cost		
Exchange income (Loss is listed with “-”)		
Net exposure hedging gains (“-” for losses)		
Gains from changes in fair value (“-” for losses)	6,433,663.01	6,734,864.83
Credit impairment losses (“-” for losses)	-15,530,274.10	-11,275,967.78
Asset impairment losses (“-” for losses)	-5,598,610.61	-5,832,796.99
Gains from assets disposal (“-” for losses)	-516,386.08	-10,219.76
3. Operating profit (“-” for losses)	337,649,585.25	399,023,163.53

Add: Non-operating income	85,673.06	6,863,341.54
Less: Non-operating expenses	25,679.53	435,318.13
4. Profit before income tax (“-” for losses)	337,709,578.78	405,451,186.94
Less: Income tax expenses	45,007,787.60	50,645,168.57
5. Net profit for the year (“-” for net losses)	292,701,791.18	354,806,018.37
(1) Classification according to operation continuity		
Net profit from continuing operations(loss is stated with “-”)	292,701,791.18	354,806,018.37
Net profit from discontinued operations(loss is stated with “-”)		
(2) Classified by ownership of the equity		
Attributable to shareholders of the Parent Company	272,716,784.52	335,465,804.27
Minority interests	19,985,006.66	19,340,214.10
6. Other comprehensive income, net of tax	7,146,913.56	3,717,115.81
Other comprehensive income attributable to shareholders of the Parent Company, net of tax	7,146,913.56	3,717,115.81
(1) Other comprehensive income items which will not be reclassified subsequently to profit or loss	7,378,686.01	3,064,823.12
1) Changes arising from re-measurement of defined benefit plan		
2) Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		
3) Changes in the fair value of the investment in other equity instruments	7,378,686.01	3,064,823.12
4)Changes in the fair value of the Company’s own credit risk		
5)Others		
(2) Other comprehensive income items which will be reclassified subsequently to profit or loss	-231,772.45	652,292.69
1) Other comprehensive income that will be transferred subsequently to profit or loss under the equity method	-231,772.45	652,292.69
2)Changes in the fair value of other debt investments		
3)Amount of financial assets reclassified and included in other comprehensive income		
4) Credit impairment reserves for other debt investment		
5) Cash flow hedging reserve		
6) Translation differences arising from translation of foreign currency financial statements		
7)Others		

Other comprehensive income attributable to minority shareholders, net of tax		
7. Total comprehensive income	299,848,704.74	358,523,134.18
Attributable to shareholders of the Parent Company	279,863,698.08	339,182,920.08
Minority interests	19,985,006.66	19,340,214.10
8. Earnings per share		
(1) Basic earnings per share	0.2684	0.3281
(2) Diluted earnings per share	0.2664	0.3250

Legal representative: Deng Xijun; Director of Finance: Sun Zhiqiang

Person in Charge of the Accounting Department: Wang Peihua

(4) Income Statement of Parent Company

Unit: RMB

Item	Current period	Last period
1. Operating revenue	1,170,740,856.70	1,262,152,551.33
Less: cost of sales	823,200,011.33	800,476,789.33
Taxes and surcharges	7,652,514.08	5,267,739.42
Selling and distribution expenses	63,045,149.15	46,607,590.11
General and administrative expenses	32,648,895.79	33,482,089.05
Research and development expenses	42,657,698.39	58,460,081.88
Financial expenses	4,494,569.19	2,058,109.94
Thereof : Interest expenses	9,120,142.36	7,895,846.24
Interest income	5,359,579.22	5,992,683.58
Add: Other income	41,153,996.06	49,900,945.49
Investment income (“-” for losses)	-7,645,696.84	11,967,188.24
Thereof: Income from investment in associates and joint ventures	-13,336,744.73	3,584,211.64
Gain from derecognition of financial assets measured at amortized cost (“-” for losses)		
Net exposure hedging gains (“-” for losses)		
Gains from changes in fair value (“-” for losses)	5,506,061.85	6,243,208.73
Credit impairment losses (“-” for losses)	-17,047,126.83	-11,075,434.11
Asset impairment losses (“-” for losses)	-3,453,257.28	-4,890,836.10
Gains from assets disposal (“-” for losses)	6,176.04	-6,174.43
2. Operating profit (“-” for losses)	215,562,171.77	367,939,049.42

Add: Non-operating income	36,001.14	6,817,070.17
Less: Non-operating expenses	19,646.23	63,638.24
3. Profit before income tax (“-” for losses)	215,578,526.68	374,692,481.35
Less: Income tax expenses	27,814,148.46	48,655,537.00
4. Net profit for the year (“-” for net losses)	187,764,378.22	326,036,944.35
Net profit from continuing operations (loss is stated with “-”)	187,764,378.22	326,036,944.35
Net profit from discontinued operations (loss is stated with “-”)		
5. Other comprehensive income, net of tax	-231,772.45	652,292.69
(1) Other comprehensive income items which will not be reclassified subsequently to profit or loss		
1) Changes arising from remeasurement of defined benefit plan		
2) Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		
3) Changes in the fair value of the investment in other equity instruments		
4) Changes in the fair value of the Company’s own credit risk		
5) Others		
(2) Other comprehensive income items which will be reclassified subsequently to profit or loss	-231,772.45	652,292.69
1) Other comprehensive income that will be transferred subsequently to profit or loss under the equity method	-231,772.45	652,292.69
2) Changes in the fair value of other debt investments		
3) Amount of financial assets reclassified and included in other comprehensive income		
4) Credit impairment reserves for other debt investment		
5) Cash flow hedging reserve		
6) Translation differences arising from translation of foreign currency financial statements		
7) Others		
6. Total comprehensive income	187,532,605.77	326,689,237.04
7. Earnings per share		
(1) Basic earnings per share		
(2) Diluted earnings per share		

(5) Consolidated Cash Flow Statement

Unit: RMB

Item	Current period	Last period
1. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	1,115,802,342.91	1,011,319,548.55
Refund of taxes and surcharges	46,618,785.96	53,154,621.05
Other cash receipts relating to operating activities	13,955,563.11	16,229,141.38
Sub-total of cash inflows from operating activities	1,176,376,691.98	1,080,703,310.98
Cash paid for goods and services	564,557,802.22	698,219,411.67
Cash paid to employees and paid on behalf of employees	303,399,943.79	269,451,878.59
Payments of taxes and surcharges	110,906,189.29	145,552,493.27
Other cash payments relating to operating activities	72,459,069.07	80,756,301.44
Sub-total of cash outflows from operating activities	1,051,323,004.37	1,193,980,084.97
Net cash flows from operating activities	125,053,687.61	-113,276,773.99
2. Cash flows from investing activities		
Cash received from withdrawing investments	2,602,858,000.00	2,671,947,000.00
Cash received from investment income	12,115,643.11	12,690,148.98
Net cash received from disposal of fixed assets, intangible assets and other long term assets	350,019.40	71,577.37
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities	62,265.00	653,071.00
Sub-total of cash inflows from investing activities	2,615,385,927.51	2,685,361,797.35
Cash paid to acquire fixed assets, intangible assets and other long-term assets	63,200,865.18	50,657,542.50
Cash paid to acquire investments	2,495,160,000.00	2,987,517,000.00
Net increase of mortgaged loans		
Net cash paid to acquire subsidiaries and other operating units		
Other cash payments relating to investing activities	562,828.50	
Sub-total of cash outflows from investing activities	2,558,923,693.68	3,038,174,542.50
Net cash flows from investing activities	56,462,233.83	-352,812,745.15
3. Cash flows from financing activities		
Cash received from capital contributions	740,000.00	750,000.00
Thereof: Cash received by subsidiaries from minority shareholders' capital contributions	740,000.00	750,000.00

Cash received from borrowings	27,357,040.47	14,930,000.00
Other cash receipts from financing activities	200,000.00	
Sub-total of cash inflows from financing activities	28,297,040.47	15,680,000.00
Cash repayments of borrowings	19,000,000.00	23,130,000.00
Distribution of dividends or profits and payments for interest expenses	274,450,215.27	322,331.94
Thereof: Cash payments for dividends or profit to minority shareholders by subsidiaries	20,212,500.00	
Other cash payments relating to financing activities	93,273,343.37	14,451,694.72
Sub-total of cash outflows from financing activities	386,723,558.64	37,904,026.66
Net cash flows from financing activities	-358,426,518.17	-22,224,026.66
4. Effect of foreign exchange rate changes on cash and cash equivalents	2,316.32	1,179,500.90
5. Net increase in cash and cash equivalents	-176,908,280.41	-487,134,044.90
Add: Cash and cash equivalents at the beginning of period	330,325,705.08	656,593,226.15
6. Cash and cash equivalents at the end of period	153,417,424.67	169,459,181.25

Legal representative: Deng Xijun; Director of Finance: Sun Zhiqiang

Person in Charge of the Accounting Department: Wang Peihua

(6) Cash Flow Statement of Parent Company

Unit: RMB

Item	Current period	Last period
1. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	977,719,886.61	862,024,761.46
Refund of taxes and surcharges	35,374,013.47	51,764,542.33
Other cash receipts relating to operating activities	10,129,400.69	13,583,289.05
Sub-total of cash inflows from operating activities	1,023,223,300.77	927,372,592.84
Cash paid for goods and services	678,222,885.72	742,843,537.79
Cash paid to employees and paid on behalf of employees	127,625,777.80	109,195,792.34
Payments of taxes and surcharges	74,880,399.39	107,762,891.51
Other cash payments relating to operating activities	53,905,411.09	59,787,937.50
Sub-total of cash outflows from operating activities	934,634,474.00	1,019,590,159.14
Net cash flows from operating activities	88,588,826.77	-92,217,566.30
2. Cash flows from investing activities		
Cash received from withdrawing investments	2,406,448,000.00	2,234,212,000.00

Cash received from investment income	56,714,272.77	11,164,882.38
Net cash received from disposal of fixed assets, intangible assets and other long term assets	60,679.95	23,789.76
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities		193,071.00
Sub-total of cash inflows from investing activities	2,463,222,952.72	2,245,593,743.14
Cash paid to acquire fixed assets, intangible assets and other long-term assets	32,561,085.58	16,012,050.17
Cash paid to acquire investments	2,244,100,000.00	2,608,907,000.00
Net cash paid to acquire subsidiaries and other operating units		
Other cash payments relating to investing activities	562,828.50	2,130,000.00
Sub-total of cash outflows from investing activities	2,277,223,914.08	2,627,049,050.17
Net cash flows from investing activities	185,999,038.64	-381,455,307.03
3. Cash flows from financing activities		
Cash received from capital contributions		
Cash received from borrowings	4,232,040.47	
Other cash receipts from financing activities		
Sub-total of cash inflows from financing activities	4,232,040.47	
Cash repayments of borrowings		
Distribution of dividends or profits and payments for interest expenses	253,900,094.44	
Other cash payments relating to financing activities	91,268,787.32	
Sub-total of cash outflows from financing activities	345,168,881.76	
Net cash flows from financing activities	-340,936,841.29	
4. Effect of foreign exchange rate changes on cash and cash equivalents	2,316.32	-27,295.04
5. Net increase in cash and cash equivalents	-66,346,659.56	-473,700,168.37
Add: Cash and cash equivalents at the beginning of period	169,828,657.63	558,631,758.10
6. Cash and cash equivalents at the end of period	103,481,998.07	84,931,589.73

Board of Directors of HARBIN BOSHI AUTOMATION CO.,LTD.

August 28th, 2024