

2024 ANNUAL REPORT

iFLYTEK CO., LTD

The letters 'AI' are rendered in a large, blue, 3D font. From the top of the 'I', a trail of small, multi-colored plus signs (+) leads up to a larger cluster of plus signs in various colors (yellow, red, pink, blue, green, white) that appear to be floating or rising into the sky. The background features stylized, wavy blue mountains and a bright blue sky with a light blue gradient.

CREATE A BETTER WORLD WITH
ARTIFICIAL INTELLIGENCE

Section I Important Notice, Contents and Definitions

The Board of Directors, the Supervisory Board, and all senior management members of iFLYTEK Co., Ltd. (the "Company" or "iFLYTEK") collectively guarantee the truthfulness, accuracy, and completeness of the information in this Annual Report, affirming the absence of any false records, misleading statements, or significant omissions, and accept full joint and severable legal accountability for its contents.

Liu Qingfeng, the Company's Chairman; Wang Ming, the person responsible for accounting; and Zhao Linyue, the head of the accounting department (accounting supervisor), hereby declare that the financial statements in this Annual Report are authentic, accurate, and complete. All directors were present at the Board of Directors meeting that reviewed this Report.

The statements in this Report regarding future development plans and operational objectives are forward-looking statements and do not constitute a commitment to investors. Investors and related parties should be aware of the risks and understand the difference between plans, forecasts, and commitments.

In "Section III: Management Discussions and Analysis," under "XI.2. Risks and Countermeasures," the Company analyzes potential risks it faces along with corresponding countermeasures, and invites investors to pay attention to these details.

The Company's profit distribution plan approved by the current Board of Directors is as follows: Based on the total number of shares (excluding repurchased shares in dedicated accounts) on the record date when the distribution was implemented, a cash dividend of 1 RMB yuan per 10 shares (tax-inclusive) will be distributed to all shareholders. No red shares (tax-inclusive) will be issued, and no shares will be converted from capital reserves.

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List of Documentation

1. Financial statements signed and sealed by the Company's legal representative, the person responsible for accounting, and the head of the accounting department.
2. Original audit report bearing the seal of the accounting firm and the signature and seal of the certified public accountant.
3. Originals of all the Company's documents and announcements publicly disclosed in newspapers designated by the China Securities Regulatory Commission (CSRC) During this reporting period.
4. The original Annual Report 2024 signed by the Board Chairman.

Definitions

Terms	refers to	Meaning
Artificial intelligence (AI)	refers to	Artificial Intelligence (AI) is an emerging field of technical science that involves the research and development of theories, methods, technologies, and application systems aimed at simulating, extending, and enhancing human intelligence. AI refers to artificial programs or systems capable of perceiving, recognizing, deciding, and acting like humans. Perceptual intelligence enables machines to "hear and speak, see and recognize," primarily involving technologies such as speech synthesis, speech recognition, image recognition, and multilingual voice processing. Cognitive intelligence allows machines to "understand and think," encompassing services such as educational evaluations, medical diagnostic aids, judicial assistance in courtrooms, intelligent customer support, and machine translation.
iFLYTEK SPARK (SparkDesk)	refers to	Also known as iFLYTEK SPARK, this is a new-generation cognitive large language model developed and released by iFLYTEK. It possesses cross-domain knowledge and language understanding capabilities, capable of understanding and executing tasks based on natural conversational interactions. It continuously evolves from massive data and extensive knowledge to achieve a full-process closed loop from proposing and planning to solving problems. iFLYTEK SPARK boasts seven core capabilities: text generation, language understanding, knowledge-based Q&A, logical reasoning, mathematical ability, coding ability, and multimodal capacity. iFLYTEK SPARK is empowering various industries, accelerating application implementation, collaborating with leading companies in multiple fields to set benchmarks for large language applications, and co-creating the Spark ecosystem with individual users, developers, and corporate institutions.
Intelligent speech	refers to	This technology enables machines to "listen and speak" like humans. It encompasses technologies such as speech recognition (automatically converting speech to text), speech synthesis (automatically converting text to speech), voiceprint recognition (identifying the speaker), and language recognition (identifying languages and dialects). These technologies are part of perceptual intelligence within artificial intelligence and serve as the core supporting technologies for the transformation of human-machine voice interaction.
Speech synthesis	refers to	This technology automatically converts text to speech using machines.
Speech recognition	refers to	This technology automatically converts speech signals into text and related information using machines.
Speech evaluation (spoken language evaluation)	refers to	This technology enables machines to automatically assess pronunciation levels, detect errors, and provide correction instructions.
Image recognition	refers to	This technology uses computers to process, analyze, and understand images to recognize objects and patterns across various models.
Machine translation	refers to	This is the process of using a computer to translate text from one natural language (the source language) to another (the target language). It is also known as automatic translation.
Natural language understanding	refers to	An important branch of research in computer science and artificial intelligence, it focuses on the theories and practices that enable effective communication between humans and computers using natural languages. Its ultimate goal is to enable computers to understand and use natural languages, such as Chinese and English, to facilitate natural language communication between humans and machines. This aims to replace part of human mental labor, including information retrieval, answering questions, excerpting documents, compiling data, and handling all other tasks related to natural language.
"Super Brain"	refers to	Launched in 2022, this ambitious plan sets a strategic roadmap for advancing the

2030”		Company’s technological and product development over the medium to long term. This visionary plan aims to develop a complex intelligent system based on cognitive intelligence that enhances human-machine collaboration and self-evolution. This plan focuses on creating machines that surpass human perceptual abilities, deeply understand specialized domain knowledge, and continuously evolve autonomously. These machines are envisioned to fully perceive humans and their environments, possess emotional intelligence, and demonstrate flexible mobility and multi-dimensional expression. Aimed at integrating advanced family companion robots into numerous households, the core objective of this plan is to leverage artificial intelligence to address emerging social challenges and meet essential future demands.
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Section II Company Profile and Financial Highlights

I. Company profile

Stock Name	iFLYTEK	Stock Code	002230
Stock exchange	Shenzhen Stock Exchange		
Company Name in Chinese	iFLYTEK Co., Ltd.		
Company Name in Chinese	科大讯飞		
Company Name in English (if any)	iFLYTEK CO., LTD.		
Name Abbreviation in English (if any)	iFLYTEK		
Legal Representative	Liu Qingfeng		
Registered Address	666 West Wangjiang Road, High-tech Development Zone, Hefei		
Zip Code	230088		
Change of the Company's Registered Address	the Company's registered address was changed from 616 Huangshan Road, High-tech Development Zone, Hefei, to 666 West Wangjiang Road, High-tech Development Zone, Hefei, in April 2013.		
Office Address	666 West Wangjiang Road, High-tech Development Zone, Hefei		
Zip Code	230088		
the Company's Website:	http://www.iflytek.com		
E-mail:	xunfei@iflytek.com		

II. Contact Information

	Secretary of the Board	Representative
Name	Jiang Tao	Chang Xiaoming
Contact address	666 West Wangjiang Road, High-tech Development Zone, Hefei	666 West Wangjiang Road, High-tech Development Zone, Hefei
Telephone	Company Hotline: 4000-199199 Investor Hotline: 0551-67892230	Company Hotline: 4000-199199 Investor Hotline: 0551-67892230
Fax	0551-65331802	0551-65331802
E-mail:	taojiang@iflytek.com	xmchang@iflytek.com

III. Change to Channels for Disclosure and the Location where Copies of this Report Is Kept

The Stock Exchange website where the Company discloses this Report:	https://www.szse.cn
Media names and websites where the Company discloses this Report	The Securities Times, China securities Journal, Shanghai Securities News, Securities Times, and the CNINFO website at http://www.cninfo.com.cn
Place where the Company archives its annual reports	The Company's Securities Department

IV. Changes in Registration

Unified Social Credit Code	91340000711771143J
Changes to the Company's core businesses since IPO (if any)	Leveraging its breakthrough in core AI technologies, the Company has advanced from enabling machines to "listen and speak" to making them capable of "understanding and thinking". This has allowed it to evolve from being a supplier of intelligent speech technologies and application solutions into an AI industry leader.
Changes to controlling shareholder (if any)	No controlling shareholder

V. Other Relevant Information

Accounting firm engaged by the Company

Name of the accounting firm	RSM China CPA LLP
Office address of the accounting firm	29th Floor, Block A, Giland Plaza, Longtu Road at Lüzhou West Road, Shushan District, Hefei
Names of the signing CPAs	Gao Ping, Zhang Yaqiong and Lü Zhannan

Sponsor engaged by the Company to perform ongoing supervision duties during this reporting period

☐ Applicable ☒ Not applicable

Financial advisor engaged by the Company to perform ongoing supervision duties during this reporting period

☐ Applicable ☒ Not applicable

VI. Financial Highlights

Does the Company need to retroactive adjust or restate accounting data for previous years?

☐ Yes ☒ No

Item	2024	2023	Change (increase/decrease)	2022
Operating income (RMB yuan)	23,343,093,018.69	19,650,329,209.04	18.79%	18,820,234,052.91
Net profit attributable to the Company's shareholders (RMB yuan)	560,162,663.16	657,312,908.24	-14.78%	561,213,020.79
Net profit excluding non-recurring gains and losses attributable to the Company's shareholders (RMB yuan)	188,137,288.93	118,061,711.15	59.36%	417,818,753.60
Net cash flows from operating activities (RMB yuan)	2,495,173,454.92	349,757,814.55	613.40%	630,761,247.28
Basic earnings per share (RMB yuan)	0.24	0.28	-14.29%	0.24
Diluted earnings per share (RMB yuan)	0.24	0.28	-14.29%	0.24
Weighted average return on net assets (%)	3.21%	3.94%	-0.73%	3.38%
	End of 2024	End of 2023	Change (increase/decrease)	End of 2022
Total assets (RMB yuan)	41,478,899,803.20	37,831,122,978.15	9.64%	32,859,139,720.02

Net assets attributable to the Company's shareholders (RMB yuan)	17,793,386,034.67	17,032,284,511.72	4.47%	16,400,047,819.43
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In the past three years, the lower of the Company's net profit before and after deducting non-recurring gains and losses has been negative, and the latest audit report raises concerns about the Company's ability to continue as a going concern.

☐ Yes ☒ No

The lower of the Company's net profit before and after deducting non-recurring gains and losses is negative.

☐ Yes ☒ No

VII. Differences in Accounting Data Under Chinese and International Accounting Standards

1. Differences in Net Profit and Net Assets Under IFRS and CAS

☐ Applicable ☒ Not applicable

There are no differences in net profit and net assets under the International Financial Reporting Standards (IFRS) and the Chinese Accounting Standards (CAS) during this reporting period.

2. Differences in Net Profit and Net Assets Under International Accounting Standards and CAS

☐ Applicable ☒ Not applicable

There are no differences in net profit and net assets under the IFRS and the CAS during this reporting period.

VIII. Main Financial Indicators by Quarter

In RMB yuan

Item	Q1	Q2	Q3	Q4
Operating income	3,646,215,386.95	5,678,329,654.19	5,524,991,887.00	8,493,556,090.55
Net profit attributable to the Company's shareholders	-300,468,030.20	-100,197,587.01	56,961,383.78	903,866,896.59
Net profit excluding non-recurring gains and losses attributable to the Company's shareholders	-440,542,522.82	-42,556,412.97	14,866,411.30	656,369,813.42
Net cash flow from operating activities	-1,384,136,038.16	-151,420,216.35	714,621,239.42	3,316,108,470.01

Do the above financial indicators or their aggregate differ significantly from those disclosed in the quarterly and mid-year reports?

☐ Yes ☒ No

IX. Non-recurring Gains and Losses: Items and Amounts

☒ Applicable ☐ Not applicable

In RMB yuan

Item	2024	2023	2022
Gains or losses on disposal of non-current assets (including the write-off of provisions for impairment losses)	12,293,698.18	22,292,562.80	4,460,160.01
Government subsidies recorded under current gains or losses (excluding those closely related to the Company's operations, stipulated by national policies, granted at fixed standards, and having a lasting impact on the Company's gains and losses)	418,605,147.92	403,935,002.59	473,121,321.03
Gains or losses from changes in the fair value of financial assets and liabilities held for trading and derivatives, and gains and losses from the disposal of such assets and liabilities, excluding those from effective hedging transactions related to the Company's operations	83,202,882.03	230,342,367.48	-216,461,724.78
Gains or losses from entrusting others with investment or asset management	318,402.59	116,136.01	6,156,996.35
Other non-operating incomes and expenses, except for the above items	-76,227,181.17	-25,811,247.49	-70,792,636.76
Less: Income tax impact	51,007,163.77	83,523,602.33	50,150,254.84
Impact on non-controlling interests (after tax)	15,160,411.55	8,100,021.97	2,939,593.82
Total	372,025,374.23	539,251,197.09	143,394,267.19

Clarification of other gains and losses qualifying as non-recurring gains and losses

☐ Applicable ☒ Not applicable

There are no other gains and losses that qualify as non-recurring gains and losses.

Clarification of circumstances where non-recurring gains and losses, as specified in Explanatory Announcement No. 1 on Information Disclosure for Publicly Traded Companies - Non-Recurring Gains and Losses, qualify as recurring gains and losses

☐ Applicable ☒ Not applicable

The Company does not have any circumstances where non-recurring gains and losses, as listed in Explanatory Announcement No. 1 on Information Disclosure for Publicly Traded Companies - Non-Recurring Gains and Losses, qualify as recurring gains and losses.

Section III Management Discussions and Analysis

I. Industry Overview

The Company complies with the disclosure requirements for the software and IT services industry as stipulated in the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 3: Industry Information Disclosure.

As humanity steps into the new era of artificial intelligence, AI technologies including large language models are emerging as a transformative force in the latest wave of techno-scientific revolution and industrial transformation. The AI industry, now characterized by unprecedented innovations and intense competition, is exerting a profound influence over social and economic development. The global surge in large language models is attracting major tech companies, significant governmental interest, and widespread industry adoption, which collectively highlights the vast potential of these technologies to initiate a new era.

AI investment has been surging globally. In 2024, the four technology giants Microsoft, Google, Amazon, and Meta invested a combined total of more than 200 billion US dollars in the field of AI. According to the financial reports of these companies, following their record-shattering spending last year, they are expecting an increase in AI investment in 2025, with an additional 320 billion dollars invested in AI development and data centers. Having secured 10 billion US dollars in 2023, OpenAI raised 6.6 billion dollars in its new round of fundraising last October; xAI raised 6 billion US dollars respectively in two financing rounds in May and December 2024, and is reportedly seeking a new financing round totaling 10 billion dollars. Meanwhile, PitchBook's data shows that AI startups in the United States received about 97 billion US dollars in venture capital funding in 2024, which is an all-time record.

II. Business Highlights During This Reporting Period

1. Business Overview

Since its incorporation, iFLYTEK has adhered to the "reaching for the sky, rooted on the ground" approach. "Reaching for the sky" means the Company will maintain a leading international position in core technologies, while the "rooted on the ground" approach involves the scaled industrial application of technological achievements. The Company consistently focuses on core underlying AI technologies such as intelligent speech, natural language understanding, multimodal intelligence, and artificial general intelligence (AGI), managing to always remain at the cutting edge in the international arena. It actively promotes the research and development of AI products and their application in various industries, committed to making machines that can listen, speak, understand and think, and creating a better world with AI.

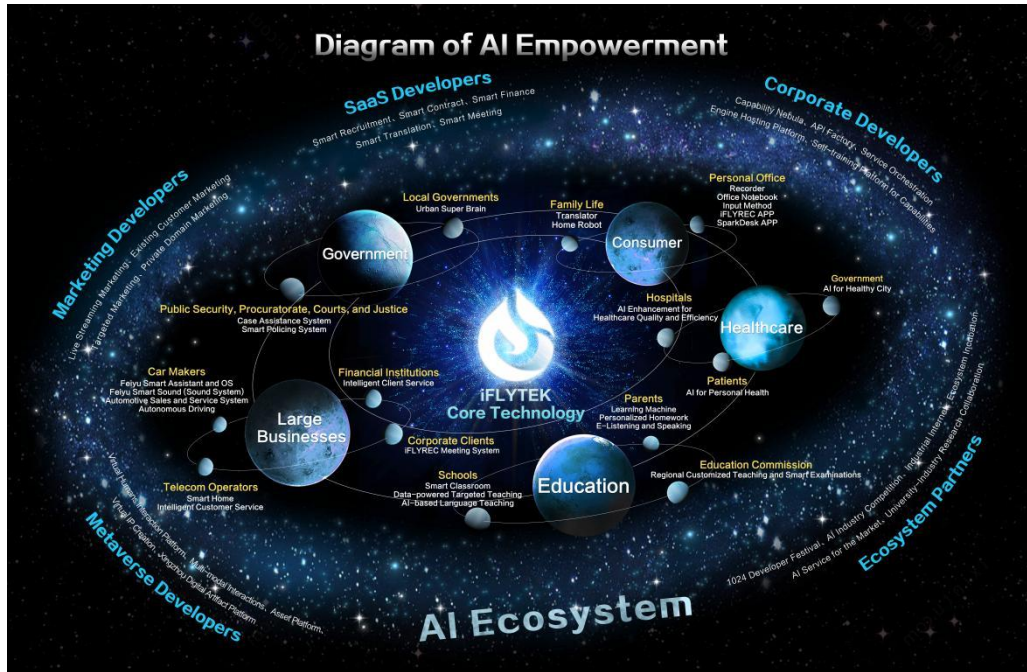


Figure 1: Overview of iFLYTEK's Core Businesses

As a leading Chinese AI company, with strong commitment to achieving autonomous growth and accumulating technological strengths, iFLYTEK has built an AI core technology development and model training system, home-grown computing power, and adequate data through years of sustained investment. It has also established three AI commercialization routes: industry applications (smart education, smart healthcare, intelligent vehicles, corporate AI solutions, smart city, etc.), open platform, and AI consumer products. As the application scale expands, the data-driven commercial flywheel effect of the pattern consisting of "model algorithms, product and core businesses" is becoming more evident.

★ Core AI Technology Research and Model Training System

As China's leading AI company, iFLYTEK has built the country's State Key Laboratory for Cognitive Intelligence and the National Engineering Research Center of Speech and Language Information Processing. The Company has exceptional expertise in deep learning and natural language processing. Significant technological breakthroughs include the first AI systems to pass China's National Practicing Physician Qualification Examination and China Accreditation Test for Translators and Interpreters (CATTI) at level II for Chinese-English interpreting, and machine reading comprehension capabilities that exceeded the average human performance in the SQuAD 2.0 challenge. iFLYTEK launched its advanced large language model, SparkDesk, known as "iFLYTEK SPARK", on May 6, 2023, building on its long-term development of key foundational technologies. This model is undergoing continuous, rapid enhancements and iterations, which has established itself as a leader among testable large language models developed by Chinese companies. While developing its general large language model, the Company maintains its "1+N" framework by creating a number of (N) industry-specific large models for key sectors such as education, healthcare, automotive, office products, manufacturing, and smart hardware, demonstrating the Company's advanced LLM applications.

● Continual Upgrades and Iterations of iFLYTEK SPARK

On January 30, 2024, iFLYTEK SPARK 3.5 was released, surpassing ChatGPT-4 Turbo in language understanding, mathematical abilities, and voice interaction capabilities, possessing 96% of ChatGPT-4 Turbo's

coding and 91% of ChatGPT-4V's multimodal understanding capabilities. Additionally, iFLYTEK has released its first voice model using iFLYTEK SPARK's foundational capabilities, surpassing OpenAI Whisper V3 across 37 languages in voice recognition and elevating the MOS score by 0.25 on average across 40 languages in voice synthesis, achieving a near-human synthesis MOS of 4.5 with 83% human likeness.

On April 26, iFLYTEK released iFLYTEK SPARK 3.5, which supports long texts, extended mixed media content, and long voice inputs. This update introduced the iFLYTEK SPARK image-text recognition model, featuring multi-emotion hyper-realistic synthesis and single-sentence voice replication capabilities.

On June 27, iFLYTEK SPARK 4.0 was released, which is the open large model in China, and it matches up comprehensively with ChatGPT-4 Turbo. iFLYTEK SPARK 4.0 excels in 8 out of the 12 mainstream test sets in Chinese and English, both domestic and international. iFLYTEK SPARK's voice model made further breakthroughs, possessing dialogue capabilities in 74 languages/dialects without the need for manual switching, solving the challenges of voice recognition under strong interference, and capable of voice transcription in challenging and complex circumstances.

On October 24, iFLYTEK SPARK 4.0 Turbo was released, surpassing ChatGPT-4 Turbo in all seven core capabilities. It excelled ChatGPT-4o in mathematical and coding abilities, achieving nine first-place rankings in 14 Chinese and English mainstream test sets both domestically and internationally.. It redefined multi-modal AIUI interaction for the era of intelligent connectivity, with its first-ever virtual human released. Its multilingual large language model iFLYTEK SPARK and large model-based products designed specifically for medical imaging and automotive applications were also unveiled to the public.

On January 15, 2025, iFLYTEK announced the new upgrade of its large language model, iFLYTEK SPARK X1. iFLYTEK SPARK X1 achieves industry leadership with lower computing power, which has been successfully tested and deployed in real-world scenarios. Additionally, iFLYTEK also launched its simultaneous interpreting model.

2. Major Business Developments During this Reporting Period

★ AI Industry Applications

Based on years of industry experience, iFLYTEK is stepping up the application and commercialization of iFLYTEK SPARK in realms such as smart education, smart healthcare, smart automotive, corporate AI solutions, and smart city. The data-driven flywheel effect from model-training algorithm to business growth is becoming increasingly evident.

1. Smart Education

In the field of education, guided by its commitment to "using artificial intelligence to aid education and provide personalized instructions to realize dreams," iFLYTEK works to address major educational issues. By deeply integrating AI technologies in education and teaching scenarios, and leveraging the foundational technologies of its large language model iFLYTEK SPARK, iFLYTEK provides targeted and convenient services to students, teachers, and education administrators at all levels. This facilitates the accumulation and application of data in both teaching and learning processes, helps reduce burdens and increase efficiency for teachers and students alike, and thus promotes educational progress. Currently, iFLYTEK's smart education products are deployed in 32 provincial regions across China as well as in overseas markets like Japan and Singapore.

iFLYTEK's smart education endeavors revolve around the goals of "reducing students' homework burden

while improving their learning quality; reducing exams while scientifically assessing learning effectiveness; and promoting balanced education development while supporting the goal of building a technologically advanced country." In line with national and regional strategies for achieving digital transformation in education and high-quality educational development, iFLYTEK constructs a business system targeting customers on three sides: government, business and consumer customers. Government business offers comprehensive education solutions for local educational administrators at the county/district level, as well as customized solutions for school teachers and students. The business sector mainly addresses school infrastructure, encompassing smart blackboards, smart classrooms, big data-driven targeted teaching assistance, English listening and speaking classes, digital homework, and innovative education solutions. Consumer business primarily targets parents as direct purchasers, offering products such as AI learning devices, Personalized Learning Handbook, English learning products, and after-school services.

1.1 Enhancing Product Value in School Scenarios

China's education reform is deepening with an extensive roll-out of personalized and innovative teaching methods, curriculum standards and textbooks. In response, iFLYTEK has upgraded and integrated its previously separate and independent smart classroom and other smart products into a unified, green, safe, and intelligent classroom product system, and launched China's first problem chain-based intelligent teaching assistant for senior high school math teachers in collaboration with China National Academy of Educational Sciences.

Teacher assistant products have been widely used in Guangdong, Jiangsu, Jiangxi, and other provinces. 90% of the users engage with the products actively, with an average usage frequency exceeding 5.1 times per week and a satisfaction rate of over 86%. Data collected from approximately 130,000 teachers indicates a greatly reduced burden in teaching design (by 56%) and increased efficiency of teaching materials preparations (by 65%).

In the field of smart devices, iFLYTEK has redefined classroom screens via iFLYTEK SPARK-driven Smart Blackboards, a cutting-edge tool that seamlessly blends interactive digital whiteboards and large language model capabilities. This product is designed to meet the evolving AI needs in the classrooms, ensuring a one-of-its-kind experience that is more unified, more efficient, smarter, and safer.

Moreover, the latest generation of smart classroom solutions enhances teaching efficiency and effectiveness through an integrated teaching and evaluation system, which supports the innovation of teaching methods and improves overall teaching quality. With widespread coverage, iFLYTEK's smart classrooms have achieved a weekly active usage rate of over 70% among teachers and around 85% among students, significantly enhancing the efficiency in lesson preparation, class teaching, and student learning. For instance, in the Wuhan Economic and Technological Zone where smart classrooms are extensively deployed, it's proven that the teachers' lesson preparation and class interaction efficiency have improved by about 90% and 80% respectively, and students' overall satisfaction with learning has reached 90% (4.47 out of 5 points). These remarkable improvements contribute to more balanced regional development and enhanced teaching quality and efficiency.

1.2 Accelerated Launch of School Service Systems

In 2024, iFLYTEK's comprehensive school service systems have been further integrated and upgraded to enable real-time data collection and automatic analysis of daily homework, assessments, and classroom activities through AI empowerment, allowing teachers to monitor the learning progress of students and to create tailored teaching solutions. Efforts are being made to accelerate the deployment of these products and solutions.

The Regional Digital & Intelligent Homework System has covered over one hundred districts and counties in China, effectively supporting the ongoing education reform of the "Double Reduction" initiative to ease the burden of excessive homework and off-campus tutoring for students undergoing compulsory education and advancing the digital transformation of homework. A series of pilot smart homework projects have been implemented in Xiaoshan District and Zhuji City in Zhejiang, Xuanwu District in Nanjing City, among which the provincial smart system of Ningxia Province was selected by China's Ministry of Education as a benchmarks for digital transformation.

In 2024, the Big Data-Driven Targeted Teaching Assistance System was applied in over 40,000 schools, delivering services to more than 72 million teachers and students and processing over 1.1 billion scans and approximately 3.3 billion exam papers (42.7 billion questions). The past years have also witnessed steady growth of the Personalized Learning Handbook. By identifying the Zone of Proximal Development and the individualized needs of the students, the product enables personalized autonomous learning with scientific learning planning and intelligent recommendations of learning resources.

Since its mid-2024 launch, the iFLYTEK SPARK Intelligent Grading Machine has continuously streamlined teacher workflows, helping grade over 70,000 assignments per day and reducing ineffective repetitive grading tasks by more than 80%. In this manner, it has greatly reduced the burdens for teachers and doubled the time they can devote to personalized tutoring and pedagogical research.

1.3 AI Tutoring Products Pioneering New Modes for Self-learning

Since its launch, iFLYTEK's AI Learning Machine has been a leader in its market segment for its good reputation among users, introducing a personalized and effective learning method, and consistently maintaining the highest Net Promoter Score (NPS) in the industry. In the context of fierce industry competition, the market share and brand recognition of iFLYTEK's AI Learning Machine have steadily grown, as its sales have ranked first among all the intelligent learning machines in China for three consecutive years. (Source: Euromonitor International survey on the sell-in value of high-end learning machines through all sales channels in China's Mainland, 2023. Premium learning machines are devices with a recommended retail price above 5,099 RMB yuan. Learning machines refer to electronic educational products that assist learning in fields including but not limited to language learning and exercises of specific academic exercises. The survey was completed in July 2024).

In 2024, iFLYTEK released its flagship AI learning machine product T30 Ultra featuring an enhanced AI-based 1-on-1 tutoring function, pioneering a new interactive mode that encourages children to think and ask questions proactively. iFLYTEK has also developed abundant high-quality learning content closely aligned with the new curriculum standards, including AI-enhanced courses in Chinese writing, intensive reading, cognitive development, and elementary mathematics, offering school children innovative ways of learning and a better learning experience. In the same period, built on iFLYTEK SPARK 4.0 Turbo, iFLYTEK launched an AI homework filter that can autonomously categorize the exercises into three types based on the students' historical data and local testing trends "must-do", "optional", and "recommended to skip", which significantly reduces their homework burden. This enables students to quickly determine the importance of different exercises, thereby avoiding inefficient repetitive practice to improve learning effectiveness.

1.4 Expanding Application of Intelligent Grading Technology

In 2024, iFLYTEK continued to increase investment in fundamental research on intelligent grading technology, making continuous breakthroughs and innovations in many aspects, with its application scope expanded from specific question types to all subjects. Among them, large language model-based grading

solutions have been fully developed to cover reading, Q&A, retelling, and topic-based speaking; This intelligent grading system has outperformed all competitive products alike in English oral ability assessment and intelligent scanning and scoring in real-world scenarios.

While maintaining leadership in intelligent grading technology, the Company also reinforced its leading position in the AI application in exam scenarios. In 2024, the application of this technology has been extended to cover the English listening and speaking tests in College Entrance Exams in one additional province and 4 cities, along with the high school entrance exams in 19 newly added prefecture-level cities. Now, it covers college entrance exams in 25 provincial regions and high school admission exams in 127 prefecture-level cities and has partnered with two provincial education authorities in the computer-aided listening tests of College Entrance Exams. iFLYTEK's intelligent grading technology has been deployed in College Entrance Exam grading systems across 14 cities, processing over 30 million test papers on an annual basis.

At the same time, iFLYTEK continued to provide support for the National Putonghua Proficiency Test to boost high-quality Putonghua testing advancement in response to the call for a firm national language foundation, with annual test-takers reaching 10 million each year. Efforts have been made to upgrade the standardized Putonghua test rooms, with the construction of 300 facilities completed.

1.5 Expanding the Application of AI Language Learning Products

By empowering language learning and classroom activities with AI, iFLYTEK has developed English education products like ETS for individual users and AI smart classroom solutions for schools. Deeply integrating with iFLYTEK SPARK, the core capabilities of ETS have been enhanced across writing, reading, listening, and speaking, remarking a smooth transition from the sole function of speaking training to a comprehensive coverage of all English skills. Now, it caters to the needs of users of elementary, junior and senior high school levels, attracting 3.55 million paid users in 2024, which increased by 35% compared to the previous year. Up to now, the AI smart classroom has been applied in over 3,000 schools across more than 30 provinces in China, benefiting as many as 3.9 million teachers and students.

1.6 Promotion of Region-specific Personalized Education Solutions

During this reporting period, the Company significantly expanded the coverage of its personalized learning solutions in 18 regions, including Fugu County in Yulin, Shaanxi, Zhuji City in Zhejiang, Feicheng City in Shandong, Harbin New District in Heilongjiang, Longwan District in Wenzhou, Zhejiang, and Hexi District in Tianjin. To date, iFLYTEK's personalized education solutions have been implemented in over 85 cities, districts, and counties, effectively reducing workload and improving efficiency for teachers and students alike with statistically proven results. This large-scale application has increased the efficacy of regional teaching management through digital tools, with intelligent teaching assistants significantly easing teachers' grading and lesson planning burdens. Additionally, it has developed student-centered learning profiles, increased teaching effectiveness, tailored instructions to individual learning needs, and shifted away from repetitive learning methods. These widespread applications have markedly enhanced teaching quality in these regions.

1.7 Quality Education Products and Services

In after-school services, empowered by iFLYTEK SPARK, a course platform provides a wealth of quality course resources and content for teachers and students, greatly reducing the burden of teachers in lesson preparation and classroom teaching. To date, iFLYTEK's after-school solutions have covered over 13,000 schools in more than 460 districts and counties nationwide, playing a key role in driving the paradigm shift from traditional knowledge teaching to a method focusing on students' capabilities and comprehensive qualities,

gradually narrowing the urban-rural gap in education, and promoting more balanced development across regions.

2. Smart Healthcare

In smart healthcare, iFLYTEK is committed to creating an AI diagnostic assistant for every doctor and an AI health assistant for every citizen, leading China's AI application in the healthcare sector. Utilizing the foundational capabilities of iFLYTEK SPARK and medical knowledge gained from years of healthcare commercialization, the Company is dedicated to the product development of clinical assistants and healthcare assistants, offering ground-breaking products and solutions that cover the entire process from health risk early warning, early screening, diagnosis, treatment, follow-up, rehabilitation, post-diagnostic management, and chronic disease management.

In 2024, the global smart healthcare industry was driven by dual engines of technological breakthroughs and scenario expansion. As the Company serving the largest number of doctors and patients with AI-powered medical technologies in China, Xunfei Healthcare has made significant progress in both core technologies and business presence, laying a solid foundation for its next step forward.

Centered on the two core capabilities of big data and large language model and the two major product families, Xunfei Healthcare has built a diverse AI-driven product system tailored to customers on three sides: government, business, and consumer. The system aims to (1) empower cities in implementing smart healthcare governance, providing AI healthcare solutions to address government priorities such as primary care services, disease prevention and control, and healthcare insurance efficiency improvement; (2) empower hospital quality & efficiency enhancement, delivering comprehensive AI solutions to improve medical quality, patient satisfaction, and hospital operations management; (3) empowering personal health services, offering lifelong health management services including digital imaging, post-diagnosis care, and an AI-powered home healthcare consultation & management app (iFLYTEK HealthBot), as well as home medical devices (smart hearing aids).

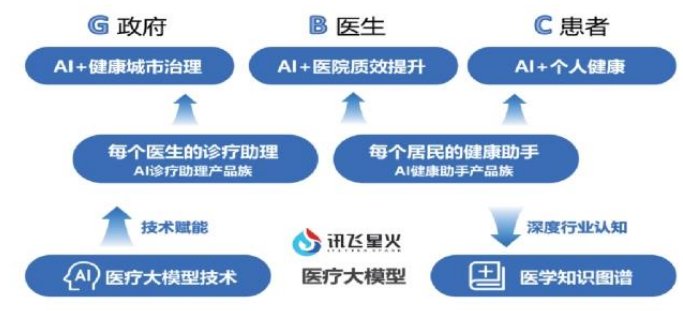


Figure 2: Overview of iFLYTEK's Smart Healthcare Business

2.1 AI-powered Clinical Assistant Products

2.1.1 Primary Care Services

AI Medical Assistant: As of December 31, 2024, iFLYTEK's AI Medical Assistant has been deployed in more than 70,000 primary care providers across over 670 districts and counties in more than 30 provinces nationwide, providing approximately 910 million AI-assisted diagnostic recommendations and standardizing about 350 million electronic medical records. The system has issued warnings about and revised over 1.60 million medical records and identified 86 million inappropriate prescriptions. The reliability of diagnoses has increased from about 90% in 2021 to 95%, and the accuracy of prescription from about 93% in 2021 to about

95%, covering more than 1,900 diseases and significantly reducing the risks of misdiagnosis, missed diagnosis, and medication errors. China's vast territory of 2,843 districts and counties offer enormous potential for AI applications in community medical institutions, and municipal levels, so these AI medical assistants are poised to enter a period of rapid development in the coming years.

Chronic Disease Management: Xunfei Healthcare's AI-powered chronic disease management system has developed in compliance with China's National Basic Public Health Services Program and national clinical guidelines, including the Guidelines for the Management of Hypertension in Primary Healthcare and the National Guidelines for the Prevention and Control of Diabetes in Primary Care. iFLYTEK's AI chronic disease management system automatically assists family doctors with chronic disease screening, stratification, medical follow-up, personalized health education, and automated lifestyle interventions as to supplement and facilitate everyday chronic disease management services. This allows family doctors to focus on chronic disease diagnosis and treatment and patient care, effectively promoting the integration of medical prevention, control of chronic diseases, and reduction of hospitalization rates for complications. During this reporting period, the system has been deployed in over 100 counties and districts across Gansu, Anhui, Jiangsu, Hebei, Liaoning, Zhejiang, and Sichuan Provinces.

2.1.2 Hospital Services

Smart hospital solutions: Based on the upgraded foundational capabilities of iFLYTEK SPARK, iFLYTEK's smart hospital solution has demonstrated increasing reliability and effectiveness, leading to closer collaboration with an increasing number of referral hospitals and medical companies. In April 2024, Xunfei Healthcare, West China Hospital affiliated to Sichuan University, and Huawei entered into a tripartite strategic cooperation agreement, under which the three parties agree to deepen cooperation in key areas such as innovative medical service models, improving medical experiences, and the application of large language model capabilities in healthcare, aiming to promote the development of AI in hospitals and enhance public healthcare. As part of this initiative, a medical assistant system that provides comprehensive AI-powered solutions has been deployed at West China Hospital as an industry benchmark, which has provided 13 million services to date. Additionally, Xunfei Healthcare provides hospitals with intelligent big data platform solutions that support an integrated Data Lakehouse infrastructure, empowering innovations in hospital operations and medical research. Currently deployed in pilot hospitals in Shenzhen and Beijing, the platform has a storage capacity of over 10 billion records and processes 20 million real-time incremental updates daily. Three cohorts have been established for population-specific disease research covering over 100,000 patients.

AI Diagnostic Assistant: Through sustained technology innovation, Xunfei Healthcare assists hospitals and doctors in diagnoses, treatments, and management of general and specialty diseases, thereby enhancing the efficiency and quality of services provided by referral hospitals and their doctors. Up to now, iFLYTEK's Clinical Decision Support Systems (CDSS) designed for referral hospitals has covered more than 1,700 diseases. The intelligent Venous Thromboembolism (VTE) system is capable of making intelligent assessments for over 170 items, with a striking consistency rate of over 97% with senior specialists.

2.1.3 Regional Health Administration Solutions

Smart healthcare solution: After years of market expansion, Xunfei Healthcare has got involved in the establishment of infectious disease monitoring and early warning systems and emergency response platforms in Anhui, Henan, and Qinghai provinces. In the coming years, the Company plans to explore large language model applications in disease control and prevention, aiming to provide intelligent solutions for China's infectious disease control and prevention.

Additionally, Xunfei Healthcare has applied large language model capabilities in healthcare data governance and the development of health data, with pioneering collaborative projects launched in Changning District of Shanghai and Longhua District of Shenzhen.

Smart medical insurance: Xunfei Healthcare actively responds to the institutionalization of DRG/DIP payment by developing a comprehensive medical record analysis system to achieve smart medical insurance management. Through leveraging artificial intelligence empowerment, the system provides optimized insurance management across the entire clinical process by analyzing the medical records and insurance settlement data of the patients, contributing to the full-cycle funding supervision of the National Healthcare Security Administration. This addresses the critical challenges of limited manpower, capabilities, solutions, and tools in fund supervision, improving regulatory efficiency, and achieving systematic and standardized fund management. Currently, iFLYTEK Smart Medical Insurance has entered into normal operations in Lyuliang (Shanxi Province) and Pu'er (Yunnan Province), and has delivered services in Hefei (Anhui Province), Guiyang (Guizhou Province), Wuzhou (Guangxi Province), and Jiujiang (Jiangxi Province), promoting coordinated development and governance of medical insurance, healthcare, and pharmaceuticals.

2.2 AI Health Assistant Product Family

Committed to creating a health assistant for everyone, Xunfei Healthcare has developed a spectrum of AI-powered health assistant products based on its advanced core technologies including iFLYTEK SPARK and voice interaction technology. It primarily focuses on four key areas: AI-powered post-diagnosis patient management, Xunfei HealthBot, the imaging cloud platform, and smart medical devices. By now, the scope of AI patient services has been extended to cover end-users, supporting long-term and stable profitability and growth.

2.2.1 AI-Powered Post-Diagnosis and Post-discharge Management

In recent years, the Chinese government has increasingly focused on post-diagnosis and post-discharge management. The Opinions on Further Improving the Medical and Health Service System, issued by the General Office of the CPC Central Committee and the State Council, call for expanding the provision of post-diagnosis services in rehabilitation and post-discharge care, while the National Health Commission also explicitly stated the need to strengthen post-diagnosis management and follow-ups to improve patient experience.

As a response, Xunfei Healthcare's AI-powered post-diagnosis patient management system has undergone comprehensive upgrade and iteration based on iFLYTEK SPARK. This system can fully understand patients' electronic medical records, automatically collect key diagnostic and treatment information, and generate personalized rehabilitation plans based on evidence-based disease knowledge. Leveraging advanced technologies including generative AI, speech recognition, and speech synthesis, this solution enables an interactive experience that is more seamless and natural, benefiting doctors by assisting disease education and rehabilitation guidance, conducting regular health assessments with tailored lifestyle improvement plans, and altering doctors to potential risks identified from the feedback of the patient.

As of December 31, 2024, this post-diagnosis management system has been deployed in hospitals, including West China Hospital of Sichuan University, Tongji Hospital affiliated with Huazhong University of Science and Technology, Beijing Tiantan Hospital and Beijing Tongren Hospital affiliated with Capital Medical University, Zhongnan Hospital of Wuhan University, Zhongda Hospital affiliated with Southeast University, Shandong Provincial Hospital, the First Affiliated Hospital of Henan University, the First Hospital of Hebei Medical University, the Affiliated Hospital of Hebei University, Gansu Provincial Central Hospital, Ningxia

Hui Autonomous Region People's Hospital, and the First Affiliated Hospital of the University of Science and Technology of China. Among them, the coverage of post-discharge follow-ups in West China Hospital has reached 100%. The same year also witnessed breakthroughs in market expansion at leading hospitals across six provinces and autonomous regions Jiangsu, Shandong, Henan, Hebei, Gansu, and Ningxia, laying a solid foundation for comprehensive promotion and rapid development of AI post-diagnosis management for 2025.

2.2.2 Xunfei HealthBot

On June 27, 2024, the Company's app Xunfei HealthBot, a personalized digital health assistant for individual and family users, was upgraded once again to meet the personalized needs in the healthcare field, with the release of the new feature of "personal digital health space". This "personal digital health space" is built on individualized data such as electronic medical records and physical test reports. Before a patient visits a doctor, it can help analyze the causes of illnesses, provide personalized judgments on drug contraindications, and give comparative data changes after examinations. By switching roles, it allows understanding of other family members' health conditions, serving as a health assistant for every family member. In addition, the core capabilities of Xunfei HealthBot have undergone continuous upgrades to cover 1,600 common diseases, 2,800 common drugs, and 6,000 common examinations and tests, which can meet the major patient needs in pre-diagnosis, medication, and post-examination scenarios.

By December 31, 2024, the app had already hit 20 million downloads, with a 98% user satisfaction rate and a 42% user referral rate. On March 3, 2025, the health-specific large model X1 was officially integrated into Xunfei HealthBot app, enabling deeper interaction with users' health records. This allows the app to deliver more personalized, practical, and insightful recommendations to patients by analyzing their underlying health conditions and anticipating their potential needs, which marks another solid step towards a true AI health assistant. This app did not generate revenues during this reporting period. Next step, Xunfei Healthcare will continue to explore the commercialization strategies of Xunfei HealthBot as a consumer-facing mobile app by integrating professional medical services.

2.2.3 Imaging Cloud and Diagnostic Assistant Platform

Xunfei Healthcare has established China's largest regional cloud imaging platform that enables sharing and mutual recognition of medical imaging data in Anhui Province, which has provided data services over 112 million times. iFLYTEK has an imaging cloud and diagnostic assistant platform, through which doctors from hospitals at all levels from the same province can upload imaging results and access data and reports uploaded by other institutions. This helps achieve medical data sharing, reduces unnecessary repeated examinations, and prevents patients from undesired radiation exposure. The platform was designed to provide a range of services including remote medical consultation, digital imaging solutions, health information system (Picture Archiving and Communication System, PACS), medical device and infrastructure services, and AI-assisted diagnosis in radiology.

In October 2024, Xunfei Healthcare unveiled a medical imaging large model and an Intelligent Imaging Assistant based on this new model. Featuring a deep integration of AI medical imaging technology, this new product leverages image recognition algorithms and medical cognitive intelligence to build a cross-institution data interoperability system. It enables efficient sharing of massive image data through data compression and transmission techniques and distributed storage, significantly reducing unnecessary repeated imaging test and costs to the minimum. It can assist medical professionals in multiple steps across the clinical process. In terms of radiographic image quality assurance, the AI assistant helps medical imaging physicians assess the image quality and correct possible errors in medical examinations efficiently. It can also assist radiologists in rapidly

generating diagnostic reports by tracking historical data and creating a comparative analysis of different phases. In the medical image analysis process, it can offer doctors a reliable intelligent treatment plan through intelligent interactions via its integration into the medical imaging large model. Building on the Company's success in building China's first imaging data sharing and mutual recognition platform in Anhui Province.

2.2.4 Smart Medical Devices

By the end of the 14th Five-Year Plan period, China's population aged 60 and over is expected to exceed 300 million, transitioning the country from a mildly aged to a moderately aged society. Hearing loss is anticipated to become increasingly prevalent among the elderly. In response to the growing need for hearing care, Xunfei Healthcare has developed AI-powered hearing aids as its core intelligent hardware products, which are sold to individual customers through e-commerce platforms. Equipped with Xunfei Healthcare's scenario recognition system and proprietary scene recognition system known as "AI Scene", the hearing aid can monitor users' surroundings in real time and amplify hearing or reduce background noise in response to the change of the environment. The intelligent hearing aid was first released in 2022, with an upgraded deluxe version launched in the same year. Thanks to its excellent performance, intelligent experience, and affordable prices, it has been highly recognized by the market and consumers. In April 2024, Xunfei Healthcare launched its new series of hearing aids, the Starlight Edition. This new series has a behind-the-ear design and fully upgraded scene recognition technology, featuring 64 intelligent channels, 32 adjustable frequency points, and a full-on acoustic gain of up to 70 decibels, meeting the needs of people with severe hearing loss. Powered by iFLYTEK SPARK, this latest intelligent hearing aid has led a new trend in the market.

In December 2024, Xunfei Healthcare released the premium intelligent behind-the-ear hearing aids Pro Bright Moon & Full Moon Series. By integrating advanced speech recognition technology, these cutting-edge products completely excel the previous versions in features such as multimodal subtitle assistance and deep-sea level noise cancellation. The multimodal subtitling feature generates audio-to-text conversion in real time, truly making the sound visible to the users. As research shows, audiovisual integration contributes to better speech perception than auditory- or visual-only perception, while the Bright Moon and Full Moon Series boast extraordinary performance that enables individuals to achieve almost normal hearing.

In 2024, iFLYTEK's hearing aids ranked among top three among all competitive products on China's two leading e-commerce platforms, JD.com and T-mall. They secured first place on T-mall and second place on JD.com during the "618 Shopping Festival" on June 18, 2024, and ranked second on both platforms in the "Double 11 Shopping Festival" in November 2024. As of December 31, 2024, the total sales of iFLYTEK's intelligent hearing aids exceeded 140,000 units.

3. Smart Automotive

The year 2024 was marked by rapid and steady growth in the Chinese automotive market with record-breaking annual sales, showing a sustained positive momentum and vitality of China's automotive industry. Both production and sales volumes remained above the 30-million-unit threshold, with new energy vehicle production and sales surpassing 10 million units for the first time. Automobile exports climbed up to new levels, and the market share of Chinese automotive brands continued its upward trajectory, showcasing a market landscape characterized by both growth and diversified development. With the steady development and integration of foundational large language model capabilities, a significant impetus has been injected into automotive intelligence, laying the foundation for a range of innovations, including smart cockpits featuring more versatile functionality and intelligent driving technologies that continue to emerge.

Aiming to be a world-leading company in intelligent automotive services, iFLYTEK offers industry-leading products and technology solutions for real-world application, including smart cockpits, intelligent interaction systems, advanced audio technology, and autonomous driving systems.

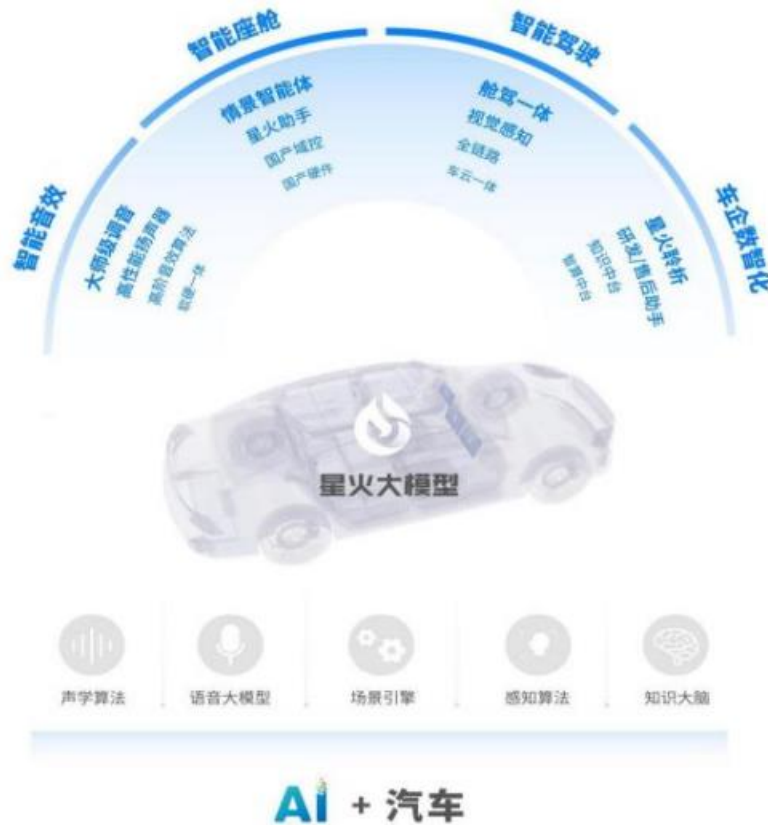


Figure 3: Smart Automotive Business Empowered by iFLYTEK SPARK

During this reporting period, iFLYTEK's intelligent voice business experienced a comprehensive upgrade due to the iteration of iFLYTEK SPARK. The Company's products featuring multilingual, multi-dialect, and hyper realistic speech synthesis capabilities have been significantly improved to offer seamless and more human-like interactive experience, with overall iterations implemented through cloud collaboration via the mainstream in-vehicle platform. Related product solutions have been offered through in-depth collaborations with major domestic and international automotive companies such as Chery, GAC Group, Great Wall Motors, and Changan. On November 11, 2024, the research project titled Deep Learning-based Vehicle Voice Interaction System Development, jointly submitted by iFLYTEK, SYNCORE AUTOTECH Co., Ltd., and Guangzhou Automobile Group, was awarded Second Prize of the China Society of Automotive Engineers Science and Technology Award.

With the growing global demand for intelligent automotive solutions and the rapid expansion of China's automobile exports, the Company has accelerated its business deployment worldwide, leveraging multilingual interaction technologies to support the overseas customer expansion strategy. In 2024, iFLYTEK's voice interaction products have supported 25 new foreign languages, achieving comprehensive coverage in key overseas markets such as the Middle East, South America, Europe, and Southeast Asia. In the same year, the Company also completed iterative upgrades of core capabilities, including the recognition engine and the extended text-to-speech converter with multilingual support, enhancing linguistic performance and service

delivery efficiency. During this reporting period, these new products have been adopted by several leading automotive makers to support their overseas projects, contributing to an unprecedented shipment in 2024, which significantly boosts the Company's confidence in delivering advanced smart voice services to a broader global customer base.

In the realm of intelligent sound effects, through independent R&D efforts, the Company has developed a premium smart automotive sound solution, iFLYSOUND. This smart audio management system, through deep integration with voice, vision, and application ecosystems, has revolutionized the vehicle sound experience, transitioning from single-dimensional and single-scenario to multi-dimensional and multi-scenario experience. It features an array of advanced audio technologies, including virtual surround sound, ultra-immersive spatial audio technology, voice cloning, adaptive loudness compensation, intelligent scenario-based gain control, high-fidelity audio, in-vehicle communication enhancement, active noise reduction, advanced sound stage management, sound zoning technology, soundproof walls, AI-based multi-track processing, hands-free karaoke, and the iFLYTEK SPARK Tuning Master. Additionally, it offers comprehensive subscription services encompassing sound library, sound wave library, sound effect library, and function library. In 2024, a car model equipped with the iFLYSOUND system won the Professional Group A championship at the International Car Sound Challenge, hosted by the International Auto Sound Challenge Association (IASCA).

As of now, iFLYSOUND has been adopted in over 60 car models from more than 10 Chinese and joint venture automakers, with the shipment doubled from the previous year.

In the field of smart cockpits, iFLYTEK launched an upgraded smart cockpit solution on June 27, 2024 featuring innovative technologies including high-speed LLM-based interaction, full-duplex intelligent interruption, multi-language/multi-dialect auto-switching, hyper realistic emotional speech synthesis, and an AI-powered culinary assistant. Through scenario-specific capability design, the Company continues to expand intelligent agent applications for more diverse scenarios. On October 24, iFLYTEK launched its automotive-specific large model with industry-leading response speeds, enabling more convenient, diverse, rapid, and intelligent human-machine interaction.

During this reporting period, this model has been implemented in multiple car models from leading Chinese automakers such as Chery and GAC, which are gradually entering mass production and delivery. On the hardware front, based on advanced AI technologies, iFLYTEK's domain controller for the smart cockpit has been applied in a range of new vehicle production projects, with mass production planned over the next two years.

In the field of intelligent driving, the Company has successfully developed advanced driver-assistance system products such as highway NOA and memory parking without relying on high-precision maps. These products have been adapted for mass production by mainstream domestic automakers. Leveraging the foundational capabilities of iFLYTEK SPARK, the Company has completed the development of the latest end-to-end algorithms in automated driving with industry-leading performance.

During this reporting period, the Company's intelligent automotive business has experienced impressive growth, with a record-breaking shipment of 9 million pre-installations and cumulative shipment exceeding 63 million units. Its annual online interactions reached 13.6 billion, a year-on-year increase of 36%, and the monthly active user base exceeded 25 million.

During this reporting period, iFLYTEK's technological and application achievements in the smart automotive sector have received widespread industry and market recognition. The Company's key products have won a range of prestigious industry awards, including a special jury award at the fourth CMG "China

Automotive Epic Ceremony," the "Pioneering Technology Award" for consumer vehicles granted by China Automotive News, the second prize at the 2024 BRICS Industrial Innovation Competition, the excellence award in the Smart Cockpit and Human-Machine Interaction category by SAE International, the second prize in the Science and Technology Award by the China Society of Automotive Engineers, and the second prize in the Science and Technology Progress Awards by the China Intelligent Transportation Systems Association (ITS China).

4. Corporate AI Solutions

Leveraging its large language model iFLYTEK SPARK, the Company provides comprehensive digital and intelligent solutions for businesses, local state-owned enterprises, financial institutions, telecom operators, and leading companies in various industries. During this reporting period, the Company accelerated the implementation of iFLYTEK SPARK across sectors such as telecommunications, oil and gas, and finance. It developed a cost - effective, efficient, and easy-to-implement AI framework comprising a general large language model plus industry-specific large models. To help businesses with their digital transformation, the Company integrates general AI into a tool chain, thus creating a full-solution framework. It covers everything from top-level AI planning to creating scenario value. The process includes building computing power, managing data, training models, implementing scenarios, ensuring security, and optimizing operations.

As a strategic partner of the three major telecom operators, iFLYTEK focuses on the key challenges in the communications and information sector. These challenges include the urgent need for AI-powered products on the supply side, the demand for precise marketing services, and the need for quality digital transformation on the production side. Using its large model's iterative and scenario-expansion capabilities, the Company aims to provide innovative 5G-AI integrated products and solutions for the three main customer groups of telecom operators: individuals, households, governments, and businesses. At the same time, it enhances internal management. This helps operators achieve full digital transformation and high-quality development, promoting win-win business and cooperation outcomes.

- For individuals, the Company is leveraging the phone call large model and capabilities for various call scenarios from operator customers to drive innovation in new 5G calling experiences. The Company has launched a suite of innovative products: AI Notetaker, the world's first app combining traditional calling with AI, offering new communication solutions for industry and public users; AIGC Video Ringback partnering with Migu as one of its first AI capability partners; and AI Secretary, which upgrades operators' voicemail products with AI, and becoming the first consumer product to scale up through offline marketing. These new products integrate and work synergistically with existing services to form a powerful AI-driven product matrix. Throughout the year, these products gained 20 million new subscribers, effectively supporting the implementation of the operators' AI product strategy.
- For families, iFLYTEK has worked with carriers to build a smart home system, assisting family users in upgrading their interaction modes and establishing a comprehensive ecosystem. Our voice interaction solutions for the telecommunications sector have expanded from traditional set-top boxes to core products such as China Mobile robots, family computing hosts, FTTR sensory storage and computing all-in-one devices, and AI cameras, aiming to create a new intelligent life ecosystem. Moreover, utilizing the capabilities of its education and medical models, the Company upgraded products like AI Family Doctor and Xunfei Lexue to meet family users' needs, providing personalized intelligent services to each family member in education and healthcare. During this reporting period, the number of family voice users exceeded 150 million, with total voice interactions surpassing 90 billion.
- For enterprises, leveraging the core capabilities of the iFLYTEK voice model and the Spark model, we

assist operators with their internal digital transformation by addressing high-frequency and immediate needs, focusing on intelligent customer service, smart installation and maintenance, intelligent marketing, and digital employees. We serve nearly 200,000 internal employees, alongside almost 300 million individual users and 200 million broadband customers. Additionally, based on its home-grown large language model iFLYTEK SPARK, the Company has driven the development of intelligent computing centers by the four major operators in pilot provinces.

In the oil and gas industry, the Company focuses on the needs of digital transformation in this sector. Based on its large language model, the Company has established a matrix of large models for key business areas, including oil and gas, chemicals, and new materials. Concentrating on oil exploration, refining, sales and research, the Company offers more than ten scenario-based solutions, such as intelligent decision-making for production command, predictive maintenance for equipment, oil and gas market analysis, and a platform for new materials research and development. As of 2024, the total value of signed large language development contracts for PetroChina Kunlun Large Model, CNOOC HaiNeng Large Model, and Sinopec Large Language Model, is close to 100 million RMB yuan. In the metallurgical industry, in 2024, the Company partnered with Baosteel to build models with varying parameters and intelligent agents, continuously exploring the application of business scenarios across research, production, supply, marketing, sales, services, and management.

In the financial sector, the Company has deeply collaborated with leading banks, insurers, and brokerages to jointly explore the development of financial large model capabilities and application scenario innovations. It has built product applications for six major areas: smart marketing, risk control, customer service, office management, software development, and intelligent operations. The Company has worked with the Industrial and Commercial Bank of China to boost large model application in operations and office management. It has joined hands with the Bank of Communications to develop over 50 AI-powered financial scenario apps which cover key areas like zero lending, risk control, and financial markets and strengthen the bank's digital capabilities. Additionally, it has also developed a work order assistant with the Agricultural Bank of China that handles intent recognition, automated summarization, and precise recommendations. In collaboration with PICC Group, the Company has developed an intelligent inquiry system, supporting more than 30,000 insurance agents. The Company co-created the Guoyuan Investment Banking Big Model with Guoyuan Securities, which enables fully automated recognition and editing of investment banking documents and improves the efficiency of verification and review processes. To boost retail banking digital transformation, the Company has successfully implemented the "AI+Strategy+Channel" integrated solution across over 20 operating bureaus.

As of December 2024, iFLYTEK has jointly launched industry-specific models with over 20 leading enterprises, including PetroChina, CNOOC, China Resources, Green Development, Bank of Communications, and PICC, covering more than 300 application scenarios. According to third-party data, in 2024, iFLYTEK ranked first in both the number of winning bids and the total contract value for its large models, encompassing a diverse range of industries such as telecommunications, finance, energy, education, government affairs, and healthcare.

During this reporting period, the Company actively shared its experience in large model development with the industry, promoting the healthy development of the large language model sector. iFLYTEK SPARK received a "Large Language Model Safety Evaluation Certificate", one of the first of its kind, from the China Software Testing Center (CSTC), which is the top-level certification for LLM safety capabilities at present, and jointly formulated and released the industry standard "Technical Specifications and Application Requirements for Intelligent Software Engineering Part 1: Code-based Large Language Model" with the Key Laboratory of Artificial Intelligence Key Technologies and Application Evaluation. The iFLYTEK SPARK Intelligent Agent

Platform has successfully passed the evaluation by China Academy of Information and Communications Technology (CAICT) and become the first platform in China to meet the relevant standard and obtain the highest-level certification. The Company has actively developed large language model standards and conducted industry research for the financial sector. It has led the formulation and publication of the first Chinese large language model standard for the banking industry. Covering aspects like scenario richness, capability support, and application maturity, this standard provides a reference for evaluating the technical and application effectiveness of banking industry large models. The Company worked with Sunshine Insurance, Tsinghua University's PBC School of Finance, the Insurance Society of China, and other groups to release the "White Paper on Deep Empowerment of the Insurance Industry through Large Model Technology 2024." This white paper explores how large language models can be utilized in insurance and its value chain. Also, the Company and China Merchants Bank, along with the Institute of Automation of the Chinese Academy of Sciences, launched evaluation benchmarks for digital finance. These benchmarks cover six scenarios and 69 financial tasks, aiming to build a comprehensive and scientific evaluation system for large models in digital finance.

During this reporting period, the Company partnered with CMCC to win the 5G Messaging and New Call category first prize at the seventh "Bloom Cup" 5G Application Competition, hosted by the China Academy of Information and Communications Technology (CAICT). The Company was recognized as a "Pioneer Case for Artificial Intelligence+Telecommunications" by CAICT for both the Empowered Intelligence Group and the Smart Intelligence Group. It also received the Scientific Progress Award from the China Communications Association, among other accolades.

5. Smart City

5.1 Digital Governance

During this reporting period, the digital governance business division accelerated the integration of the foundational capabilities of iFLYTEK SPARK, significantly enhancing the competitiveness of its products and solutions. The Company continued to strengthen the construction of urban governance large models and developed a comprehensive solution framework for urban digitalization. Then Company has successfully rolled out government-focused large language model applications in multiple regions nationwide. These projects encompass a wide range of applications, including official document drafting, intelligent Q&A and processing, comprehensive window assistance, and website interaction. The launch of the LLM-enabled Smart Office All-in-One Machine covers over 4,500 standardized matters and related policy documents, and more than 60 types of ticket materials. It can quickly review and upload administrative documents and provide risk alerts. This helps staff at comprehensive service windows efficiently manage document receipt, reducing review time by 80% and boosting registration efficiency by five times. The digital government division has built a full-solution system across three key areas: government services, business environment, and duty performance by authorities. This effectively supports application scenarios such as urban governance, data spaces, industrial parks, and the digital economy.

5.2 Smart Judiciary

During this reporting period, the Company fully implemented the strategy of integrating large language models with legal applications. It enhanced data construction within the judicial industry and the annotation of scene data. The Company released version 2.0 of the iFLYTEK SPARK legal model, which included 12 industry capabilities. According to dataset evaluation, their average performance improved from 71.4% in version 1.0 to 87.9% in version 2.0. Additionally, the legal voice and graphic large model were updated simultaneously. The Company has partnered with the Supreme People's Court on the "12368" hotline and

complaint service. During its pilot run in several provinces, it successfully received over 7 million incoming calls. It achieved a 60% diversion rate and a 65% boost in complaint registration efficiency. The Company has also collaborated with various political and legal authorities across provincial regions such as Zhejiang, Beijing, Shanghai, Anhui, and Shaanxi to explore large language model applications comprehensively. The Company's transcript streamlining service has been promoted in over 30 courts, boosting transcript production efficiency by 60%. Meanwhile, paperwork generation was piloted in Anhui and Sichuan, raising efficiency by 90% for simple documents and 30% for complex ones. Moving forward, the Company will keep enhancing its legal large model's foundational capabilities and boost the efficiency of applications. The Company aims to develop a comprehensive suite of case-handling tools, including complaint registration and judgment, a hotline service, file reading assistance, evidence examination, transcript streamlining, and document creation. Ultimately, the Company aims to create a personalized AI case-handling assistant. This will improve the quality and efficiency of case resolution and ensure fairness and justice for every case.

★ AI Open Platform

iFLYTEK Open Platform continues to lead the AI developer ecosystem. It has achieved remarkable results in implementing large model applications and enabling ecosystem development. The platform drives AI technology innovation and application while empowering numerous industries.

6.1 API Developer Services and Digital Marketing Services

As at the end of this reporting period, the iFLYTEK Open Platform has launched 806 AI capabilities and solutions, attracting over 8.02 million AI developer teams and supporting the development of more than 2.94 million production-grade AI applications. Over 2.24 million new AI developer teams have joined within one year. The platform has also supported more than 460,000 overseas developer teams. The number of large language model developers has reached 1.02 million, who have created 170,000 practical large model applications. Daily large model API calls have increased by over 763% year on year. Based on public market data, the platform is now the largest ecological platform for large model developers in China. In addition, a report titled "China's Speech Semantics Market Share: How Large Language Models Create New Opportunities for AI Growth" from IDC shows that iFLYTEK ranks first in China's speech semantics market.

The iFLYTEK Open Platform has worked closely with leading companies to build industry solutions that cover a wide range of application scenarios, such as office and customer service, bidding and procurement, contract management, employee training, scientific research and programming assistance. These solutions are widely adopted in sectors including the internet, advanced equipment manufacturing, robotics, energy, telecommunications, and rail transit, where iFLYTEK holds the largest market share in sectors like the internet, robotics, and rail transit.

To meet a broader range of industry needs, the iFLYTEK Open Platform integrates upstream and downstream resources through the AI service market, facilitating partners in creating a closed business loop. So far, 1,280 preferred AI service providers have joined, with the registered companies exceeding 130,000 and the overall turnover surpassing 1 billion RMB yuan. The three-year compound annual growth rate for turnover has reached 120%. Leveraging the foundational capabilities of iFLYTEK SPARK as an engine of new productivity, the iFLYTEK Open Platform continues to develop scalable product solutions tailored for specific industry scenarios, creating statistically significant value with competitive advantages.

As deputy chair of the National Robot Standardization Technical Committee's Humanoid Robot Standardization Working Group, iFLYTEK's robotics super brain platform provides AI technology services for

robotics companies. With a focus on human-computer interaction and embodied intelligence, it has introduced the world's first multi-person multimodal noise reduction technology and the industry's first humanoid robot interaction capability, significantly enhancing robots' multimodal interaction abilities. Currently, over 90% of domestic intelligent robotics companies utilize the integrated software and hardware solutions from iFLYTEK's Super Brain Platform, with 60% adopting the full-link interaction solution.

iFLYTEK's Virtual Human Platform secured the most virtual digital human development contracts in 2024. The platform launched the first super-anthropomorphic digital human, which excels in accuracy, naturalness, and overall performance. It successfully passed the basic ability grading test for large language model-based digital humans conducted by the CAICT Artificial Intelligence Research Institute, achieving one of the first L5 certifications in China.

To meet the diverse and personalized needs of developers, iFLYTEK SPARK has established a comprehensive, customizable intelligent agent creation center. This allows developers to create personal assistants with zero coding, enabling them to efficiently build large-model native applications tailored to specific business scenarios. To enhance the effectiveness of applying models in specific fields, iFLYTEK SPARK has developed the Xingchen Model as a Service (MaaS) Platform. This platform allows developers to fine-tune models easily by simply building relevant business domain-specific data. Additionally, it offers model evaluation and release features, allowing assessed models to be swiftly launched as services for effective application in real-world business scenarios. By the end of this reporting period, developers on this platform had created 44,000 customized intelligent agents to address niche market needs, making it the leading platform in the industry. This platform has trained 18,442 models, making the largest fine-tuning platform adapted for domestic computing models. With these initiatives, iFLYTEK SPARK has begun to establish a new system for developing native applications on large models, enabling developers to achieve the maximal value of large model applications and drive product innovation and business growth.

Key progress has been made in the overseas business of the iFLYTEK Open Platform, achieving global service coverage with localized operation teams established in East Asia, Southeast Asia, the Middle East, and other regions. The platform has successfully implemented projects across industries, including government affairs, education, finance, and telecommunications, in collaboration with governments, state-owned enterprises, and industry leaders in countries such as Saudi Arabia and Singapore.

The iFLYTEK AI Developer Competition has been successfully held for seven consecutive years and has established itself as the leading competition event and a platform in the AI industry, boosting innovation in algorithms and product applications across its ecosystem. An important pillar of this competition is the iFLYTEK SPARK Cup Large Model Application Innovation Contest. In the past year, it attracted participation from 1,656 student developers representing 533 universities worldwide, setting a new record for collegiate involvement in the industry. The Competition organizer collaborated with 30 research institutions, including Tsinghua University and the University of Science and Technology of China, along with 44 companies and organizations, releasing a total of 108 competition questions. The past year's competition drew 35,268 teams from 348 cities across 14 countries, with 9,372 of the participating projects directly related to large model development. The multi-track, large-scale, high-caliber competition, along with its aim at real-world scenarios, has further promoted the cultivation of talent in the sector and sparked innovations in products and technology development.

In the field of digital marketing, iFLYTEK's AI marketing business has leveraged its robust competitive advantage built upon foundational AI technologies and big data, to achieve continuous growth in both revenue

and market share while exploring opportunities in additional business directions. For domestic brand promotion, iFLYTEK conducts comprehensive cooperation with six major international 4A agencies through the continuous evolution of AI algorithms and product solutions, establishing multiple key account benchmarks across various industries. iFLYTEK has attained over 80% share of the domestic performance market through collaborations with e-commerce platforms, online services, and smartphone manufacturers, further increasing its market share. The Company's overseas advertising business has also achieved a significant scale breakthrough. Leveraging the advantages offered by AI algorithms, its e-commerce client base has experienced rapid growth in both new business and Cost Per Sale (CPS) business, spanning major e-commerce platforms in Southeast Asia, Europe, and the United States. At the same time, it is actively building an overseas traffic ecosystem by fostering partnerships with international developers and leading aggregation platforms, reaching over 2 billion overseas users daily. It has also established agency agreements with top international media platforms (such as Google, Facebook, and TikTok) and smartphone manufacturers, earning the "Best Overseas Marketing Platform of 2024" title awarded at the i-China Forum. As it continues to upgrade, its proprietary large language model iFLYTEK SPARK provides new momentum for its marketing solutions. The iFLYTEK marketing assistant, built on this general large language model, won the Golden Mouse award for "Best Digital Marketing System of the Year." Additionally, the iFLYTEK marketing video creation platform, also based on the large language model, received the "Most Promising Generative Video Creation Platform of 2024" award, laying a solid foundation for AI marketing and creating new business opportunities.

By adhering to the open concept and running on the dual wheels of "ecosystem construction and business-specific development," the iFLYTEK Open Platform continues its long-term sustainable development, fostering an innovative, autonomous, controllable, secure, and vibrant new ecosystem.

6.2 Open Platform Service for Businesses

- **iFLYREC (SaaS+Meetings)**

During this reporting period, iFLYTEK's Smart Office SaaS platform, centered around iFLYREC, covered 200 million ecosystem participants, with 82 million actively engaged users. The platform served over 3,000 corporate clients and collaborated with Hubei Telecom., ICBC, and others.

Deepting, the international version of iFLYREC, has garnered over 1.2 million users across Europe, Southeast Asia, Japan, and South Korea. iFLYREC smart office products have been successfully implemented in the Legislative Council of Hong Kong, receiving high praise from the Hong Kong media. Xunfei Writing has been well-recognized by a large number of learners. The annual gross profit of the iFLYREC app increased by 60%. The iFLYREC simultaneous interpreting service supported more than 1,800 high-level conferences, involving over 5,000 translators/interpreters and more than 600 translation specialists, serving over 10% of the companies listed in the Fortune 500. Additionally, new registrations for the Simultaneous Interpretation SaaS platform increased by 168% year on year.

The iFLYREC smart office solution won the "2024 National Top 10 Cases of Digital Empowerment for Enterprises" title from the Zhongguancun Digital Economic Industry Alliance. The iFLYREC app ranked first in transcription efficiency on the Apple App Store and was the leading AI product for original content creation. iFLYREC has provided AI services for major events including the China International Import Expo, the China International Aviation and Aerospace Exhibition (Airshow China), the China International Fair for Investment and Trade, the Zhongguancun Forum, UNESCO, and GITEX GLOBAL in the UAE.

In terms of product innovation, the iFLYREC simultaneous interpreting service has introduced a new software-hardware integrated simultaneous interpreting headset, allowing users to experience immersive AI

interpretation at international conferences. Additionally, partnerships have been established with several national museums and international tourist attractions. The international version of the iFLYREC simultaneous interpreting service, covering English, Japanese, Korean, Arabic, and Chinese Mandarin, are now available, supporting the deployment of all-in-one machines and SaaS in Europe and the Middle East.

iFLYREC, in collaboration with the National Association of the Deaf and the China Disabled People's Performing Art Troupe, has launched the "Hearing the Voice of AI" public welfare initiative, now entering its sixth year. This initiative has donated free transcription services over 200 million minutes to hearing-impaired users and has been implemented in partnership with UNESCO and the National Institute for Deaf Youth in Paris. During the Spring Festival Gala in the Year of the Snake (2025), CCTV launched its first barrier-free broadcast on small screens, allowing hearing-impaired individuals to enjoy the gala through real-time subtitling, enabling them to share the joy with their families.

• **Digital Employees**

During this reporting period, iFLYTEK adhered to the scenario-driven and AI-enabled approach, facilitating companies in accelerating their digital transformation and upgrade. Leveraging advanced AI technologies, the Digital Employee product underwent a comprehensive upgrade, now featuring a brand-new offering.

The iFLYTEK SPARK Intelligent Bid Evaluator (also known as Chief Digital Bid Evaluator) constructs a proprietary intelligent bid evaluation model for companies. This tool assists procurement personnel in quickly identifying anomalies, mitigating compliance risks, and improving both the efficiency and quality of bid evaluation. It serves clients in the energy industry, facilitating the intelligent upgrade of their procurement processes.

The iFLYTEK SPARK Quick Answer (a multifunctional Chief Digital Presentation Officer) integrates foundational large model technologies such as virtual humans, knowledge bases, and multimodal capabilities. It enables seamless communication during exhibitions and trade shows, summarizes user profiles, and empowers every marketing initiative. This solution supports clients like the Boao Zero-Carbon Digital Intelligence Science and Technology Park by promoting concepts of zero-carbon technology and smart living, thus enhancing the Company's brand image.

The iFLYTEK SPARK Intelligent Contract (Chief Digital Contract Officer from Rhinoceros Insight) leverages the core capabilities of the Spark large model to create intelligent solutions for the entire lifecycle of contract management. This innovation generates value for enterprise contract management, reduces business risks, and serves clients such as China Huaneng Group Company Limited by automating contract settlements and improving efficiency in contract management while minimizing disputes.

The iFLYTEK SPARK Digital Workforce Platform (Digital Productivity for Everyone) builds lightweight applications for digital workers that efficiently handle tasks such as process automation and data analysis, significantly enhancing business productivity and innovation. It supports clients like the China Classification Society by enabling cross-system data flow, greatly improving maritime work efficiency.

During this reporting period, the iFLYTEK SPARK Bidder (also known as Chief Digital Bidding Officer) was launched. Utilizing the large language model's foundational technologies, it can efficiently generate high-quality bidding documents by analyzing and aligning with requirements contained in bidding documents. It also automatically checks the completeness of documentation and the logical consistency of the content, thus serving as a professional and reliable bidding assistant that improves the success rate of bids.

• **Businesses knowledge base**

The Spark Knowledge Base, leveraging RAG's document Q&A capabilities, provides knowledge management and efficient application solutions for enterprises throughout the entire process of knowledge organization, processing, mining, application, and management. It has already served more than 70 enterprises across 12 industries. By deeply integrating internal knowledge resources, the Spark Knowledge Base transforms previously scattered and static knowledge into dynamic and reusable enterprise knowledge assets, effectively activating business vitality and innovating scenario solutions such as “Spark Training Companion,” “Spark Quality Inspection,” and “Enterprise Persona.”

The Spark Training Companion simulates real-life scenarios and evaluates employees' performance across multiple dimensions, enabling employees to enhance their skills through interactive training exercises. It has served leading companies such as BYD Group, China Mobile, with an average of over 10,000 training sessions per day per company. The Spark Quality Inspection offers comprehensive quality inspection and analysis services for text and audio, helping enterprises standardize customer service language effectively. Relying on a pioneering role separation algorithm (with an accuracy rate of 96%), an industry-specific transcription engine (with an accuracy rate of 97%), and multi-scale semantic QA technology, it ensures 100% quality inspection across customer service, telemarketing, and live broadcasting scenarios. Additionally, it delves into user demands to drive continuous optimization of marketing decision-making.

The Enterprise Persona, based on a customized character simulation model derived from the Starfire large model, vividly simulates the worldviews, values, contextual memory, personalities, and language styles of different characters. This enables the creation of unique personas and provides an immersive dialogue experience for users. It finds broad applications in areas such as IP derivatives, smart hardware, toys, virtual characters, entertainment, and the metaverse. In the initial batch of double-blind user experience tests for C-end users, the Starfire Persona Model demonstrated a clear lead in areas such as anthropomorphic expression, style transfer, and plot continuity.

★ **AI Consumer Businesses**

The consumer business consistently prioritizes consumer needs by focusing on the immediate requirements of users. It is dedicated to creating more convenient and smarter consumer products and services. Empowered by the Spark Large Model, the consumer business has accelerated the practical application of AI technology in both hardware and software products while continually updating and iterating efficient and user-friendly offerings. This commitment has reinforced its status as an industry leader.

During this reporting period, iFLYTEK SPARK contributed to remarkable achievements in AI hardware sales. GMV increased by 43% year on year during the entire June 18 Shopping Festival and by 51% year on year during the Double Eleven Shopping Festival. Across multiple product categories, including smart office notebooks, translators, and recorders, iFLYTEK ranked first in their respective industries on platforms such as JD.com, T-mall, and Douyin. User satisfaction and product ratings have continued to rise, attracting a broader consumer base. In the software sector, products like the iFLYTEK Input Method, and iFLYREC have been continuously upgraded through deep integration with the large language model. New native applications such as iFLYTEK Zhiwen, iFLYTEK Zhizuo, iFLYTEK Huiwen, and iFLYTEK Huijing have been launched, significantly enhancing user experience and providing efficient and convenient services to over 150 million users.

Throughout this reporting period, the consumer business has intensified its efforts to expand into overseas

markets, establishing a strong presence in the Asia-Pacific region, the Middle East, Europe, and North America. Several consumer hardware products, including the international edition of Translator 4.0, Voice Recorders SR302Pro and SR502, and Office Notebook AINOTE Air2, were successfully launched overseas, and the iFLYREC APP surpassed one million international users. Revenues from overseas advertising services saw a remarkable year-on-year growth of 367%, thereby establishing a global presence. Additionally, revenues from B2B licensing business grew by 104% year on year. The framework for overseas localization has begun to take shape, with improvements made to the supporting systems for overseas channel cooperation, brand marketing, after-sales customer service, and local offices. The overseas expansion in e-commerce has been aggressively pursued, laying a solid foundation for the Company's international growth. Furthermore, the consumer business has actively participated in large-scale exhibitions and market events abroad. At events such as the Mobile World Congress in February 2024 and the GITEK in October, numerous media outlets highlighted iFLYTEK, accelerating the dissemination of its international brand influence.

- **The iFLYTEK SPARK" app**

During this reporting period, the iFLYTEK SPARK app, through four significant upgrades, continued to benchmark against ChatGPT-4 Turbo and ChatGPT-4o, establishing its position as a leading large model application in China and recording over 200 million downloads in the Android market and numerous industry accolades, including the HarmonyOS Next and the annual Focus Product (36 Kr). In addition, this app led industry innovation by being the first to introduce unique features such as “Super Anthropomorphic Digital Person,” “Personal Space,” and “Light Applications,” enabling personalized and specialized content generation.

This app continues to evolve in response to the learning and work needs of college students and office workers. By the end of this reporting period, the app had provided access to more than 48,000 intelligent agents, allowing everyone to easily build their own AI assistants and promoting the practical application of the general large language model. To empower professional users and enhance productivity, the iFLYTEK SPARK app launched several office-oriented intelligent agents, including iFLYTEK Zhiwen, iFLYTEK Huiwen, and iFLYTEK Zhizuo, which collectively create a new paradigm for workplace efficiency. iFLYTEK Zhiwen can intelligently generate high-quality PPT presentations with a single click, achieving a document download rate exceeding 73%. It boasts over one million active users and 1.5 million corporate users and has been recognized as the most popular AI document product among college students, according to Xinjing Daily. In media writing, iFLYTEK Huiwen has become a comprehensive AI creation platform, providing end-to-end services from topic selection and graphic generation to publishing and data tracking. It has over one million active users and has produced a total of 10 million articles, earning the WISE2024 Best User Experience and Product Innovation Award. In the realm of virtual humans, iFLYTEK Intelligent Work can create super anthropomorphic avatars from a single photo, with expressions, lip movements, and gestures generated automatically by its large language model. This technology has been widely applied in media news, educational materials, business marketing, and short video production, amassing over 4.5 million users. It also received the First Prize in the Media Convergence Technology Innovation Track at the Third New Audiovisual Media Convergence Innovation and Creativity Competition 2024.

- **iFLYTEK Smart Office Notebook**

During this reporting period, iFLYTEK's smart office notebook series maintained their leading position in the ink-screen category. Research reports indicate that iFLYTEK ranked first in the 2024 the shipment volume through both online and offline channels. Notably, its market share of offline sales exceeded 80%. During the June 18 and Double Eleven shopping festivals, this series claimed the top spot in total sales across major online

platforms such as JD.com, T-mall, and Douyin for four consecutive years.

During this reporting period, the Company's flagship portable product, the “Smart Office Book Air2,” became an instant bestseller upon launch, achieving a 160% increase in sales compared to the same period when the initial Smart Office Book Air1 was launched. Additionally, the iFLYTEK smart office notebook series further integrated with iFLYTEK SPARK, leading to the launch of DUI5.0. This enhancement led to the launch of several innovative features, including meeting minutes, knowledge management, and a listening assistant, which significantly improved user engagement and brand reputation. The product received over 98% positive feedback on the e-commerce platform, laying a solid foundation for future user acquisition. In the reading category, the Company launched a new consumer product, the “Youth Reading Book S2,” which aims to create a new joint reading experience between schools and families. The effectiveness of this reading solution has been well recognized by both educational institutions and parents.

During this reporting period, the Company also began exploring opportunities in the global market. The Company launched the “Smart Office Book Air2 International Edition,” specially developed for international consumers. This version supports multiple languages, including Chinese, English, Japanese, and Korean. It has been marketed and sold in countries such as Japan, Singapore, and the United Arab Emirates, as well as on international online platforms like Amazon. The Company have received valuable feedback and recognition from overseas users, which will support the next phase of product upgrade and marketing.



Figure 4: iFLYTEK Smart Notepad Air2

• iFLYTEK Translator

During this reporting period, iFLYTEK Translator's sales increased by 30% year on year, maintaining its leading position in the Chinese market. Due to more and more Chinese companies expanding overseas, the demand and sales for iFLYTEK Translators have risen significantly. As a productivity tool, the Translator supports Chinese businesses in their global endeavors, and its accurate and efficient translation capabilities have made it widely applicable in international business negotiations, international conferences, overseas travel, study abroad and similar scenarios. The product has received high recognition and praise from users. Notably, iFLYTEK Translator 4.0, with its precise, fast, and professional translation capabilities, won the 2024 Better Design Award, representing the highlight of “Chinese Design.”

By leveraging the core capabilities of iFLYTEK SPARK including recognition and translation, iFLYTEK's Dual-Screen Translator and Translator 4.0 have undergone four major upgrades. These enhancements have significantly improved the product's automatic language detection capabilities, recognition accuracy, and overall usability. The iFLYTEK Translator 4.0 Spark Edition, launched in October, incorporates the advanced

capabilities of iFLYTEK SPARK, greatly enhancing the product's competitiveness and user experience, with positive reviews on e-commerce platforms exceeding 98%.

The iFLYTEK Translator has also performed remarkably in overseas markets, achieving a year-on-year 200% increase in sales, while user satisfaction continues to rise. In 2024, the iFLYTEK Translator showcased its exceptional performance and innovative features at international exhibitions such as MWC in Spain and GITEX in Dubai, earning widespread accolades.



Figure 5: iFLYTEK Translator 4.0 Spark Edition

As a leading AI company, iFLYTEK has collaborated with ecosystem partners on the Open Platform to create the world's first multilingual AI transparent screen, which supports accurate real-time translation across 14 commonly used international languages. Following its launch on October 24, the product received strong interest and has been implemented in numerous airports, subway, hotels, tourist attractions, banks, government centers, and other service points across the country. It has also been exported to Southeast Asia and the Middle East.



Figure 6: iFLYTEK Multilingual AI Transparent Screen

iFLYTEK Smart Recorder

During this reporting period, iFLYTEK's Smart Recorders continued to lead the smart recorder industry, securing the top sales position on JD.com and T-mall during the June 18 Shopping Festival for the seventh consecutive year.

The iFLYTEK AI Voice Recorder, built on iFLYTEK SPARK, can not only summarize meeting minutes, extract key information, and generate to-do items, but also draft official documents, news articles, and other written materials, significantly enhancing users' work efficiency. In foreign language classes and presentations, the simultaneous translation feature outputs translated speech through headphones to help users understand quickly, making it a powerful office work and learning assistant.

In December, the new flagship model, the iFLYTEK AI Voice Recorder S8 Offline Edition, was officially launched. This model is a safe and reliable intelligent office product. It supports recording and transcribing in five languages and seven dialects, as well as translating four foreign languages into Chinese, effectively meeting the information recording needs for confidential meetings, research, and evidence collection. Additionally, it features an independent security chip and uses GM/T encryption algorithms for file protection, ensuring enhanced security.

In 2024, the Company continued to expand into overseas markets, with product sales increasing by 100% year on year and steadily improving user reputation. The user base has now extended to 200 countries and regions worldwide, including Asia, Europe, and the United States.



Figure 7: iFLYTEK AI Recorder S8 Offline Version

• iFLYTEK Input Method

In 2024, iFLYTEK released the iFLYTEK SPARK Input Model, enabling offline prediction of user input results and achieving offline speech recognition performance close to cloud services. The iFLYTEK SPARK Voice Model empowers 202 dialects to facilitate switch-free voice input. The platform has built a diverse and open AI assistant content ecosystem, accelerating the application of AI models and ranking first in the large language model-based input method industry. During this reporting period, the monthly active user base in the open market for iFLYTEK Input Method increased by 7.6% year on-year, maintaining the highest growth rate in the industry. The effectiveness of AI voice input continuously improves, with the average daily number of voice calls increasing by 19.2% year on year. For seven consecutive years, iFLYTEK Input Method has been deeply engaged in the Dialect Protection Program, harnessing the power of AI to support cultural inheritance and preservation. The program collaborated with the China Three Gorges Museum in Chongqing to hold the Hear and See: Chinese Culture Embodied in Chinese Characters exhibition, which received the 2024

Outstanding Case of Excellent Public Relations award from the China Public Relations Association and was recognized by Times Weekly as the “2024 Public Service Project of the Year.” Through its deep integration with iFLYTEK SPARK, iFLYTEK Input Method significantly enhances user experience, creating an AI input solution for everyone.

- **iFLYTEK Music**

In 2024, iFLYTEK Music released over 8,000 songs and entered into contracts with more than 1,500 musicians, developing the music MCN business and onboarding over a hundred celebrities. In the same year, the Company organized and invested in more than 200 various performances, collaborating on concerts with artists such as Zhang Liangying, Zhang Xinzhe, Alin, and others, while incubating its own performance brand, "Dharang Dara." iFLYTEK Music will continue to innovate in the AI+music product space; the AI+Lyric Selection Model supports the promotion of high-quality lyrics and songs, and AI virtual singers have made appearances on television stations, CCTV stages, and in science and technology museums. Strategic partnerships have been established with Anhui Transportation Radio, Wuhan Conservatory of Music, Kuaishou Music, and China's Digital Music Industry Base, further enhancing the industry's influence.

III. Competitiveness Analysis

iFLYTEK, a pioneer in China's artificial intelligence industry, has cultivated deep expertise in AI over twenty-five years, developing significant competitive advantages:

1. Internationally Advanced Core AI Technologies

iFLYTEK remains strongly committed to creating core technologies, keeping its key AI technologies at the international forefront. In recent years, despite being included in the US Entity List, iFLYTEK has stuck to the principle of self-reliance and autonomy. It has excelled in various international evaluations, including speech recognition, machine translation, natural language understanding, image recognition, image comprehension, and machine reasoning. The Company continues to achieve fruitful innovations in deep learning, and has leading framework and platform support for hardware. On June 24, 2024, iFLYTEK received with honor the first prize of the State Science and Technology Award for 2023 in Beijing, as the leading contributing entity for its successful "Multilingual Intelligent Speech Technologies and Industrialization" project, the first AI project to win such an honor since the global AI boom ignited by deep learning.

iFLYTEK has accumulated substantial R&D strength in cognitive large language models and continues to achieve technological breakthroughs and innovations. During this reporting period, on June 27, 2024, iFLYTEK upgraded its large language model iFLYTEK SPARK to Version 4.0, and on October 24, iFLYTEK SPARK 4.0 Turbo was released. Surpassing ChatGPT-4 Turbo in all seven core capabilities, this new version excelled ChatGPT-4o in mathematical and coding abilities, achieving nine first-place rankings in 14 Chinese and English mainstream test sets both domestically and internationally. iFLYTEK SPARK is still the only general large language model available for public download that is trained on a wholly Chinese computing platform. Its deep reasoning model Version X1 is also the only model of its kind trained entirely with domestic computing power.

In terms of standards, iFLYTEK actively participates in and holds key roles in multiple national standardization groups. Additionally, it serves as the deputy chair of the National Robot Standardization Technical Committee's Humanoid Robot Standardization Working Group. iFLYTEK is also a member of the first council of the National Data Standardization Technical Committee, which is guided by the National Data Bureau, and sits on the first council of the Ministry of Industry and Information Technology's Artificial

Intelligence Standardization Technical Committee. Furthermore, it is a member of the Ministry of Education's Education Informatization Technical Standards Committee. Beyond these roles, iFLYTEK is in charge of setting up China's only National Technical Standards Innovation Base in the intelligent speech sector. By the end of 2024, iFLYTEK had led or been part of over 150 international and national standard-setting and revision projects. Of these, three international standards, 53 national standards, 15 industry standards, and 17 local standards had been released and implemented. Notable examples include ISO/IEC 24661:2023 Duplex Voice Interaction, the world's first international standard in voice interaction within human-machine interaction. Another key standard is ISO/IEC 5259 - 4:2024, which focuses on the data quality process framework in AI and was led by China. In addition, the company was involved in setting China's first mandatory national standard for AI-generated and synthetic content labelling, as well as a series of national standards for large AI models. iFLYTEK also contributed to industry-specific technical standards in multiple key sectors such as education, finance, banking, robotics, and software. All these efforts have strongly supported the high-quality development of the AI industry.

2. From Core Technological Breakthroughs to Systematic Innovation and Scalable Application

For core technologies, transitioning from R&D breakthroughs to scalable industrial applications is a high-threshold process. On one hand, innovations must expand from single-point breakthroughs to full-stack technologies across business chains and also identify large enough scenarios with appropriate business models for business and technology to enhance each other, or otherwise the teams will remain merely as single-point technology providers. iFLYTEK has consistently used artificial intelligence to address significant societal needs, gaining unique advantages in two main areas:

- Beyond maintaining continuous innovation and leadership in single-point core technologies, iFLYTEK persistently expands and solidifies its technology tree through systematic innovation. For example, the Company has progressed from speech synthesis and speech evaluation to speech recognition; from speech recognition to text and image recognition; from single-modal recognition and synthesis to multi-modal global perception and rich expression; from perceptual intelligence that can "hear and speak" to cognitive intelligence that can "understand and think." It continues to tackle complex scenario problems through multi-technology integrated innovation and leverages general-purpose algorithmic innovations to create an "amplifier effect" across multiple technology domains, organically integrating various innovative technologies in products and practical applications, thus driving the transition from single-point core technology innovation to systematic innovation.
- In line with its AI value realization criteria featuring tangible application cases, scalable standard products, and statistically verifiable application effectiveness, iFLYTEK has consistently scaled up the promotion of its AI products and solutions. The Company has focused on key areas of public welfare such as education, healthcare, and urban development, as well as vital sectors of the national economy including automobiles, finance, and consumer goods. By expanding application scenarios in cognitive intelligence, iFLYTEK has driven a steady enhancement in its profitability. Market success, in turn, reinforces iFLYTEK's deep understanding of industry scenarios and algorithmic iterations, further enhancing its competitive edge across various sectors.

iFLYTEK has become a large language model partner for key industry leaders such as State Grid Corporation of China, China National Petroleum, China Mobile, PICC, CPIC, Bank of Communications, Chery Automobile, FAW Group, Volkswagen, Haier Group, and Midea Group. According to public data and media reports, in 2024, iFLYTEK Large Model Solution won 91 bidding projects with a total bid amount of 848

million yuan, ranking first among manufacturers in terms of the number of winning project and the amount of winning bids.

3. Technology Brand Credibility in the Industry and Extensive Marketing Network

The core technological capabilities of AI directly impact customer experience and application effectiveness, where high-quality practical results enhance customer satisfaction and business revenue. Builders and operators of intelligent speech and AI application systems place great importance on the application results delivered by technology providers and select the most technically capable and successful providers through rigorous bidding processes. As a leader in China's intelligent speech and AI industry, iFLYTEK has a rich portfolio of scalable AI application cases and statistically verifiable results that have earned the trust of industry clients and developers. The Company has established long-term strategic partnerships with market-leading developers in various industries, significantly enhancing its technology brand influence in the industry and competitive advantage. Particularly in vital sectors like education and healthcare, iFLYTEK's credibility has been widely recognized by customers. The Company's brand assets rank 39th on the list of BrandZ Top 100 Most Valuable Chinese Brands, with a brand value of 4.677 billion US dollars.

Based on years of industry experience, iFLYTEK has built a nationwide scalable marketing network, establishing 32 regional marketing agencies across all provinces. To better serve and stay closer to customers, iFLYTEK actively strengthens team building and management in regions where it has operations. The front-to-back full-process integration has built a unified sales service system, supporting the comprehensive and rapid promotion and implementation of business products.

IV. Analysis of Core Business Operations

1. Overview

In 2024, the Company adhered to its "reaching for the sky, rooted on the ground" development approach, remained committed to technological innovation, insisted on being an independent technology provider, and steadily advanced long-term, sustainable, high-quality development.

In 2024, while significantly increasing investment in development and upgrade of iFLYTEK SPARK to maintain its industry leadership, the Company built an AI core technology development and model training system with proprietary algorithms, controllable computing power, and adequate data. It also established three AI commercialization routes: industry applications (smart education, smart healthcare, intelligent vehicles, enterprise AI solutions, smart city, etc.), open platform, and consumer products. As the application scale expands, the data-driven commercial flywheel effect of the pattern consisting of "model algorithms, product and core businesses" is becoming more evident. iFLYTEK SPARK is the only general-purpose large language model universally accessible to the public in China that is trained on a homegrown computing platform. At the same time, according to the China's Large Model Bidding Project Monitoring and Insight Report, in 2024, iFLYTEK ranked first in both the amount and number of bid-winning large language models.

In 2024, while actively adjusting its operational and revenue structure, the Company maintained healthy business development and achieved growth in operating income, gross margin, and user base. In 2024, the Company's operating income and gross margin rose by 18.79% and 18.70% year-on-year. The developer base also expanded rapidly to 2.24 million. At the same time, as of the end of this reporting period, the Company's net cash from operating activities reached a historical high of RMB 2.495 billion.

In 2024, the Company's gross margin increased by 1.568 billion RMB yuan year on year. Its net profit attributable to the parent company was 560 million RMB yuan, a decrease of 97 million RMB yuan from the previous year. The principal reasons are as follows: 1. The Company worked actively to seize the historical opportunities in AI. In 2024, it invested an additional 740 million RMB yuan in LLM development, proprietary core technologies, and LLM application, as indicated by the rise of R&D expenses by 410 million RMB yuan year on year). This strengthened the Company's position and created unique advantages in general AI competition. 2. In 2024, the Company recognized impairment losses on receivables of 1.014 billion RMB yuan, an increase of 277 million RMB yuan in bad debt provisions from the previous year. (the Company's accounts receivable mainly come from high-quality customers with good creditworthiness, high-quality receivables, and low actual historical bad debt incidence.) 3. In 2023, the Company obtained significant investment income from its holdings in financial assets such as Three's Company Media Group and Cambricon. In 2024, investment income dropped 112 million RMB yuan year on year, and fair value changes led to a decrease of 102 million RMB yuan. Additionally, other income decreased by 54 million RMB yuan from the previous year. In total, these factors produced a combined impact of 268 million RMB yuan. Despite the above factors' earnings impact of 1.692 billion RMB yuan, the Company's 2024 core net profit (net profit excluding non-recurring gains and losses) increased by 70 million RMB yuan from the previous year.

In summary, in 2024, the Company accelerated LLM R&D on its proprietary platform, reinforcing its leadership in China's AI community. It identified key areas of LLM application and strategically optimized its business portfolio. As the environment improves for AI industry development, the Company is positioned to drive technological and industrial growth from a stronger foundation, ensuring higher-quality future development.

For details on the progress of various business operations, please refer to "I. Business Highlights During This Reporting Period."

2. Income and Costs

1) Breakdown of operating income

In RMB yuan

Item	2024		2023		Year-on-year Change (increase/decrease)
	Amount	Percentage	Amount	Percentage	
Total operating income	23,343,093,018.69	100%	19,650,329,209.04	100%	18.79%
By industry					
Core Businesses					
Software and IT services	22,961,637,479.48	98.37%	19,309,666,439.13	98.27%	18.91%
Education	315,942,543.30	1.35%	287,570,615.42	1.46%	9.87%
Other businesses	65,512,995.91	0.28%	53,092,154.49	0.27%	23.39%
By product					
Core Businesses					
Smart Education	7,229,265,407.18	30.97%	5,563,727,710.47	28.31%	29.94%
Smart healthcare	691,572,023.72	2.96%	539,546,057.08	2.75%	28.18%
Open platform and consumer business					

Open platform	5,171,903,877.27	22.16%	3,938,180,093.52	20.04%	31.33%
Smart hardware	2,022,764,845.35	8.67%	1,617,296,410.37	8.23%	25.07%
Mobile internet products and services	691,306,726.81	2.96%	629,277,159.99	3.20%	9.86%
Smart city					
Information engineering	1,682,385,292.47	7.21%	1,886,051,063.73	9.60%	-10.80%
Digital government applications	1,195,589,506.33	5.12%	1,319,118,299.91	6.71%	-9.36%
Smart legal applications	738,774,392.27	3.16%	728,241,698.33	3.71%	1.45%
Telecom	1,901,147,959.94	8.14%	2,096,258,998.56	10.67%	-9.31%
Smart automotive	988,753,872.97	4.24%	695,540,438.16	3.54%	42.16%
7. Enterprise AI solutions	642,685,685.22	2.75%	288,766,586.97	1.47%	122.56%
Others	321,430,433.25	1.38%	295,232,537.46	1.50%	8.87%
Other businesses	65,512,995.91	0.28%	53,092,154.49	0.27%	23.39%
By region					
Core Businesses					
East China	11,750,547,820.62	50.34%	9,709,901,827.92	49.41%	21.02%
South China	3,612,469,328.26	15.48%	2,650,641,640.34	13.49%	36.29%
North China	3,211,611,130.50	13.76%	3,230,756,372.33	16.44%	-0.59%
Southwest China	1,718,744,636.31	7.36%	1,366,393,808.67	6.95%	25.79%
Central China	1,648,642,191.51	7.06%	1,274,546,016.95	6.49%	29.35%
Northwest China	697,348,051.19	2.99%	815,595,430.20	4.15%	-14.50%
Northeast China	478,689,129.96	2.05%	431,351,250.33	2.20%	10.97%
Overseas	159,527,734.43	0.68%	118,050,707.81	0.60%	35.13%
Other businesses					
East China	65,512,995.91	0.28%	53,092,154.49	0.27%	23.39%
By sales model					
Operating income	23,343,093,018.69	100.00%	19,650,329,209.04	100.00%	18.79%

Notes:

1. Due to the Company's organizational change, "Smart Finance" has been recognized under "Enterprise AI Solutions". Among these, income from "Smart Finance" reached 370,991,954.85 RMB yuan in 2024, marking a 28.47% increase from 288,766,586.97 RMB yuan in 2023.

2. Originally, the "Education" portfolio included two components: "Education Products and Services" and "Teaching". As it involves degree education programs in Anhui Institute of Information Technology, "Teaching" has been transferred from "Education" to "Others" to enhance investor understanding of our "Smart Education" business. After reclassification, the remaining "Education Products and Services" are now recognized under "Smart Education". Among these, Teaching recorded revenues of 315,942,543.30 RMB yuan, marking a 9.87% increase from 287,570,615.42 RMB yuan in 2023.

The Company complies with the disclosure requirements for the software and IT services industry as stipulated in the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 3: Industry Information Disclosure.

In RMB yuan

	2024	2023
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	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Operating income	3,646,215,386.95	5,678,329,654.19	5,524,991,887.00	8,493,556,090.55	2,887,584,461.77	4,953,967,943.40	4,772,192,866.00	7,036,583,937.87
Net profit attributable to the Company's shareholders	-300,468,030.20	-100,197,587.01	56,961,383.78	903,866,896.59	-57,895,269.00	131,467,265.11	25,790,116.26	557,950,795.87

The Company's "Smart Education" and "Smart City" businesses mainly serve schools, governments, and large companies and public institutions, so project planning and evaluation often occur in the first half of the year, with implementation typically starting mid-year or later. This leads to lower revenue in Q1 and higher revenue in Q4, a pattern reflected in recent quarterly operating results.

2) Industries, products, regions or sales models that account for more than 10% of the Company's operating income or operating profits

☒ Applicable ☐ Not applicable

The Company complies with the disclosure requirements for the software and IT services industry as stipulated in the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 3: Industry Information Disclosure.

In RMB yuan

Item	Operating income	Operating cost	Gross margin	Change in operating income year on year	Change in operating cost year on year	Change in gross margin year on year
By customer industry						
Software and IT services	22,961,637,479.48	13,104,937,784.55	42.93%	18.91%	19.26%	-0.17%
By product						
Education Products and Services	7,229,265,407.18	3,257,433,345.37	54.94%	29.94%	34.88%	-1.65%
Open platform	5,171,903,877.27	4,218,059,928.43	18.44%	31.33%	36.19%	-2.91%
By region						
East China	11,816,060,816.53	6,645,412,853.24	43.76%	21.03%	17.65%	1.62%
South China	3,612,469,328.26	2,250,090,168.42	37.71%	36.29%	44.87%	-3.69%
North China	3,211,611,130.50	2,017,284,681.13	37.19%	-0.59%	7.57%	-4.77%

As the Company adjusts the scope of data collection for its core businesses During this reporting period, it has recalculated the data of core businesses for the past year based on the adjusted scope.

☐ Applicable ☒ Not applicable

3) Do the Company's physical goods sales exceed service revenues

☐ Yes ☒ No

4) Performance during this reporting period of major sales and procurement contracts signed by the Company

☐ Applicable ☒ Not applicable

5) Breakdown operating Costs

In RMB yuan

By industry	Item	2024		2023		Change (increase/decrease)
		Amount	Percentage	Amount	Percentage	
Software and IT services	Material cost	6,998,395,326.80	52.26%	6,124,090,059.56	54.36%	-2.10%
Software and IT services	Operating cost	5,077,268,612.84	37.92%	3,903,385,779.73	34.65%	3.27%
Software and IT services	Overhead costs and outsourced labor expenses	1,029,273,844.91	7.69%	960,634,125.60	8.53%	-0.84%
Teaching services	Operating cost	254,784,853.78	1.90%	251,251,010.61	2.23%	-0.33%
Other businesses	Operating cost	31,442,831.93	0.23%	27,184,957.31	0.24%	-0.01%
Total		13,391,165,470.26	100.00%	11,266,545,932.81	100.00%	

The Company complies with the disclosure requirements for the software and IT services industry as stipulated in the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 3: Industry Information Disclosure.

6) Breakdown of operating cost

In RMB yuan

Costs	2024		2023		Change (increase/decrease)
	Amount	Percentage	Amount	Percentage	
Material cost	6,998,395,326.80	52.38%	6,124,090,059.56	54.49%	-2.11%
Operating cost	5,332,053,466.62	39.91%	4,154,636,790.34	36.96%	2.95%
Overhead costs and outsourced labor expenses	1,029,273,844.91	7.70%	960,634,125.60	8.55%	-0.85%
Total	13,359,722,638.33	100.00%	11,239,360,975.50	100.00%	

6)Has there been any change in the consolidation scope during this reporting period?

☒ Yes ☐ No

Refer to "Section VI. Significant Matters - VII: Notes to Changes to the Scope of Financial Statements Consolidation From the Previous Year."

7) Significant changes or adjustments to the Company's businesses, products, or services During this reporting period

☐ Applicable ☒ Not applicable

8) Information on the Company's major customers and suppliers

Profile of major customers

Total sales to top five customers (RMB yuan)	4,546,220,321.34
Ratio of sales to top five customers to the Company's total annual sales	19.48%
Ratio of related-party sales to top five customers to the Company's total annual sales	4.82%

The Company's top 5 customers

No.	Customers	Sales amount (RMB yuan)	As a percentage of the Company's total annual sales
1	Customer 1	1,314,036,758.83	5.63%
2	Customer 2	1,124,925,468.40	4.82%
3	Customer 3	1,039,804,395.61	4.45%
4	Customer 4	708,593,175.45	3.04%
5	Customer 5	358,860,523.05	1.54%
Total		4,546,220,321.34	19.48%

Additional customer information

☒ Applicable ☐ Not applicable

Among the top five customers, Customer 2 is China Mobile and its subsidiaries, who own collectively over 5% of the Company's equity shares. Under Article 6.3.3 of the 2024 Revision of the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange, this customer is deemed a related party. The Company has no other related-party relationships with the other top customers mentioned above. None of the Company's directors, supervisors, senior officers, core technical staff, shareholders holding over 5% of the Company's equity shares, the Company's actual controller, or other related parties have any direct or indirect interests in the other top customers.

Total purchases from top five suppliers (RMB yuan)	1,852,735,973.70
Ratio of related-party purchases from top five suppliers to the Company's total annual purchases	15.98%
Ratio of related-party purchases from top five suppliers to the Company's total annual purchases	0.00%

Profile of the Company's major suppliers

The Company's top five suppliers

No.	Suppliers	Purchase (RMB yuan)	As a percentage of the Company's total annual purchases
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1	Supplier 1	804,815,735.18	6.94%
2	Supplier 2	307,635,651.90	2.65%
3	Supplier 3	258,033,934.11	2.23%
4	Supplier 4	254,064,672.61	2.19%
5	Supplier 5	228,185,979.90	1.97%
Total		1,852,735,973.70	15.98%

Additional supplier information

√ Applicable □ Not applicable

The Company has no related-party relationships with the above-mentioned top suppliers. None of the Company's directors, supervisors, senior officers, core technical staff, shareholders holding over 5% of the Company's equity shares, the Company's actual controller, or other related parties have any direct or indirect interests in these top suppliers.

3. Expenses

In RMB yuan

Item	2024	2023	Change (increase/decrease)	Explanation of significant changes
Sales expenses	4,083,416,224.07	3,584,043,710.38	13.93%	
Overhead expenses	1,455,408,951.23	1,370,348,631.12	6.21%	
Financial expenses	134,760,518.04	15,350,729.49	777.88%	This is mainly due to higher interest expenses from increased borrowings.
R&D expenses	3,891,601,383.59	3,481,185,262.99	11.79%	

4. R&D investments

√ Applicable □ Not applicable

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
iFLY SOUND	The iFLY SOUND solution by iFLYTEK addresses the growing demand for intelligent in-vehicle experiences and the domestic shortage of high-end automotive audio amplifiers. It features a proprietary, high-performance, multi-channel hardware platform with cost-effective, high-power output. Equipped with advanced sound-field zoning, ICC, and active noise cancellation algorithms, it delivers	Development completed	1. To develop a high-performance, high-power, multi-channel, cost-effective hardware platform for in-vehicle audio, supporting power output exceeding 2,000 W to deliver immersive in-vehicle sound effects; 2. To develop proprietary core technologies and launch industry-leading algorithms and features such as virtual ambient sound, virtual	1. Leveraging its strengths in hardware, algorithms, and supply chain management to enhance competitiveness and leadership in the in-vehicle smart sound market; 2. relying on competitive product solutions to secure partnerships with more automakers, increase product shipments and market share, and further boost product revenue and profits; and 3. collaborating with numerous automakers to expand product shipments and reach a

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
	immersive audio experiences. By integrating iFLYTEK SPARK, it offers adaptive sound adjustment and optimization, enhancing in-vehicle audio competitiveness and providing users with exceptional, intelligent audio experiences.		spatial audio, in-vehicle active noise cancellation, and in-vehicle mic-free karaoke, all enhanced by iFLYTEK SPARK's sound effects; and 3. To lead the industry in the development of in-vehicle audio, secure sales and obtain positive feedback from more automakers through strong product competitiveness, and boost product shipments, revenue, and profits.	broader user base, thereby amplifying iFLYTEK's brand influence in both B2B and B2C markets.
Personalized Learning Handbook	iFLYTEK's Personalized Learning Handbook is designed for junior and senior high school students. It utilizes test bank development, educational big data, and intelligent recommendation technologies to offer unique features such as multi-dimensional assessment, error-cause diagnosis, and personalized learning path planning. This product addresses the issues of low practice efficiency and poor improvement effects commonly faced by students in these stages.	Development completed	1. To increase market size and improve user frequency; 2. To enhance product recommendation, raise grading effectiveness and boost user satisfaction; and 3. To reduce resource development costs.	1. Leveraging AI-driven iterative updates to further optimize product quality and achieve deep integration of information technology with class teaching; 2. Meeting teachers' needs by enabling quick access to exam information and providing guidance for teaching; 3. Enhancing recommendation effectiveness by utilizing high-quality resources from the iFLYTEK Smart Education Research Center, focusing on resolving frequent recommendation issues for individual users, and continuously upgrading general and customized engine recommendation capabilities; and 4. expanding application coverage to all grades of junior and senior-high science courses, creating a generational advantage for the product, and fully realizing personalized recommendation services tailored to schools and individuals.
Smart Cockpit Domain Controller	iFLYTEK offers pre-installed smart cockpit solutions, both hardware and software, for carmakers, with a high percentage of components made in China to meet the reliability demands of auto parts supply chains at home and abroad. The platform is powered by iFLYTEK SPARK.	In progress	1. To replace existing international solutions for multiple carmakers to reduce costs and enhance efficiency; and 2. To promote the adaptation and maturation of AI core algorithms on domestic platforms to drive the industry's adoption of core AI technologies.	Aligning with the automotive industry's Electrification, Intelligentization, Connectivity, and Sharing (EICS) trends to offer carmakers more intelligent choices and create new profit growth points
Voice Assistant (International Edition)	A global, multi-lingual in-vehicle voice-interaction system. Built on its proprietary algorithms and multi-language expertise, the Company offers a multilingual in-vehicle solution with platform-based capabilities to enhance intelligent car product	In progress	1. To leverage iFLYTEK's global multi-lingual expertise to help Chinese carmakers overcome cross-language voice barriers in their overseas expansion and export proprietary Chinese voice solutions; 2. To promote the	1. Strengthening brand value by developing smart multilingual in-vehicle interaction products, building iFLYTEK's smart brand system, and boosting the brand's global competitiveness; 2. Enriching product ecosystems by creating platform-based multilingual solutions using

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
	architectures. As it expands in multi-lingual coverage and functionality, the international voice assistant aligns technology application with global market demands. This accelerates iFLYTEK's collaboration with multinational carmakers and forms a closed loop on the value chain from R&D to users.		globalization of automotive businesses by enabling Chinese carmakers to expand from the local market and implement international OEM projects, accelerating business globalization through technology empowerment.	cutting-edge technology and multilingual capabilities, and expanding the smart car product landscape; 3. Deepening in-vehicle interaction platform development and collaboratively building a global voice technology ecosystem to consolidate iFLYTEK's international leadership in the area of human-machine interaction.
Smart Physical Fitness Assessment Solution	A smart physical fitness assessment solution aimed to enhance overall competitiveness and customer satisfaction by transforming physical fitness evaluation data into teaching goals through the use of standardized physical assessment criteria. It forms a closed loop of products, incorporating industry research and upgrading assessment products. This aims to enhance the accuracy of various indicators and the alignment between the system and service demand, boosting the solution's competitiveness and customer satisfaction.	Development completed	1. To secure participation in 10 city-level assessment projects; 2. To secure a top-three position among peers in overall capability across multiple dimensions, including effectiveness, efficiency, project coverage, and violation detection and response rates.	1. Leveraging AI visual analysis to set regional standards for physical fitness assessment, and using high-stake tests to drive demand for smart PE teaching and generate steady revenues; 2. Building on existing speech synthesis, facial recognition, and test-scheduling technologies; and 3. Developing new AI visual evaluation technology to enhance product competitiveness and expand iFLYTEK's AI capabilities.
Advanced Driver Assistance Systems, ADAS	iFLYTEK's smart driving solution that caters to the fast-growing intelligent driving market and domain controller-based vehicle architecture upgrade. Building on iFLYTEK's proprietary AI technologies and iFLYTEK SPARK's foundational capabilities, it integrates key technologies like AI vision sensing, ultrasonic sensing, mapping and localization, decision-making and control. It offers an L2+intelligent driving system and a domain controller for integrated driving and parking, providing carmakers with cost-effective, flexible smart driving solutions. It allows the Company to expand customer base and partnerships, and seize automotive intelligence market opportunities.	In progress	1. Achieve full-range independent development and launch two intelligent driving domain controllers. These will feature L2, L2 + high-speed NOA, and L2 ++ urban NOA, available in standard, professional, and enhanced configurations. This approach aims to capture market opportunities in intelligent driving democratization and expand collaboration with automakers; 2. Upgrade the data closed-loop toolchain to enhance data quality, improve annotation efficiency and effectiveness, and reduce data costs; and 3. Support the low-cost, high-efficiency iteration of intelligent driving products to increase product competitiveness.	1. Mastering core technologies such as AI vision sensing and ultrasonic sensing to build a strong presence in intelligent driving; 2. Achieving hardware-software integration and launching wholly proprietary, cost-effective smart driving solutions, which will help attract more automaker partners and grow market share in intelligent driving.
iFlyCode	Code-generating model to assist developers with IT Q&A, code generation, debugging, optimization, interpretation, and private code	Development completed	1. To achieve on-site deployment with private domain customization and conduct customized training at the client's location,	Based on iFLYTEK SPARK's foundational capabilities, this project will develop code-generation models and products. Their integration into software

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
	repository learning, boosting efficiency in software development.		completing it within a week and enhancing training scenario effectiveness by 10%; 2. To finalize signing of iFLYTEK SPARK Code Generation contracts, and ensure superior model performance in at least two typical scenarios, achieving a 10% improvement in training scenario effectiveness on the client's evaluation set; and 3. To complete personalized core functions and the private domain toolkit, and attain iFlyCode effectiveness at 80% of Copilot's level.	engineering processes, including design, development, testing, and maintenance, transforms software development. This enhances R&D efficiency, accelerates innovation, and strengthens the Company's market competitiveness in LLM-based coding.
iFLYTEK SPARK Intelligent Computing Center	As a next-gen intelligent infrastructure and service platform, the iFLYTEK SPARK Computing Center serves clients like city governments, businesses, and research institutes. It offers a one-stop "AI+computing" platform for computing resource management, model training/inference, and development services. This helps integrate AI with industries.	In progress	1. To strengthen inference and MaaS capabilities, pre-configure AI service engines, enrich product offerings, and establish standardized outputs for the intelligent computing center version and cost models; 2. To enhance the training toolchain, expand open-source LLM resources, and incorporate new features like multi-availability zones, vGPU, Cambricon support, containers, third-party storage, and bare metal to bolster the product base; and 3. To address the need for security classification, typical fault classification, and user semantics extraction models.	By using deep adaptation, selecting datasets and algorithms, pre-setting models, intelligent scheduling, and large language model training, the project will create a smart computing platform that unifies the management, scheduling, and operation of different computing resources with multi-tenant resource isolation, supporting rapid industry-specific model building. It will boost the Company's influence in domestic computing for city governments, companies, and universities, enhances large language model selection, and improves industry-specific model training and resource operation.
iFLYTEK SPARK	iFLYTEK SPARK stands for iFLYTEK's core strategic initiative to promote LLM development and ecological expansion of its applications. iFLYTEK SPARK aims to verify the capabilities of this large language model through real-world scenarios, capture generative AI market share, and attract developers. iFLYTEK SPARK explores B2B and B2C markets, reinforces Chinese AI independence, drives standard-setting in the AI field, and speeds up AI application in specific industries. This consolidates iFLYTEK's market position and enhances China's global AI	In progress	1. To enable full-platform support across PC, H5, App, and mini-programs, and synchronize usage history, personal space, and user experience to allow seamless cross-scenario user transitions; 2. To support multi-modal input (text, speech, images, videos) and align the seven core capabilities with the highest international benchmarks, surpassing them in mathematics and coding; and 3. To draw on developer ecosystem and smart hardware experience, create a multi-level intelligent agent center, and enable agent collaboration	1. Optimizing user experience and functional design provides diverse application scenarios for large models, driving continuous improvement in their comprehension, generation, and reasoning abilities; and 2. Enabling quick adaptation to new tasks, enhancing generalization and multi-modal collaboration efficiency; This "scenario-driven" iteration model will accelerate technological breakthroughs and strengthens the foundation for deep application and commercialization of large models in vertical fields, helping the Company maintain an innovative edge in AI competition.

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
	competitiveness.		and hardware-software synergy to meet diverse user needs.	
2024 iFLYTEK Open Platform Website	The open platform website builds a technical ecosystem by offering open models and APIs, attracting developers and partners to create a voice interaction-centered community. This strengthens technical barriers and industry influence. It supports public cloud access, one-click deployment, and large model fine-tuning, catering to e-commerce, customer service, and smart hardware needs, and thus promoting the deep application and commercialization of AI in business scenarios. By providing time-limited free APIs, pay-as-you-go models, and lightweight models, it reduces AI usage costs for SMEs and startups, promoting widespread AI adoption.	In progress	1. To drive the launch of multiple capabilities and solutions, including speech-related large models; 2. To reduce integration barriers by optimizing API interfaces and development tools, and enable quick onboarding and efficient platform function integration for developers to save time and cut costs; and 3. To boost platform stability and fault tolerance to ensure service availability in high-concurrency scenarios, offering over 99.9% service stability assurance.	The rapid progress of AI technology will propel the evolution of the platform. In the future, the Company will shift from offering standalone technologies to providing comprehensive solutions by leveraging an open ecosystem and technological empowerment. By collaborating with industry leaders, the Company will drive the adoption of AI in specific verticals, aiding businesses in cutting costs, enhancing efficiency, and achieving intelligent transformation. Additionally, the trend toward AI democratization will lower entry barriers, drawing more developers into collective ecosystem development. This will establish a sustainable business model and foster coordinated advancement across technology, industry, and society.
iFLYTEK Input Method	The input method aims to expand its user base in open markets and enhance user input efficiency and experience. It explores new revenue generating paths, applies LLM-based AI assistants to improve user experience, and has successfully undergone commercial validation. The product also delves into new content-based value-added services, builds a creator ecosystem, and boosts content creation efficiency.	Development completed	1. To refine user input experience and boost input efficiency. In 2024, the growth in voice user volume exceeded 20% for the third consecutive year; 2. To update the LLM-based AI assistant to enhance user experience and drive commercial adoption; 3. To build a value-added content ecosystem (skins, emojis, wallpapers, fonts) to improve the efficiency of content production and operations, and expand value-added revenue; 4. To iterate and release versions of the input method for HarmonyOS, Linux, and in-vehicle systems to enhance the platform's coverage and deepen collaboration with device manufacturers; and 5. To explore new monetization avenues to boost commercial revenue.	1. By continuously refining the user experience, the user base is expected to expand, reinforcing the Company's position as the leading brand in voice input; 2. Integrating iFLYTEK SPARK's foundational capabilities into the input method will enhance iFLYTEK's brand image in AI. This move is anticipated to draw over 100 million users to the large model platform and generate commercial revenue exceeding tens of millions of RMB yuan; and 3. The input method's monetization efficiency will be raised to an industry-leading level, with the potential to contribute revenue on a scale of hundreds of millions of RMB yuan.
AI Virtual Humans Interaction Platform	This platform enhances virtual humans' cognitive functions, such as natural language processing, emotion recognition, and learning/memory, to mimic	Development completed	To build a SaaS platform for virtual human interaction application creation, featuring interaction interface definition, persona and	1. A one-stop SaaS platform will lower application barriers, rapidly expand into diverse scenarios, and establish a "convenient+versatile" brand image. This will attract SMEs and developers, thereby

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
	human thinking. It also focuses on developing virtual humans' professional skills in Q&A, product recommendation, business integration, and application integration to boost service efficiency and quality.		brain capacity building, and application deployment, and enable users to quickly create applications via platform registration and flexibly deploy them in software-hardware integrated devices, Web systems, or H5 apps; 2. To expand diversified product forms by broadening from smart interaction machines and virtual human interface services to software-hardware integrated, hardware-only, and software-only formats, and offer private deployment solutions to meet multi-scenario needs; and 3. To enhance smart interaction machines by integrating facial recognition, multimodal processing, gesture recognition, and large language model RAG, and add marketing, entertainment interaction, and user engagement features to improve the user experience and application value.	strengthening the Company's industry leadership; 2. Private-deployment and software-hardware integrated solutions will address data security and customization requirements. They will fill enterprise-market gaps and establish differentiated barriers in sectors such as government and healthcare; and 3. The integration of LLM RAG with multimodal interaction will produce highly realistic, marketing-oriented smart terminals. This will propel industry-standard upgrades and set a benchmark for AI interaction innovation.
GrowOne Digital Advertising Platform	Adapting to market and internet marketing business model evolution, this platform drives continuous AI marketing platform upgrades for globalization. It meets advertisers' efficient ad placement needs and media suppliers' traffic conversion rate improvement requirements, offering partners efficient sales growth and brand promotion services to create greater marketing value.	In progress	To build a one-stop smart marketing solution for multi-region and multi-scenario use, enhance the efficiency of operations and strategy evolution, boost the accuracy of attribution, launch end-to-end vertical-scenario performance delivery solutions to strengthen competitiveness, solidify iFLYTEK DSP's position as a top domestic performance and brand-industry supplier, and extend overseas operations to elevate iFLYTEK's overseas platform business to the mid-tier in 2024.	The growth of AI marketing will make the digital advertising industry a key part of the global advertising sector. It will drive full - chain innovation in the marketing domain, from strategy conception to execution feedback, marking the beginning of a new era of highly personalized, precise, and automated marketing. Through intelligent upgrades and regional adaptation, the platform will enhance the efficiency and delivery of mobile advertising, boosting the competitiveness of AI marketing. This will help AI marketing gain more market share. This platform will also provide better services by assisting clients in selecting suitable creatives, audiences, and bids. This will achieve efficient user growth and brand promotion for clients while significantly reducing the complexity of operations experts' work.
FAX Programmatic Advertising	iFLYTEK's FAX Programmatic Advertising Exchange is an AI-based programmatic advertising	In progress	1. To refine the product matrix, transition the programmatic advertising platform to a self-service,	1. The accumulated AI and big data expertise will provide marketing intelligence. A robust product matrix and

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
ng Exchange	platform. It leverages iFLYTEK's open platform, numerous developers, and applications as channels. By utilizing AI and big data, it enhances marketing across four key areas: smart insight, dissemination, connection, and decision-making. The platform aims to provide marketing upgrades and innovations for international 4A agencies, brand owners, agents, and e-commerce platforms. It offers superior AI marketing products and solutions in consumer insight, programmatic advertising, AI creativity, and smart linking. Through the use of big data for precise targeting and interactive ad creativity, it delivers enhanced monetization solutions for media. This boosts the platform's reputation, influence, and profitability. Additionally, data integration and mining deepen data value, supporting company-level strategic decisions and improving user experience and product business expansion.		intelligent, and systematic model, build an ad trading system from traffic integration and audience management to precise ad delivery, expand influence, extend the advertising industry value chain, increase ad revenue sources, and support advertising business growth with technological solutions; and 2. To upgrade backend services and big data technology stacks, optimize the technical architecture with hybrid - cloud, full-chain tracing, and real-time data analysis, promote platform-based services for high-traffic, chain tracing, data, and analysis needs, and reduce bandwidth, machine, and operational costs for cost-effectiveness.	comprehensive services will help advertisers enhance marketing efficiency with AI, fostering a new digital - marketing ecosystem; 2. iFLYTEK's advantage in the advertising sector will be strengthened, its brand influence in advertising will be elevated, and the group's overall brand impact and product competitiveness will be enhanced.
Internet Cool Tone	It provides feasible and customized optimization solutions for mobile manufacturers and internet APP clients, focusing on value-added services in calling scenarios and personalized customization. It continuously enhances product experience, deepens channel cooperation, and boosts brand value.	Development completed	1. To ensure stable and growing revenue in the audio and video business and expand traffic to maintain partnerships with major mobile manufacturers and internet music APPs; 2. To improve subscription conversion rates to meet business development goals; and 3. To establish foundational capabilities for music-related products to support internal business operations.	1. The billing optimization and exploration of new product forms will provide stable revenue for the department and the Company; and 2. The use of the Company's platform and technical capabilities to offer more solutions to partners will enhance the Company's industry influence in core technologies.
iFLYTEK AI Learning Machine T30 Series	This device is designed for elementary and junior high school students. By upgrading the T30Lite model's hardware and software and integrating it with iFLYTEK SPARK, the series emphasizes "AI-assisted learning and health protection," targeting the high cost-performance flagship market segment. The device offers innovative hardware features such as reading aloud, posture monitoring, and eye	Development completed	1. AI-assisted essay grading (elementary school), English conversation coaching (role play), error analysis (curricular knowledge points), and voice-command note-taking (automated class notes generation); and 2. To form an "AI + LLM" differential label and achieve a net promoter score (NPS) of 68 (vs. an industry average of 45).	The T30Lite's high cost-performance and strong scenario-based positioning will expand the market (with significant coverage growth in counties and towns), while linking AI learning machines with scientific and healthy learning in users' minds. This will draw potential customers to high-end models like the T30Ultra.

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
	protection. It also provides AI-powered functions like essay grading, conversation coaching, and knowledge point diagnosis. These features build a dual defense of hardware safety and software professionalism, driving the learning machine category toward scenario-based companionship and healthy growth. This reinforces the Company's leading position in the high cost-performance flagship segment.			
iFLYTEK AI Learning Machine P30 Series	The P30 Series is a cost-effective AI learning machine launched by iFLYTEK. It aims to reduce the threshold of smart learning and promote a more balanced distribution of educational resources. By offering affordable prices and powerful features, the P30 Series helps expand iFLYTEK's market share in AI learning machines and enhances the Company's brand competitiveness and influence.	Development completed	1. To increase the learning machine market share and aim for TOP2 GMV in the target price range to enhance brand influence; 2. To integrate core technologies like user profile recommendation, image & text recognition, photo-based search, automated grading, speech recognition, speech evaluation, and LLM Q&A, and launch unique functions such as AI one-on-one learning and tutoring to strengthen product competitiveness.	Offering high-quality, cost-effective AI learning machines will enhance iFLYTEK's brand image, strengthen brand value, and provide a solid foundation for the Company's long-term development. This will support iFLYTEK's continued leadership in smart education.
iFLYTEK SPARK Intelligent Grading Machine	This device is designed to streamline the grading process without disrupting teachers' established workflows. It can recognize and grade various third-party assignment formats without the need for dots or wires. This intelligent all-in-one grading machine efficiently handles homework and exams, freeing teachers from monotonous and repetitive grading tasks. As a result, teachers can redirect their time and energy toward providing in-depth homework reviews and personalized student guidance, ultimately supporting the transformation of education and teaching methods.	In progress	1. To support mathematics, English, and physics for junior and senior high schools, and mathematics and English for primary school grades four to six; 2. To handle intelligent grading for multiple-choice, fill-in-the-blank, and constructed-response questions in mathematics, English, and physics, including smart evaluation of English compositions; 3. To achieve a grading accuracy of no less than 99% and reduce the average grading time per class to within 20 minutes; 4. To promote and apply the machine in over 300 units within the project period and achieve regular use in more than 200 schools.	As one of the first practical industry applications leveraging LLM capabilities, the iFLYTEK SPARK Intelligent Grading Machine will gain increasing recognition from clients. With continuous upgrades in technology and improvements in smart recognition and grading performance, the machine will take the lead in the market, especially in large-scale homework scenarios. This will consolidate the Company's influence and standing in the smart education sector.
Learning Machine's Diagnostic-Driven Learning	This project targets the learning machine business line. It offers pedagogical research and teaching resource services. Based on set	In progress	To develop self-study-oriented learning resources, covering elementary math AI-enhancement courses, elementary Chinese writing	This will strengthen the AI course advantage of iFLYTEK's learning machine, enrich content resources, and support iFLYTEK's leading position in

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
Loop (DDL) Resource Development	scenarios, it refines learning path planning, builds and improves the subject system, and develops optimized resources. This addresses efficient learning needs in self-study scenarios and boosts user satisfaction.		aids, and whole-book reading courses for elementary schools.	smart education.
Digital & Intelligent Homework System	This is an integrated digital and intelligent homework system for both schools and education administrators. It includes high-quality resource building, scientific homework assignment, multi-scenario learning data collection and application. It aims to transform traditional school homework into a digital and intelligent format, helping teachers teach and students learn effectively, and education administrators manage easily.	Development completed	1. To cover 30 districts and counties; 2. To explore B2C models by charging 10 schools; and 3. To create at least two pilot zones and a stratified management mechanism for demonstration schools, and to build at least 5 pilot schools.	This digital and intelligent homework system will deeply integrate AI technology into homework scenarios. It can generate instant homework reports and automatically identify errors and reinforce knowledge after scanning, creating a unique advantage and leading the competition. This will strengthen iFLYTEK's brand influence in education.
Diagnostic-Driven IT Lab Solutions	This information technology laboratory project aims to resolve the challenges and difficulties encountered in the implementation of current information technology courses. Guided by national curriculum standards and under the direction of experts, this project has developed a comprehensive set of courses that align with these new standards. By integrating a wealth of curriculum resources with software and hardware solutions, this project seeks to make lesson preparation more accessible, teaching delivery easier, and student engagement more straightforward. This creates an immersive teaching experience, assisting numerous schools and teachers in effectively establishing and delivering quality IT courses.	Development completed	1. To pilot the product in at least 3 schools to verify its usability and support the creation of model examples; 2. To provide a streaming teaching course package based on the foundation of teaching materials. This package will include teaching materials, instructional designs, and lesson - explanation videos, enhancing lesson - preparation efficiency and allowing information technology lesson preparation to be completed within 8-10 minutes; 3. To address the lack of activity tools in information technology courses. By providing various activity tools integrated into activity containers (such as programming tools and interactive exercise tools), this project aims to achieve process integration in activity - based teaching flows, ensuring classroom continuity and a core process task completion rate of no less than 80%; 4. To develop experimental teaching resources and achieve effective instruction of the fundamental principles of information	By utilizing innovative technologies, the project will implement in-depth teaching scenario products for information technology courses. This will fill the product gap in the Company's government and business offering for information technology course teaching scenarios. It will also bridge the gap in comprehensive solutions for academic improvement and overall quality enhancement, thereby increasing the breadth and depth of iFLYTEK's smart education solutions and subsequently uplifting the Company's brand image and market competitiveness.

Name of main R&D project	Purpose	Progress	Expected goals	Anticipated impacts on the Company's future development
			technology courses.	
AI-Powered STB Voice Assistant	The AI-Powered STB Voice Assistant is iFLYTEK's innovative solution designed to enhance operator remote-control voice platforms. As hardware vendors increasingly integrate language models, this product leverages iFLYTEK SPARK to establish a significant competitive edge over similar products in the market. It aims to revitalize traditional remote-control voice platforms by enabling more natural and intuitive human-machine interaction, thereby transforming user experiences and bringing new vitality to operators' ecosystems.	Development completed	1. To achieve a generational leap over existing large-screen voice platforms with IFLYHOME OS 2.0, building a barrier advantage. 2. To evolve large-screen human-machine interaction from task-based to collaborative, enabling more natural interaction.	Leveraging the interactive foundation of iFLYTEK SPARK will build a technical moat and enhance the competitiveness of the home TV assistant. This will help iFLYTEK stand out in the market, erect market barriers, boost its brand influence in the operator industry, and solidify its dominance in human-machine interaction for operator family scenarios.

Information on R&D Personnel

	2024	2023	Change (%)
Number	9,752	8,908	9.47%
As a % of the total	62.71%	62.05%	0.66%
Education background			
Undergraduate	6,186	5,904	4.78%
Master's	3,259	2,585	26.07%
Age			
Under 30	2,735	3,420	-20.03%
30~40	6,136	4,955	23.83%

R&D Expenditure

	2024	2023	Change (%)
Amount (RMB yuan)	4,580,118,447.89	3,836,822,735.77	19.37%
As a % of operating income	19.62%	19.53%	0.09%
Capitalized R&D expenditure (RMB yuan)	1,996,233,407.86	1,602,462,883.60	24.57%
Capitalized R&D expenditure as a % of total R&D expenditure	43.58%	41.77%	1.81%

Reasons and impacts of significant R&D personnel change

☐ Applicable ☒ Not applicable

Reasons for the significant change in R&D expenditure as a % of the operating income compared to the

previous year

☐ Applicable ☒ Not applicable

Reasons for the significant change in R&D expenditure capitalization rate and its justification

☐ Applicable ☒ Not applicable

The Company complies with the disclosure requirements for the software and IT services industry as stipulated in the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 3: Industry Information Disclosure.

In RMB yuan

Project name	Amount of capitalized R&D expenditure	Project description	Project status
iFLYTEK SPARK	110,398,643.38	Based on the text generation, language understanding, knowledge Q&A, logical inference, mathematical, coding, and multi-modal interaction capabilities of iFLYTEK SPARK, the Company is developing a super assistant for life, study, and work scenarios. By integrating its proprietary AI matrix, the Company focuses on tailoring solutions for college students' thesis writing and white-collar job hunting, optimizing AI capabilities for these specific contexts.	In progress
Advanced Driver Assistance Systems, ADAS	87,367,473.92	iFLYTEK's smart driving solution that caters to the fast-growing intelligent driving market and domain controller-based vehicle architecture upgrade. Building on iFLYTEK's proprietary AI technologies and iFLYTEK SPARK's foundational capabilities, it integrates key technologies like AI vision sensing, ultrasonic sensing, mapping and localization, decision-making and control. It offers an L2+intelligent driving system and a domain controller for integrated driving and parking, providing carmakers with cost-effective, flexible smart driving solutions. It allows the Company to expand customer base and partnerships, and seize automotive intelligence market opportunities.	In progress
2024 iFLYTEK Open Platform Website	72,368,748.29	The iFLYTEK Open Platform Website, powered by iFLYTEK's globally leading foundational AI technologies, offers rich AI capabilities and solutions for domains like mobile apps, smart homes, in-vehicle systems, and education. Integrating the iFLYTEK iFLYTEK SPARK's text generation, language understanding, Q&A, logical inference, mathematical, coding, and multi-modal interaction skills, it helps clients upgrade product interaction and build new AI-native apps, enhancing product competitiveness by creating applications with capabilities like listening, speaking, viewing, recognizing, understanding, and thinking.	In progress
iFLYTEK Input Method	66,536,711.68	The iFLYTEK Input Method focuses on expanding its user base through continuous internet version iteration and exploring new monetization paths to boost income generation. It deeply integrates foundational LLM capabilities to enhance user experience and efficiency, while exploring AI assistant scenarios and new value-added models. The product builds a content ecosystem to improve content production and operation efficiency, increasing value-added revenue. It also continuously explores new monetization methods to drive revenue growth and accumulate industry experience.	Development completed
iFlyCode	39,949,927.44	iFlyCode is a platform for code developers offering IT Q&A, code generation, debugging, optimization, and interpretation services. It aims to enhance the efficiency of code workers and meet the demand for code writers in the current domestic environment.	Development completed
Smart Cockpit Domain Controller	35,716,246.88	The Smart Cockpit Domain Controller consistently enhances the stability of its integrated hardware and software systems to ensure compliance with OEM requirements for component reliability and durability. Leveraging iFLYTEK's advanced chip and computing	In progress

Project name	Amount of capitalized R&D expenditure	Project description	Project status
		integration technology, it offers a cost-effective integrated cockpit-parking solution. Conducted on a domestic platform, the solution verification provides automakers with new options for cost reduction and efficiency improvement.	
iFLYTEK AI Learning Machine T30 Series	33,041,873.21	The T30Lite redefines cost-effective learning machines through "smart hardware+scenario-based AI." It's not just a product breakthrough but also a key move in iFLYTEK's education-specific large language model strategy. By integrating hardware innovation with deep software capabilities (iFLYTEK SPARK), it continuously strengthens the AI learning machine category and underpins the Company's education business revenue growth in 2024.	Development completed
AI Virtual Humans Interaction Platform	25,377,756.19	iFLYTEK's AI Virtual Human Interaction Platform combines virtual humans with iFLYTEK SPARK to create a smart dialogue system. It mimics human cognition and interaction for natural communication, meeting interaction needs across exhibition halls, lobbies, online customer service, and AI marketing. The platform offers diverse products like integrated software-hardware devices, interactive SaaS platforms, and virtual-human interface services.	Development completed
iFLYTEK AI Learning Machine P30 Series	24,968,916.41	The project has produced four hardware products: P30, Q30, S30, and S30D. It efficiently reuses hardware and software solutions. As the first AI learning machine supporting capacitive pen firmware upgrades via the USI protocol and featuring 29 AI tutoring assistants, it has won the "Leading Enterprise" certification for learning machine.	Development completed
iFLYTEK SPARK Intelligent Grading Machine	20,980,253.42	The iFLYTEK SPARK Intelligent Grading Machine integrates OCR and LLM-based smart-grading technology. It enables free-form test creation, homework collection and grading, and post-grading review, forming a closed-loop for personalized learning. This addresses key problems of teachers and students, such as heavy grading loads, data silos, and fragmented student practice. As a software-hardware integrated solution, it significantly reduces teachers' routine workload, freeing up time for more personalized instruction and face-to-face tutoring, thereby enhancing teaching effectiveness.	In progress
Personalized Learning Handbook	20,901,509.30	iFLYTEK's Personalized Learning Handbook is designed for junior and senior high school students. It utilizes test bank development, educational big data, and intelligent recommendation technologies to offer unique features such as multi-dimensional assessment, error-cause diagnosis, and personalized learning path planning. This product addresses the issues of low practice efficiency and poor improvement effects commonly faced by students in these stages.	Development completed
Learning Machine's Diagnostic-Driven Learning Loop (DDL) Resource Development	20,542,089.79	This project targets the learning machine business line. It offers pedagogical research and teaching resource services. Based on set scenarios, it refines learning path planning, builds and improves the subject system, and develops optimized resources. This addresses efficient learning needs in self-study scenarios and boosts user satisfaction.	In progress
GrowOne Digital Advertising Platform	20,406,347.51	This project aims to build an intelligent marketing solution spanning multiple regions and scenarios. This includes developing a cloud marketing platform, a smart bidding algorithm platform, an intelligent operation platform, and an intelligent experimentation platform. By integrating the capabilities of these platforms, this project seeks to provide cohesive and intelligent marketing services.	In progress
FAX Programmatic Advertising Exchange	18,757,300.70	The FAX Programmatic Advertising Exchange project, leveraging iFLYTEK's cutting-edge AI and data resources, explores the digital marketing field. It builds an AI-driven marketing platform for business users via iFLYTEK's open platform, numerous developers, and apps. This platform enables self-service ad placement and trading, supports innovative interactive ad forms, reduces marketing costs, and enhances brand promotion. It also leverages data mining to boost business decisions and user experience, improving platform value and profitability.	In progress
Voice Assistant (International)	13,258,411.39	This project aims to create a global multi-lingual in-vehicle voice interaction solution. The voice assistant combines advanced technical	In progress

Project name	Amount of capitalized R&D expenditure	Project description	Project status
Edition)		frameworks with multi-lingual processing capabilities to develop an intelligent voice system with platform-based features. This system improves the smart cockpit product ecosystem. As the voice assistant continuously upgrades its multilingual support and functional modules, it aligns technical solutions with global market demands. This accelerates the establishment of cross-national automotive manufacturer partnerships and forms a full-cycle data feedback loop covering product R&D to end-user experiences.	
Digital & Intelligent Homework System	11,719,764.61	This system utilizes OMR, OCR, semantic understanding, intelligent recommendation, data analytics, and learning-condition diagnosis technologies. It offers functions such as government-school question compilation, smart test-paper generation, question-pack recommendation, question-bank management, question-card creation, answer-sheet scanning, homework photo uploading, array-pen interaction, multi-subject question identification and grading, teacher-grading-pen-trace recognition, essay grading, homework reports, learning-condition analysis, error-question banks, and government-school learning-condition supervision platforms. This system addresses the needs of regional education administrators, school administrators, and teachers by facilitating homework data statistics, governance, collection, classroom exercise commentary, interaction, student and class weakness tracking, and government-school question-bank digitization.	Development completed
iFLYTEK SPARK Intelligent Computing Center	11,309,318.98	This Intelligent Computing Center is designed for corporate clients like central and state-owned enterprises. It offers feasible solutions and targeted optimization in intelligent computing platforms. By continuously refining product experience, deepening channel cooperation, and enhancing brand value, this center aims to meet client needs. According to official releases by iFLYTEK, the AI computing platform, part of this project, enables full-cycle data feedback covering product R&D to end-user experiences.	In progress
Internet Cool Tone	10,507,473.23	iFLYTEK's Internet Cool Tone focuses on audio and video-based product optimization and innovation. By improving order conversion rates and optimizing interaction experiences, deepening channel cooperation, and exploring new product forms, it aims to expand its user base. The product also enriches audio and video components, creating more creative and interactive features to enhance brand value.	Development completed
AI-Powered STB Voice Assistant	9,074,612.32	This product leverages advanced AI capabilities of iFLYTEK to offer new services like multi-round dialogues across skills, plot retrieval, and multi-intent processing, greatly enhancing conversation quality. It also standardizes interaction and presentation for virtual human-free, lite virtual human, and high-performance virtual-human options. This addresses response delays from short/long voice button presses and ensures smooth interface transitions in traditional STB environments.	Development completed
Diagnostic-Driven IT Lab Solutions	8,867,858.41	iFLYTEK's Diagnostic-Driven IT Lab Solutions leverage the Company's globally leading foundational AI technologies. Through LLM application, multi-screen interactivity, and domestication, they offer an all-scenario integrated teaching platform, new standard compliant courses, an AI programming assistant, and real-time multi-device interconnectivity. These features form a comprehensive software-hardware solution for information technology courses, addressing education administrators' concerns and schools' challenges in lesson preparation, teaching, evaluation, homework, and creating a supportive teaching environment.	Development completed
iFLYSOUND	1,081,071.49	The iFLYSOUND solution by iFLYTEK addresses the growing demand for intelligent in-vehicle experiences and the domestic shortage of high-end automotive audio amplifiers. It features a proprietary, high-performance, multi-channel hardware platform with cost-effective, high-power output. Equipped with advanced sound-field zoning, ICC, and active noise cancellation algorithms, it delivers immersive audio experiences. By integrating iFLYTEK SPARK, it offers adaptive sound adjustment and optimization, enhancing in-vehicle audio	Development completed

Project name	Amount of capitalized R&D expenditure	Project description	Project status
		competitiveness and providing users with exceptional, intelligent audio experiences.	
Smart Physical Fitness Assessment Solution	145,454.16	A smart physical fitness assessment solution aimed to enhance overall competitiveness and customer satisfaction by transforming physical fitness evaluation data into teaching goals through the use of standardized physical assessment criteria. It forms a closed loop of products, incorporating industry research and upgrading assessment products. This aims to enhance the accuracy of various indicators and the alignment between the system and service demand, boosting the solution's competitiveness and customer satisfaction.	Development completed

5. Cash Flow

In RMB yuan

Item	2024	2023	Change (increase/decrease)
Subtotal of cash inflows from operating activities	24,747,717,756.68	20,273,299,993.94	22.07%
Subtotal of cash outflows operating activities	22,252,544,301.76	19,923,542,179.39	11.69%
Net cash flow from operating activities	2,495,173,454.92	349,757,814.55	613.39%
Subtotal of cash inflows from investment activities	110,776,043.52	578,997,322.84	-80.87%
Subtotal of cash outflows from investment activities	3,416,050,998.87	4,557,725,579.07	-25.05%
Net cash flow from investing activities	-3,305,274,955.35	-3,978,728,256.23	16.93%
Subtotal of cash inflows from financing activities	5,934,494,781.96	5,151,582,664.14	15.20%
Subtotal of cash outflows from financing activities	5,395,899,793.23	2,321,878,240.45	132.39%
Net cash flow from financing activities	538,594,988.73	2,829,704,423.69	-80.97%
Net increase in cash and cash equivalents	-272,061,049.40	-789,944,211.70	65.56%

Explanation of main factors for significant changes in relevant data from the previous year

☒ Applicable ☐ Not applicable

1. Net cash flow from operating activities increased by 613.39% year on year, mainly due to higher sales revenue recovery this year than last year.

2. Net cash flow from financing activities dropped by 80.97% year on year, primarily due to increased cash payments for debt repayment this year.

Reasons for the significant difference between the net cash flow from operating activities and the net profit for this year.

☐ Applicable ☒ Not applicable

V. Analysis of Non-core Business Operations

☐ Applicable ☒ Not applicable

VI. Analysis of Balance Sheet

1. Major Changes in Assets Structure

In RMB yuan

Item	End of 2024		Beginning of 2024		Change (increase/decrease)	Explanation of significant changes
	Amount	Percentage	Amount	Percentage		
Cash and cash equivalents	3,387,380,425.36	8.17%	3,562,635,256.73	9.42%	-1.25%	
Accounts receivable	14,666,453,043.92	35.36%	12,165,102,111.50	32.16%	3.20%	
Contract assets	733,246,865.20	1.77%	912,202,079.94	2.41%	-0.64%	
Inventories	2,846,518,638.02	6.86%	2,458,967,642.86	6.50%	0.36%	
Investment properties	282,193,850.72	0.68%	178,487,697.98	0.47%	0.21%	
Long-term equity investments	1,539,050,502.30	3.71%	1,437,178,955.91	3.80%	-0.09%	
Fixed assets	5,037,418,177.15	12.14%	4,393,874,425.37	11.61%	0.53%	
Constructions in progress	1,032,764,040.07	2.49%	1,241,004,506.05	3.28%	-0.79%	
Right-of-use assets	511,199,057.16	1.23%	357,713,784.46	0.95%	0.28%	
Short-term borrowings	309,655,185.59	0.75%	242,723,392.49	0.64%	0.11%	
Contract liabilities	1,681,135,415.08	4.05%	1,156,193,365.10	3.06%	0.99%	
Long-term borrowings	4,672,981,833.31	11.27%	4,554,692,086.61	12.04%	-0.77%	
Lease liabilities	364,942,638.82	0.88%	245,614,518.45	0.65%	0.23%	
Other current assets	322,910,428.93	0.78%	409,416,097.76	1.08%	-0.30%	
Long-term receivables	742,315,999.53	1.79%	1,224,651,761.01	3.24%	-1.45%	
Other non-current financial assets	628,486,463.41	1.52%	559,885,903.91	1.48%	0.04%	
Intangible assets	2,916,651,306.77	7.03%	3,116,545,232.84	8.24%	-1.21%	
Development expenses	1,636,081,539.76	3.94%	698,695,357.43	1.85%	2.09%	
Goodwill	1,134,673,186.61	2.74%	1,134,673,186.61	3.00%	-0.26%	
Deferred income tax assets	1,788,363,491.09	4.31%	2,039,063,438.76	5.39%	-1.08%	
Bills payable	2,905,274,282.78	7.00%	2,776,112,860.37	7.34%	-0.34%	
Accounts payable	6,162,022,062.04	14.86%	5,100,694,119.20	13.48%	1.38%	
Other payables	570,156,326.16	1.37%	883,036,586.43	2.33%	-0.96%	
Projected liabilities	797,640,296.65	1.92%	1,014,664,994.64	2.68%	-0.76%	

Overseas assets account for a high percentage

☐ Applicable ☒ Not applicable

2. Assets and Liabilities Measured at Fair Value

☒ Applicable ☐ Not applicable

In RMB yuan

Item	Beginning balance	Gain/loss from fair value changes this year	Cumulative changes in fair value recognized under equity	Impairment recognized this year	Purchase this year	Sale this year	Other changes	Ending balance
Financial assets								
1. Other non-current financial assets	559,885,903.91	-21,917,068.19			112,797,500.00	22,279,872.31		628,486,463.41
Subtotal of financial assets	559,885,903.91	-21,917,068.19			112,797,500.00	22,279,872.31		628,486,463.41
Total	559,885,903.91	-21,917,068.19			112,797,500.00	22,279,872.31		628,486,463.41

Other changes

Is there any significant change in the measurement metrics of the Company's main assets during this reporting period?

☐ Yes ☒ No

3. Restrictions on Asset Rights as of the End of Year

Item	Book balance as of December 31, 2024	Book value as of December 31, 2024	Reasons for restrictions
Cash and cash equivalents	276,531,150.14	276,531,150.14	Margins for banker's acceptance bills, letters of guarantee, and freezing
Bills receivable	363,816,871.30	363,816,871.30	Pledged for the note pool
Fixed assets	1,311,081,274.68	1,015,360,139.65	Mortgage loan
Intangible assets	341,160,417.18	267,242,326.75	Mortgage loan
Total	2,292,589,713.30	1,922,950,487.84	

VII. Investment Analysis

1. Overview

☒ Applicable ☐ Not applicable

Amount of investments during H1 2024 (RMB yuan)	Amount of investments during H1 2023 (RMB yuan)	Change (%)
196,036,943.69	475,867,978.49	-58.80%

2. Significant Equity Investments Received During this Reporting Period

☐ Applicable ☒ Not applicable

3. Significant Non-equity Investments Under Way During this Reporting Period

☐ Applicable ☒ Not applicable

4. Investments in Financial Assets

Investments in securities

☒ Applicable ☐ Not applicable

In RMB yuan

Type	Code	Name	Initial investment cost	Accounting measurement model	Beginning book value	Gain/loss from fair value changes this year	Cumulative changes in fair value recognized under equity	Purchase this year	Sale this year	Gain/loss during this reporting period	Ending book value	Accounting entry	Source of fund
Chinese and foreign stocks	605168	Three'S	9,180,000.00	Fair value	18,374,400.00	-204,540.00			18,169,860.00	153,168.62	0.00	Other non-current financial assets	Self-owned Funds
Chinese and foreign stocks	H09880	UBTECH	5,832,490.19	Fair value	73,237,552.18	-27,971,492.76				-27,971,492.76	45,266,059.42	Other non-current financial assets	Self-owned Funds
Total			15,012,490.19	--	91,611,952.18	-28,176,032.76	0.00	0.00	18,169,860.00	-27,818,324.14	45,266,059.42	--	--

Investments in derivatives

☐ Applicable ☒ Not applicable

There were no derivative investments during this year.

5. Use of Raised Funds

☐ Applicable ☒ Not applicable

There was no use of raised funds to be disclosed during this year.

VIII. Significant Asset and Equity Sales

1. Significant Asset Sales

☐ Applicable ☒ Not applicable

the Company did not sell any significant assets during this reporting period.

2. Significant Equity Sales

☐ Applicable ☒ Not applicable

IX. Analysis of Major Holding and Participating Companies

☒ Applicable ☐ Not applicable

Major subsidiaries and associated companies with at least 10% impact on the Company's net profit

In RMB yuan

Subsidiary Name	Type	Main businesses	Registered Capital	Total assets	Net assets	Operating income	Operating profit	Net profit
iFLYTEK Intelligent System Co., Ltd.	Subsidiary	Education, software development, and information engineering	406,000,000.00	11,609,486,725.92	2,013,298,232.07	4,891,008,384.86	-39,412,447.88	676,415.78
iFLYTEK South China Co., Ltd.	Subsidiary	Software development	150,000,000.00	3,372,312,695.99	1,466,761,003.61	970,597,965.10	204,800,406.39	191,951,657.89

Acquisition and disposal of subsidiaries during this year

☒ Applicable ☐ Not applicable

Subsidiary Name	Acquisition and disposal of subsidiaries during this year	Impact on the overall operations and profitability
Shanghai iFLYTEK Ruiyuan Information Technology Co., Ltd.	Deregistered	
Suzhou iFLYTEK Vocational Training School	Deregistered	
Guangzhou iFLYTEK Superbrain Technology Co., Ltd.	Deregistered	
Pishan Superbrain Technology Co., Ltd.	Deregistered	
Jinhua iFLYTEK Technology Co., Ltd.	Deregistered	
Xinyang iFLYTEK Information Technology Co., Ltd.	Deregistered	
Xiong'an iFLYTEK Artificial Intelligent Technology Co., Ltd.	Deregistered	2,442.55

X. Structured Entities Controlled by the Company

☐ Applicable ☒ Not applicable

XI. Outlook of the Company

1、2025 Business Plan

In 2025, the global political and economic landscape remains fraught with macroeconomic uncertainties, presenting both opportunities and challenges. Against this backdrop, the Company adheres to its "reaching for the sky, rooted on the ground" strategy. On one hand, it keeps core technologies internationally leading, grasps LLM opportunities, underpins business with top-notch technology, and continuously establishes technical barriers and a pioneering edge. On the other hand, it uses innovation to meet social needs, promotes large-scale AI application, and fosters AI integration with various industries, ensuring a thriving industrial ecosystem. Strategically, the Company will enhance the complementarity and risk hedging between its domestic and international markets.

In line with the Company's development goals, the 2025 Business Plan in areas such as technology research and business development is as follows:

Core Technology R&D Plan

As a key player in China's artificial intelligence field, iFLYTEK has devised the following core technology R&D plan centered on large language model development:

iFLYTEK's business plan features and prioritizes "original algorithm innovation, home-grown computing power, and value scenario implementation." the Company will continue to strengthen the foundational capabilities of its large language model using home-grown computing power, ensuring iFLYTEK SPARK's general capabilities match top international peers and lead the industry. The Company will constantly upgrade the deep reasoning model iFLYTEK SPARK X1, achieving ongoing breakthroughs in mathematics and coding. It will also maintain a leading position in key areas such as education, healthcare, and academic research. The speech-based large model will be comprehensively promoted for large-scale application to support business-specific strategic pillars. Meanwhile, iFLYTEK will keep its multimodal large models in the industry's top tier, ensuring key capabilities lead the field and driving large-scale implementation of machine vision solutions.

iFLYTEK will maintain its "1+N" overall layout. Currently, its general large language model iFLYTEK SPARK holds the top market share in multiple areas of application, including education, healthcare, central and state-owned enterprises, automotive, and security. At the same time, it develops a number of (N) industry-specific large models for key sectors such as education, healthcare, finance, automotive, energy, judiciary, security, industrial internet, and AI for Science.

iFLYTEK will continue to pursue a "General-Special Integration" large model development approach. To date, the Company has developed several specialized large models, such as speech-to-text, image recognition, translation, and ultra-realistic digital humans. Moving forward, the Company will maintain its leading position in specialized large models. It will drive the iteration and optimization of multimodal AIUI interaction and multilingual intelligent speech technologies. It will also closely integrate these technologies with real-world applications to empower hardware products and enhance user experience. Additionally, it will keep exploring cutting-edge technologies like multimodal large models and embodied intelligence.

iFLYTEK will deepen collaboration with industry experts. The Company will work closely with seasoned industry institutions and experts to develop industry-specific large models and innovative product models. This enhances professionalism and practical value. It will also actively expand the iFLYTEK SPARK ecosystem, encouraging more developers to conduct application innovation and commercialization based on iFLYTEK SPARK.

Core Business Development Plan

Smart Education: In the "Smart Education" sector, the Company is committed to core values such as reducing burdens, enhancing efficiency, promoting balanced development, and fostering innovative talent. It will focus on key market demands, maximize user value, and leverage LLM technology upgrades to boost product competitiveness and application effectiveness. This will help the Company build and strengthen competitive barriers, expand market share, and improve business transformation. The Company will consolidate and expand its market presence, advance personalized teaching through digital transformation, enhance teaching efficiency, and support the implementation of digital strategies. Meanwhile, the Company will optimize the business model to enhance empowerment for teachers and students, and continue to improve its operational structure.

Smart Healthcare: In "Smart Healthcare", the Company will strengthen its AI infrastructure, increase R&D investment, and maintain its generational industry advantage. The Company will expand its customer coverage, broaden its sales reach, optimize its solution systems, and enhance its operational efficiency. By adopting a commercial synergy strategy, it will grasp new profit opportunities.

Smart City: In the field of "Smart City", the Company will use core AI and LLM technologies to create the dual engines of solutions and products. With the LLM iFLYTEK SPARK at the core, the Company will adopt an integrated approach to enhance urban middle platform capabilities and build a new-gen digital city foundation. This will enable multi-source data fusion and AI-empowered scenarios. The Company will also focus on industry applications and achieve innovations in areas such as government services, computing power operations, smart judiciary, public security, and smart parks.

Open Platform and Consumer Business: In the "Open Platform and Consumer Business" sector, the Company will seize the present historical opportunity of AI development. Guided by the principles of "Openness, Ecosystem, Cooperation, and Sharing," the Company will work to foster a thriving developer ecosystem, with a focus on cloud collaboration, software-hardware integration, and self-reliance. By making iFLYTEK's original technological innovation capabilities accessible, the Company will drive LLM-based ecosystem growth and collaborate with industry partners to create a leading AI open platform. The Company will deepen the exploration of domestic LLM development, expand home-grown training and inference computing power and tools, and refine the security governance system to offer a trustworthy platform environment. This leads the way in creating a new ecosystem that is open, innovative, self-reliant, secure, and vibrant. Consumer business will continue to focus on office scenarios, using user needs as the core. Empowered by iFLYTEK SPARK, the Company will accelerate the integration of consumer software and hardware, revolutionize office experiences, target young users, deepen LLM application in key scenarios, pioneer industry development, and expand into overseas markets, making AI everyone's work and study assistant.

2、Risks Faced by the Company and Their Countermeasures

iFLYTEK is committed to value creation and standardized operations, meticulously identifies various risks, and proactively implements strategies to mitigate and reduce risks in the following aspects.

1. Macroeconomic Environment

In recent years, the international landscape has become more and more complex, with ongoing interweaving of multiple risks such as global supply chain adjustments and geopolitical conflicts, leading to uncertainties in the macroeconomic environment. On January 16, 2025, the World Bank released the Global Economic Prospects, forecasting a global economic growth of 2.7% for both 2025 and 2026. Global growth has declined from 5.9% in the 2000s to 5.1% in the 2010s, and further to 3.5% in the 2020s. On March 17, 2025, the OECD published its Interim Economic Outlook, revising its global growth projections for 2025 and 2026 downward by 0.2 and 0.3 percentage points to 3.1% and 3.0%, respectively.

iFLYTEK adheres to its robust "reaching for the sky, rooted on the ground" strategy, maintaining leadership in vital autonomous technologies and advancing its "real needs+generational difference" approach in product applications. The Company effectively uses AI to meet critical societal needs across government, business, and consumer sectors, creating resilient revenue streams that endure economic fluctuations and increasingly focuses on consumer-oriented businesses to navigate macroeconomic uncertainties. Amid demographic shifts like aging populations and falling birth rates, transitioning from demographic to talent, and subsequently to AI application dividends, is becoming essential for industrial progress. The large language model iFLYTEK SPARK has given the Company a unique early advantage in the digital economy, bolstering its leadership in AI-enhanced education, healthcare, and industry digital transformation, while opening new avenues in AI personal assistants and expanding the consumer product market. Additionally, iFLYTEK strategically balances risks and opportunities in both domestic and international markets to enhance its global positioning.

2. Business Innovation

To seize opportunities in the AI industry and adapt to the rapid technological advancements in the field, major companies are increasingly investing in R&D for new technologies and products. However, the industrialization and commercialization of technology carry considerable uncertainties, posing risks that R&D investments may not yield expected outcomes, thus affecting profitability and growth.

iFLYTEK is deeply committed to its foundational technological innovation, anchored by strong AI core technology R&D. This commitment has enabled steady advances in technological and industrial development. The Company has developed a broad range of applications in cognitive intelligence, and its successes in the market have further enhanced its deep understanding of industry-specific scenarios and its capacity for algorithmic iteration. These achievements continually drive business innovation and mitigate the risks associated with exploratory ventures.

XII. Research, Communication, and Interviews During This Reporting Period

√ Applicable □ Not applicable

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
January 29, 2024	iFLYREC Cloud Meeting	Cloud conferencing, and	Others	Approximately 210 investors joined via iFLYREC Cloud Meeting.	Changes in business proportions; Growth of consumer products; Smart Education operations; Large model development progress for enterprise clients; Large model development	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 .

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
					progress for consumer apps; Computing power and business presence building; the Company's unique LLM advantages; and January 30 launch conference highlights	Investors can also refer to the iFLYTEK investor relations archive dated January 29, 2024.
April 23, 2024	Panorama roadshow studio (https://rs.p5w.net/), FLYREC Cloud Meeting, Online video broadcast	Cloud conferencing, and	Others	A total of 91 investors attended the conference via FLYREC Cloud Meeting. In addition, according to incomplete statistics, investors watched the livestream broadcast, 256,000 on Panorama, 166,000 on Flush and 9,000 on Wind.	Interpretation of the Company's 2023 annual and 2024 Q1 performance; Reasons for the change in 2024 Q1 gross margin; Plans for computing power investment for LLM development; Accounts receivable turnover rate and collection status; Q1 expense situation; Timing of iFLYTEK SPARK's benchmarking against ChatGP4; Commercialization model for LLM implementation; Outlook for 2024 consumer business; Focus of LLM R&D investment in 2024; and Open platform status.	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated April 23, 2024.
April 26, 2024	Hefei; Telephone conference	Field research	Institutions	Takanashi, Mitsubishi Asset Management Japan; He Rui, CITIC Industrial Investment; Wang Xinxin, Qianrong Fund; Liu Xuran, Wenchu Fund; Li Chi, Tongwei Investment; Liu Yan, Chuangfu Hui Investment; Hu Hailang, Southwest Securities; Qin Shiwen, Qiaoda Group; Yang Bin; Yang Xilin; Tian Hongqiang; Huang Rongguo; Tian Hongshun; Zhen Wuxing; Mao Yijue, Sinolink Securities; Chi Guohui, Boruide Private Equity; Wang Zhang; Yuan Jianhua; Mei Qiuyan; Wang Ru; Zeng Peiqian; Zhu Liwen; Ge Linjie; Li Zihang; Lu Feng; Sun Zhaoliang; He Jianan; Jin Guanglong; Xia Meirong; Wang Jilin; Cao Zhicheng; Wang Yanbo; Luo	iFLYTEK SPARK APP status; latest progress of this LLM; status and applications of its text and image large model; LLM market competition; advantages of iFLYTEK SPARK; the Company's 2024 personnel; Accounts receivable; Perspectives on general and domain-specific large models; Progress of intelligent automotive business	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated April 26, 2024.

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
				Chaohong; Liang Yuanfang; Wang Yongsheng; Chen Zhi; Qing Cheng; Lan Jiabin; Wang Xuezhou; Zhao Rui; Wang Ziming; Pan Jinhua		
May 13, 2024	Beijing	Field research	Institutions	Jing Cong Xue and Isreth Hassen, Foord Singapore; Adele Jankowitz, Dawie Jooste, Heather McCulloch, Julie Macleod-Henderson and Linda Pledger, Foord South Africa; Philip Knibbs, K2 Capital; Naas Meyer and Werner Gibbs, Excalibur Wealth; Beere Ian, Cameron McCallum and Richard Sparg, Netto Invest (pty) Ltd ; Lindsay Geddie and Samuel Geddie, Integrity Life CC; Sue White and Gloria MacConnell, Personal Wealth Managers; Gerard Scholtz; Susan Mercer, SM Wealth Coaching; Virgilio da Silva, Colleen da Silva and Gareth Knight, Cadiant Partners; David Bacher, Corion Capital; Kim Frost, Bespoke Financial Services CC; Johan Basson, Equity Trust Asset Management (PTY) Ltd; Zurk Botha and Alex Botha, Zurk Botha Associates (Pty) Ltd; Edward Adams, ALLAN GRAY (PTY) LTD; Andrew Brgtchie, Glacier International; Liu Yang, Shenwan Hongyuan; Poo, Shenwan Singapore; Shi Xinzhan and Cao Zheng, Shenwan Hongyuan; Liu Wenshu, Zhejiang Securities; Yun Mengze, Guosen Securities	Impact of iFLYTEK SPARK on smart education business; Competitiveness of iFLYTEK AI learning machine; Recent bidding situation; iFLYTEK SPARK's boost to central and state-owned enterprises; Application cases of LLM in scientific research;	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated May 13, 2024.
May 16, 2024	Beijing	Field research	Institutions	Wang Teng and Feng Baolong, Taiping Assets Wang Teng,	Progress of multimodal LLMs; Growth of iFLYTEK AI learning	For more details, please visit the

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
				Taiping Asset Management; Yu Fujiang, Bosera Fund Mmanagement; Wang Zijing, Dongwu Securities; Wang Jiayi, Ping An Securities	machine; Growth drivers for the automotive business; Implementation of LLMs in automotive; Progress of smart healthcare products for consumers; Implementation cases of LLMs in finance; Implementation cases of LLMs in coding	investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated May 16, 2024.
May 20, 2024	Hefei	Field research	Institutions	Sun Wei, Zhao Ziting, Feng Fei, Zeng Yihan, Chen Si, Kong Xiaoxin, Zhu Lihua, Li Xing, Xuan Yunyun and Gong Yansu, Southern Asset Management; Wang Weili; Ma Gang; Yang Shixin; Liu Yong; Han Yu; Gu Chengxin; Chu Yijiao; Liu Xiaoke; Wang Shangming; Tang Fang; Liu Qiping; Yu Yuan	Progress of the Super Brain 2030 Plan; Industry applications of iFLYTEK SPARK; Competitiveness of the Company's consumer business; Promotion and development of the iFLYTEK SPARK app	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated May 20, 2024.
May 22, 2024	Beijing	Field research	Institutions	Jia Jingwen, China Asset Management, Yu Shujiaming, China Life AMP Asset Management; Liu Zhiwei, CCB Principal Asset Management; Sun Xingzhen, Zhongtai Securities	Reasons for iFLYTEK SPARK API being free of charge; Core advantages of iFLYTEK AI learning machine; Perspective on the rapid growth of LLM-powered learning machines; Typical application cases of LLM in the energy industry; Application cases of LLM in the telecom operator field; Future R&D investment in LLMs	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated May 22, 2024 (20240522-1).
May 22, 2024	Hefei	Field research	Institutions	Ren Zheng, Xie Lida, Xu Chaozhen, Wang Baojuan, He Jiayi, and Zhai Qing, Wanjia Asset; Huang Jing and Jin Lumin, Northeast Securities	Information on the home-grown computing power for training LLM iFLYTEK SPARK; Reasons for iFLYTEK SPARK API being free of charge; LLM iFLYTEK SPARK-based business model; Industry implementation of iFLYTEK SPARK.	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated May 22, 2024 (20240522-2)
June 6, 2024	Hefei	Field research	Institutions	Jaehyun Lee, Jinwoo Jang, Park Hyojin Jie Liu and Minkyun Park,	Unique advantages of iFLYTEK in the IT sector of the A-share market; iFLYTEK's advantages in	For more details, please visit the investor

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
				Korea Investment Company	China's artificial intelligence, especially in LLMs; Status of iFLYTEK Open Platform; the Company's business operations in South Korea	interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated June 6, 2024 (20240606)
June 13, 2024	Beijing	Field research	Institutions	Chen Yuanwang and Chen Tianrui, Beijing Trust; Deng Wenxin, Southwest Securities; Cui Wei, Rosefinch Fund; Zhou Wenqing, CICC Asset Management; Lou Qiong and Luo Qin, Zhejiang Venture Capital; Xia Yintao, Yang Nan, Xiong Diwei, and Heng Kun, SDIC Securities.	Sales of iFLYTEK's consumer hardware during "June 16" Shopping Festival 2024; 2024 sales of learning machines; New opportunities LLMs bring for the voice industry; Advantages of iFLYTEK SPARK; Future investment in LLMs	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated June 13, 2024 (20240613)
June 17, 2024	Hefei	Field research	Institutions	Yong Xin and Li Chaoxin, CICC Silver Sea Fund (Hong Kong); Zhang Tongge, Xuansu Investment; Zhang Lihong, Jintai Capital; Cheng Meijing, Luman Asset Management; Chai Shengli, Baliu Fund; Yang Chen, Jubei Investment; Deng Weijun, Huijin International Investment; Chen Yuehua, Baiyite Private Equity Fund; Lu Shuai, Yinglan Capital; Zhang Dekun, Yanyuan Capital; Tang Wangkai, Anzhao Investment; Guo Yan, CUFE Rising Union	Advantages of iFLYTEK SPARK; Business model of iFLYTEK SPARK; Development of smart consumer hardware; International operations	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated June 17, 2024 (20240617)
June 26, 2024	Beijing	Field research	Institutions	Sang Yongliang, Huaxia Jiuying; Shao Jinming, Ping An Pension; Liu Qingxiang, Bank of Communications Schroder; Zhang Yiran and Yang Ruiqi, Changsheng Fund; Huang Simin, China Galaxy Securities	Technical breakthroughs and applications of multilingual research projects; Highlights of the June 27 product launch; Growth of consumer hardware in 2024; Progress of LLM implementation for corporate clients	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
				Fund Management; Huang Zirui, Huisheng Fund; Zhang Zhe, Green Fund; Tao Jing, CCB Pension Fund Management; Chen Yuxuan, Huaxia Fund; Luo Zelan, CITIC Securities Investment; Zhou Wenjing, CICC Asset Management; Wang Tao, Nuanyixin Private Equity Investment; Zhou Yanghaoxiang, Jiutai Fund; Bao Enxue, Morgan Fund; Wang Siwen, Guosen Securities Asset Management; Ai Keda, CICC Proprietary Trading; Chen Zhaoxu, China Post Proprietary Trading; Liu Hongwei, State Investment Corporation; Jiang Zhaoheng, Shiyi Investment; Nong Bingli, Jingsun Great Wall Fund; Wang Hao, Union Asset; Zhang Shuai, NC Fund; Jie Jing, State Investment Corporation; Jiang Hongmin, NC Pension; Du Yukun, Huachuang Securities Proprietary Trading; Wang Binghui, Kaiyuan Securities Proprietary Trading; Yang Tianxiao, China Mobile Capital; Liu Yue, Shenzhi Asset; Jiang Wangying and Guo Lei, Yinhua Fund Management; Han Shouhui, Fupei Investment; Zong Jianshu and Guo Jingchao, Changjiang Securities; Wang Qianwen, Sinolink Securities; Pan Rucheng, CITIC Securities; Wei Guifei, CICC; Yun Mengze, Guosen Securities; Zhou Chuwei,		investor relations archive dated June 26, 2024 (20240626)

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
				Huachuang Securities; Liu Xiaoyao, Kaiyuan Securities; Liu Linlin, Tianfeng Securities		
July 8, 2024	Hefei	Field research	Institutions and individuals	Yuan Jingqing, Jueshuo Asset Management; Yu Xiongda, Jumang Fund; Meng Sansansan, Linghe Asset Management; Liao Jiangtong, Xiying Asset Management; Chen Muxiang, Dongkun and Yang Bin, Minemetals Securities	Future computing power investment for iFLYTEK SPARK; Advantages and influence of iFLYTEK SPARK; Private LLM deployment for corporate clients; LLM applications in healthcare	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated July 8, 2024 (20240708)
July 16, 2024	Beijing, Telephone conference	Field research	Institutions	Xu Jingyuan, Chen Xiaoguang, and Zhou Guangyuan, and Tong Qiutao, Ping An Pension; Zhang Ye, Minsheng Securities; Li Yijin, CETC Investment; Yang Lin, Haitong Securities; Vio Lau, BOCI-Prudential; Summer Qian, CLSA; Kim Kee, Etiqa General Insurance Berhad; Millie Chen, Invesco; Fisher Xi, Lazard Asset; Emily Liao and Wen Lin Li, Manulife Investment Management; Edward Chan, Mirae Asset Global Investments; Edward Chan, Mirae Asset Global Investments; Lynn Cheng, Sumitomo Mitsui Trust; Edward Chan, Mirae Asset Global Investments; Lynn Cheng, Sumitomo Mitsui Trust; Ryan Ma, TX Capital Value Fund; Jeffrey CH Chan, CLSA; Huang Xu, Li Tuo, Deng Binbin, Xing Hao, Sun Jiaze and Li Hanlin, Panyang Fund; Xia Yingtuo, Guotou	iFLYTEK SPARK's applications in education and finance; Progress of iFLYTEK SPARK's native applications	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated July 16, 2024 (20240716)

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
				Securities		
August 1, 2024	Beijing	Field research	Institutions	Fu Juan, Li Hang, Lou Zhouxin, Liang Guozhu, and Zhang Ruofan, Shaw & Wan Fund Management; Pan Rucheng, Citic Securities	Status of the learning machine business in H1 2024; Functionalities and applications of iFLYTEK SPARK intelligent grading machine; Applications of iFLYTEK SPARK in the energy sector; Status of LLM Skywork; iFLYTEK's future international expansion	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated August 1, 2024 (20240801)
August 6, 2024	iFLYREC Cloud Meeting;	Cloud conferencing, and	Individuals, institutions, and others	Sang Yongliang and Qi Jiuhong, Huaxia Jiuying Asset Management; Zhang Yingjun, Broad Fund; He Mingxiao, Harvest Fund; Gao Xiaoxiao, Broad Fund; Chen Pengyu, Wanjia Asset; Yang Sen, Schroders; Yang Ruiqi, Changsheng Fund; Deng Fangcheng, Caitong Securities; Cheng Yi, Fullgoal Fund; Xiao Ruijin, Bosera Fund; Qiu Shuxiao, Chaos Investment; Gao Zhendong, Jueta Investment; Wang Xin, Allianz Fund; Chen Cheng, Xinghe Fund; Li Ning, Bank of Beijing Scotiabank Asset Management; Li Xiaohang, Minsheng Equity Investment; Zhu Jingyue, AEON Insurance Asset Management; Gao Jie, Jink; Pang Liyong, State Investment Corporation Asset Management; Jiang Ling, Huatai Asset Management; Jin Taojing, CCB Pension; Huang Xinyu, AVIC Fund; Chen Yifei, Qianrong Private Equity Investment; Zhang Zhaojun, Western Leadbank FMC; Wang Julie, Artisan; Long Lingbo, Xinyuan	iFLYTEK's business operations; iFLYTEK's education business development and future outlook; Latest commercial applications of iFLYTEK SPARK; Growth of smart hardware in H1 2024	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated August 6, 2024 (20240806)

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
				Asset Management; Zhang Yiman, VISIONE Asset; Chen Kaiyi, Chaser Asset Management; Yang Xunyu, CICC; Wang Tao, Nuanyixin Private Equity Fund; Li Nan, CICC Asset Management; Luo Peixin, Guangdong Rongrun Asset; Zhao Xiangyang, Tangram Investment; Li Xukai, Hongta Hotland AMC; Li Xiang, Zhengxuan Capital; Chen Kefeng, Guangdong Runrong Asset; Xiao Shanghua, Win Tour Fund; Dai Ningjie, Ruite Asset Management; Guo Jingchao, Changjiang Securities; Wei Guifei, CICC; Wang Qianwen, Guojin Securities Computer Department; Pan Rucheng, CITIC Securities; Liu Wenshu, Zheshang Securities; Guo Yali, Huatai Securities; Lin Yuxiao, China Merchants Securities; Shi Xinzhan, Shenwan Securities; Liu Xi, Sealand Securities; Yang Litiang and Bai Qingshuai, Minsheng Securities; Dai Chen, Soochow Securities; Liu Xiaoyao, Kaiyuan Securities; Yang Haoyi, Haitong Securities; Guo Yijun, Guohai Securities Computer Department; Zhou Yuan, GF Securities; Geng Junjun, Guoyuan Securities; Li Chuhan, Citic Securities International; Liu Yiran and Zhang Heng, HSBC; Ge Gao, Kaiyuan Securities; Dong Anran, Soochow Securities; Wang Xinyue, Zhongtai Securities; Xue Yulai, Tianfeng Securities;		

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
				Li Chunyao, Guosheng Securities; Liu Linlin, Tianfeng Securities; Liu Zhaoxiang, Guotai Junan Securities; Jin Ye, Shanxi Securities; Huang Junfeng, Great Wall Securities; Li Dong, Nanjing Securities; Jiang Tong, Yu Chen, Wu Xin, Yan Wu Rong, Ren Zhichu, Zhang Jindong, Jing Maohuan, Dun Min, Jing Xiaogang, Shang Bo, Huang Dachen, Jiang Chengjiao, Ning Shengpeng, Liu Junyong, Wan Yilin and 108 other investors.		
August 22, 2024	iFLYREC Cloud Meeting, livestreaming,	Cloud conferencing, and	Others	A total of 85 investors joined on-site or via iFLYREC Cloud Meeting. In addition, according to incomplete statistics, over 420,000 investor watched via livestreaming, including 220,000 on Panorama, 149,000 on Flush, and 52,000 on NBD.com.cn	Progress of iFLYTEK's quality and efficiency improvement; Justification for iFLYTEK's planned medium-term note issuance; Future investment plans for iFLYTEK SPARK; iFLYTEK's business development and growth expectations; Commercialization plans for iFLYTEK SPARK; Justification for the growth of accounts receivable and solutions	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated August 22, 2024 (20240822)
October 19, 2024	iFLYREC Cloud Meeting	Cloud conferencing, and	Others	A total of 142 investors joined via iFLYREC Cloud Meeting	Corporate strategies and annual business outlook; Q3 sales and YoY growth of learning machine and channel development; Policy impacts on iFLYTEK's government business and accounts receivable growth and solutions; User feedback and application of intelligent grading machine; Commercialization strategies for iFLYTEK SPARK; Typical commercial application scenarios of iFLYTEK SPARK; Commercialization path of iFLYTEK SPARK; Competitive and cooperative relationship between iFLYTEK and	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated October 19, 2024 (20241019)

Date	Location	Method	Type of Guests	Guests	Main Discussion Topics and Materials Provided	Access to Details
					telecom operators in SOE projects.	
October 25, 2024	Hefei	Field research	Institutions	Siphiwe Hubert Mdletshe, Telkom Retirement Fund; Hermanus Botha, Telkom Retirement Fund; Thabo Letlaka, Eskom Pension and Provident Fund; Phathutshedzo Mabogo, Eskom Pension and Provident Fund; Paul Sidney Finlayson and Andrew Ian Finlayson, Maven Wealth; Johannes Petrus Landman, Omega Capital (Pty) Ltd; Ian Audley Jones, Fundhouse (Pty) Ltd; Chantelle Baptiste, Johannes Cornelis Booysen, and Cornelius Grobbelaar Zeeman, Fairtree; Anthonie Michael Meyer, Capvest Wealth Management; Luis Levy, StrategiQ Capital; Kirsty Lee Jacobs, Prescient; Stephen Christian Heath, and Murray Gordon Anderson, Letshego Clytie Clarice Rankin, and Simnikiwe Thutha, Prescient; Pan Tianchen, Prescient (China); Liang Chao, Guotai Junan Securities	iFLYTEK's basic situation and competitive advantages; Changes and development prospects in the LLM industry; Latest progress of iFLYTEK SPARK; Reasons behind the success of iFLYTEK SPARK	For more details, please visit the investor interaction platform at http://rs.p5w.net/c/002230 . Investors can also refer to the iFLYTEK investor relations archive dated October 25, 2024 (20241025)

XIII. Formulation and Implementation of Market Value Management System and Valuation Enhancement Plan

Has the Company developed a market value management system?

☒ Yes ☐ No

Has the Company disclosed a valuation enhancement plan?

☐ Yes ☒ No

On December 30, 2024, the Company convened the 12th meeting of its 6th Board of Directors, where the proposal to establish a "Market Value Management System" was approved. To strengthen its market value management, enhance investment value, and boost investor returns, the Company has already formulated its Market Value Management System. In February 2024, guided by the principle of putting investors first and safeguarding their interests, and driven by confidence in the future of the AI industry and its own development potential, the Company launched the "Dual Improvement of Quality and Returns" initiative. This initiative aims to elevate the Company's performance and investment value through a set of measures: focusing on value creation and shareholder returns, adhering to independent innovation to gain new competitive advantages, enhancing information disclosure and investor communication, and improving corporate governance to promote high-quality development.

XIV. Progress and Outcomes of the "Dual Improvement in Quality and Returns" Initiative

Has the Company announced the "Dual Improvement in Quality and Returns" initiative?

☒Yes ☐No

iFLYTEK has devised the "Dual Improvement in Quality and Returns" initiative and action plan to embody its investor-centric management philosophy as a listed company and protect investor interests, and reflect its confidence in the AI industry's future and its future development, as well as recognition of the Company's value. For details, see the "Announcement of iFLYTEK on the Dual Improvement in Quality and Returns Action Plan" (Announcement No. 2024-009) published on February 8, 2024, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>. The Company has diligently implemented the action plan, achieving outcomes in 2024 as follows:

1. Focusing on Value Creation, Actively Seeking Shareholder Returns

iFLYTEK is always committed to achieving long-term returns for investors through solid business development and performance growth, enabling investors to realize long-term value. The Company will continue to advance its value management strategies, strengthen its core competitiveness, and improve main business performance to create value for its shareholders.

Meanwhile, the Company will actively implement stable profit distribution while securing long-term development. Since its IPO 16 years ago, the Company has consistently distributed cash dividends on an annual basis. During the 7th meeting of the sixth Board of Directors on April 21, 2024, and the 2023 annual shareholder meeting on May 13, 2024, the profit distribution plan for 2023 was approved. This year's dividends are calculated based on the total share capital recorded on the equity registration date, excluding shares held in the repurchase account, with a cash dividend of 1 RMB yuan per 10 shares (including tax), totaling 229,317,822.40 RMB yuan.

Furthermore, the Company has established a "Three-Year Shareholder Return Plan (2024-2026)" to ensure a balanced approach between company growth, performance improvement, and shareholder returns. This includes a sensible profit distribution strategy and active cash dividend payouts. Additionally, the Company utilizes strategies such as share repurchases to boost investor returns and strengthen market confidence.

On April 19, 2025, the Company held the 13th meeting of its 6th Board of Directors, which approved the 2024 profit distribution plan. For the 2024 profit distribution, the Company will use the total share capital (excluding repurchased shares held in the dedicated account) as of the equity registration date for the distribution as the base. A cash dividend of RMB 1 per 10 shares (tax - inclusive) will be distributed to all shareholders, with an estimated total cash dividend of 230,329,852.00 RMB yuan.

Over the past three years, cash distributions have amounted to 111% of the average distributable profits from the same period, effectively sharing the fruits of the Company's growth and development with investors.

2. Adhering to Independent Innovation & Building Comparative Advantages

Since its founding 25 years ago, iFLYTEK has diligently concentrated on core AI technologies, including intelligent speech, natural language understanding, machine learning, logic reasoning, and autonomous learning, consistently maintaining a leading position in the international arena. On June 24, 2024, iFLYTEK received with honor the first prize of the State Science and Technology Award for 2023 in Beijing, as the leading contributing entity for its successful "Multilingual Intelligent Speech Technologies and Industrialization" project. This is the first AI project to win such an honor since the global AI boom ignited by deep learning.

iFLYTEK has steadily increased R&D investment in core technologies and industrial support. Joining forces with Huawei, it has established a new foundation for general AI in China. This enables domestic LLM architectures to be self-reliant in software and hardware. On January 30, 2024, iFLYTEK released iFLYTEK SPARK 3.5, trained on China's first fully home-grown TH/s computing platform Feixing-1. On June 27, iFLYTEK rolled out iFLYTEK SPARK 4.0, further enhancing seven core capabilities and rivaling ChatGPT-4 Turbo. On October 24, iFLYTEK unveiled iFLYTEK SPARK 4.0 Turbo and announced Feixing-2, a massive intelligent computing platform developed jointly with Huawei and Hefei Big Data Asset Operation Co., Ltd. Feixing-2 will boost model-algorithm adaptation and the growth of intelligent computing clusters. It also supports iFLYTEK's exploration into uncharted areas and drives the development of domestic large language models, offering strong alternatives to global large language models. iFLYTEK SPARK is the only domestic general-purpose large language model open to all users for download. Trained on the fully domestic Feixing-1 computing platform, it achieves all-round self-reliance in algorithms, computing power, and data. This gives iFLYTEK a unique edge in the general AI field, ensuring independent and sustainable development.

Currently, as the AI industry continues to welcome an enabling industrial development environment, the Company will enhance its technological and industrial advancement from a solid foundation, targeting long-term opportunities in the AI era. Remaining investor-centric, it is dedicated to achieving dual improvement in quality and returns.

3. Strengthening Information Disclosure and Facilitating Investor Communication

iFLYTEK is committed to promoting transparent, regulated, and open development through effective information disclosure to protect investor rights. For 16 years since IPO, the Company's information disclosure has been consistently rated as excellent (Grade A) by Shenzhen Stock Exchange. According to statistics, among all public companies listed in Shenzhen, only 6 have been rated excellent for 16 consecutive years, representing 0.20%. The Company continues to improve the quality of information disclosure year after year, strictly adhering to the law and the regulatory requirements of the China Securities Regulatory Commission and the Shenzhen Stock Exchange. It provides multi-level, multi-angle, and comprehensive information on corporate management, business operations, strategy, finance, industry, and other significant matters to investors, continuously enhancing transparency and safeguarding investor interests. The sufficient and accurate

communication of the Company's intrinsic value aids investors' decision-making, especially those holding a value investment philosophy.

To ensure seamless access to information for investors, iFLYTEK has consistently broadened and deepened its communication channels. Following the release of regular financial reports, the Company promptly organizes investor relations events. Recognizing investors' interest in engaging directly with the Company, iFLYTEK introduced an innovative "Cloud Exhibition Hall." This virtual platform, accessible at <https://www.iFLYTEK.com/exhibition.html>, allows investors to virtually explore product information and business applications in detail. Immediately following the release of the 2023 Annual Report and the 2024 Q1, Mid-year, and Q3 reports, the Company held earnings conferences. Through hybrid online+offline communication, the Company's has actively addressed investor concerns.

In April 2024, the China Association for Public Companies, Shenzhen Stock Exchange, and Shanghai Stock Exchange jointly held the first full-market investor relations evaluation, where iFLYTEK was selected as a case of "Best Practice in Investor Relations Management" among listed companies. This accolade was further highlighted by including iFLYTEK in the compilation of best practice cases.

4. Improving Corporate Governance to Boost High-Quality Development

iFLYTEK is committed to being a public company that operates in compliance with regulations, embedding standardized governance into the core of its corporate culture. The Company continuously enhances its governance framework, refines its corporate governance structure, and strengthens its comprehensive internal control system. Through proactive governance activities, iFLYTEK ensures the effective functioning of its governance structure which clearly delineates the responsibilities and powers of the Shareholders' Meeting, the Board of Directors (encompassing both independent and non-independent directors), the Supervisory Board, and the Management with respect to decision-making, execution, and supervision. The Board of Directors faithfully implements the resolutions of the Shareholders' Meeting, fulfilling its duty of integrity, while the Management diligently carries out the responsibilities entrusted by the Board of Directors. After a systematic evaluation by the China Association for Public Companies, iFLYTEK has been honored with awards such as "Best Practice of Boards of Directors," "Best Practice of Supervisory Boards," and "Best Practice in Corporate Governance," which provide strong guarantees for effective corporate governance and the protection of shareholders' rights and interests.

Leveraging its internationally advanced AI technologies, iFLYTEK will continue to harness AI to enhance its corporate governance. In compliance with established corporate governance and internal control standards, the Company will employ AI and big data technologies to systematize and standardize its governance and internal management processes, ensuring well-regulated operations. The governance framework encompassing the Shareholders' Meeting, the Board of Directors, the Board of Supervisors, and the Management will adhere to the philosophy of "respecting the market and leveraging its power," continuously enhancing operational efficiency and decision-making science. This approach strongly supports the Company's growth and strengthens its position through the strategic utilization of the capital market.

Section IV Corporate Governance

I. Introduction

iFLYTEK is committed to operating as a publicly listed company in full compliance with regulations, embedding standardized governance into the core of its corporate culture. The Company strictly abides by the provisions of applicable laws, administrative regulations, and normative documents, including revisions to the Company Law of the People's Republic of China, guidelines for corporate governance practices in China, and the Shenzhen Stock Exchange's Self-Regulatory Guidelines No. 1: Standardized Operations. By continuously refining its corporate governance framework and pursuing strategic growth, iFLYTEK strives to uphold the highest standards of transparency and accountability. Its efforts have been widely recognized by regulatory authorities and various sectors of society:

- It was awarded the “Best Practice in Corporate Governance” in China and included in the China Public Company Governance Annual Report;
- Since its listing in 2008, the Company has consistently received an “A” rating for its annual disclosure and compliance practices
- iFLYTEK has been honored with a series of accolades, such as the “Best Practice in Board Operations” in China, the “Best Board” Award at the Golden Roundtable Awards, and the “Best Public Company Board” Award by Securities Daily;
- A member of its supervisory board was also recognized as the “Best Public Company Supervisor” in China;
- In addition, the Company won the “Governance Top 20 Award” at the first Guoxin Cup ESG Golden Bull Awards and the “ESG Top 100 Award” at the second Guoxin Cup ESG Golden Bull Awards.

1. Diligent Compliance to Build a Foundation and Enhance the Quality of a Public Company

In 2024, the responsible entities for the Company exercised due diligence and compliance, and ensured the standardized operation of the boards of directors and supervisors, the Shareholders' Meeting, and the management. The Company clearly defines the responsibilities and authorities of the Shareholders' Meeting, the Board of Directors (including independent and non-independent directors), the Board of Supervisors, and the management in decision-making, execution, and supervision, ensuring the separation and balance of decision-making, execution, and supervision powers. This establishes a scientific and effective division of responsibilities and collaboration mechanism. The Company also upheld a merit-based approach in selecting directors, supervisors, and senior management members, taking into account gender diversity to ensure that these positions were filled by the most suitable and competitive candidates.

1) **Shareholders and the Shareholders' Meeting:** The Company has established and effectively implemented the "Deliberation Rules for Shareholders' Meetings". During this reporting period, the Company held five Shareholders' Meetings. The Convening, holding, voting, resolution, and disclosure of these meetings all comply with relevant laws, regulations, and normative documents. The Company uses a combination of on-site and online voting methods to safeguard the legitimate rights and interests of shareholders, particularly small and medium-sized shareholders. When the Shareholders' Meeting deliberates on major matters affecting the interests of small and medium investors, separate voting is conducted for these investors, and the results are

promptly disclosed. Lawyers attend the meetings to witness the process and provide legal opinions, confirming that the convening and holding of the meetings, the qualifications of participants and conveners, and the voting procedures and results all comply with the provisions of the Company Law, the Deliberation Rules of Shareholders' Meetings, and the Company's Articles of Association, ensuring the legality and validity of the resolutions.

2) **Directors and the Board of Directors:** The Company has established and effectively implemented systems and documents such as the "Rules of Procedure of the Board of Directors", "Implementation Rules of Specialized Board Committees", and "Independent Directors' Working Guidelines". During this reporting period, the Company held seven board meetings, ensuring robust decision-making on major matters. The Company's independent directors held special meetings to review significant decisions and matters. Acting in compliance with relevant laws, regulations, normative documents, and internal rules and mechanisms, the Board of Directors diligently performed its duties, effectively exercising its role. It leveraged scientific decision-making to steer the Company's sustained and healthy development, focusing on rewarding investors through growth and performance. The Company particularly values and utilizes the roles of independent directors and specialized committees of the Board, diversifying the Board's knowledge structure. This diversity enhances the scientific nature of decision-making through multi-party participation. During this reporting period, the Board's specialized committees convened 15 meetings, fully demonstrating the professionalism and effectiveness of Board operations. In 2024, iFLYTEK's Board of Directors once again received the highest honor of being included in the "Best Practice Cases of Listed Company Boards of Directors" by the China Association for Public Companies (CAPCO), and iFLYTEK's board office was reselected into "Best Practice Cases of Listed Company Board Offices" by the same association.

3) **Supervisors and the Board of Supervisors:** The Company has established the "Rules of Procedure for the Board of Supervisors" and effectively implemented it. During this reporting period, the Company held seven Board of Supervisors meetings. The Board of Supervisors fully exercised its functions of supervision, inspection, and urging, actively participated in the Company's business decision-making, and specially carried out financial management and internal control inspections. Through multi-dimensional supervision and a good deliberation mechanism, it conducted comprehensive supervision, inspection, and review of the Company's business operations, financial condition, internal control, and related-party transactions, effectively safeguarding the rights and interests of shareholders and promoting the Company's sustainable and healthy development. The supervision methods and dimensions mainly included: 1) off-site monitoring of the Company's legal operations; 2) on-site inspection of the Company's financial status and periodic report reviews; 3) inspection of the Company's internal control; 4) special inspection of the Company's related-party transactions; 5) special investigation of fund-raising use; 6) special research on the Company's important matters and major strategies; 7) face-to-face communication with the Company's board chairman, president, and other senior management members at periodic report meetings to understand the Company's concerns; and 8) verification of the list of recipients of the Company's stock incentive plans. Within the scope of authority granted by the Company Law, the Company's Articles of Association and the Shareholders' Meeting, all supervisors actively exercised their supervisory rights, attended each Shareholders' Meeting, and served as supervisors for voting. All members of the Board of Supervisors attended each on-site board meeting, protecting the legitimate rights and interests of the Company, shareholders, and creditors.

4) **The President and the Management:** The Company has established the "Rules for the President's Work" and effectively implemented it. During the reporting period, the Company held 24 presidential office meetings. The management conscientiously fulfilled the responsibilities granted by the Board of Directors,

forming a corporate governance structure with separation and checks among the Shareholders' Meeting, the Board of Directors, the Board of Supervisors, and the management. This ensures that each performs its duties and responsibilities within its authority, guaranteeing the Company's standardized and compliant operations. iFLYTEK ensures that the management formally responds to and discusses issues raised in the previous annual and interim board meetings before each new annual and interim board meeting, ensuring effective implementation of Board resolutions.

5) **Major Shareholders and the Actual Controller:** The Company maintains independence from the actual controller in terms of business, personnel, assets, organization, and finance. The actual controller prioritizes compliance, strictly adhering to CSRC regulations and the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange and the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 1 - Standard Operation, and other laws, regulations and normative documents. They fulfill their commitments, avoid competition with the Company, and refrain from capital occupation or any actions that might harm the Company's or its minority shareholders' interests.

6) **Information Disclosure and Transparency:** The Company places great emphasis on information disclosure, continuously improving transparency to safeguard investors' interests. It ensures the disclosed information is truthful, timely, accurate, complete, fair, and compliant. The Company views sufficient, timely, and effective information disclosure as crucial for showcasing its vitality and for investor relations management. It strictly fulfills its disclosure obligations in line with the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange, the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 1 - Standard Operation, and its own Information Disclosure Management Rules. In 2024, iFLYTEK marked its 16th anniversary of IPO, and for the 16th consecutive year, its information disclosure was rated excellent by the Shenzhen Stock Exchange. Only six companies, or 0.20%, of all listed companies on the Shenzhen Stock Exchange have achieved this honor for 16 consecutive years.

7) **Investor Relations and Rights Protection:** The Company strictly complies with the guidelines and rules for investor relations work, continuously enhancing communication with investors through diverse activities. This fosters a deeper understanding of the Company and advocates rational investment. By hosting investor visits, site tours, arranging media interviews for executives, and attending strategy sessions, the Company ensures investors are well - informed about its business. Over the 16 years since IPO, the Company has distributed dividends annually, allowing investors to share in its growth and providing long-term shareholder returns. In 2024, iFLYTEK actively set a benchmark for annual performance-related briefings and was awarded "Best Practice in Annual Performance Briefings" by the China Association for Public Companies, and its investor relations work received the "Best Practice in Investor Relations" award.

8) **Internal Control System Development:** The Company has established and improved various corporate governance and internal control rules and mechanisms. In line with the requirements of the corporate internal control standards system, it has reviewed business processes, accurately identified and assessed various internal and external risks, refined control measures, and enhanced the internal control mechanism. Based on relevant laws and regulations, such as the Company Law and the Securities Law of the PRC, and considering its actual situation, the Company has formulated a series of regulations. These include the Internal Control Regulations, Internal Audit Regulations, Major Business Decision Regulations, External Investment Management Regulations, External Financial Assistance Management Methods, Fund-Raising Management Regulations, Related-Party Transaction Regulations, Major Information Internal Reporting Regulations, Seal Management Regulations, and Fund Management Regulations. The Company strictly implements the internal control requirements for public companies, ensuring standardized operations.

9) **Performance Evaluation and Incentive Mechanisms:** The Company actively establishes incentive and restraint mechanisms for directors, supervisors, and senior management members that align with modern corporate systems. This effectively motivates these personnel and enhances operational management efficiency. Approved by the Shareholders' Meeting, iFLYTEK has instituted a clear "Compensation Management System for Directors, Supervisors, and Senior Management Members". Compensation for these roles is based on company scale and performance, with comprehensive evaluation according to operating plans and job responsibilities and goals. The Company, committed to "achieving employee ideals and creating social value", designs performance evaluation and incentive mechanisms centered on long-term business development and individual needs. Based on its business and operations, a sound corporate performance evaluation and incentive system is in place to ensure sustainable development. Focusing on business growth and personal development, the Company has built and continues to refine a layered, role-based talent training system. It also conducts diverse training programs to link employee growth with company development, achieving mutual success between the organization and its employees.

2. AI-powered Corporate Governance Innovation

Modern IT systems play an essential role in ensuring the effectiveness of internal control. Leveraging its internationally advanced AI technologies, iFLYTEK will continue to harness AI capabilities to enhance its corporate governance.

In compliance with established corporate governance and internal control standards, the Company has employed AI and data analytics to systematize and standardize its governance and internal management processes, ensuring well-regulated operations. Digital auditing ensures comprehensive coverage of employee self-service reimbursements, with automatic detection of issues. This has led to a significant decline in non-compliant or erroneous claims, establishing a robust reimbursement risk - prevention system. Using iFLYREC Cloud Meeting, directors, supervisors, and investors over distances can now engage in real-time, face-to-face-like interactions during meetings. They can view PPTs and materials and share opinions simultaneously with on-site participants, eliminating spatial barriers and boosting corporate governance efficiency. By integrating data across internal systems and applying risk models and algorithms to full-sample datasets, most internal control processes have been automated. This makes internal control more precise, efficient, and intelligent. The application of technology providers and methods has effectively strengthened internal supervision capabilities and improved internal capabilities and comprehensive qualities.

Whether there are any material differences between the Company and the provisions of laws, administrative regulations, and the China Securities Regulatory Commission on corporate governance of a public company

☐ Yes ☒ No

There are no material differences between the Company and the provisions of laws, administrative regulations, and the China Securities Regulatory Commission on corporate governance of a public company.

II. The Company's Independence from Controlling Shareholders and Actual Controllers in Terms of Assets, Personnel, Finances, Organization, and Operations

The Company possesses independent and comprehensive operations and autonomous business capabilities. It maintains independence from its actual controller in terms of assets, personnel, financial management, organizational structure, and business operations.

1. Asset independence

The Company is under the actual control of Liu Qingfeng and the actor in concert, University of Science and Technology of China Asset Management Co., Ltd. The actual controller's assets are strictly separate from those of iFLYTEK, with no asset occupation occurring. Other major shareholders also do not occupy the Company's assets. The Company does not provide guarantees for shareholders or other enterprises or individuals under their control using its assets, rights, or reputation, nor is it subject to occupation by shareholders or other related parties. The Company holds complete and legal ownership certificates for its properties, land use rights, key production equipment, trademarks, software copyrights, etc., and has actual possession and control with no legal disputes or potential disputes.

2. Personnel independence

Directors, supervisors, and senior executives are appointed in full compliance with the Company Law, the Company's Articles of Association, and the rules of its Shareholders' Meeting and Board of Directors. Senior management members only hold director or supervisor positions in entities controlled by the actual controller and are remunerated solely by the Company. The Company administers human resources independently, with its own set of personnel regulations, including Employment Contract Management Regulations, Personnel File Management Regulations, Training Management Regulations, Salary Payment Management Regulations, Employee Performance Management Measures, Attendance Management Regulations, Welfare Management Regulations, and Recruitment and Transfer Management Regulations. It signs labor contracts independently and ensures institutionalized, standardized personnel management, including independent administration of payroll, compensation, and social security.

3. Financial independence

The Company has an independent finance and accounting department, with its own finance and accounting staff, an independent accounting system, and financial management rules. It makes independent financial decisions, has separate bank accounts, and handles taxation independently.

4. Organizational independence

The Company has a sound and independent legal entity governance structure. It has established the Shareholders' Meeting, Board of Directors, Board of Supervisors, Board Specialized Committees, Board Secretary, and the Management, and formulated relevant rules of procedure. It has also established a Management System for Controlled Subsidiaries, with all related entities and personnel fulfilling their duties in accordance with the law. The Company has set up complete and efficient business, technology, and functional departments, free from interference from shareholders or other entities or individuals.

5. Business independence

The Company independently engages in software development and sales. It has complete systems for operations, design, project control, procurement, finance, and quality management, and possesses the capability to independently conduct business. There is no competition with the actual controller or major shareholders.

Should transactions with the actual controller, major shareholders, or affiliates occur, the Company strictly follows regulatory requirements for deliberation and information disclosure, ensuring no harm to the Company's interests, especially those of minority shareholders.

III. Competition

☐ Applicable ☒ Not applicable

IV. Annual Shareholders' Meeting and Extraordinary Shareholders' Meeting Convened During This Reporting Period

1. Shareholders' Meetings in 2024

Session	Type	Investor participation	Dates	Disclosure Date	Resolution
First Extraordinary shareholders' meeting in 2024	Extraordinary shareholders' meeting	37.77%	January 25, 2024	January 26, 2024	The Announcement on the Resolution of the First Extraordinary General Meeting of Shareholders in 2024 was published on January 26, 2024, in Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at http://www.cninfo.com.cn (Announcement No. 2024-006).
Annual General Meeting of Shareholders in 2023	Annual general meeting	31.14%	May 13, 2024	May 14, 2024	The Announcement on the Resolution of the Annual General Meeting of Shareholders for 2023 was published on May 14, 2024, in Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at http://www.cninfo.com.cn (Announcement No. 2024-030).
Second extraordinary shareholders' meeting in 2024	Extraordinary shareholders' meeting	29.70%	September 6, 2024	September 7, 2024	The Announcement on the Resolution of the Second Extraordinary General Meeting of Shareholders in 2024 was published on September 7, 2024, in Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at http://www.cninfo.com.cn (Announcement No. 2024-048).
Third extraordinary shareholders' meeting in 2024	Extraordinary shareholders' meeting	31.77%	December 9, 2024	December 10, 2024	The Announcement on the Resolution of the Third Extraordinary General Meeting of Shareholders in 2024 was published on December 10, 2024, in Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at http://www.cninfo.com.cn (Announcement No. 2024-072).
Fourth extraordinary shareholders' meeting in 2024	Extraordinary shareholders' meeting	31.43%	December 26, 2024	December 27, 2024	The Announcement on the Resolution of the Fourth Extraordinary General Meeting of Shareholders in 2024 was published on December 27, 2024, in Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at http://www.cninfo.com.cn (Announcement No. 2024-076).

2. Preferred Shareholders with Restored Voting Rights Requesting the Convening of an Extraordinary Shareholders' Meeting

☐ Applicable ☒ Not applicable

V. Shareholding of Directors, Supervisors, and Senior Management Members

1. Basic Information

Name	Gender	Age	Position	Service Status	Term Starting Date	Term Ending Date	Initial Shareholding (Shares)	Increase in 2024 (Shares)	Decrease in 2024 (Shares)	Other Changes (Shares)	Ending Shareholding (Shares)	Reasons for the Changes
Liu Qingfeng	Male	51	Chairman	Incumbent	April 13, 2009	January 16, 2026	128,297,167				128,297,167	
Chen Hongtao	Male	52	Director	Incumbent	May 13, 2024	January 16, 2026						
Wu Xiaoru	Male	52	President and Director	Incumbent	October 10, 2010	January 16, 2026	18,033,790	289,100			18,322,890	Active buy-back
Jiang Tao	Male	51	Director, Vice President, Board Secretary	Incumbent	February 4, 2016	January 16, 2026	10,022,581	144,800			10,167,381	Active buy-back
Duan Dawei	Male	52	Director and Vice President	Incumbent	April 23, 2018	January 16, 2026	495,000			-32,000	463,000	Buy-back and cancellation of incentive shares
Nie Xiaolin	Male	45	Director and Vice President	Incumbent	January 3, 2017	January 16, 2026	4,750,600	144,700			4,895,300	Active buy-back
Zhao Xudong	Male	65	Independent Director	Incumbent	January 9, 2020	January 16, 2026						
Zhao Xijun	Male	61	Independent Director	Incumbent	January 9, 2020	January 16, 2026						
Zhang Benzhaohao	Male	61	Independent Director	Incumbent	January 16, 2023	January 16, 2026						
Wu Cisheng	Male	62	Independent Director	Incumbent	January 16, 2023	January 16, 2026						
Cao Yingchun	Female	55	Chair of the Board of Supervisors	Incumbent	May 13, 2024	January 16, 2026						
Zhang Lan	Female	58	Supervisor	Incumbent	January 10, 2017	January 16, 2026	1,500				1,500	
Dong Xueyan	Female	45	Supervisor	Incumbent	January 10, 2017	January 16, 2026	157,238				157,238	
Lu Xueling	Female	35	Supervisor	Incumbent	July 19, 2021	January 16, 2026						
Wang Ming	Female	45	Chief Finance Officer	Incumbent	March 13, 2016	January 16, 2026	204,250			-11,200	193,050	Buy-back and

												cancellation of incentive shares
Yu Jidong	Male	47	Vice President	Incumbent	April 19, 2023	January 16, 2026	344,400				344,400	
Liu Xin	Male	52	Director	Resigned	January 10, 2017	April 9, 2024						
Liu Wei	Male	49	Chair of the Board of Supervisors	Resigned	January 10, 2017	April 9, 2024						
Wang Hongxing	Male	48	Director	Resigned	January 9, 2020	March 22, 2024						
Total	--	--	--	--	--	--	162,306,526	578,600	0	-43,200	162,841,926	--

Have there been any resignations of directors or supervisors, or any dismissals of senior management members during this reporting period?

☒ Yes ☐ No

- On March 22, 2024, Wang Hongxing resigned from his the position as Supervisor the Company due to employment change.
- On April 9, 2024, Liu Xin resigned from his position as Director of the Company and from his role on the Strategy Committee of the Board of Directors due to employment change.
- On April 9, 2024, Yingchun resigned from his position as Supervisor and Chairman of the Board of Supervisors due to employment change.

Changes in the Company's Directors, Supervisors and Senior Management Members

☒ Applicable ☐ Not applicable

Name	Position	Change	Date	Reason
Liu Xin	Director	Resigned	April 9, 2024	Employment Change
Liu Wei	Chair of the Board of Supervisors	Resigned	April 9, 2024	Employment Change
Wang Hongxing	Director	Resigned	March 22, 2024	Employment Change

2. Incumbency Information

Professional backgrounds, key work experience, and primary current responsibilities of the Company's incumbent directors, supervisors, and senior management members

● Directors

Liu Qingfeng, Chairman of the Company, holds a doctoral degree in Signal and Information Processing from the University of Science and Technology of China, is the founder of iFLYTEK, Director of the National Engineering Research Center of Speech and Language Information Processing (NERC-SLIP), a part-time professor and doctoral supervisor at the University of Science and Technology of China, and a representative of the 10th, 11th, 12th, 13th, and 14th National People's Congress. He also serves as Chairman of the Speech Industry Alliance of China Innovation Alliance and Chairman of the Artificial Intelligence Industry-University-Research Innovation Alliance of the Chinese Academy of Sciences. At present, he concurrently serves as the Chairman of Xunfei Healthcare Technology Co., Ltd., Executive Director of Anhui Yanzhi Technology Co., Ltd., Chairman of Lingyang Industrial Internet Co., Ltd., Director of Beijing Red Cloud Rongtong Technology Co., Ltd., and Director of Anhui Oristruct Biotechnology Co., Ltd. In 2018, he was selected as one of the "40 Outstanding Private Entrepreneurs in 40 Years of Reform and Opening Up," and in 2020, he was awarded the title of "National Model Worker."

Chen Hongtao, Director of the Company, holds a master's degree. He previously served as General Manager of the Technology Department and the Xinwang Project Department of China Mobile Communications Corporation, and held positions such as Party Committee Member, Director, and Deputy General Manager of China Mobile Communications (Zhejiang) Co., Ltd., and Director, Deputy General Manager, and Party Leadership Group Member of China Mobile Communications (Gansu) Co., Ltd. He currently concurrently serves as General Manager of the Technology Innovation Department of China Mobile Communications Corporation

Wu Xiaoru, President and Director of the Company, holds a doctoral degree in Information and Communication Engineering from the University of Science and Technology of China and is a certified senior engineer. In 2010, he received the Special Government Allowance from the State Council. He has led and participated in several National 863 Program key projects and National Natural Science Foundation projects, achieving significant research results. He has been awarded the National Science and Technology Progress Second Prize and the Major Technological Innovation Award in the Information Industry, among other honors. He previously served as the Company's Vice President and now concurrently serves as Executive Director of Wuhan iFLYTEK Xingzhi Technology Co., Ltd., Executive Director of iFLYTEK Central China (Wuhan) Co., Ltd., and Director of USTC Silicon Valley Service Platform (Anhui) Co., Ltd.

Jiang Tao, the Company's Director, Board Secretary, and Vice President, holds a master's degree in Software Engineering from the University of Science and Technology of China and a doctoral degree in Business Administration from Singapore Management University. He previously directed the Company's Value-added Telecommunications Services Division. Currently, he also serves as Executive Director of Beijing iFLYTEK Information Technology Co., Ltd., Tianjin iFLYTEK Information Technology Co., Ltd., iFLYTEK (Beijing) Co., Ltd., Beijing iFLYTEK Qiming Technology Co., Ltd., and Hefei Feier Smart Technology Co., Ltd., as well as Director of Beijing Chinese-Foreign Translation & Information Service Co., Ltd., Beijing iFLYTEK Jizhi Technology Co., Ltd., Beijing iFLYTEK Zhiying Technology Co., Ltd., and Beijing iFLYTEK Jingdalai Technology Co., Ltd.

Nie Xiaolin, Director and Vice President of the Company, holds a master's degree in Software Engineering from the University of Science and Technology of China. He previously served as General Manager of the Company's Value-Added Telecommunications Services Division, Chief Operating Officer, and Chairman of the

Marketing Committee. Currently, he also serves as Executive Director of Beijing Liyun General Education Technology Co., Ltd., Chairman of Beijing Headline Education Information Technology Co., Ltd., Chairman of Anhui Institute of Information Engineering, Chairman of iFLYTEK Lingzhi (Jiangsu) Technology Co., Ltd., and Director of Beijing Normal University iFLYTEK Education Technology Co., Ltd.

Duan Dawei is a Director and Vice President of the Company. He graduated with a bachelor's degree in Economics from Dongbei University of Finance and Economics in 1993 and obtained a master's degree in Economics from the same university in 1999. He earned an MBA from Missouri State University in the United States in 2010. He previously held senior leadership positions at Jilin Chemical Group, Jilin Electronic Group, Sany Group, and Sany Heavy Industry Co., Ltd. With extensive experience in corporate financial management, securities investment, and international cooperation, he has been honored with awards such as the "2008 China CFO of the Year" and the "2019 China Outstanding CFO Leadership Award." He is also a part-time graduate supervisor at Shanghai National Accounting Institute and the School of Accounting, Dongbei University of Finance and Economics. Currently, he also serves as Chairman of Tianjin iFLYTEK Financial Leasing Co., Ltd. and Director of Xunfei Healthcare Technology Co., Ltd.

Zhao Xudong, an Independent Director of the Company, is a professor and doctoral supervisor at China University of Political Science and Law, and an MOE "Chang Jiang (Cheung Kong) Scholar". Now, he concurrently serves as President of the Chinese Law Society's Commercial Law Research Association, a member of the Expert Consultation Committee of the Supreme People's Procuratorate, and an arbitrator of the China International Economic and Trade Arbitration Commission. As a renowned domestic civil and commercial law expert, Zhao Xudong possesses extensive research and practical experience in areas such as company law and contract law. He has served as an external director of companies including Tongrentang Group and as an independent director of listed companies such as Founder Securities and CITIC Guoan. Currently, he also serves as an independent director of China National Uranium Corporation.

Zhao Xijun, an Independent Director of the Company, is a professor and doctoral supervisor at the School of Finance and Public Administration, Renmin University of China, and a beneficiary of the State Council's Special Government Allowance. He concurrently serves as Dean of China Capital Market Research Institute and Dean of the Chinese Academy of Financial Inclusion at Renmin University of China. He is also a member and secretary of the National Financial Master's Education Steering Committee, a director and deputy secretary-general of the China International Finance Society, a standing director and academic committee member of the China Modern Finance Society, a director of the China Finance Association, and vice chairman of the Beijing International Finance Association. Zhao Xijun is a specialist in macroeconomic finance, international finance, and capital markets. Since becoming a professor, he has published over 100 academic papers and articles and authored more than 20 books and textbooks. He has led or participated in over 20 research projects.

Zhang Benzhaohao, an Independent Director of the Company, holds a doctoral degree in Management. He is a professor at the School of Economics, Hefei University of Technology, Director of the University's Finance and Securities Research Institute, a doctoral supervisor for DBA at a European business school, an Anhui Province Distinguished Teacher, a national science and technology award reviewer, an expert for national undergraduate education evaluation, a financial expert for National High-tech Enterprise recognition, a standing director of the Anhui Province Finance Society, and an arbitrator of Hefei Arbitration Commission. He has led or participated in over 50 scientific research projects commissioned and sponsored by the State, provinces and ministries, local

governments, and enterprises, published over 100 papers in domestic and international academic journals, authored six books, and received three second-prizes for Anhui Province's outstanding social science research achievements. He currently also serves as an independent director of Guoyuan Securities Co., Ltd. and Hefei Department Store Group Co., Ltd.

Wu Cisheng, an Independent Director of the Company, holds a doctoral degree in Management. He is a professor and doctoral supervisor at the School of Management, Hefei University of Technology, and serves as the Director of the Enterprise Management Research Institute. Wu Cisheng is a member of the American Economic Association (AEA), the International Association for Chinese Management Research (IACMR), and a senior member of the China Occupational Safety and Health Association (COSHA). He also holds the position of standing director at the Anhui Province Industrial Economic Federation and is recognized as a leading academic and technological figure of Anhui Province. Wu Cisheng has led numerous research projects funded by the National Natural Science Foundation of China and provincial-level research initiatives. He has undertaken over 50 research projects for large and medium-sized enterprises, published more than 120 papers in academic journals both domestically and internationally, and authored 10 books. His research achievements have been honored with a National Teaching Achievement Award (Second Prize) and various provincial-level awards for technological progress, social sciences, and natural sciences. Wu Cisheng previously served as an independent director of several companies, including Anhui Gujing Group Co., Ltd., Anhui Architectural Design and Research Institute Co., Ltd., Huangshan Yongxin Co., Ltd., and Anhui Nextooling Technology Co., Ltd. Currently, he also serves as an independent director of Anhui Fuhuang Steel Structure Co., Ltd. and Anhui BBKA Pharmaceutical Co., Ltd.

● Supervisors

Cao Yingchun, a senior accountant, has held various positions including Project Manager in the Finance Department of the Shanxi Provincial Postal Administration, project manager and deputy general manager in the Finance Department of China Mobile Communications Corporation (Shanxi), deputy manager and manager of the Economic Responsibility Audit Division (and concurrently deputy manager of the Construction Project Audit Division) in the Internal Audit Department of China Mobile Communications Corporation, and deputy general manager of the Internal Audit Department of China Mobile Communications Corporation. She also served as the team leader of the China Mobile Communications Corporation Party Leadership Inspection Team (at par with the general manager). Currently, she is General Manager of the Internal Audit Department of China Mobile Communications Corporation and concurrently serves as the chairperson of the Board of Supervisors of China Mobile Financial Company, a supervisor of the 5G Fund Management Company, and a supervisor of the China Mobile Charity Foundation.

Zhang Lan, a Supervisor of the Company, is a Bachelor of Economics and a senior accountant. She previously served as Director of Financial and Asset Management at the Logistics Group of USTC, Assistant to the Director of USTC's Finance Department, Vice President and Chief Financial Officer of USTC Holdings Co., Ltd. Currently, she is Vice Dean of the Institute of Advanced Technology at USTC, Chairperson of the Board of Supervisors of CAS Quantum Network Co., Ltd., Supervisor of QuantumCTek Co., Ltd., Director of Anhui Asky Quantum Technology Co., Ltd., Supervisor of the Basic Education Group of UTSC, and Director of Origin Quantum Computing Technology (Hefei) Co., Ltd.

Dong Xueyan, a Supervisor of the Company, holds a bachelor's degree in Chinese Language and Literature from Anhui University. She previously served as the Party Youth League Secretary of the Company, Regional Manager, and Head of the Marketing Department of the Education Business Division of the Company. Currently, she is the Deputy General Manager of the Company's Audit and Supervision Department.

Lu Xueling, a Supervisor of the Company, graduated with a bachelor's degree in Software Engineering from Jiangxi University of Finance and Economics. Lu Xueling has held positions such as Project Manager and Manager of the Operations Management Department of the Strategic Operations Division of the Company. She is currently the General Manager of the Operations Support Department of the Consumer Business Group of the Company.

● Senior Management Members

For the work experience of directors Wu Xiaoru, Jiang Tao, Nie Xiaolin, and Duan Dawei, refer to "Directors" section above.

Yu Jidong, Vice President of the Company, joined iFLYTEK in 1999 after graduating from UTSC. With nearly two decades of experience in speech technology, he is dedicated to the development of intelligent voice and core AI technologies. Currently, he serves as the President of iFLYTEK's Consumer Business Group. In addition, he holds several key positions: Chairman of Anhui iFLYTEK Jiuzhi Technology Co., Ltd., Executive Director of Anhui iFLYTEK Homebot Technology Co., Ltd., Executive Director of Zhejiang Jinxun Digital Technology Co., Ltd., Director of Lingyang Industrial Internet Co., Ltd., Director of Shanghai iFLYTEK Yuannian Technology Co., Ltd., and General Manager of Anhui iFLYTEK Cloud Creation Technology Co., Ltd.

Wang Ming, the Company's finance Officer, holds a Master's degree in Accounting and is a certified accountant. Wang Ming, the Company's CFO, holds a master's degree in Accounting and is a certified public accountant. She started her career at Hefei Department Store Group Co., Ltd., serving as Deputy Manager of the Finance Department of the Commercial Building and Director of Jomart's Accounting Department of Hefei Department Store Group. She later joined iFLYTEK as the General Manager of the Business Finance Department and Deputy CFO. Currently, she serves as the Company's CFO and is also a supervisor at Tianjin iFLYTEK Financial Leasing Co., Ltd.

Positions held in shareholding entities

√ Applicable □ Not applicable

Person Name	Name of the Shareholding Entity	Position Held in the Shareholding Entity	Term Starting Date	Term Ending Date	Are remuneration or allowances received from shareholding entity
Chen Hongtao	China Mobile Communications Corporation	General Manager of the Technology Innovation Department of China Mobile Communications Corporation	February 1, 2024		Yes

Cao Yingchun	China Mobile Communications Corporation	General Manager of the Internal Audit Department of China Mobile Communications Corporation	October 17, 2023		Yes
Explanation of positions held in the shareholding entity		N/A			

Positions held in other entities

√ Applicable □ Not applicable

Person Name	Name of other entities	Position in other entities	Term Starting Date	Term Ending Date	Whether remuneration or allowances are received from other entities
Liu Qingfeng	Anhui Yanzhi Technology Co., Ltd.	Executive Director	December 9, 2019		No
Liu Qingfeng	Xunfei Healthcare Technology Co., Ltd.	Chairman	December 24, 2021		No
Liu Qingfeng	Lingyang Industrial Internet Co., Ltd.	Chairman	September 5, 2022		No
Liu Qingfeng	Beijing Butel Co., Ltd.	Director	December 29, 2020		No
Liu Qingfeng	Anhui Oristruct Biotechnology Co., Ltd.	Director	March 4, 2022		No
Wu Xiaoru	Wuhan iFLYTEK Xingzhi Technology Co., Ltd.	Executive Director	November 24, 2017		No
Wu Xiaoru	Anhui Dongfang iFLYTEK Education Co., Ltd.	Executive Director	January 10, 2017	January 23, 2024	No
Wu Xiaoru	Jiangsu Yixing Automobile Technology Co., Ltd.	Executive Director	November 4, 2021		No
Wu Xiaoru	USTC Silicon Valley Service Platform (Anhui) Co., Ltd.	Executive Director	August 3, 2022		No
Wu Xiaoru	iFLYTEK Central China (Wuhan) Co., Ltd.	Executive Director	December 11, 2020		No
Nie Xiaolin	Guangdong iFLYTEK Qiming Technology Development Co., Ltd.	Executive Director	February 11, 2020	December 24, 2024	No
Nie Xiaolin	Beijing Liyun General Education Technology Co., Ltd.	Executive Director	August 20, 2021		No
Nie Xiaolin	Beijing Headline Education Information Technology Co., Ltd.	Chairman	September 9, 2021		No
Nie Xiaolin	Anhui Institute of Information Technology	Chairman	May 23, 2022		No
Nie Xiaolin	Beijing Normal University iFLYTEK Education Technology Co., Ltd.	Chairman	September 6, 2024		No
Nie Xiaolin	iFLYTEK Lingzhi (Jiangsu) Technology Co., Ltd.	Chairman	April 28, 2024		No
Jiang Tao	Beijing iFLYTEK Information Technology Co., Ltd.	Executive Director and Manager	July 2, 2010		No
Jiang Tao	Tianjin iFLYTEK Information Technology Co., Ltd.	Executive Director and	November 11, 2011		No

Person Name	Name of other entities	Position in other entities	Term Starting Date	Term Ending Date	Whether remuneration or allowances are received from other entities
		Manager			
Jiang Tao	iFLYTEK (Beijing) Technology Co., Ltd.	Executive Director and Manager	August 4, 2016		No
Jiang Tao	Beijing iFLYTEK Qiming Technology Development Co., Ltd.	Executive Director	December 4, 2014		No
Jiang Tao	iFLYTEK (Hebei) Technology Co., Ltd.	Executive Director	October 21, 2016	April 15, 2024	No
Jiang Tao	Hefei Feier Smart Technology Co., Ltd.	Director	June 15, 2020		No
Jiang Tao	Beijing iFLYTEK Jizhi Technology Co., Ltd.	Executive Director	June 28, 2021		No
Jiang Tao	Beijing iFLYTEK Zhiying Technology Co., Ltd.	Executive Director	December 28, 2021		No
Jiang Tao	Beijing iFLYTEK Jingdala Technology Co., Ltd.	Executive Director	March 3, 2021		No
Jiang Tao	Xunfei Healthcare Technology Co., Ltd.	Director	December 24, 2021	January 25, 2024	No
Zhao Xudong	China National Uranium Corporation	Independent Director	July 17, 2023		No
Zhang Benzha	Anhui Ankai Automobile Co., Ltd.	Independent Director	April 28, 2021	January 25, 2024	Yes
Zhang Benzha	Guoyuan Securities Co., Ltd.	Independent Director	January 15, 2020		Yes
Zhang Benzha	Hefei Department Store Group Co., Ltd.	Independent Director	June 21, 2024		Yes
Wu Cisheng	Anhui BBPA Pharmaceutical Co., Ltd.	Independent Director	July 7, 2022		Yes
Wu Cisheng	Anhui Nextooling Technology Co., Ltd.	Independent Director	December 15, 2020	May 10, 2024	Yes
Wu Cisheng	Anhui Fuhuang Steel Structure Co., Ltd.	Independent Director	December 23, 2021		Yes
Wu Cisheng	Anhui Architectural Design and Research Institute Co., Ltd.	Independent Director	June 28, 2017	August 25, 2023	Yes
Zhang Lan	CAS Quantum Network Co., Ltd.	Chair of the Board of Supervisors	November 29, 2016		No
Zhang Lan	QuantumCTek Co., Ltd.	Director	August 2, 2021		No
Zhang Lan	Anhui Asky Quantum Technology Co., Ltd.	Director	December 22, 2020		No
Zhang Lan	Origin Quantum Computing Technology (Hefei) Co., Ltd.	Director	December 31, 2020		No
Zhang Lan	Institute of Advanced Technology at USTC	Vice Dean	December 31, 2024		No
Zhang Lan	USTC Holdings Co., Ltd.	Vice President and CFO	September 1, 2020	December 31, 2024	No
Duan Dawei	Tianjin iFLYTEK Financial Leasing Co., Ltd.	Chairman	November 5, 2019		No

Person Name	Name of other entities	Position in other entities	Term Starting Date	Term Ending Date	Whether remuneration or allowances are received from other entities
Duan Dawei	Xunfei Healthcare Technology Co., Ltd.	Director	December 24, 2021		No
Yu Jidong	Anhui iFLYTEK Jiuzhi Technology Co., Ltd.	Chairman	November 9, 2022		No
Yu Jidong	Anhui Kexun Jinse Technology Co., Ltd.	Executive Director	November 30, 2022		No
Yu Jidong	Zhejiang Jinxun Digital Technology Co., Ltd.	Executive Director	October 18, 2022		No
Yu Jidong	Lingyang Industrial Internet Co., Ltd.	Director	September 5, 2022		No
Yu Jidong	Shanghai iFLYTEK Yuannian Technology Co., Ltd.	Director	November 24, 2021		No
Yu Jidong	Anhui iFLYTEK Cloud Creation Technology Co., Ltd.	General Manager and Director	October 17, 2024		No
Wang Ming	Tianjin iFLYTEK Financial Leasing Co., Ltd.	Director	November 5, 2019		No
Explanation of positions held in other entities		N/A			

Penalties imposed by the securities regulator on current and former directors, supervisors, and senior management members within the past three years

☐ Applicable ☒ Not applicable

3. Compensation for in the Company's Directors, Supervisors and Senior Management Members

The Company has established a robust performance evaluation and compensation system for its directors, supervisors, and senior management members, to align with modern corporate incentive and restraint mechanisms and enhance operational efficiency by motivating these personnel. According to its "Compensation Guidelines for Directors, Supervisors, and Senior Management Members," the said compensation is based on Company scale and performance, and is determined through comprehensive assessment of fulfillment of responsibilities and goals.

The compensation determination follows these principles: combining pay with performance and aligning responsibilities, rights, and benefits to leverage compensation's incentive and restraint functions; closely linking income to company benefits and work goals in line with market value; ensuring compensation supports long-term company development and stability; and maintaining open, fair, and impartial compensation standards. The Board's Compensation Committee may approve special rewards or penalties concerning specific matters, which serve as a supplement to the remuneration of directors, supervisors, and senior management members.

The compensation for directors and senior management members comprises an annual salary, a bonus, and perks. The annual salary consists of a base salary and a performance-based salary. Supervisors who are in-house employees receive compensation and benefits based on their job level and performance appraisal, plus a monthly allowance for supervisors. The remuneration for independent directors is determined by the Shareholders' Meeting according to market conditions and other relevant factors.

The Board's Compensation and Evaluation Committee oversees the compensation and performance assessment of the Company's directors and senior management members. Directors, supervisors, and senior

management members receive salary based on their positions and the Company's pay scheme. Their annual bonus is determined by year-end performance evaluation and approved by the Board or Shareholders' Meeting. The Board's Compensation and Evaluation Committee oversees the compensation and performance assessment of the Company's directors and senior management members. Directors, supervisors, and senior management members receive salary based on their positions and the Company's pay scheme. Their annual bonus is determined by year-end performance evaluation and approved by the Board or Shareholders' Meeting.

According to the Company's "Compensation Guidelines for Directors, Supervisors, and Senior Management Members," the annual compensation for the Company's Chairman was 11,203,200 RMB yuan (calculated as 2% of the Company's audited net profit for the year). However, considering the Company's development stage and to provide more substantial rewards to outstanding employees with Class A performance, Chairman Liu Qingfeng proposed on his own accord a reduction in his annual salary. Consequently, his actual annual compensation for 2024 was 3.9 million RMB yuan.

Compensation for the Company's Directors, Supervisors, and Senior Management Members During This Reporting Period

In 0,000 RMB yuan

Name	Gender	Age	Position	Service Status	Total pre-tax compensation received from the Company	Whether compensation is received from any of the Company's related parties?
Liu Qingfeng	Male	51	Chairman	Incumbent	390	No
Chen Hongtao	Male	52	Director	Incumbent	1.6	Yes
Wu Xiaoru	Male	52	President and Director	Incumbent	280	No
Jiang Tao	Male	51	Director, Vice President, Board Secretary	Incumbent	200	No
Duan Dawei	Male	52	Director and Vice President	Incumbent	220	No
Nie Xiaolin	Male	45	Director and Vice President	Incumbent	248	No
Zhao Xudong	Male	65	Independent Director	Incumbent	16	No
Zhao Xijun	Male	61	Independent Director	Incumbent	16	No
Zhang Benzhaoyao	Male	61	Independent Director	Incumbent	16	No
Wu Cisheng	Male	62	Independent Director	Incumbent	16	No
Cao Yingchun	Female	55	Chair of the Board of Supervisors	Incumbent	1.6	Yes
Zhang Lan	Female	58	Supervisor	Incumbent	0	Yes
Dong Xueyan	Female	45	Supervisor	Incumbent	55	No
Lu Xueling	Female	35	Supervisor	Incumbent	92.96	No
Wang Ming	Female	45	Chief Finance Officer	Incumbent	99	No
Yu Jidong	Male	47	Vice President	Incumbent	220	No
Liu Xin	Male	52	Director	Resigned	0.8	Yes

Name	Gender	Age	Position	Service Status	Total pre-tax compensation received from the Company	Whether compensation is received from any of the Company's related parties?
Liu Wei	Male	49	Chair of the Board of Supervisors	Resigned	0.8	Yes
Wang Hongxing	Male	48	Supervisor	Resigned	22.55	No
Total					1,896.31	

Explanation of other circumstances

☐ Applicable ☒ Not applicable

VI. Directors' Performance of Their Duties During this Reporting Period

1. Shareholders' Meetings in 2024

Session	Dates	Disclosure Date	Resolution
The 6th Meeting of the Sixth Board of Directors	January 9, 2024	January 10, 2024	Announcement No.: 2024-001 Announcement title: Announcement of the Sixth Meeting of the Sixth Board of Directors Media channels for disclosure: The Securities Times, China securities Journal, Shanghai Securities News, Securities Times, and http://www.cninfo.com.cn
The 7th Meeting of the Sixth Board of Directors	April 21, 2024	April 23, 2024	Announcement No.: 2024-016 Announcement title: Announcement of the Resolution of the Board Meeting Media channels for disclosure: The Securities Times, China securities Journal, Shanghai Securities News, Securities Times, and http://www.cninfo.com.cn
The 8th Meeting of the Sixth Board of Directors	August 20, 2024	August 22, 2024	Announcement No.: 2024-040 Announcement title: Announcement of the Resolution of the Board Meeting Concerning the Mid-year Report Media channels for disclosure: The Securities Times, China securities Journal, Shanghai Securities News, Securities Times, and http://www.cninfo.com.cn
The 9th Meeting of the Sixth Board of Directors	October 18, 2024	October 19, 2024	Announcement No.: 2024-050 Announcement title: Announcement of the Resolution of the Board Meeting Media channels for disclosure: The Securities Times, China securities Journal, Shanghai Securities News, Securities Times, and http://www.cninfo.com.cn
The 10th Meeting of the Sixth Board of Directors	November 22, 2024	November 23, 2024	Announcement No.: 2024-060 Announcement title: Announcement of the Tenth Meeting of the Sixth Board of Directors Media channels for disclosure: The Securities Times, China securities Journal, Shanghai Securities News, Securities Times, and http://www.cninfo.com.cn
The 11th Meeting of the Sixth Board of Directors	December 9, 2024	December 10, 2024	Announcement No.: 2024-066 Announcement title: Announcement of the Eleventh Meeting of the Sixth Board of Directors Media channels for disclosure: The Securities Times, China securities Journal, Shanghai Securities News, Securities Times, and http://www.cninfo.com.cn
The 12th Meeting of the Sixth Board of Directors	December 30, 2024	December 31, 2024	Announcement No.: 2024-079 Announcement title: Announcement of the Twelfth Meeting of the Sixth Board of Directors Media channels for disclosure: The Securities Times, China securities Journal, Shanghai Securities News, Securities Times, and http://www.cninfo.com.cn

Attendance of Directors at Board Meetings and Shareholders' Meetings							
Director Name	Number of Board	Number of Board	Number of Board	Number of Board	Number of Absences	Failure to Attend Two	Number of Shareholders

	Meetings to Attend During This Reporting Period	Meetings Attended in Person	Meetings Attended Through Communication Methods	Meetings Attended by Proxy	from Board Meetings	Consecutive Board Meetings	Meetings Attended
Liu Qingfeng	7	5	2	0	0	No	5
Chen Hongtao	6	4	2	0	0	No	4
Wu Xiaoru	7	6	1	0	0	No	5
Jiang Tao	7	7	0	0	0	No	5
Duan Dawei	7	6	1	0	0	No	5
Nie Xiaolin	7	7	0	0	0	No	5
Zhao Xudong	7	3	4	0	0	No	5
Zhao Xijun	7	3	4	0	0	No	5
Zhang Benzhaohao	7	7	0	0	0	No	5
Wu Cisheng	7	7	0	0	0	No	5

2. Attendance of Directors at Board Meetings and Shareholders' Meetings

Explanation for failure to attend two consecutive Board meetings

Not applicable

3. Directors' Objections to the Company's Matters

Has any director raised objections to the Company's pertinent matters?

☐ Yes ☒ No

During this reporting period, no director has raised any objection to the Company's major matters.

4. Explanation of Directors' Performance of Duties in Other Ways

Has any director given advice which has been adopted by the Company?

☒ Yes ☐ No

Explanation of adoption or non-adoption of directors' recommendations

The Company's Directors and Independent Directors perform their duties strictly in accordance with the Company's Rules of Procedure of the Board of Directors, Articles of Association, and Independent Directors Regulations to ensure compliance and effective governance. During this reporting period, the Company's directors and independent directors actively engaged in overseeing the Company's operations and management. The independent directors meticulously examined key matters such as the Company's financial results and standing, stock incentive plan, private placement, related-party transactions, external guarantees, and the management of raised funds. They participated in decision-making with dedication, leveraging their professional expertise to deliver objective, impartial, and independent judgments. This fully utilized the role of

independent directors in safeguarding the legitimate rights and interests of the Company, all shareholders, and particularly minority shareholders.

Key recommendations are as follows:

1) Given the significant historical opportunities brought by the AI surge and the socio-economic environment in 2024, and considering that iFLYTEK's early investments in Three's Company Media Group and UBTECH have delivered considerable returns and that these companies have already gone public, it is advisable for the Company to divest its equity stakes in these companies by phases. Redirecting these proceeds toward the development of its proprietary large language model iFLYTEK SPARK and into business areas and strategic directions with strong growth potential would be strategically rewarding. This move would help mitigate the impact of fluctuations in the invested companies' stock prices on the Company's financial results. Moreover, it would enable the Company to seize strategic opportunities and promote the coordinated sharing of resources across the organization. This, in turn, would facilitate the implementation of the Company's strategic goals and drive the development of its businesses.

Adoption and implementation: The Company has disposed of part of its equity stake in the aforementioned companies. The proceeds from such disposal have been allocated to the development of iFLYTEK SPARK and its rapid implementation in various business scenarios. The Company's business operations, including education, healthcare, open platform, and consumer hardware, have benefited from the technology upgrade of this large language model, leading to enhanced user experience and a tangible boost in product competitiveness.

2) The Company is advised to actively promote the implementation of iFLYTEK SPARK in collaboration with central and state-owned enterprises.

Adoption and implementation: iFLYTEK SPARK has been empowering central and state-owned enterprises to accelerate their development of proprietary foundational capabilities and industry-specific applications. This is evidenced by the Company's successful bids in key sectors such as energy, telecommunications, finance, education, government services, and healthcare. As of December 2024, iFLYTEK has jointly launched industry-specific models with over 20 leading enterprises, including PetroChina, CNOOC, National Energy, China Resources, Green Development, Bank of Communications, and PICC, covering more than 300 application scenarios. Third-party data shows that in 2024, iFLYTEK ranked first in both the number of bids it participated and value of contracts secured for the applications of its large language model.

VII. Performance of Specialized Board Committees During this Reporting Period

Committee	Member	Number of Meetings Held	Date	Content	Key Recommendations	Duty Performance in Other Ways	Objections (if any)
ESG Committee	Liu Qingfeng, Jiang Tao, Zhang Benzao	2	April 21, 2024	Reviewing the "2023 Environmental, Social, and Governance (ESG) and Corporate Social Responsibility Report"	Adopted		
ESG Committee	Liu Qingfeng, Jiang Tao,	2	August 10, 2024	Reviewing the Company's proposed "2024 Mid-Year Environmental and Social	Adopted		

Committee	Member	Number of Meetings Held	Date	Content	Key Recommendations	Duty Performance in Other Ways	Objections (if any)
	Zhang Benzhao			Responsibility Report"			
Audit Committee	Zhang Benzhao, Wu Cisheng and Liu Qingfeng	5	March 29, 2024	Reviewing the Company's proposed "Q1 2024 Related-Party Transactions Audit Report"	Adopted		
Audit Committee	Zhang Benzhao, Wu Cisheng and Liu Qingfeng	5	April 11, 2024	Reviewing the Company's proposed "2023 Financial Final Accounts Report", "2023 Annual Profit Distribution Plan", "2023 Internal Control Evaluation Report", "Estimated Daily Related-party Transactions for 2024", "2023 Annual Report and Summary", "2023 Annual Report on Non-operating Capital Transactions and Other Related-party Transactions", the Audit and Supervision Department's "2023 Work Summary and 2024 Work Plan", and the "Proposal to Renew the Audit Firm Appointment for 2024"	Adopted		
Audit Committee	Zhang Benzhao, Wu Cisheng and Liu Qingfeng	5	April 22, 2024	Reviewing the Company's proposed "Report on Key Matters Q1 2024", the Audit and Supervision Department's "Q1 2024 Work Report", and "Q1 2024 Financial Report"	Adopted		
Audit Committee	Zhang Benzhao, Wu Cisheng and Liu Qingfeng	5	August 20, 2024	Reviewing the Company's proposed "Report on Key Matters Q2 2024", the Audit and Supervision Department's "Q2 2024 Work Report", and "2024 Mid-year Report"	Adopted		
Audit Committee	Zhang Benzhao, Wu Cisheng and Liu Qingfeng	5	October 13, 2024	Reviewing the Company's proposed "Report on Key Matters Q3 2024", the Audit and Supervision Department's "Q3 2024 Work Report", and "Q3 2024 Financial Report"	Adopted		
Compensation and Evaluation Committee	Zhao Xijun, Wu Cisheng and Wu Xiaoru	5	April 21, 2024	Reviewing the Company's proposed "2023 Compensation Plan for Directors, Supervisors, and Senior Management", "Plan to Repurchase and Cancel Some Granted Restricted Shares", and "Plan to Revoke Some Shares Issued under stock incentive Plan"	Adopted		
Compensation and Evaluation Committee	Zhao Xijun, Wu Cisheng and Wu Xiaoru	5	August 9, 2024	Reviewing the Company's proposed "Plan to Purchase Liability Insurance for the Company and Its Directors, Supervisors, and Senior Management Members"	Adopted		
Compensation and Evaluation	Zhao Xijun, Wu	5	October 12, 2024	Reviewing the Company's "Proposal on the Achievement	Adopted		

Committee	Member	Number of Meetings Held	Date	Content	Key Recommendations	Duty Performance in Other Ways	Objections (if any)
Committee	Cisheng and Wu Xiaoru			of Exercise Conditions for the Third Tranche of Stock Options Under the 2021 Stock Option and Restricted Stock Incentive Plan"			
Compensation and Evaluation Committee	Zhao Xijun, Wu Cisheng and Wu Xiaoru	5	November 19, 2024	Reviewing the Company's proposed "Initial Employee Stock Ownership Plan (Draft) and Its Summary", and the "Management Measures for the Initial Employee Stock Ownership Plan"	Adopted	Implementing an employee stock ownership plan effectively aligns the interests of shareholders, the Company, and key employees, promoting a collective focus on the Company's long-term development.	
Compensation and Evaluation Committee	Zhao Xijun, Wu Cisheng and Wu Xiaoru	5	December 6, 2024	Reviewing the Company's proposed "Plan to Repurchase and Cancel Some Granted Restricted Shares" and "Proposal on the Achievement of Conditions for Lifting Restrictions on Stock Incentive Shares"	Adopted		
Nomination Committee	Zhao Xudong, Zhao Xijun and Liu Qingfeng	1	April 16, 2024	Reviewing the Company's proposed "Plan for the Election of Non-Independent Directors"	Adopted		
Strategy Committee	Liu Qingfeng, Chen Hongtao, Wu Xiaoru, Jiang Tao and Zhang Benzha	2	July 6, 2024	Reviewing the Company's "Proposal on Further Focusing its Business Strategy"	Adopted	Ensuring the steady growth of existing mature and profitable businesses and accelerate the development of core businesses	

Committee	Member	Number of Meetings Held	Date	Content	Key Recommendations	Duty Performance in Other Ways	Objections (if any)
						s through strategic focus	
Strategy Committee	Liu Qingfeng, Chen Hongtao, Wu Xiaoru, Jiang Tao and Zhang Benzao	2	October 18, 2024	Reviewing the Company's "Proposal on External Investment and Related-party Transactions"	Adopted		

VIII. Performance of the Board of Supervisors

Has the Board of Supervisors identified any risk facing the Company during this reporting period?

☐ Yes ☒ No

The Board of Supervisor has no objections to the matters it supervised during this reporting period.

IX. The Company's Employees

1. Number of Employees and Their Professional and Education Background

Number of employees of the parent company at the end of the reporting period	5,346
Number of employees of major subsidiaries at the end of the reporting period	10,205
Total number of employees as at the end of the reporting period	15,551
Total number of employees receiving remuneration during the period	17,554
Number of retired employees for whom the parent company and major subsidiaries are liable to bear expenses at the end of the reporting period	0
Professional Background	
Category	Number
Production	0
Sales	3,342
Technology	9,752
Finance	227
Administration	214
Management	223
Others	1,793
Total	15,551
Education Background	
Category	Number
Doctorate	124
Master's	4,720

Undergraduate	9,908
2-year college and below	799
Total	15,551

2. Compensation Policy

iFLYTEK's compensation policy respects labor, knowledge, and value creation. It strictly complies with major Chinese laws such as the Labor Law of the PRC, the Labor Contract Law of the PRC, the Social Insurance Law of the PRC, and the Law on the Protection of Women's Rights and Interests of the PRC. It is strongly committed to protecting employees' legal rights.

1) Transparent and efficient performance evaluation system

The Company's performance evaluation system is based on the principles of "dynamic alignment with change, relevance, flexibility and transparency." It aims to create a transparent and efficient system. Regular evaluations help employees understand how well their abilities match their job responsibilities and support their ongoing progress.

2) Dynamic adjustment in organizational evaluation

The Company has refined its individual personnel and organizational evaluation mechanism, which is based on departmental quarterly organizational performance. Aligning with the Company's annual business objectives and enforcing organizational performance management, it has detailed departmental quarterly goals and management mechanisms. It has also established a dynamic link between organizational performance and performance-based pay to employees. By strengthening process-oriented organizational performance management, the Company ensures goal achievement while offering more flexible employee incentives.

3) Flexible and transparent employees evaluation

The Company has established a performance evaluation system that strongly aligns with organizational goals and encourages interaction between superiors and subordinates.

The Company has created a transparent performance evaluation system through public announcements and internal audits, improving employees' performance management. It has reformed the administration-based assessment mechanism to fit project management needs, ensuring flexible evaluations. By strengthening the dynamic link between performance results and pay to employees, the Company makes performance the main basis for value distribution.

4) Co-creation and sharing-based compensation incentive system

the Company has established a co-creation and sharing-based equity and compensation distribution mechanism. This ensures sustainable and healthy development by aligning incentives with the Company's business and operational goals and circumstances.

the Company's compensation design advocates co-creation and benefit sharing, encouraging employees to tangibly benefit from business growth through their efforts. With a simple, clear comprehensive compensation structure, it aligns job levels with pay, helping employees understand the link between their work and rewards. In designing compensation incentives, the Company strives to achieve three types of fairness:

First, external fairness is ensured through annual external compensation surveys, which inform the Company's salary standards and adjustments.

Second, the Company ensuring internal fairness by establishing salary benchmarks across different positions based on value;

Third, individual performance equity is achieved by linking employee pay to performance, ensuring merit-based compensation.

To enhance the enthusiasm and creativity of the management and employees, and to boost business growth, the Company has implemented a stock incentive plan. This plan improves the incentive mechanism, aligns company and employee interests, attracts and retains top talent, and motivates managers and key technological personnel.

By the end of 2024, the Company's stock incentive plan had cumulatively covered 7,187 persons.

The Company complies with the disclosure requirements for the software and IT services industry as stipulated in the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 3: Industry Information Disclosure.

In 2024, total employee compensation was 4,311,246,500 RMB yuan, representing 18.66% of total operating costs, indicating that the Company's profits are sensitive to changes in employee compensation. The key technological staff grew to 11.50% of total employees in 2024 from 10.79% in 2023, up 0.71 percentage points. Their compensation rose to 20.78% of the Company's total compensation in 2024 from 18.48% in 2023, up 2.30 percentage points.

3. Training Programs

iFLYTEK, driven by its core belief of empowering employees while creating value for the society, prioritizes talent development. It has established “Rules for Employee Training Programs”, and focuses on employee growth through learning in operations, talent development, and leadership programs, offering strong workforce support for the Company's rapid growth.

To build robust internal talent development pathways, the Company has refined its talent growth system. This includes establishing a qualifications framework, launching a stock incentive scheme, and aligning employee and corporate development. A dynamic job rotation system is in place to foster well-rounded talent, promoting mutual success for both the organization and employees.

A Robust Learning and Development System

■ Leadership development ■ Professional development ■ General development

To support both business and personal growth, iFLYTEK has established and continues to refine a multi-level, role-based talent training and development system. This system encompasses diverse training programs covering leadership, professional, and general competencies, catering to various roles such as social recruits, campus recruits, business experts, and management personnel. In addition to internal knowledge sharing, the Company actively integrates external learning resources to provide employees with a solid platform and the necessary support for continuous and comprehensive personal growth.

In 2024, the Company offered 1,860 online courses to an attendance of 29,141 employees. It organized 1,166 offline training sessions for 49,206 employees, covering various fields and providing 88,840 hours of immersive learning. For new hires, it held 44 social recruitment training sessions and a week-long campus recruitment training camp. Six hundred and thirty-six professional speakers shared knowledge for 2,275 hours. To support employees' personal and professional growth, the Company paired over 1,000 mentors with 2,000 new and high-potential employees, and created personal development plans aligned with organizational and individual goals to support their growth.

Seamless employee development pathways

■ Vertical development ■ Horizontal development

The Company has designed a diverse career development framework with over 30 tracks, including management, product, technology, algorithm research, and project management, supported by a comprehensive learning system. This enables employees to either deepen their expertise within a track or broaden their skills across tracks, fostering both specialization and interdisciplinary growth.

Efficient growth acceleration mechanism

■ Job rotation ■ Project experience ■ Talent pool

To boost employee growth momentum and cultivate top talent more rapidly, the Company has implemented a host of development initiatives. It has issued the "Core Principles and Basic Guidelines for Talent Management" to unify the approach to talent development and management, clarify the mission and responsibilities of officials, set standards for talent development, and refine mechanisms for talent selection, appointment, and development. Based on a comprehensive talent development system, it has created an inexhaustible source of talent supply. Furthermore, the Company has introduced an internal job rotation mechanism. Through rotational assignments, it ensures accelerated talent development. This mechanism channels a large number of talent from back-office R&D positions into frontline product and business roles, strongly promoting talent mobility between front and back-office functions. As a result, a large number of well-rounded, excellent talent have been rapidly developed.

4. Labor outsourcing

√ Applicable □ Not applicable

Total labor outsourcing hours	362,942.67
Total remuneration paid for labor outsourcing (RMB yuan)	20,086,544.65

X. Profit Distribution and Conversion of Capital Reserves into Share Capital in 2024

Formulation, implementation, or adjustment of the Company's profit distribution policy, particularly about cash dividend, during this reporting period

√ Applicable □ Not applicable

Since IPO, the Company has prioritized investor returns and stipulated cash dividend rules under its Articles of Association. To enhance the scientific, sustainable, and stable shareholder return mechanism, increase the transparency and operability of profit distribution policy making, and protect investors' legitimate rights, the Company formulated a three-year (2024 - 2026) shareholder return plan. This plan was approved at the 2023 annual Shareholders' Meeting. The plan was developed based on China's Company Law, the CSRC's "Notice on Further Implementing Cash Dividend Policies for Listed Companies," the "CSRC Regulatory Guidance on Cash Dividends for Listed Companies (2023 Revision)," and other relevant laws, regulations, and the Company's Articles of Association.

Explanation of the Cash Dividend Policy	
Does it comply with the provisions of the Articles of Association or resolutions of the Company' Shareholders' Meeting:	Yes
Is the dividend policy explicit and clear in terms of standards and ratios?	Yes
Are the decision-making procedures and mechanisms solid and reliable?	Yes
Have the independent directors fulfilled their duties and exerted their due influence?	Yes
If no cash dividend is distributed, the Company should disclose the specific reasons and the measures it plans to take to enhance investor returns.	Not applicable
Have minority shareholders been given ample opportunities to voice their opinions and demands, and are their legitimate rights and interests fully protected?	Yes
If there have been adjustments or changes to the cash dividend policy, were the conditions and procedures lawful and transparent?	Yes

During this reporting period, the Company was profitable, and the parent company had positive distributable profits available to shareholders, but no cash dividend distribution plan was proposed.

☐ Applicable ☒ Not applicable

Profit Distribution and Conversion of Capital Reserves into Share Capital in 2024

☒ Applicable ☐ Not applicable

Number of bonus shares per 10 shares	0
Pre-tax dividend per 10 shares (RMB yuan)	1
Number of additional shares from capital reserve conversion per 10 shares	0
Share capital base for the distribution plan (shares)	2,303,298,520
Cash distributed pre-tax (RMB yuan)	230,329,852.00
Cash dividend payment via other methods (e.g., share buybacks) (RMB yuan)	0.00
Total cash dividend payment (including via other methods) (RMB yuan)	230,329,852.00
Distributable profits (RMB yuan)	3,294,222,233.75
The ratio of total cash dividends (including via other methods) to total profit distribution	100%
Explanation of cash dividend distributed this time	
As the Company is in a mature development stage and has significant capital expenditure plans, the proportion of cash dividends in the current profit distribution scheme should be at least 40%.	
Detailed explanation of the profit distribution or capital reserve conversion proposal	
The profit distribution plan is based on the total share capital recorded on the equity registration date for the distribution (excluding repurchased shares in the dedicated account). There will be no bonus shares or capital reserve conversion. The Company's current total share capital is 2,311,692,581 shares, with 8,394,061 shares repurchased and held in the dedicated account. The expected total share capital for profit distribution is 2,303,298,520 shares, with a total cash dividend of 230,329,852.00 RMB yuan. The remaining undistributed profit of 3,063,892,381.75 RMB yuan will not be allocated for now. If the Company's share capital changes due to equity incentive exercises between the date when the profit distribution proposal was approved and the equity registration date, the distribution will be based on the total share capital on the equity registration date, with the distribution ratio remaining unchanged and the total amount adjusted accordingly.	

XI. Implementation of the Company's Stock Incentive Plan, Employee Stock Ownership Plan, or Other Employee Incentive Measures

☒ Applicable ☐ Not applicable

1. Stock Incentive Plan

1) Phase II Restricted Stock Incentive Plan

On November 29, 2023, the Company's Sixth Board of Directors at its 5th meeting approved the proposed "Plan to Repurchase and Cancel Some Granted Restricted Shares". As 47 beneficiaries of the Phase II Restricted Stock Incentive Plan have left the Company, 135,720 unvested restricted shares from these beneficiaries are to be repurchased and cancelled, and the number of incentive beneficiaries is changed to 1,598. For details, see the "Announcement on the Repurchase and Cancellation of Some Granted Restricted Shares Under the Stock Incentive Plan" published on November 30, 2023, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>. This repurchase and cancellation was completed on February 23, 2024. At the same time, the 5th meeting of the Sixth Board of Director reviewed and approved the "Proposal on the Achievement of Conditions for Lifting Restrictions on Stock Incentive Shares". According to the Company's "Phase II Restricted Stock Incentive Plan," the conditions for the third release of restrictions under the 2021 Stock Incentive Plan have been met. For details, see the "Announcement on the Achievement of Conditions for Lifting Restrictions on Stock Incentive Shares" published on November 30, 2023, in Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>.

2) The 2021 Stock Option and Restricted Stock Incentive Plan

(1) Restricted stock from the 2021 Stock Option and Restricted Stock Incentive Plan

On November 29, 2023, at its 5th meeting, the Company's sixth Board of Directors approved the Proposal on the Cancellation of Some Stock Options Under the Stock Incentive Plan. Due to 26 beneficiaries of the stock option plan not exercising their options within the valid period, the Company will cancel 154,090 unexercised stock options. For details, see the announcement published on November 30, 2023, in Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn> titled "Announcement on the Cancellation of Some Stock Options Under the Stock Incentive Plan." Simultaneously, at the same meeting, the proposed "Plan to Repurchase and Cancel Some Granted Restricted Shares" was approved. As 84 beneficiaries of the restricted stock under the 2021 Stock Option and Restricted Stock Incentive Plan had left, the Company planned to repurchase and cancel 177,640 shares of restricted stock still under restriction, adjusting the number of incentive beneficiaries to 1,987 people. For details, see the "Announcement on the Repurchase and Cancellation of Some Granted Restricted Shares Under the Stock Incentive Plan" published on November 30, 2023, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>. This repurchase and cancellation was completed on February 23, 2024.

On April 21, 2024, the Company's Sixth Board of Directors at its 7th meeting approved another "Plan to Repurchase and Cancel Some Granted Restricted Shares." Due to some employees leaving, failing performance assessments, or not meeting the conditions for lifting restrictions from the 2021 Stock Option and Restricted Stock Incentive Plan, the Company intended to repurchase and cancel 3,641,608 shares of restricted stock still under restriction from the 1,987 incentive beneficiaries, adjusting the number of incentive beneficiaries to 1,936 people. For details, see the "Announcement on the Repurchase and Cancellation of Some Granted Restricted Shares Under the Stock Incentive Plan" published on April 23, 2024, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>. This repurchase and cancellation was completed on June 7, 2024.

On October 18, 2024, the proposed Plan to Adjust the Exercise Price of Stock Options and the Repurchase Price of Restricted Shares Under the Stock Incentive Plan was reviewed and approved at the 9th meeting of the Sixth Board of Directors. Due to the 2023 annual equity distribution, in accordance with the Company's 2021 Stock Option and Restricted Stock Incentive Plan, the Company adjusted the exercise price of stock options under the 2021 Stock Incentive Plan to 52.65 RMB yuan per share and the repurchase price of restricted shares under the same plan to 26.18 RMB yuan per share. For details, see the "Announcement on Adjusting the Exercise Price of Stock Options and the Repurchase Price of Restricted Shares Under the Stock Incentive Plan" published on October 19, 2024, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>.

On December 9, 2024, at its 11th meeting, the Company's Sixth Board of Directors reviewed and approved the proposed "Plan to Repurchase and Cancel Some Granted Restricted Shares." Due to the departure of some employee beneficiaries of the Company's 2021 Stock Option and Restricted Stock Incentive Plan beneficiaries, the Company decided to repurchase and cancel the corresponding 98,688 restricted shares that had been granted, but not yet vested, to 66 of these beneficiaries. So, the number of incentive beneficiaries is changed to 1,867. For details, see the "Announcement on the Repurchase and Cancellation of Some Granted Restricted Shares Under the Stock Incentive Plan" published on December 10, 2024, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>.

On December 9, 2024, at the 11th meeting, the Company's Sixth Board of Director reviewed and approved the "Proposal on the Achievement of Conditions for Lifting Restrictions on Stock Incentive Shares". According to the Company's 2021 Stock Option and Restricted Stock Incentive Plan (Revised Draft), the conditions for the third release of restrictions under the same plan have been met. For details, see the announcement published on December 10, 2024, in Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn> titled "Announcement on the Achievement of Conditions for Lifting Restrictions on Stock Incentive Shares."

(2) Stock Options from the 2021 Stock Option and Restricted Stock Incentive Plan

On April 21, 2024, the Company's sixth Board of Directors at its 7th meeting approved a "Proposal on the Cancellation of Some Stock Options Under the Stock Incentive Plan." As the exercise conditions for the third tranche of stock options under the 2021 Stock Incentive Plan were not completely met, the Company canceled 252,832 shares granted to 65 incentive beneficiaries under the Third Tranche of Stock Options. For details, see the "Announcement on the Cancellation of Some Stock Options Under the Stock Incentive Plan" (Announcement No. 2024-024) published on April 23, 2024, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn> titled . This repurchase and cancellation was completed on April 30, 2024.

On October 18, 2024, the proposed Plan to Adjust the Exercise Price of Stock Options and the Repurchase Price of Restricted Shares Under the Stock Incentive Plan was reviewed and approved at the 9th meeting of the Sixth Board of Directors. Due to the 2023 annual equity distribution, in accordance with the Company's 2021 Stock Option and Restricted Stock Incentive Plan, the Company adjusted the exercise price of stock options under the same plan to 52.65 RMB yuan per share and the repurchase price of restricted shares under the same plan to 26.18 RMB yuan per share. For details, see the announcement published on October 19, 2024, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn> titled "Announcement on Adjusting the Exercise Price of Stock Options and the Repurchase Price of Restricted Shares Under the Stock Incentive Plan."

Incentive shares received by the Company's directors and senior management members

√ Applicable □ Not applicable

In Shares

Name	Position	Stock options held at the beginning of year	Stock options granted during this reporting period	Stock options that could be exercised during this reporting period	Stock options exercised during this reporting period	this reporting period of shares exercised during this reporting period (yuan/share)	Stock options held at the end of year	Market price per share of the Company's stock at the end of year (RMB yuan)	Restricted shares held at the beginning of the period	Restricted shares vested in 2024	Restricted shares granted During this reporting period	Price per share at which restricted shares were granted (RMB yuan)	Restricted shares held at the end of year
Duan Dawei	Director and Vice President								80,000	48,000	-32,000		-
Wang Ming	Chief Finance Officer								28,000	16,800	-11,200		-
Total	--	-	-	-	-	--	-	--	108,000	64,800	-43,200	--	-

Evaluation mechanism and incentives for senior management members

iFLYTEK has established robust incentive and restraint mechanisms for its directors, supervisors, and senior management members in line with advanced corporate governance practices. This motivates these personnel and enhances the Company's operational efficiency. Approved by the Shareholders' Meeting, iFLYTEK has formulated a clear "Compensation Management System for Directors, Supervisors, and Senior Management Members". The Compensation for these roles is based on company size and performance, with a comprehensive evaluation system. The Compensation determination follows these principles: combining pay with performance and aligning responsibilities, rights, and benefits to leverage compensation's incentive and restraint functions; closely linking income to company benefits and work goals in line with market value; ensuring compensation supports long-term company development and stability; and maintaining open, fair, and impartial compensation standards.

the Company's compensation system for its directors, supervisors, and senior management members is designed to serve its business strategy. Based on operating performance, compensation trends in the market, and the Company's development plans, the compensation standards are flexibly adjusted to meet the Company's needs. The Board's Compensation and Evaluation Committee evaluates the performance and determines the compensation of the Company's directors and senior management members.

2. Implementation of the Employee Stock Holding Plan

☐ Applicable ☒ Not applicable

3. Other Employee Incentive Measures

☐ Applicable ☒ Not applicable

The Company complies with the disclosure requirements for the software and IT services industry as stipulated in the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 3: Industry Information Disclosure.

During this reporting period, the Company recognized an expense of 13,815,619.88 RMB yuan for the 2021 Stock Option and Restricted Stock Incentive Plan, resulting in a net profit reduction of 13,815,619.88 RMB yuan. The equity-based compensation expense for key technological staff accounted for 53.39% of the total equity-based compensation expense for this year.

XII. Development and Implementation of Internal Control System During This Reporting Period

1. Internal Control Development and Implementation

1) A Robust Internal Control System

iFLYTEK has established a comprehensive corporate governance and internal control system. In full alignment with the internal control regulatory framework for companies, the Company has reviewed and optimized its business processes to accurately identify and assess internal and external risks, strengthen control measures, and ensure a sound internal control structure.

During this reporting period, the Company continued to strengthen its internal control system. Based on relevant Chinese laws and regulations, such as the Company Law and Securities Law, and in line with the Self-Regulatory Guidelines for Companies Traded on Shenzhen Stock Exchange No. 1 - Standard Operation, the Company established a series of internal control policies. These include an Internal Control System, an Internal Audit System, a Major Business Decision-making System, an External Investment Management System, Regulations for External Financial Support, Fund Raising Regulations, Related-party Transaction Regulations, a Major Information Internal Reporting System, Seal Use Regulations, a Capital Management System, and Independent Directors Regulations. These policies and rules have been strictly implemented to ensure the Company remains compliant and well-regulated.

During this reporting period, iFLYTEK further revised its Articles of Association, Rules of Procedure for Shareholders' Meetings, the Internal Audit System, and Regulations for External Financial Support. Additionally, a Market Value Management Policy was adopted to enhance operational standardization.

2) Smart AI-Powered Internal Control

Modern IT systems play an essential role in ensuring the effectiveness of internal control. In the face of increasingly complex business environments, companies are aware that intelligent control technologies can

more efficiently meet internal control needs. Leveraging its world-class AI technologies, iFLYTEK actively integrates AI into its internal control practices.

In compliance with established corporate governance and internal control standards, the Company has employed AI and data analytics to systematize and standardize its governance and internal management processes, ensuring well-regulated operations. Digital auditing ensures comprehensive coverage of employee self-service reimbursements, with automatic detection of issues. This has led to a significant decline in non-compliant or erroneous claims, establishing a robust reimbursement risk - prevention system. Using iFLYREC Cloud Meeting, remote directors, supervisors, and investors can now engage in real-time, face-to-face-like interactions during meetings. They can view PPTs and materials and share opinions simultaneously with on-site participants, eliminating spatial barriers and boosting corporate governance efficiency. By integrating data across internal systems and applying risk models and algorithms to full-sample datasets, most internal control processes have been automated. This makes internal control more precise, efficient, and intelligent. These advanced technologies have effectively strengthened oversight and boosted the overall performance of internal control.

3) Standardized Internal Control Practices

iFLYTEK has established functional departments based on its operational needs. Each department has clear responsibilities and continues to refine their systems and processes. They provide professional guidance, supervision, and services to subsidiaries and controlled companies, addressing issues and ensuring corrections. Responsibilities, authority, and goals are explicitly defined for subsidiaries, departments, and positions. A step-by-step authorization, inspection, and accountability mechanism is in place, ensuring each level operates within its authorized scope.

To strengthen subsidiary management and establish effective control mechanisms, iFLYTEK implements risk control as a listed company over its operations, including organization, resources, assets, and investments. This enhances its overall efficiency and risk resistance capabilities. The Company has formulated a "Management System for Controlled Subsidiaries," which covers governance, daily operations, finance, business decision-making, major information reporting, internal audit, and personnel management. Financial management of all controlled subsidiaries is unified and well aligned, and directors, supervisors, and senior management members are appointed to manage their operations. At the year end, subsidiary leaders report to their respective supervisors to ensure the Company's policies are effectively implemented.

The Company conducts regular internal control evaluations. The Audit and Supervision Department determines the audit scope based on the risk-oriented principle, covering key areas of the Company's operations. Audited entities include the Company and its wholly-owned and controlled subsidiaries, accounting for 100% of total assets and operating revenue in the consolidated financial statements. The audit focuses on processes like corporate governance, development strategy, organization, human resources, corporate culture, professional ethics, information and communication, and internal supervision as outlined in the Internal Control Management Manual. It also covers business-level controls, including finance, investment, procurement, sales, inventory, fixed asset management, projects, R&D, outsourcing, budgeting, guarantees, fund raising, and related-party transactions. This ensures effective internal control risk supervision and prevention.

iFLYTEK operates independently of its actual controller in business, personnel, assets, organization, and finance. The actual controller prioritizes compliance, strictly adhering to CSRC regulations and the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange and Self-Regulatory Guidelines for Companies

Traded on Shenzhen Stock Exchange No. 1 - Standard Operation, and other laws, regulations and normative documents. They fulfill their commitments, avoid competition with the Company, and refrain from capital occupation or any actions that might harm the Company's or its minority shareholders' interests.

2. Major Internal Control Defects Discovered During This Reporting Period.

☐ Yes ☒ No

XIII. Management and Control over the Company's Subsidiaries During This Reporting Period

Subsidiary Name	Integration Plan	Integration Progress	Issues Encountered During Integration	Measures Already Taken to Resolve the Issues	Resolution Progress	Follow-up Plan
-	-	-	-	-	-	-

XIV. Internal Control Evaluation or Internal Control Audit Report

1. Internal Control Evaluation Report

Date of Full-text Disclosure of Internal Control Evaluation Report	April 22, 2025	
Link to Full-text of Internal Control Evaluation Report	The CNINFO website at http://www.cninfo.com.cn : "2024 Internal Control Evaluation Report".	
Ratio of total assets of units within the evaluation scope to the Company's consolidated financial statement total assets	100.00%	
Proportion of Total operating income of units included in Financial statements the Total operating income in the Company's consolidated financial Percentage	100.00%	
Criteria for Defect Identification		
Category	Financial Reporting Defects	Non-financial Reporting Defects
Qualitative Criteria	Major defect: An internal control defect that, whether individually or in conjunction with other defects, has a reasonable possibility of leading to an inability to prevent or detect and correct material misstatements in financial reports on a timely basis. Examples: (1) Fraud by directors, supervisors, or senior management members; (2) Revision of published financial statements; (3) CPAs identifying material misstatements in financial reports that internal control failed to detect; (4) Ineffective oversight of internal control by the audit committee or internal audit department; and (5) Other defects that may affect statement users' judgments. Significant defect: A significant defect in internal control is one that, individually or together with other defects, has a reasonable likelihood of resulting in the failure to timely prevent or detect and correct misstatements in financial reports. These misstatements, while not material, still warrant the attention of the Board of Directors and the Management. General defect: A general defect is one that does not qualify as major or significant.	The following situations can be identified as major defects, while other situations are classified as significant or general defects based on their impact: (1) Unscientific corporate decision-making processes; (2) Violations of State laws and regulations, such as environmental pollution; (3) Loss of management or technological staff; (4) Frequent negative media coverage; (5) Failure to rectify significant or significant internal control defects identified in internal control evaluations; and (6) Lack of institutional control or systemic failure in key business areas.
Quantitative Criteria	Major defect: A defect that causes property losses equal to or exceeding 1% of the total assets in the consolidated financial statements; Significant defect: A defect that causes property losses equal to or exceeding 0.5% but below 1% of the total assets in the	Major defect: A defect that causes property losses equal to or exceeding 1% of the total assets in the consolidated financial statements; Significant defect: A defect

	consolidated financial statements; General defect: A defect that causes property losses below 0.5% of the total assets in the consolidated financial statements.	that causes property losses equal to or exceeding 0.5% but below 1% of the total assets in the consolidated financial statements; General defect: A defect that causes property losses below 0.5% of the total assets in the consolidated financial statements.
Number of major financial reporting defects	0	
Number of major non-financial reporting defects	0	
Number of significant financial reporting defects	0	
Number of significant non-financial reporting defects	0	

2. Internal Control Audit Report

☒ Applicable ☐ Not applicable

Internal Control Audit Opinion	
As of December 31, 2024, iFLYTEK maintained effective internal control over financial reporting in all material respects in accordance with the Basic Norms of Corporate Internal Control and other relevant regulations.	
Status of Internal Control Audit Report Disclosure	Disclosed
Date of Full-text Disclosure of Internal Control Audit Report	April 22, 2025
Link to Full-text of Internal Control Audit Report	The CNINFO website at http://www.cninfo.com.cn : "2024 Internal Control Audit Report".
Type of Internal Control Audit Opinion	Standard Unqualified Opinion
Are there major non-financial reporting defects?	No

Have accounting firms issued non-standard internal control audit reports?

☐ Yes ☒ No

Is the internal control audit report issued by the accounting firm consistent with the Board of Directors' self-evaluation report?

☒ Yes ☐ No

XV. Remedy of Issues Identified in the Listed Company Governance Special Self-Inspection Campaign

According to the rules of the China Securities Regulatory Commission (CSRC), the Company conducted a thorough self-inspection across the 118 items on the "Listed Company Governance Special Self-Inspection Checklist," in line with the requirements of the CSRC Anhui Securities Regulatory Bureau's "Notice on Earnestly Carrying Out Listed Company Governance Special Action". The inspection has confirmed that the Company has no issues requiring remedy or corrective actions.

Section V Environmental and Social Responsibility

I. Major Environmental Issues

Is the Company or any of its subsidiaries announced as a "key corporate polluter" by the environmental authorities:

☐ Yes ☒ No

Administrative penalties for environmental pollution during this reporting period:

Company name	Reason for the penalty	Violation	Penalty	Impact on the operations of the listed company	Corrective measures
N/A	N/A	N/A	N/A	N/A	Not Applicable

Other environmental pollution information disclosed with reference to key corporate polluters:

iFLYTEK is a technology company engaged in artificial intelligence and software application development, which does not involve the discharge of industrial wastewater, waste gases, waste materials, or noise in its daily operations. The Company implements a comprehensive approach for waste reduction encompassing infrastructure building, daily operation and living, park environment development, and resource conservation, demonstrating its commitment to sustainable development.

iFLYTEK has established a series of Measures for Waste Gas, Wastewater, Noise, and Solid Waste Management, firmly adhering to the "Reduce, Reuse, Recycle" (3R) principle. The Company recycles waste materials to ensure effective control of emissions of waste gases, wastewater, and solid waste. It standardizes waste collection, reuse, recycling, and harmless treatment to reduce environmental pollution and create a greener, more environment-friendly, and healthier work environment.

1. Waste Gas Management

iFLYTEK places a high priority on managing greenhouse gas emissions produced during its operations. It enhances the identification and accounting of carbon emissions and formulates effective measures to reduce carbon emissions across the Company's operations and value chain.

Types of Greenhouse Gas Emissions

Type 1	Emissions from the combustion of fuels, including emissions from all vehicles the Company owns
Type 2	Indirect emissions from consumption of purchased electricity, heat, and steam
Type 3	Emissions associated with purchased goods and services, business travel, employee commuting, waste disposal, emissions from the sale and use of products, transportation and distribution activities, investments, leased assets, and franchise operations

In 2024, the carbon and CO₂ emissions per million RMB yuan of output value from the Company's daily production and operation electricity use (excluding public capabilities like data centers) decreased by 13.79% and 12.38%, respectively, year on year.

Year	Carbon Emissions (tons)	Change in Carbon Emissions	Carbon Emissions per Million RMB Yuan of Output Value (tons)	Change in Carbon Emissions per Million RMB Yuan of Output Value	CO2 Emissions (tons)	Change in CO2 Emissions	CO2 Emissions per Million RMB Yuan of Output Value (tons)	Change in CO2 Emissions per Million RMB Yuan of Output Value
2024	5879.29	1.57%	0.25	-13.79%	21550.18	0.03%	0.92	-12.38%
2023	5788.62	-6.48%	0.29	-12.12%	21544.39	-6.19%	1.05	-13.22%
2022	6189.63	-	0.33	-	22965.8	-	1.21	-

2. Wastewater Management

The main types of wastewater generated during the Company's operations are domestic wastewater and canteen processing wastewater. The wastewater is managed through a separate sewer design, where toilet sewage is directed into the municipal sewage network; other wastewater, such as floor washing water, is discharged into the sewage network within the park; and canteen wastewater is treated through oil separation and sedimentation before being discharged into the municipal sewage network.

3. Solid Waste Management

Each department within the Company is responsible for collecting, labeling, and storing solid waste in their respective areas and at the workplace according to solid waste classification requirements. Wastes are labeled as "Recyclable Solid Waste," "Non-recyclable Solid Waste," "Disposable Hazardous Solid Waste," and "Non-disposable Hazardous Solid Waste." Various types of solid waste, piled at designated locations, are uniformly collected and transported by the contractor responsible for solid waste management.

Solid Waste Classification

General Solid Waste	Recyclable Solid Waste	Packaging materials, scrap wires, etc.
	Non-recyclable Solid Waste	Domestic waste, kitchen waste, etc.
Hazardous Solid Waste	Disposable Hazardous Solid Waste	Solid waste with oil, used gloves, used carbon boxes, used toner cartridges, etc.
	Non-disposable Hazardous Solid Waste	Used batteries, spent fluorescent tubes, used computer screens, used electronic components, etc.

The Company regularly inspects the storage and disposal of various types of waste, implementing multiple measures to effectively avoid the generation of wastes. For electronic products such as old servers, upgrades and modifications are carried out to extend their service life; for retired and scrapped electronic equipment, they are disassembled to recycle usable parts; for electronic office equipment like laptops, employees can apply for buyback and personal reuse after a certain period of use; and hard drives are demagnetized and damaged to produce recyclable crushed particles.

4. Packaging Management

The Company continues to promote green packaging, reducing the use of polluting packaging materials and increasing the use of green packaging materials through various arrangements. Green and environment-friendly packaging products are procured and applied more extensively, with only green and recyclable materials used for both internal and external logistics packaging.

5. Noise Management

The Company places importance on maintaining a quiet and peaceful environment in office areas and effectively implements noise control measures. Power distribution rooms and pump rooms are independently located in dedicated equipment rooms, and important facilities and equipment are equipped with vibration reduction devices or undergo technical upgrades.

Measures taken to reduce carbon emissions during this reporting period and their effects

√ Applicable □ Not applicable

iFLYTEK treats green development as a key driver of sustainable growth. It focuses on reducing the ecological impact of its operations and value chain. Guided by the principles of being "green, low-carbon, and circular," the Company strengthens management, strictly controls pollution, and promotes green ideals as part of its corporate culture. It implements its vision in infrastructure, daily operations, campus environmental management, and resource conservation, strictly complying with national and industry regulations. iFLYTEK is committed to achieving a harmonious balance between its own growth and environmental protection.

1) Constructing a Climate Change Response Management System

The Board of Directors has established a dedicated ESG committee to oversee ESG-related matters, including risks and opportunities related to climate change and carbon neutrality actions. Under the guidance of the Board's ESG committee, iFLYTEK has established the following climate change response framework:

iFLYTEK's Climate Change Response Framework

Governance	The Board's ESG Committee is responsible for overseeing ESG-related matters, including risks and opportunities associated with climate change and carbon neutrality actions.				
Strategy	Conducting quantitative analysis and assessment of climate change risks and opportunities, and customizing climate risk response methods	Policy and Regulatory Risks	Implementing carbon emission control policies, etc.	Enhance the efficient use of clean energy and lower carbon emissions. Actively promote the research, development, and application of new technologies and materials	
		Technological Risks	Technology innovations to lower emissions		
		Market Risks	Market preference for low-carbon products		
		Reputational Risks	Public preference for green technologies		
		Emergent Physical Risks	Typhoons, floods, etc.		
		Chronic Physical Risks	Changes in precipitation, rising average temperatures, etc.		
Risk Management	Identifying climate risks and opportunities related to the Company, incorporate climate risk management into the Company's risk assessment and management system, and developing measures for managing key risks and opportunities.				
Indicators and Targets	Carbon Emissions	Total greenhouse gas emissions	Promoting carbon neutrality		
	Energy	Total energy consumption	Promoting the procurement of green electricity		
	Wastes	Waste disposal volume	Reducing waste per unit of revenue year by year		

2) Strengthening the Accounting of Carbon Emissions

As the major sources of waste gas emissions in its operations are the exhaust emissions from business and commuting vehicles and the fumes from the canteen operations, the Company has tried to reduce waste gas emissions using the following methods:

- Strengthening vehicle management and controlling waste gas emissions using fume purification devices;
- Formulating the Administrative Measures for Vehicle Management to optimize fuel use and vehicle maintenance;
- Introducing electric buses in transportation services;
- Encouraging green travel and reducing commuting vehicle use through carpooling subsidies.

Under the effective implementation of the above measures, in 2024, despite a 6.83% increase in vehicle use due to new employee car purchases and higher commuting and business travel, the Company reduced vehicle fuel consumption by 6.00%, cutting unit vehicle carbon emissions by 12.18% from 2023, effectively curbing carbon emission growth.

	2023	2024	Change
Gasoline Consumption (Liters)	5530985	5199263	-6.00%
Total Number of Vehicles (Units)	8126	8681	6.83%
Gasoline Consumption per Vehicle (Liters)	680.65	598.92	-12.01%
Carbon Emissions (Tons)	3467.93	3259.72	-6.00%
Carbon Emissions per Vehicle (Tons)	0.427	0.375	-12.18%
CO2 Emissions (Tons)	12721.27	11719.14	-7.88%
Carbon Emissions per Vehicle (tons)	1.57	1.35	-14.01%

3) Optimizing the Energy Structure

(1) Green Electricity Trading

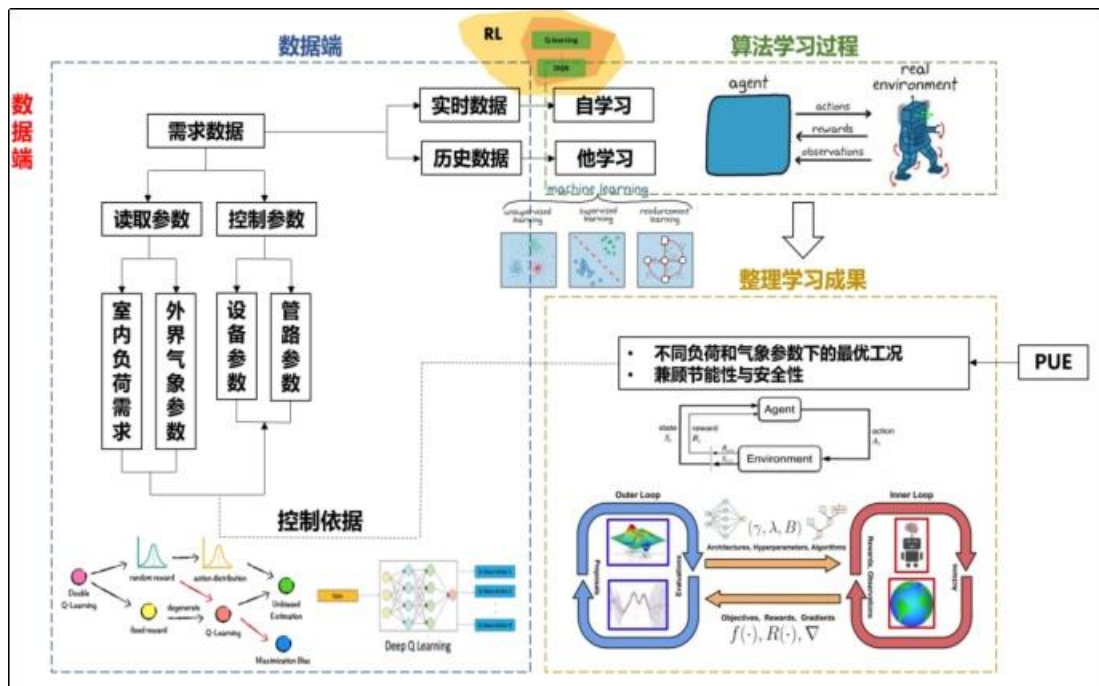
Purchasing and using green electricity is the most important and direct method to reduce carbon emissions. The purchase of green electricity offsets carbon emissions. Starting from April 2024, iFLYTEK has included renewable energy in the power supply of its data center, utilizing renewable green energy sources such as wind and photovoltaic power to optimize the energy structure. By May, the proportion of green electricity has reached 90%.



(2) Application of Low-carbon Technologies

- High-efficiency power supply and distribution products: The 10KV AC input DC uninterruptible power supply system called "Panama power architecture" is the first of its kind to be applied in Anhui Province;
- High-efficiency refrigeration/cooling products: They include magnetic levitation phase change cooling (the first of its kind to be applied in Anhui Province), fluorine pump multi-loop natural cooling technology and units, water thermal storage technology, and natural plate heat exchangers;
- AI-powered Intelligent Group Control System:

Using reinforced learning algorithms, the control system will select the optimal number of cooling water pumps and cooling towers, and frequency control strategy based on the current chiller load and current climate conditions. This reduces the power consumption of the HVAC system and also optimizes its operation, improving the health of the air conditioning system operation.



4) Rewarding Carbon Reducing Behaviors

For the purpose of environmental protection, the Company champions green office practices, promoting energy conservation, emission reduction, low-carbon, thrift, and a healthy living.

The Company promotes the "135" green commuting initiative, encouraging employees to walk within 1 kilometer, cycle within 3 kilometers, and use public transport within 5 kilometers. It advocates a commuting hierarchy: walk if possible, cycle if not, take public transport if neither is feasible, and drive only as a last resort. Employees are urged to adopt healthy, eco-friendly commuting habits and become green travel advocates.

To encourage its employees to reduce travel by fossil fuel vehicles, iFLYTEK has developed an internal carpooling software called "AI Pool." It organizes employees driving private cars to pick up colleagues on their way to and from work. On one hand, this policy provides free ride services for employees, and on the other hand offers vehicle maintenance, car washing services, and subsidies for car owners. Currently, AI Pool has covered 13 cities including Hefei, Wuhu, Qingdao, and Guangzhou, serving about 2,300 passengers per day, equivalent to a daily reduction of 2,300 vehicles or 60 coaches on the road.

To encourage its employees to use alternative-fuel vehicles, the Company has installed AC and DC

charging piles at its headquarters campus for employees to charge their vehicles. It also provides charging subsidies for employees who drive electric cars to workplaces, with a subsidy of 1 RMB yuan/kilometer.

The Company strongly advocates green commuting, providing support for employees' commuting needs by setting up 34 regular bus routes, 55 shuttles to and from subway stations, and evening buses. The Company encourages employees to use public transport or alternative fuel vehicles more often in daily living.

5) Strengthening Environmental Supervision

The Company has established rules and regulations such as the Procedures Concerning Nonconformity, Corrective Actions, and Preventive Measures and the Objectives, Targets, Management Plan and Control Procedures for inspecting, assessing, and controlling the environmental performance of each business unit/department, providing a framework for environmental protection.

The Company monitors the consumption of water and electricity on a weekly basis, supplemented by irregular spot checks, to strengthen the awareness of resource conservation and environmental protection among its employees and business units/departments.

The Company urges suppliers to fulfill their energy responsibilities, integrates supplier energy usage into its assessment framework, and generates weekly reports from data analysis to identify any irregularities. It also continuously optimizes working rules and establishes a mechanism for evaluating results.

6) Implementing Energy-saving Measures

iFLYTEK has formulated the Measures for Energy and Resource Conservation Management and the Implementation Plan for Enhancing Energy Efficiency and Consumption Control, working to reduce the ecological impact of its operations and value chain. It implements energy-saving measures in every aspect of its operations, exploring an economic model that supports the carbon peaking and carbon neutrality goals of China.

(1) Saving Water and Electricity

The Company uses energy-efficient lighting products in office spaces; optimizes lighting circuits, increases area control, strengthens patrols of unoccupied office areas after work to turn off unnecessary lighting, in order to save electricity. It selects water-saving fixtures to realize water conservation. During holidays, it partially suspends the use of elevators, water heaters, etc., to reduce energy consumption.

(2) Saving Energy

The Company strengthens the management of energy consumption. It enhances the daily inspection and maintenance of energy pipelines to eliminate leaks, optimizes the efficiency of equipment operation, and ensures safety. The Company opts for economical routes and carpool for traveling.

(3) Saving Paper

The Company advocates paperless office practices and the use of paper certified by the Forest Stewardship Council (FSC). It advocates paper recycling, prioritizes double-sided printing and black-and-white printing, and reduces the use of toner cartridges. Except for special requirements for office paper that must be single-sided, all others are double-sided or distributed in electronic format to reduce paper consumption.

(4) Air Conditioning

The Company strengthens the management over the use of air conditioning, turning on air conditioning

when the temperature is higher than 30°C in summer, with a centralized control setting of 26°C-30°C; in winter, air conditioning is turned on when the temperature is below 10°C, with a centralized control setting of 19°C-22°C. On weekdays, air conditioning is centrally turned off at 17:45, 20:00, and every two hours after 20:00, while on weekends, an additional centralized turn-off is added at 11:00 and 15:00.

(5) Use of Elevators

The Company distinguishes working hours and areas, and sets the operation time and the number of available elevators according to the peak and valley periods of use. During holidays, it suspends the use of elevators and other equipment to reduce energy consumption.

6) Creating Carbon Peaking and Neutrality Models

- Model Green Headquarters Campus

iFLYTEK's Artificial Intelligence R&D and Production Base is creating a model of green building: Approaching from an urban design perspective, it proposes the "Park X" concept and the "Campus X" spatial structure, shaping a brand-new office space layout, and transforming the entire headquarters campus into an ecologically harmonious "park." Meanwhile, it maintains the ecology-friendliness of the buildings themselves by adding solar photovoltaic panels, continuous terraces covered with green plants, and rooftop gardens, making the office space into a real "park" by ensuring exposure to sunlight and natural harmony.

The Company adheres to the principles of "greenness and energy efficiency" in the development of the campus. Utilizing large language model capabilities for operation and maintenance strategy recommendation in building design and construction, the Company intelligently generates operation and maintenance plans and monitors the status of various equipment in real-time. When employees leave office areas or meeting rooms are vacant, the system will recognize and automatically perform actions such as turning off lights and air conditioning, intelligently reducing energy consumption. At the same time, in various corners of the campus, photovoltaic power generation equipment is also quietly collecting clean energy. The integration of green energy and office energy-saving measures makes the park a truly "green" space. After selection and recommendation, and expert review, it has successfully been included as an Anhui Province Smart Construction Pilot Project.



Reason for not disclosing other environment-related information

Not applicable

II. Fulfillment of Social Responsibilities

In 2024, as a leading AI company in China, FLYTEK actively implemented its vision of building a better world with AI. Under the guidance of its "reaching for the sky, rooted on the ground" strategy, the Company maintained international leadership in key AI technologies and continued to fulfill its social responsibility to boost technological progress, industrial development, and societal advancement.

While ensuring the sound growth of its business, iFLYTEK proactively protected the legitimate rights and interests of its investors, employees, and creditors; maintained good faith relationships with suppliers, customers, and consumers, practiced the principles of green development, and actively engaged in public welfare initiatives. Leveraging its strengths as a high-tech company, iFLYTEK sought innovative ways to combine technology with social responsibility, exploring a distinctive ESG path rooted in the nature of a high-tech enterprise, and making corporate responsibility more tangible and impactful through AI.

In 2024, the Company's ESG practices earned wide recognition from regulators and the broader community, and it received several prestigious honors, including:

- AAA rating, the highest rating, in the CSI ESG Evaluation by China Securities Index Co., Ltd.;
- Inclusion as a constituent stock of the Hang Seng China A-Share Sustainable Development Enterprises Benchmark Index (HSCASUSB), for its outstanding performance in ESG areas;
- The Best ESG Practice Case Award for Listed Companies from the China Association for Public Companies;
- Top 100 ESG Golden Bull Award Winner by China Securities Journal;
- Top 100 Chinese Listed Company in ESG by the Securities Times and the China Research Institute of Capital Market;

For more details on the Company's 2024 ESG performance, please refer to the "2024 Environmental, Social, and Governance (ESG) Report" disclosed on the CNINFO website at <http://www.cninfo.com.cn> on April 22, 2025

III. Contribution to Consolidating the Achievements of Poverty Alleviation and Advancing Rural Revitalization

In its rural revitalization efforts, iFLYTEK aims not just to provide aid, but to empower rural communities through AI-driven job creation. The Company used AI technologies to create jobs in rural areas, driving industrial upgrades and helping villagers develop sustainable sources of income.

Case: Solving the difficulty of transporting 27,550 metric tons of bamboo products: Supporting environmental protection and "forest floor" industry development in Jing County, Anhui Province

In July 2021, iFLYTEK entered into a donation agreement with Jing County, a revolutionary base area, committing 10 million RMB yuan for ecological conservation and rural revitalization efforts in Xiaokang Village, Caicun Town of the county. The initiative prioritized the ecological protection of Moso bamboo and the growth of "forest floor" industries. By the end of 2024, all forest roads in Caicun Town and Tingxi Township eligible for upgrading had been completed and extended to a total length of about 32.6 kilometers, through a total investment of about 1.55 million RMB yuan. These efforts helped solve the logistical challenge

for approximately 27,550 metric tons of Moso bamboo products, generating sales revenue of around 14.877 million RMB yuan. The road development and upgrading project reduced harvesting costs by 7-9 RMB yuan per 50 kilograms of bamboo, resulting in a net additional income of over 4.4 million RMB yuan for more than 1,420 local bamboo farmers. Since 2021, iFLYTEK has also helped Xiaokang Village establish six major projects, including a bamboo forest camping base, beach vehicles, go-karts, an equestrian center, a scenic hiking trail at Chaotian Cave, and bamboo craft workshops. These initiatives have created job opportunities for over 30 villagers and boosted the village's collective annual income by approximately 1.1 million RMB yuan. Moreover, iFLYTEK has been instrumental in fostering local industrial development. Inspired by the traditional Dragon Boat Festival, the Company has processed Moso bamboo through 11 steps to produce cultural and creative artifacts, thereby creating additional employment and income opportunities for the local people.

In addition, iFLYTEK supported local industrial development by empowering bamboo processing. During the Dragon Boat Festival, the Company processed Moso bamboo products through 11 steps to produce cultural and creative artifacts, thereby creating additional employment and income opportunities for the local people.

Section VI Significant Matters

I. Fulfillment of Commitments

1. Commitments by the Company's actual controller, shareholders, related parties, and acquirers, as well as the Company itself, that were fulfilled during this reporting period or remained unfulfilled as of the end of this reporting period

√ Applicable □ Not applicable

Commitment	Made by	Type	Content	Time	Duration	Performance
Commitments made in the acquisition report or Statement of Changes in Owners' Equity	Liu Qingfeng	Commitments by the actual controller	1. To avoid unfair competition, related-party transactions, and fund occupation; 2. To ensure the independence of the listed company; 3. To avoid unfair competition with Xunfei Healthcare Technology Co., Ltd., maintain independence, and reduce and regulate related-party transactions during the period as the de facto controller	November 20, 2014; January 09, 2024	Period of acting in concert	Ongoing
	USTC Holdings Co., Ltd.					Completed
	Yang Jun, Wang Binbin, Xu Guiqin & Zhu Peng	Other commitments	To avoid competition with the Company within the same industry, and reduce and regulate related-party transactions	December 9, 2016	Period of being a shareholder of the listed company	Ongoing
	Beijing Le Jiao Rong Zhi Investment Development Partnership Company (Limited Partnership), Beijing Jia Hui Jin Yuan Investment Development Partnership Company (Limited Partnership) & Zhang Shaohua	Other commitments	To avoid competition with the Company within the same industry, and reduce and regulate related-party transactions	December 9, 2016	Period of being a shareholder of the listed company	Completed
Commitments made at IPO or refinancing	Liu Qingfeng, the Company's actual controller	Commitment at IPO	During my tenure at iFLYTEK, I will not transfer more than twenty-five percent of the total shares I hold in iFLYTEK in any given year. Furthermore, should I resign from iFLYTEK, I pledge not to transfer any shares of iFLYTEK that I hold within six months following my resignation. While I hold shares in iFLYTEK, I will not engage in any business that competes with or is similar to iFLYTEK's operations. I will not directly invest in or acquire any enterprise or project that competes with or is similar to iFLYTEK's business, nor will I	April 24, 2008	Period of acting as actual controller	Ongoing

			provide any form of assistance to competitors. In the event that I become involved in any competition with iFLYTEK, regardless of the circumstances, I will actively implement effective measures to relinquish such competitive activities.			
	2. Ningbo Saite Equity Investment Partnership Enterprise	Other commitments	Commitment to avoiding competition within the same industry, and commitments to reducing and regulating related-party transactions, etc.	March 17, 2017	Period of being a shareholder of the listed company	Completed
	Nanjing Chuangyi Investment Management Center (Limited Partnership)					Ongoing
Other commitments	the Company and rewardees	Stock Incentive	the Company pledges not to provide any financial assistance, including loans or guarantees, to the incentive recipients for obtaining stock options or restricted shares under this plan. The recipients pledge to return all benefits received from this plan to the Company if it is determined that the Company's eligibility to grant or exercise these rights is invalidated due to false statements, misleading information, or significant omissions in the disclosed documents.	September 26, 2021	Period of implementing the stock incentive plan	Completed
	Wu Xiaoru, Jiang Tao & Nie Xiaolin	Shareholding Increase	To ensure the smooth implementation of this share repurchase plan and complete it within the specified period (from August 22, 2024, to February 21, 2025); To avoid reducing the Company's holdings before the announcement of the share purchase plan's completion; To refrain from reducing holdings during the purchase period and within the legally mandated timeframe; To strictly abide by relevant regulations and avoid insider trading, trading during sensitive periods, and short-term trading; To conduct this share purchase in full compliance with applicable laws, regulations, rules, and the guidelines of the Shenzhen Stock Exchange.	August 21, 2024	August 22, 2024 - February 21, 2025	Completed
	All participants in the Company's first Employee Stock Holding Plan	Extended lock-up	All participants in the Company's first Employee Stock Holding Plan voluntarily commit to not distributing the rights to the vested shares from each batch for 6 months following the lock-up period's end.	December 10, 2024	April 12, 2025 - October 11, 2028	Ongoing
Has the commitment been fulfilled in time?					Yes	
If the commitment is not fulfilled by the deadline, provide a detailed explanation of the reasons for the incomplete fulfillment and outline the subsequent work plan					Not applicable	

2. Explanation whether and why the Company's assets or projects meet original positive profit forecasts and are still within the forecast period

☐ Applicable ☒ Not applicable

II. Non-operating Fund Occupancy by the Controlling Shareholder and Other Related Parties of the Listed Company

☐ Applicable ☒ Not applicable

There were no instances of non-operating fund occupancy by the controlling shareholder or other related parties regarding the listed company during this reporting period.

III. Non-compliant External Guarantees

☐ Applicable ☒ Not applicable

There were no instances of non-compliant external guarantees during this reporting period.

IV. The Board of Directors' Explanation to the Non-standard Audit Report for the Year 2023

☐ Applicable ☒ Not applicable

V. Explanation by the Board of Directors, the Board of Supervisors, and Independent Directors, If Any, Regarding the Non-Standard Audit Report Issued by the Accounting Firm for the Year 2024

☐ Applicable ☒ Not applicable

VI. Notes to Changes to Accounting Policies, Accounting Estimates, or Material Accounting Error Corrections for the Previous Year

☐ Applicable ☒ Not applicable

There were changes to accounting policies, accounting estimates, or material accounting error corrections for the year 2024.

VII. Notes to Changes to the Scope of Financial Statements Consolidation From the Previous Year

☒ Applicable ☐ Not applicable

See "Section X. Financial Report, IX. Changes in the Scope of Consolidation"

VIII. Engagement and Dismissal of Accounting Firm

Currently Engaged Accounting Firm

Name of Domestic Accounting Firm	RSM China CPA LLP
Remuneration of Domestic Accounting Firm (in RMB yuan)	4.45 million
Consecutive Years of Auditing Service by the Domestic	23

Accounting Firm	
Names of CPAs from the Domestic Accounting Firm	Gao Ping, Zhang Yaqiong and Lü Zhannan
Consecutive Years of Auditing Service by CPAs from the Domestic Accounting Firms	Gao Ping: 1 year; Zhang Yaqiong: 2 years; Lü Zhannan: 2 years

Was the accounting firm changed during this reporting period?

☐ Yes ☒ No

Engagement of accounting firms for internal control audits, financial advisors, or sponsors

☒ Applicable ☐ Not applicable

During this reporting period, the Company engaged RSM China CPA LLP as its internal control audit accounting firm, with a total payment of 700,000 RMB yuan for auditing services.

IX. Delisting risk After This Reporting Period

☐ Applicable ☒ Not applicable

X. Bankruptcy Reorganization

☐ Applicable ☒ Not applicable

the Company did not undergo any bankruptcy reorganization proceedings During this reporting period.

XI. Significant Litigation or Arbitration Proceedings

☐ Applicable ☒ Not applicable

During 2024, the Company did not undergo any significant litigation or arbitration proceedings.

XII. Penalties and Rectifications

☐ Applicable ☒ Not applicable

the Company did not incur any penalties or undertake any rectifications during this reporting period.

XIII. Integrity Issue of the Company and Its Controlling Shareholder and Actual Controller

☐ Applicable ☒ Not applicable

XIV. Significant Related-Party Transactions

1. Related-party Transactions Related to Day-to-day Operations

☒ Applicable ☐ Not applicable

Related party	Relationship	Type of	Content of Related	Pricing Principle	Transaction Price	Transaction Amount	Percentage of	Approved Transaction	Exceeding the	Settlement Method	Available Market	Disclosure Date	Link to Disclosure
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		Related-Party Transactions	Related-Party Transactions	Price of Related-Party Transactions		Amount (in ten thousand RMB yuan)	Total Similar Transactions	Transaction Limit (in ten thousand RMB yuan)	Approved Limit	Method of Related-Party Transactions	Transaction Price for Similar Transactions		Disclosure
CMCC and its Subsidiaries	Investors with Significant Influence on the Company	Routine Related-Party Transactions	Sale of Goods and Provision of Services	Market Price	N/A	112,492.55	4.82%	150,000	No	Bank Transfer	N/A	April 22, 2024	See the Note
CMCC and its Subsidiaries	Investors with Significant Influence on the Company	Routine Related-Party Transactions	Sale of goods and provision of services	Market Price	N/A	9,250.37	0.80%	15,000	No	Bank Transfer	N/A	April 22, 2024	
Total				--	--	121,742.92	--	165,000	--	--	--	--	--
Details of Large-Value Goods Returns				N/A									
Actual performance of the estimated total routine related-party transactions by category, if any, during this reporting period				For the fiscal year 2024, it is estimated that routine related-party transactions involving the sale of goods and provision of services with CMCC and its subsidiaries amounted to 1.5 billion RMB yuan, with an actual transaction amount of 112,492.55 million RMB yuan. Additionally, it is estimated that routine related-party transactions involving the "Purchase of goods and acceptance of services" will amount to 150 million RMB yuan, with an actual transaction amount of 92,503,700 RMB yuan. In summary, the total estimated routine related-party transactions with CMCC and its subsidiaries for 2024 was 1,650 million RMB yuan, with an actual total transaction amount of 1,217,429,200 RMB yuan, which does not exceed the total estimated transaction amount for the year. The difference is due to the uncertainty in the initial estimate. The Company conducts business operations according to market changes and actual operating needs.									
Reasons for significant differences between the transaction price and the market reference price, if applicable				Not applicable									

Note: See the Announcement on the Estimates of Routine Related-party Transactions for 2024 (No. 2024-018) published on the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>.

2. Related-party Transactions Arising from Acquisition or Sales of Assets or Equity

☐ Applicable ☒ Not applicable

The Company did not engage in any related-party transactions arising from acquisition or sales of assets or equity during this reporting period.

3. Related-party Transactions for Joint External Investment

☐ Applicable ☒ Not applicable

The Company did not conduct any related-party transactions for joint external investment during this reporting period.

4. Related Creditor's Rights and Debts

☐ Applicable ☒ Not applicable

The Company did not incur any related creditor's rights and debts during this reporting period.

5. Transactions with Related Finance Companies

☐ Applicable ☒ Not applicable

The Company did not conduct any deposit, loan, credit or other financial business with any related finance company or such finance company's related parties.

6. Transactions Between Finance Companies Controlled by the Company and Their Related Parties

☐ Applicable ☒ Not applicable

None of the financial companies controlled by the Company conducted any deposit, loan, credit or other financial business with their related parties.

7. Other Material Related-party Transactions

☐ Applicable ☒ Not applicable

The Company did not engage in other material related-party transactions during this reporting period.

XV. Major Contracts and Their Performance

1. Trust, Sub-contract and Lease

1) Trust

☐ Applicable ☒ Not applicable

The Company did not engage in any trust arrangements during this reporting period.

2) Sub-contract

☐ Applicable ☒ Not applicable

The Company did not enter into any contracting agreements during this reporting period.

3) Lease

☐ Applicable ☒ Not applicable

The Company did not enter into any leasing agreements during this reporting period.

2. Material Guarantees

☒ Applicable ☐ Not applicable

In 0,000 RMB yuan

External Guarantees Provided by the Company and its Subsidiaries (excluding those to subsidiaries)										
Name of the Guarantee Beneficiary	Guarantee Amount Disclosure Date	Guarantee Amount	Date of Actual Occurrence	Actual Guarantee Amount Provided	Type of Guarantee	Collateral (if any)	Counter Guarantee (if any)	Guarantee Period	Fulfilled or Not	Related Party Guarantee or Not
Tongling Tianyuan Equity Investment Group Corporation	April 19, 2019	24000	June 14, 2019; March 22, 2021	9000	Joint and several liability guarantee		Counter guarantee provided by Tongling State-owned Capital Operation and Holding Group Co., the Company	From the date of approval by the Board of Directors to the expiration of the project's loan term	No	No
Ma'anshan Big Data Asset Operation Co., Ltd.	April 23, 2024	17160	December 27, 2024	906.4	Joint and several liability guarantee			12 subsequent months	No	No
Financial leasing customer	October 25, 2019; April 23, 2024	50,000						12 months from the date of approval by the Board of Directors	Yes	No
Total amount of approved external guarantees during this reporting period (A1)		91,160.00		Total amount of external guarantees actually provided during this reporting period (A2)		906.40				
Total amount of approved external guarantees as at the end of the reporting period (A3)		91,160.00		Total amount of the outstanding external guarantees actually provided as at the end of the reporting period		9,906.40				

				(A4)						
Guarantees provided by the Company to its subsidiaries										
Name of the Guarantee Beneficiary	Guarantee Amount Disclosure Date	Guarantee Amount	Date of Actual Occurrence	Actual Guarantee Amount Provided	Type of Guarantee	Collateral (if any)	Counter Guarantee (if any)	Guarantee Period	Fulfilled or Not	Related Party Guarantee or Not
iFLYTEK (International) Limited	April 23, 2024	30000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
iFLYTEK (Beijing) Technology Co., Ltd.	April 23, 2024	10,000	June 26, 2024	745.67	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Shenzhen iFLYTEK Interactive Electronics Co., Ltd.	April 23, 2024	5000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
iFLYTEK (Shanghai) Technology Co., Ltd.	April 23, 2024	15000	September 29, 2024	128.13	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Jixun Information Technology Co., Ltd.	April 23, 2024	12000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Hefei iFLYTEK Doxent Technology Co., Ltd.	April 23, 2024	20000	October 24, 2024	4,572.49	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Hefei iFLYTEK Doxent Technology Co., Ltd.	April 23, 2024		December 05, 2024	3,236.84	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Hefei iFLYTEK Doxent Technology Co., Ltd.	April 23, 2024		November 22, 2024	3,518.87	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Institute of Information Technology	April 23, 2024	40000	July 05, 2023	6,300.00	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Institute of	April 23, 2024		May 17, 2022	8,852.04	General guarantee;			12 subsequent	No	No

Information Technology					joint and severable liability guarantee			nt months		
Anhui Tingjian Technology Co., Ltd.	April 23, 2024	15000	October 24, 2024	3,663.14	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Tingjian Technology Co., Ltd.	April 23, 2024		December 05, 2024	908.79	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Tingjian Technology Co., Ltd.	April 23, 2024		December 30, 2024	2,000.00	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Zhixue Technology Co., Ltd.	April 23, 2024	15000	October 24, 2024	1,307.63	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Jiangsu Yixing Automobile Technology Co., Ltd.	April 23, 2024	15000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Tianjin iFLYTEK Jizhi Technology Co., Ltd.	April 23, 2024	20000	December 27, 2023	1,085.25	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
iFLYTEK (Suzhou) Technology Co., Ltd.	April 23, 2024	45000	November 10, 2023	467.3	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Zhejiang iFLYTEK Intelligent Technology Co., Ltd.	April 23, 2024	3000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Hainan Shenggu Technology Co., Ltd.	April 23, 2024	22000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui iFLYTEK Jiecheng Software Technology Co., Ltd.	April 23, 2024	70000	October 24, 2024	12,350.59	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui iFLYTEK Jiecheng	April 23, 2024		October 08, 2024	7,611.15	General guarantee; joint and			12 subsequent months	No	No

Software Technology Co., Ltd.					severable liability guarantee					
Anhui Kexun Jinse Technology Co., Ltd.	April 23, 2024	15000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui iFLYTEK New Retail Co., Ltd.	April 23, 2024	5000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Shandong Kexun Information Technology Co., Ltd.	April 23, 2024	5000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Wanchuang New Smart Technology Co., Ltd.	April 23, 2024	5000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Yunshu Smart Technology Co., Ltd.	April 23, 2024	10,000			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Consolidated subsidiaries sharing the bill pool business	April 23, 2024	100,000	July 11, 2024; November 25, 2024	47,406.49	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
FLYTEK Malaysia Human Intelligence Co., Ltd.	October 19, 2024	4,000			General guarantee; joint and severable liability guarantee			Until the date of the Company's 2024 annual Shareholders' Meeting	No	No
iFLYTEK (Macau) Co., Ltd.	November 23, 2024	3,000			General guarantee; joint and severable liability guarantee			Until the date of the Company's 2024 annual Shareholders' Meeting	No	No
Total amount of approved guarantees provided to subsidiaries during this reporting period (B1)		484,000.00		Total occurrence amount of guarantees provided to subsidiaries during this reporting period (B2)		187,155.26				
Total amount of approved guarantees provided to subsidiaries as at the end of the reporting period (B3)		484,000.00		Total outstanding guarantees actually provided to subsidiaries as at the end of the reporting period (B4)		104,154.38				

Guarantees provided by the subsidiaries to other subsidiaries										
Name of the Guarantee Beneficiary	Guarantee Amount Disclosure Date	Guarantee Amount	Date of Actual Occurrence	Actual Guarantee Amount Provided	Type of Guarantee	Collateral (if any)	Counter Guarantee (if any)	Guarantee Period	Fulfilled or Not	Related Party Guarantee or Not
Anhui Imaging Union Cloud Medical Technology Co., Ltd.	April 23, 2024	5000	August 16, 2023	28.49	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Anhui Imaging Union Cloud Medical Technology Co., Ltd.	April 23, 2024		April 18, 2024	500	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Lvliang Xunfei Healthcare Information Technology Co., Ltd.	April 23, 2024	1000	November 15, 2023	30.87	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Pu'er iFLYTEK Information Technology Co., Ltd.	April 23, 2024	1000	November 15, 2023	33.4	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Beijing Hui Ji Zhi Medical Technology Co., Ltd.	April 23, 2024	1000	June 19, 2024	227.34	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Shanghai iFLYTEK Medical Technology Co., Ltd.	April 23, 2024	500	June 19, 2024	43.81	General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Yinchuan iFLYTEK Internet Hospital Co., Ltd.	April 23, 2024	500			General guarantee; joint and severable liability guarantee			12 subsequent months	No	No
Taizhou iFLYTEK Medical AI Research Institute	November 23, 2024	500			General guarantee; joint and severable liability guarantee			Until the date of the Company's 2024 annual Shareholders' Meeting	No	No
Total approved guarantee limit for subsidiaries during this reporting period (C1)		9,500.00		Total actual guarantee provided to subsidiaries during this reporting period (C2)		1,379.81				

Total approved guarantee limit for subsidiaries as at the end of this reporting period (C3)	9,500.00	Total outstanding guarantee balance for subsidiaries as at the end of this reporting period (C4)	863.91
Total guarantees (the sum of the three items above)			
Total approved guarantees during this reporting period (A1+B1+C1)	584,660.00	Total guarantees actually provided during this reporting period (A2+B2+C2)	189,441.47
Total approved guarantees as at the end of this reporting period (A3+B3+C3)	584,660.00	Total outstanding guarantees actually provided as at the end of this reporting period (A4+B4+C4)	114,924.69
Percentage of the total amount of actual guarantees (A4+B4+C4) in the Company's net assets		6.46%	

3. Entrusting Others with Cash Asset Management

1) Entrusted Asset Management

☒ Applicable ☐ Not applicable

Type	Source of Funds	Amount	Outstanding Balance	Overdue or Unrecovered Amount	Impairment Accrued for Overdue or Unrecovered Amount
Other Categories	Self-owned Funds	USD 15 million	USD 15 million	-	-
Total		USD 15 million	USD 15 million	-	-

High-risk entrusted asset management with large individual amounts or low safety and poor liquidity

☐ Applicable ☒ Not applicable

Entrusted asset management that is expected to be unrecoverable or has other circumstances that may lead to impairment

☐ Applicable ☒ Not applicable

2) Entrusted Loans or Guarantees

☐ Applicable ☒ Not applicable

The Company did not entrust any loans during this reporting period.

4. Other Major Contracts

☐ Applicable ☒ Not applicable

The Company did not enter into any other significant contracts during this reporting period.

XVI. Explanation of Other Significant Matters

☐ Applicable ☒ Not applicable

There are no other significant matters requiring explanation during this reporting period.

XVII. Significant Matters of the Company's Subsidiaries

√ Applicable □ Not applicable

At the 6th meeting of the Sixth Board of Directors the 6th Meeting of the 6th Board of Supervisors held on January 9, 2024, and the 2024 First Extraordinary Shareholders' Meeting held on January 25, 2024, the Company reviewed and approved the "Proposal for the Spin-off of Xunfei Healthcare Technology Co., Ltd. to the Hong Kong Stock Exchange" and related proposals. Xunfei Healthcare Technology Co., Ltd. will gain an independent financing platform to focus on its core business. This will boost its technical reserves and market expansion in the healthcare sector, enhancing its competitive edge. The move is expected to elevate the Company's overall profitability and international influence, thereby strengthening the competitiveness. After the spin-off, iFLYTEK will continue to hold control over Xunfei Healthcare Technology Co., Ltd. which will remain within the scope of the Company's consolidated financial statements. The operating results of Xunfei Healthcare Technology Co., Ltd. will be reflected in the overall performance of the listed company. The Proposal for the Spin-off of Xunfei Healthcare Technology Co., Ltd. to the Hong Kong Stock Exchange was published on January 10, 2024 in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>.

On January 26, 2024, Xunfei Healthcare Technology Co., Ltd. submitted an application to the Hong Kong Stock Exchange for its initial public offering of overseas shares (H-shares) and listing on the Main Board. The application documents were published on the HKEX website (www.hkexnews.hk). In accordance with regulations, Xunfei Healthcare Technology Co., Ltd. also filed the necessary materials with the CSRC and received confirmation on February 22, 2024.

On July 19, 2024, the CSRC issued the "Filing Notice Regarding Xunfei Healthcare Technology Co., Ltd.'s Overseas Listing and Full - Circulation of Domestic Unlisted Shares" (No. [2024] 1510). For details, see the "Announcement on the Filing of the Initial Public Offering of Overseas Shares (H-shares) by Xunfei Healthcare Technology Co., Ltd." published on July 27, 2024, in the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>.

On August 8, 2024, the Listing Committee of the Hong Kong Stock Exchange held a hearing to review the application of Xunfei Healthcare Technology Co., Ltd. for issuance and listing.

On December 12, 2024, Xunfei Healthcare Technology Co., Ltd. published the post-hearing data for this issuance on the HKEX website. For details, see the "Announcement on the Publication of the Post-Hearing Data for the Overseas Listing of H-shares by Xunfei Healthcare Technology Co., Ltd." (No.: 2024 - 074) published on the CNINFO website at <http://www.cninfo.com.cn>.

On December 30, 2024, 7,035,550 H-shares (before the exercise of over-allotment option) of Xunfei Healthcare Technology Co., Ltd. were listed and traded on the Main Board of the Hong Kong Stock Exchange, with the approval of the HKEX. The Chinese abbreviation for the H-shares of Xunfei Healthcare Technology Co., Ltd. is "XUNFEIHEALTH," with the stock code "2506." After the H-share issuance and listing of Xunfei Healthcare Technology Co., Ltd., the Company will continue to maintain control over Xunfei Healthcare Technology Co., Ltd. For details, see the "Announcement on the Filing of Initial Public Offering and Listing of Overseas Shares (H - shares) by iFLYTEK Medical Technology Co., Ltd." published on December 31, 2024, in

the Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, and on the CNINFO website at <http://www.cninfo.com.cn>.

Section VII Changes in Shares and Shareholder Information

I. Changes in Shares

1. Changes in Shares

In Shares

	Before the change		Change (increase/decrease)					After the change	
	Number	Percentage	New shares issued	Bonus shares	Shares transferred from capital reserve	Others	Subtotal	Number	Percentage
I. Shares subject to selling restrictions	161,138,842	6.96%				-38,508,137	-38,508,137	122,630,705	5.31%
1. State-held shares									
2. Shares held by state-owned legal persons									
3. Shares held by other domestic investors	161,138,842	6.96%				-38,508,137	-38,508,137	122,630,705	5.31%
In which: shares held by domestic legal persons									
Shares held by domestic natural persons	161,138,842	6.96%				-38,508,137	-38,508,137	122,630,705	5.31%
4. Shares held by foreign investors									
In which: shares held by foreign legal persons									
Shares held by foreign natural persons									
II. Shares not subject to restrictions	2,154,550,311	93.04%				34,570,085	34,570,085	2,189,120,396	94.70%
RMB-denominated ordinary shares	2,154,550,311	93.04%				34,570,085	34,570,085	2,189,120,396	94.70%
2. Domestically listed foreign shares									
3. Overseas listed foreign shares									
4. Others									
III. Total number of	2,315,689,153	100.00%				-3,938,0	-3,938,05	2,311,751,101	100%

shares						52	2		
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Reasons for changes in shares

☒ Applicable ☐ Not applicable

This shareholding change was due to the annual automatic adjustment of executive lock-up shares, the third release of restrictions on restricted shares under the 2021 Stock Option and Restricted Stock Incentive Plan, the exercise of stock options under the same plan, and the repurchase and cancellation of some granted restricted shares.

Approval of share changes

☒ Applicable ☐ Not applicable

On November 29, 2023, the Company held the 5th meetings of its Sixth Board of Directors and Sixth Board of Supervisors, as well as the third Extraordinary Shareholders' Meeting of 2023. The proposed "Plan to Repurchase and Cancel Some Granted Restricted Shares" was reviewed and approved. The Company repurchased and canceled 313,360 restricted shares under the second phase restricted stock incentive plan and the 2021 Stock Incentive Plan. After review and confirmation by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the repurchase and cancellation were completed on February 23, 2024. The Company's total share capital decreased from 2,315,689,153 to 2,315,375,793 shares. On April 21, 2024, the seventh meetings of the sixth board of directors and sixth supervisory board were held, followed by the 2023 annual shareholders' meeting on May 1, 2024. The proposed "Plan to Repurchase and Cancel Some Granted Restricted Shares" was reviewed and approved. The Company repurchased and canceled 3,641,608 restricted shares under the 2021 Stock Incentive Plan. After review and confirmation by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the repurchase and cancellation were completed on June 7, 2024. The Company's total share capital decreased from 2,315,375,793 to 2,311,734,185 shares. On December 9, 2024, at the 11th meeting of its Sixth Board of Directors and the 12th meeting of its Sixth Board of Supervisors. On December 26, 2024, the 4th Extraordinary Shareholders' Meeting of 2024, the Company reviewed and approved the proposed "Plan to Repurchase and Cancel Some Granted Restricted Shares". The Company plans to repurchase and cancel 98,688 restricted shares granted to 69 beneficiaries but not yet vested. Upon completion of this repurchase and cancellation, the Company's registered capital will change. Assuming no other changes to the registered capital during the implementation of this repurchase and cancellation, the Company's total share capital will decrease from 2,311,734,185 to 2,311,635,497 shares. As of December 31, 2024, this repurchase and cancellation process remains ongoing. (Note: On October 18, 2024, at the 9th meeting of the Sixth Board of Directors and the 10th meeting of the Sixth Board of Supervisors, the Company reviewed and approved the "Proposal on the Achievement of Exercise Conditions for the First Tranche of Stock Options Under the 2021 Stock Option and Restricted Stock Incentive Plan." As of November 3, 2024, the third exercise period for stock options ended. By December 31, 2024, incentive beneficiaries had exercised options for 16,916 shares, increasing the Company's total share capital from 2,311,734,185 to 2,311,751,101 shares.)

Ownership transfer through shareholding change

☒ Applicable ☒ Not applicable

The Company repurchased and canceled 313,360 restricted shares. After verification by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the cancellation was completed on February 23, 2024. After cancellation, the Company's share capital decreased from 2,315,689,153 to 2,315,375,793 shares. Subsequently, the Company again repurchased and canceled 3,641,608 restricted shares.

After verification by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the repurchase and cancellation were completed on June 7, 2024. After cancellation, the Company's share capital decreased from 2,315,375,793 to 2,311,734,185 shares. (Note: After the Board of Directors approved the repurchase and cancellation, the total share capital of the Company increased by 16,916 shares due to stock option exercises, changing from 2,311,734,185 to 2,311,751,101 shares.)

Effects of share change on basic/diluted earnings per share, net assets per share attributable to ordinary shareholders of the Company

☒ Applicable ☐ Not applicable

During this reporting period, the Company's repurchase and cancellation of previously granted restricted shares led to a reduction of 3,954,968 shares. Meanwhile, the exercise of stock options by incentive beneficiaries resulted in an increase of 16,916 shares. Overall, these actions caused the Company's share capital to decrease by 3,938,052 shares at the end of the period compared to the beginning. Consequently, the basic earnings per share, diluted earnings per share, and the net assets per share attributable to ordinary shareholders of the Company have increased.

Other information deemed necessary by the Company or required by the securities regulator to disclose

☐ Applicable ☒ Not applicable

2. Changes in Restricted Shares

☒ Applicable ☐ Not applicable

Shares

Shareholder Name	Balance of Restricted Shares at the Beginning of 2024	Increase of Restricted Shares in 2024	Number of Restricted Shares Released in 2024	Balance of Restricted Shares at the End of 2024	Reason for Restriction	Date of Release
2,071 People Rewarded Under the 2021 Stock Option and Restricted Stock Incentive Plan	9,206,000	-3,954,968	5,152,344	986,88	Restricted Incentive Shares	The third release of restrictions: From the first trading day 36 months after the initial grant date to the last trading day within 48 months from the grant date. The number of shares released from restrictions represented 40% of the total restricted shares granted.
Directors, Supervisors and Senior Management Members	151,932,842	-29,400,825	0	122,532,017	Locked-up shares for senior management members	On the first trading day of each year, the China Securities Depository and Clearing Corporation (CSDC) Shenzhen Branch calculates the statutory number of shares that can be transferred by the listed company's directors, supervisors, and senior management members, which is limited to 25% of the number of shares registered under their names on the last trading day of the previous year.
Total	161,138,842	-33,355,793	5,152,344	122,630,705	--	--

II. Securities Issuance and Listing

1. Securities Issuance (Excluding Preferred Shares) During This Reporting Period

☐ Applicable ☒ Not applicable

2. Explanation of Changes in the Company's Total Shares, Shareholder Structure, and Structure of Assets and Liabilities

☒ Applicable ☐ Not applicable

During this reporting period, the Company's stock incentive plan resulted in the exercise of 16,916 stock options, increasing its total share capital by 16,916 shares. Additionally, the Company repurchased and canceled 3,954,968 restricted shares, reducing its share capital by the same number. Overall, the total number of shares decreased by 3,938,052 at the end of 2024 compared to the beginning. As at the end of this reporting period, the Company's share capital was 2,311,751,101 shares. The Company's total assets at the end of 2024 were 41.479 billion RMB yuan, with an asset-liability ratio of 54.88%.

3. Current Employee Holdings

☐ Applicable ☒ Not applicable

III. Shareholders and the Actual Controller

1. Number of Shareholders and Shareholding Structure of the Company

In Shares

Total number of ordinary shareholders as at the end of this reporting period	367108	Total number of ordinary shareholders at the end of the month before the annual report date	386815	Total number of holders of preferred shares with voting rights resumed at the end of this reporting period, if any (see Note 8)	0	Total number of holders of preferred shares with voting rights resumed at the end of the month before the annual report date, if any (see Note 8)	0	
Shareholding by shareholders holding more than 5% of the Company’s shares or by the largest 10 shareholders (excluding shares lent through the securities lending program)								
Shareholder Name	Shareholder Type	Shareholding Percentage	Shares Held at the End of This Reporting Period	Change (increase/decrease)	Number of Restricted Shares Held	Number of Unrestricted Shares Held	Pledged, Marked or Frozen Shares	
							Status of Shares	Number
China Mobile Communications Co., Ltd	State-owned Legal Person	10.03%	231,800,495	0.00	0.00	231,800,495	Not applicable	0
Liu Qingfeng	Domestic Natural Person	5.55%	128,297,167	0.00	96,222,875	32,074,292	Not applicable	0
USTC Holdings	State-owned	3.25%	75,076,787	0.00	0.00	75,076,787	Not	0

Co., Ltd.	Legal Person						applicabl e	
Hong Kong Securities Clearing Company Limited	Overseas Legal Person	2.62%	60,533,406	-19,949,477	0.00	60,533,406	Not applicabl e	0
Anhui Yanzhi Technology Co., Ltd.	Domestic non-state-owned legal person	2.48%	57,291,611	0.00	0.00	57,291,611	Not applicabl e	0
Industrial and Commercial Bank of China Limited - Huatai-PineBridge CSI 300 Exchange-Traded Open-Ended Index Securities Investment Fund	Others	1.38%	31,970,258	19,414,073	0.00	31,970,258	Not applicabl e	0
Zhang Wei	Overseas natural person	1.25%	28,880,000	-32,780,000	0.00	28,880,000	Not applicabl e	0
China Construction Bank Corporation-E Fund CSI 300 ETF Originated Securities Investment Fund	Others	0.95%	22,030,106	17,352,000	0.00	22,030,106	Not applicabl e	0
Wang Renhua	Domestic Natural Person	0.89%	20,579,197	-671,900	0.00	20,579,197	Not applicabl e	0
Wang Zheng	Domestic Natural Person	0.83%	19,260,500	3,481,200	0.00	19,260,500	Not applicabl e	0
Strategic investors or general legal persons became the top 10 shareholders as a result of allotment of new shares, if any (see Note 3)		China Mobile Communications Co., Ltd., as a strategic investor, subscribed for 70,273,975 shares in the Company's non-public offering in 2013, with a lock-up period of 36 months. These shares were released from restrictions and became tradable on April 25, 2016.						
Note on connected relations or concerted actions of the above shareholders		Among the shareholders mentioned above, Anhui Yanzhi Technology Co., Ltd. is a company controlled by Liu Qingfeng. It is unknown whether there are any related-party relationships between the other shareholders or whether they are acting in concert.						
Explanation on the above shareholders' involvement in entrusting or being entrusted with voting right, and waiver of voting right		On December 26, 2016, Liu Qingfeng signed the Power of Attorney with the principals Wang Renhua, Chen Tao, Wu Xianghui, Jiang Tao, Huang Haibing, Wang Zhiguo, Yan Jun, Hu Yu, Wu Xiaoru, Xu Yulin and Hu Hongwei, agreeing that the named principals would delegate to Liu Qingfeng the exercise of the rights to make proposals, vote and nominate over all the shares held by them at iFLYTEK, for a term starting from the date of signing of such agreement to the date when the principals no longer held any shares of iFLYTEK. On April 9, 2019, Liu Qingfeng signed the Power of Attorney with the principals Nie Xiaolin, Hu Guoping and Yang Jun, agreeing that Nie Xiaolin, Hu Guoping and Yang Jun would delegate to Liu Qingfeng the exercise of the rights to make proposals, vote and nominate over all the shares held by them at iFLYTEK, for a term starting from the date of signing of such agreement to the date when the principals no longer held any shares of iFLYTEK. Of the above-mentioned 10 shareholders, Wang Renhua have entrusted Liu Qingfeng to exercise his voting rights.						
Shareholdings of the top 10 holders of unrestricted shares (excluding shares lent through the securities lending program and locked-up shares held by senior management members)								
Shareholder Name			Number of Restricted Shares Held at the End of This Reporting Period	Type of Shares				
				Type of Shares		Number		

China Mobile Communications Co., Ltd	231,800,495	RMB-denominated Ordinary Shares	231,800,495
USTC Holdings Co., Ltd.	75,076,787	RMB-denominated Ordinary Shares	75,076,787
Hong Kong Securities Clearing Company Limited	60,533,406	RMB-denominated Ordinary Shares	60,533,406
Anhui Yanzhi Technology Co., Ltd.	57,291,611	RMB-denominated Ordinary Shares	57,291,611
Industrial and Commercial Bank of China Limited - Huatai-PineBridge CSI 300 Exchange-Traded Open-Ended Index Securities Investment Fund	31,970,258	RMB-denominated Ordinary Shares	31,970,258
Zhang Wei	28,880,000	RMB-denominated Ordinary Shares	28,880,000
China Construction Bank - E Fund CSI 300 ETF	22,030,106	RMB-denominated Ordinary Shares	22,030,106
Wang Renhua	20,579,197	RMB-denominated Ordinary Shares	20,579,197
Wang Zheng	19,260,500	RMB-denominated Ordinary Shares	19,260,500
Wu Xiaoru	18,322,890	RMB-denominated Ordinary Shares	18,322,890
Explanation of the relationships or concerted actions among the top 10 holders of unrestricted shares, and between these top 10 shareholders of unrestricted shares and the top 10 shareholders.	Among the shareholders mentioned above, Anhui Yanzhi Technology Co., Ltd. is a company controlled by Liu Qingfeng. It is unknown whether there are any related-party relationships between the other shareholders or whether they are acting in concert.		
Explanation on the involvement of the top 10 holders of common shares in securities margin trading, if any (see Note 4).	Zhang Wei holds 28,880,000 shares of the Company through a credit securities account (the balance at the beginning of this reporting period was 61,660,000 shares).		

Note: At the end of the reporting period, the Company held 18,555,961 RMB-denominated unrestricted shares in its dedicated stock repurchase account.

Participation of shareholders holding more than 5% stake, the top 10 shareholders, and the top 10 holders of unrestricted tradable shares in the securities lending under the securities lending program:

☐ Applicable ☒ Not applicable

The changes from the previous reporting period due to the top 10 shareholders and the top 10 holders of unrestricted tradable shares lending or returning shares through the securities lending program:

☐ Applicable ☒ Not applicable

Did the top 10 holders of ordinary shares and the top 10 holders of unrestricted ordinary shares engage in repurchase transactions during this reporting period?

☐ Yes ☒ No

None of the top 10 holders of ordinary shares and the top 10 holders of unrestricted ordinary shares engaged in any repurchase transactions during this reporting period.

2. The Company's Controlling Shareholder

Nature of Controlling Shareholder: No Controlling Shareholder

Type of Controlling Shareholder type: No Controlling Shareholder

Explanation of the Absence of a Controlling Shareholder

The Company's shareholding structure is highly dispersed, with no single shareholder holding enough shares to exert control over the Company.

Change in controlling shareholders during this reporting period

☐ Applicable ☒ Not applicable

The Company's controlling shareholders did not change during this reporting period.

3. The Company's Actual Controller and its Concerted Actors

Nature of Actual Controller: Domestic Natural Person

Type of Actual Controller: Natural Person

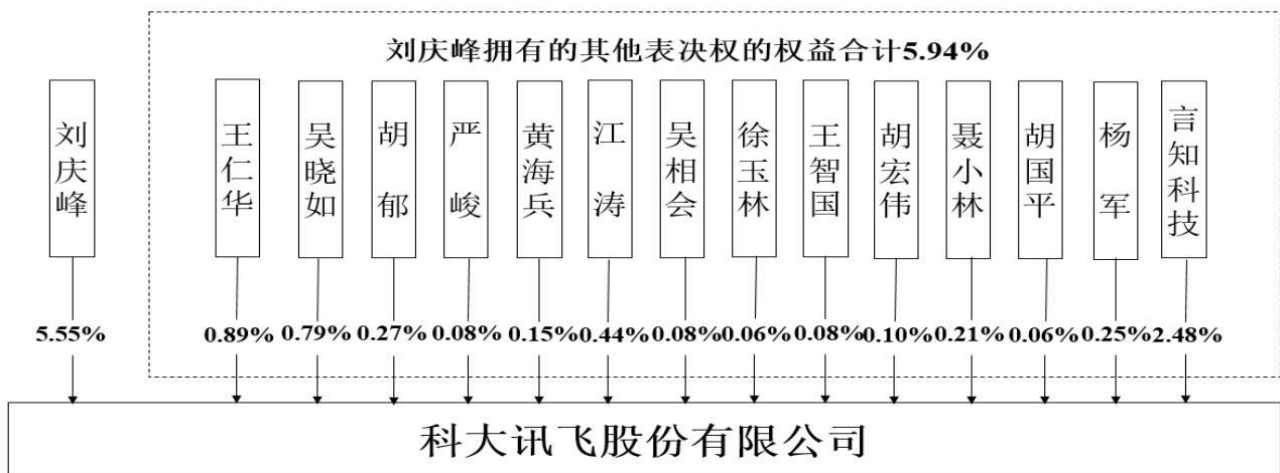
Name of the Actual Controller	Relationship with the Actual Controller	Nationality	Actual Controller's Residency Rights in Other Countries or Region
Liu Qingfeng	The Same Person	Chinese	No
Primary occupation and position in the Company	Founder and Chairman of iFLYTEK, Doctorate, Director of the National Engineering Research Center of Speech and Language Information Processing (NERC-SLIP), Adjunct Professor and Doctoral Supervisor at the University of Science and Technology of China, Deputy to the 10th, 11th, 12th, 13th, and 14th National People's individuals, Chairman of the Speech Industry Alliance of China Innovation Alliance and Chairman of the Artificial Intelligence Industry-University-Research Innovation Alliance of the Chinese Academy of Sciences		
Domestic and Overseas Listed Companies Controlled over the Past 10 years	N/A		

Change in the Actual Controller During This Reporting Period

☒ Applicable ☐ Not applicable

Name of Former Actual Controller	Liu Qingfeng, USTC Holdings Co., Ltd.
Name of New Actual Controller	Liu Qingfeng
Change Date	November 19, 2024
Website for Document and Release Query	http://www.cninfo.com.cn/
Website Disclosure Date	November 21, 2024

A diagram of the property and control relationship between the Company and its actual controller



The actual controller controlling the Company through trusts or other asset management arrangements.

☐ Applicable ☒ Not applicable

4. The Ratio of the Cumulative Number of Shares Pledged by the Company's Controlling Shareholder or Largest Shareholder and Their Concert Actors to the Total Number of Shares They Hold in the Company Reaching 80%.

☐ Applicable ☒ Not applicable

5. Other legal individuals shareholders holding more than 10% of Shareholder type

☒ Applicable ☐ Not applicable

Name of Legal Person Shareholder	Legal Representative or Person in Charge of the Company	Date of Incorporation	Registered Capital	Main Business or Management Activities
CMCC	Yang Jie	February 27, 2004	53,218,848,300 RMB yuan	GSM digital mobile communication services; IP telephony services; Internet access services; Internet backbone data transmission services; network design; network investment; network construction; facility installation; engineering construction; maintenance; system integration; roaming settlement and clearing; technology development; technical services; advertising; equipment sales; telecommunications services; information services; mobile phone terminal sales; mobile phone terminal rental; IP telephony equipment sales; IP telephony equipment rental; Internet device sales; Internet device rental; accessory sales; after-sales services; business training; conference services; accommodation (for trainees); catering services; swimming pool operation.

6. Share Reduction Restrictions for Controlling Shareholders, Actual Controller, Restructuring Parties, and Other Commitment Entities

☐ Applicable ☒ Not applicable

IV. Implementation of Share Buyback During This Reporting Period

Implementation progress of share buyback

☐ Applicable ☒ Not applicable

Implementation progress of reducing repurchased shares via centralized bidding

☐ Applicable ☒ Not applicable